ALAMAR RESOURCES LTD
(TO BE RENAMED MONGOLIAN RESOURCE CORPORATION LTD)
ACN 127 620 482

NOTICE OF GENERAL MEETING

TIME: 10.00am (WST)

DATE: 28 March 2011

PLACE: Suite 9, 1200 Hay Street
West Perth WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 6460 4960.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The general meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00am (WST) on 28 March 2011 at:

Suite 9, 1200 Hay Street
West Perth WA 6005

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

NOTICE OF GENERAL MEETING

Notice is given that the general meeting of Shareholders will be held at 10.00am (WST) on 28 March 2011 at Suite 9, 1200 Hay Street, West Perth, Western Australia.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 7.00pm (Sydney time) on 25 March 2011.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – CHANGE TO SCALE OF ACTIVITIES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change to the nature of its activities as described in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – CREATION OF NEW CLASS OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

> *"That, for the purposes of Section 246B of the Corporations Act and clause 3.6 of the Constitution and for all other purposes, the Company is authorised to issue Performance Shares on the terms and conditions set out in the Explanatory Statement."*

3. RESOLUTION 3 – ACQUISITION OF MRCMGL LLC

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, subject to the passing of Resolutions 1 and 2, for the purpose Item 7 of Section 611 of the Corporations Act and for all other purposes, approval is given for:*
>
> *(a) the Directors to allot and issue:*
>
> *(i) 55,000,000 Shares;*

(ii) 45,000,000 Performance Shares; and

(iii) 12,500,000 Options,

*(together the **Consideration Securities**); and*

(b) the potential acquisition of a relevant interest in the issued voting shares of the Company by the Consideration Party and the Relevant Interest Parties in excess of the threshold prescribed by Section 606(1) of the Corporations Act by virtue of the issue of the Shares and the potential conversion of the Performance Shares and exercise of Options to be issued to the Consideration Party,

on the terms and conditions set out in the Explanatory Statement."

Independent Expert's Report: Shareholders should carefully consider the Independent Expert's Report prepared by BDO Corporate Finance (WA) Pty Ltd for the purposes of the Shareholder approval required under Item 7 of Section 611 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transaction to the non-associated Shareholders. The Independent Expert has determined the issue of Shares to the Consideration Party is **fair and reasonable** to the non-associated Shareholders.

Voting Exclusion: Under Item 7 of Section 611 of the Corporations Act, no votes may be cast in favour of the resolution by:

(a) the person proposing to make the acquisition and their associates; or

(b) the persons (if any) from whom the acquisition is to be made and their associates.

Accordingly, the Company will disregard any votes cast on this Resolution by the Consideration Party and any of its associates.

4. RESOLUTION 4 – CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to the passing of Resolution 3, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 40,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – ISSUE OF SECURITIES TO CONSULTANTS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to settlement of the Acquisition occurring, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 1,000,000 Shares, 1,000,000 Performance

*Shares and 2,000,000 Options (together the **Consultant Securities**) on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 3,375,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – ELECTION OF DIRECTOR – TANAN JARGALSAIKHAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to settlement of the Acquisition occurring, for the purpose of clause 13.3 of the Constitution and for all other purposes, approval is given for the election of Tanan Jargalsaikhan as a director of the Company effective from the date of settlement of the Acquisition."

8. RESOLUTION 8 – ELECTION OF DIRECTOR – NAIDANSUREN JARGALSAIKHAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to settlement of the Acquisition occurring, for the purpose of clause 13.3 of the Constitution and for all other purposes, approval is given for the election of Naidansuren Jargalsaikhan as a director of the Company effective from the date of settlement of the Acquisition."

9. RESOLUTION 9 – ELECTION OF DIRECTOR – JAMES BICKEL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to settlement of the Acquisition occurring, for the purpose of clause 13.3 of the Constitution and for all other purposes, approval is given for the election of James Bickel as a director of the Company effective from the date of settlement of the Acquisition."

10. RESOLUTION 10 – ISSUE OF SHARES TO RELATED PARTY – GRANT BUTTON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 165,000 Shares to Grant Button (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Grant Button (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 11 – ISSUE OF SHARES TO RELATED PARTY – CAREY SMITH

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 167,500 Shares to Carey Smith (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Carey Smith (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

12. RESOLUTION 12 – ISSUE OF SHARES – DAVID PARKER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 167,500 Shares to David Parker (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

13. RESOLUTION 13 – ADOPTION OF NEW CONSTITUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

> *"That, for the purposes of Section 136(2) of the Corporations Act and for all other purposes, the Company adopts a new constitution in the form as signed*

by the Chairman of the Meeting for identification purposes, in lieu of the existing constitution of the Company."

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14. RESOLUTION 14 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, subject to settlement of the Acquisition occurring, pursuant to Section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to Mongolian Resource Corporation Ltd."

DATED: 21 FEBRUARY 2011

BY ORDER OF THE BOARD

DAVID PARKER
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10.00am (WST) on 28 March 2011 at Suite 9, 1200 Hay Street, West Perth, Western Australia.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. BACKGROUND TO THE ACQUISITION

1.1 Details of the Agreement

On 27 October 2010, the Company announced it had entered into a conditional agreement with MRCMGL LLC (Registration Number 9011245054) (**MRC**), a company registered in Mongolia, and the shareholders of MRC, Tanan Jargalsaikhan and Naidansuren Jargalsaikhan, (**Vendors**) to acquire 100% of the issued capital of MRC (the **Acquisition**).

On 4 January 2011, the Company announced an update in respect of the Acquisition to advise that an amended agreement had been entered with MRC and the Vendors in respect of the Acquisition (**Agreement**).

The material terms of the Agreement are as follows:

(a) (**Conditions precedent**): The Acquisition remains conditional upon the satisfaction or waiver of the following conditions precedent:

(i) the Company has completed commercial, financial and legal due diligence on the MRC and its subsidiaries, to the sole and absolute satisfaction of the Company;

(ii) the Company has obtained all necessary shareholder approvals required by the Corporations Act and the ASX Listing Rules in relation to the Acquisition;

(iii) the Company obtaining any necessary regulatory and third party consents, waivers and approvals in relation to the Acquisition, including but not limited to, the novation of any material contract of MRC or its subsidiaries and the consent of any financiers to the change of control of MRC and its subsidiaries;

(iv) the Company has successfully completed the Capital Raising; and

(v) the Vendors shall be satisfied, acting reasonably, that, when aggregated with Shares allocated in the Capital Raising to Mongolian persons, the holdings of the Vendors would represent not less than 50% of the enlarged ordinary share capital of the Company on both an undiluted and fully diluted basis,

on or before 5.00 pm (WST) on 31 March 2011 or such later date as agreed in writing.

(b) (**Consideration**): The Company will satisfy the consideration for the Acquisition through the issue of the Consideration Securities (refer to Resolution 3). The full terms and conditions of the Performance Shares and Options are set out in Schedule 1 and Schedule 2 respectively.

(c) (**Loan**): The Company has agreed to provide a cash advance to MRC of up to US$1,000,000 conditional upon MRC providing the security over its assets to the Company in a form satisfactory to the Purchaser in its sole discretion. The advance may be such lesser amount as is appropriate for the level of security provided which will be determined by the Company in its sole discretion. As at the date of this Notice the Company has advanced US$850,000. The material terms of the Loan are:

(i) MRC must apply the funds for the sole purpose of costs incurred in the development of the Blue Eyes Mine as set out in a budget agreed with the Company and maintaining the mining licences of MRC in full force and effect.

(ii) In the event the Agreement is terminated the Loan shall be repayable within 90 days of the date of termination. In the event of settlement of the Acquisition, the Loan will continue to be carried in the books of the Company and MRC as an interest free intercompany loan.

(iii) In the event the Agreement is terminated, interest will be deemed to have accrued on the outstanding balance of the Loan on and from the date of execution of the Agreement at a rate of 15% per annum with interest to accrue on a daily basis and continue to accrue on the outstanding balance of the Loan until repaid in full.

(d) (**Appointment of directors**): The Company agrees to procure the appointment of two nominees of the Vendors as directors of the Company at settlement of the Acquisition. The board composition will then comprise two existing directors (Stockley Davis and Carey Smith, with Michael Cartwright and Grant Button resigning), two representatives of the Vendors and one independent director. The Parties being appointed are the subject of Resolutions 7, 8 (the nominees of the Vendors) and 9 (the independent director).

(e) (**Warranties**): The Agreement contains standard warranties and representations on behalf of MRC and the Vendors typical for an agreement of this nature.

(f) (**Other**): The Agreement otherwise contains terms and conditions typical for an agreement of this nature.

1.2 Details of MRC

MRC is a company registered in Mongolia with direct and indirect interests in several mining licences located in Mongolia.

At settlement of the Acquisition, the structure of MRC and its subsidiaries will be:

(a) MRC – 100% owned by the Company;

(b) Gunbileg Gold LLC (Registration Number 9019032132) (also a company registered in Mongolia) – 85% owned by MRC; and

(c) Gunbileg Trade LLC (Registration Number 9011026107) (also a company registered in Mongolia) – 90% owned by MRC.

At settlement of the Acquisition, MRC, Gunbileg Gold LLC and Gunbileg Trade LLC will be holders of the following mining properties in Mongolia:

(a) (**Blue Eyes Gold Project**): 1 mining licence and 2 exploration licences wholly owned by Gunbileg Gold LLC;

(b) (**Sujigtei Gold Mine**): 1 mining licence wholly owned by Gunbileg Trade LLC;

(c) (**Alluvial Gold Licences**): 13 exploration licences and 1 mining licence prospective for alluvial gold wholly owned by MRC;

(d) (**Alluvial Gold Plant**): a 240m^3/hr IHC alluvial gold plant, currently non-operational wholly owned by MRC; and

(e) (**Other Licences**): 1 exploration licence prospective for iron ore and 1 exploration licence prospective for thermal coal wholly owned by MRC,

(collectively the **Assets**).

For further information in relation to the Assets, refer to the Independent Valuation Report prepared by Ravensgate and included as Appendix 3 to the Independent Expert's Report.

1.3 Proforma capital structure

The capital structure of the Company following settlement of the Acquisition and the issues of all Securities contemplated by this Notice is set out below:

Shares

	Number
Shares on issue as at the date of this Notice	26,035,001
Shares to be issued pursuant to the Acquisition	55,000,000
Shares to be issued pursuant to the Capital Raising	40,000,000
Shares to be issued pursuant to the Consultant Placement	1,000,000
Shares to be issued pursuant to the Officers Placement	500,000
Total Shares on settlement of the Acquisition	**122,535,001**

Performance Shares[1]

	Number
Performance Shares on issue as at the date of this Notice	NIL
Performance Shares to be issued pursuant to the Acquisition	45,000,000
Performance Shares to be issued pursuant to the Consultant Placement	1,000,000
Total Performance Shares on settlement of the Acquisition	**46,000,000**

[1] Each Performance Share converts to one Share on satisfaction of the performance hurdle set out in Schedule 1 which also sets out the full terms and conditions.

Options[1]

	Number
Options (unlisted) – on issue as at the date of this Notice (exercise price $0.20 / expiry date 30 June 2011)	1,000,000
Options (listed – ALGO) – on issue as at the date of this Notice (exercise price $0.20 / expiry date 31 March 2013)	11,090,000
Options (unlisted) to be issued pursuant to the Acquisition (exercise price $0.25 / expiry date 31 March 2013 or 2 years from issue, whichever is later)	12,500,000
Options (unlisted) to be issued pursuant to the Consultant Placement (exercise price $0.25 / expiry date 31 March 2013 or 2 years from issue, whichever is later)	2,000,000
Total Options on settlement of the Acquisition	**26,590,000**

[1] The full terms and conditions of the Options to be issued pursuant to the Acquisition and Consultant Placement are set out in Schedule 2.

1.4 Proforma balance sheet

An unaudited pro forma balance sheet of the Company following settlement of the Acquisition and issues of all Securities contemplated by this Notice is set out in Schedule 3.

1.5 Indicative timetable

Event	**Date**
Notice of Meeting despatched to Shareholders	By 26 February 2011
General Meeting	28 March 2011
Completion of Capital Raising	31 March 2011
Settlement of Acquisition	7 April 2011

1.6 Additional risk factors

The risk profile of the Assets is similar to that of the Company's existing projects which has previously been disclosed to Shareholders as the Company would be continuing with mineral exploration and the majority of the Assets are prospective for gold.

However, the Directors have identified the following risks the Company may be exposed to following settlement of the Acquisition that are in addition to those currently applying:

(a) **Sovereign**

As the Assets are located outside Australia they are subject to the risks associated in operating in a foreign country, in this instance Mongolia. These risks include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Legislation has previously been passed by the Mongolian government which may restrict or limit the Company's operations in respect of the Assets or make them uneconomic. These include the laws that impose the right of the government to participate in 'mineral deposits of strategic importance'. As a result, should the Company's exploration activities on the Assets lead to an economically viable mineral deposit, there is a risk that the Mongolian government may seek to acquire an interest in those deposits. In addition, there remains a risk that the Mongolian government may pass further laws that prejudicially affect the Company's operations in respect of the Assets.

The Company and its advisers will undertake all reasonable due diligence in assessing and managing the risks associated with mineral exploration and production in Mongolia. However, any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects is outside the control of the Company. Such changes may affect foreign ownership, exploration, development or activities of companies involved in mining exploration and production and in turn may affect the viability and profitability of the Company.

(b) **Legal**

Where a legal dispute arises in respect of the Assets, it is unlikely that the Company would be successful in raising a claim in Australian courts and any action would need to be commenced in Mongolia. The legal system operating in Mongolia is developing which may result in additional risks such as:

(i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;

(ii) a higher degree of discretion on the part of governmental agencies;

(iii) the lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, local taxation and property rights; or

(iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions.

A shareholders agreement has been entered in respect of Gunbileg Trade LLC, the sole owner of Sujigtei Gold Mine, with a local group of artisanal

miners, the Khuhzagal Group, for the purposes of coordinating operations within the mining license. If a dispute arises with the minority shareholder it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms.

(c) **Title**

As the Assets are located in Mongolia they are governed by the legislation in that jurisdiction. Interests in mining/exploration licences in Mongolia are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in licences if these conditions are not met or if insufficient funds are available to meet expenditure commitments.

Specifically the Company notes the following with respect to the Assets:

(i) The annual licence fees for mining licence 12512A and exploration licences 11329X and 13826X were paid late in 2010. Failure to pay the license fees within the specified period is grounds for possible revocation.

(ii) In Mongolia, the State may conduct geological mapping, thematic surveys, geological prospecting and exploration of minerals funded by the State budget. Where this occurs, the license holder must enter into a reimbursement agreement with the State from the commencement of mining to reimburse the State for its exploration expenses. Alluvial gold mining licence 12512A and exploration licences 9340X, 9681X, 10226X, 12970X, 13140X and 13393X, mining license 5707A and exploration license 11329X, comprising the Blue Eyes Gold Project, and mining licence 194A, comprising the Sujigtei Gold Mine, are fully or partially overlapped with State funded exploration areas. A reimbursement agreement will need to be executed for each exploration licence (denoted with an 'X') in the event a mining licence is applied for over that area of land. A reimbursement agreement has not been executed in respect of 12512A or 194A. A reimbursement agreement has been executed in respect of 5707A, however, the initial payment has not been made. Failure to enter into a reimbursement agreement and failure to pay the reimbursement of expenditure is grounds for possible revocation.

(iii) Some of the exploration licences forming the Alluvial Gold Licences (6980X, 9432X, 9433X, 10226X and 13140X) overlap a 'special purpose designation' which subjects those licences to possible revocation (in respect of the overlapping portion) upon proper compensation by the State. In addition, mining licence 194A, comprising the Sujigtei Gold Mine, and alluvial gold mining licence 12512A are each located in a water basin or forest area which also subjects that licence to possible revocation (in respect of the overlapping portion) upon proper compensation by the State;

(iv) Environmental Protection Plans and Environmental Activities Reports for several licences (except for exploration licenses 6868X, 12970X, 11329X and 13826X) have not been submitted. Failure to

file these documents is grounds for suspension of mining/exploration activities as well as possible revocation.

(v) Environmental Reclamation Funds for the licences have not been sufficiently funded. Failure to contribute these funds is grounds for suspension of mining/exploration activities as well as possible revocation.

(d) **Operational**

In addition to the operational risks associated with the Company's existing projects, the Assets will be subject to extreme climatic conditions which restrict the period within which exploration, appraisal and production activities may take place and may also place Company personnel at risk if exposed to these extreme conditions.

The operations in respect of the Assets may also be affected by Mongolia's foreign worker quota system which may make it difficult to hire qualified personnel where local manpower is unavailable.

The above is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

2. RESOLUTION 1 – CHANGE TO SCALE OF ACTIVITIES

2.1 General

Resolution 1 seeks approval from Shareholders for a change to the scale of the activities of the Company in respect of the Acquisition.

As outlined in Section 1.1 of this Explanatory Statement, the Company has entered into the Agreement to acquire an interest in various mining properties located in Mongolia. A detailed description of these assets is outlined in Section 1.2 of this Explanatory Statement.

2.2 Legal requirements

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable and comply with the following:

(a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;

(b) if ASX requires, obtain the approval of holders of its shares and any requirements of ASX in relation to the notice of meeting; and

(c) if ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the company were applying for admission to the official list of ASX.

ASX has indicated to the Company that the Acquisition only requires the Company to obtain Shareholder approval for the purposes of ASX Listing Rule 11.1.2.

3. RESOLUTION 2 – CREATION OF NEW CLASS OF SHARES

Resolution 2 seeks Shareholder approval for the Company to be authorised to issue Performance Shares.

A company with a single class of shares on issue which proposes to issue new shares not having the same rights as its existing shares, is taken to vary the rights of existing shareholders unless the Constitution already provides for such an issue.

Section 246B of the Corporations Act, and clause 2.4 of the Constitution provides that the rights attaching to a class of shares cannot be varied without:

(a) a special resolution passed at a meeting of the holders of the issued shares of the affected class; or

(b) the written consent of the holders of 75% of the votes of the affected class.

Pursuant to the Agreement, the Company proposes issuing (amongst other Securities) 45,000,000 Performance Shares (the terms and conditions of which are set out in Schedule 1) in part consideration for the Acquisition. In addition the Company is also seeking to issue 1,000,000 Performance Shares to consultants for services in facilitating the Acquisition.

The purpose of the issue of the Performance Shares is to link part of the consideration to a milestone event. If the milestone is not achieved within the prescribed timeframe, the Company will redeem the Performance Shares.

The Company currently has only one class of shares on issue being fully paid ordinary shares (**Shares**). The terms of the Performance Shares are not the same as the Shares. Accordingly, the Company seeks approval from Shareholders for the issue of the Performance Shares.

The terms of the Performance Shares have been approved by ASX.

4. RESOLUTION 3 – ACQUISITION OF MRCMGL LLC

4.1 General

As outlined in Section 1.1 of this Explanatory Statement, the Company has entered into the Agreement pursuant to which the Company will, amongst other things and subject to Shareholder approval, allot and issue the Consideration Securities to Capital Ahead Limited (Registration Number 1461479) (**Consideration Party**), a company registered in Hong Kong, in consideration for the Acquisition.

Resolution 3 seeks Shareholder approval for the allotment and issue of the Consideration Securities to the Consideration Party as well as the potential acquisition of a relevant interest in the issued voting shares of the Company by the Consideration Party and the Relevant Interest Parties in excess of the threshold prescribed by Section 606(1) of the Corporations Act by virtue of the issue of the Shares and the potential conversion of the Performance Shares and exercise of the Options to be issued to the Consideration Party.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Consideration Securities proposed by Resolution 3 as approval is being obtained under Item 7 of Section 611 of the Corporations Act. Accordingly, the issue of Consideration Securities to the Consideration Party will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

The Corporations Act and ASIC Regulatory Guide 74 set out a number of regulatory requirements which must be satisfied. These are summarised below.

4.2 Item 7 of Section 611 of the Corporations Act

Pursuant to Section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

(a) from 20% or below to more than 20%; or

(b) from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with Section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

Associate

Subject to specified exclusions, a person (**second person**) will be an "associate" of the other person (**first person**) if:

(a) the first person is a body corporate and the second person is:

  (i) a body corporate the first person controls;

  (ii) a body corporate that controls the first person; or

  (iii) a body corporate that is controlled by an entity that controls the first person; or

(b) the second person has entered or proposed to enter in a relevant agreement with the first person for the purpose of controlling or influencing the composition of the Company's board or the conduct of the Company's affairs; or

(c) the second person is a person with whom the first person is acting or proposed to act, in concert in relation to the Company's affairs; or

(d) the first person is a body corporate and the second person is:

  (i) a director or secretary of the body; or

  (ii) a related body corporate; or

  (iii) a director or secretary of a related body corporate.

An entity controls another entity if it has the capacity to determine the outcome of decisions about that other entity's financial and operating policies.

Relevant interest

Pursuant to Section 608(1) of the Corporations Act, a person has a "relevant interest" in securities if they:

(a) are the holder of the securities;

(b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or

(c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

Pursuant to Section 608(3) of the Corporations Act, a person is deemed to have a "relevant interest" in securities that a company has if their voting power in the company is above 20% or they control the company.

Relevant Interest Parties

Tanan Jargalsaikhan and Naidansuren Jargalsaikhan (the **Relevant Interest Parties**) are each considered to be an associate of the Consideration Party or have a relevant interest in the securities of the Consideration Party by virtue of holding 50% of the voting rights in the Consideration Party and being a director of the Consideration Party.

No other parties are considered to be associates of the Consideration Party or have a relevant interest in the securities of the Consideration Party.

The Relevant Interest Parties do not have a relevant interest in any Securities as at the date of this Notice.

Acquisition in excess of threshold

At settlement of the Acquisition, the Consideration Party will be issued with the Consideration Securities. Subject to the conversion of the Performance Shares and exercise of the Options this will result in the Consideration Party and Relevant Interest Parties acquiring a relevant interest in the issued voting shares of the Company of greater than 20% (assuming no other Shares are issued (except as contemplated by this Notice) and no Options are exercised). This acquisition is in excess of the threshold prescribed by Section 606(1) of the Corporations Act.

Item 7 of Section 611 of the Corporations Act provides an exception to the prohibition in Section 606(1) of the Corporations Act, whereby a person may acquire a relevant interest in a company's voting shares with the approval of the shareholders of that company.

Accordingly, the Company seeks Shareholder approval under Item 7 of Section 611 of the Corporations Act for the issue of the Consideration Securities to the Consideration Party as well as the potential acquisition of a relevant interest in the issued voting shares of the Company by the Consideration Party and the Relevant Interest Parties in excess of the threshold prescribed by Section 606(1) of the Corporations Act by virtue of the issue of the Shares and the potential conversion of the Performance Shares and exercise of the Options to be issued to the Consideration Party.

4.3 Specific information required by Item 7 of Section 611 of the Corporations Act & ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under ASIC Regulatory Guide 74 and the Corporations Act in respect of obtaining approval pursuant to Item 7 of Section 611 of the Corporations Act.

The identity of the acquirer and their associates and any person who will have a relevant interest in the Shares to be acquired

The acquirer is the Consideration Party.

Details of the associates of the Consideration Party are set out in Section 4.2 of this Explanatory Statement.

Details of the persons who will have a relevant interest in the Shares to be acquired by the Consideration Party are also set out in Section 4.2 of this Explanatory Statement.

Full particulars (including the number and percentage) of the Shares to which the acquirer is or will be entitled immediately before and after the Acquisition AND the maximum extent of the increase in the acquirer's voting power in the Company (including their associates) as a result of the Acquisition.

As at the date of this Notice, neither the Consideration Party nor the Relevant Interest Parties have a relevant interest in any Securities.

Event	Consideration Party (and its associates)*
The date of this Notice (Total Shares = 26,035,001)	Shares held – 0 Voting Power – (0.00%)
Settlement of the Acquisition[1] (Total Shares = 122,535,001)	Shares held – 55,000,000 Voting Power – (44.9%)
Settlement of the Acquisition and exercise of the Options[2] (Total Shares = 135,035,001)	Shares held – 67,500,000 Voting Power – (50.0%)
Conversion of the Performance Shares and exercise of the Options[3] (Total Shares = 181,035,001)	Shares held – 112,500,000 Voting Power – (62.1%)
On a fully diluted basis[4] (Total Shares = 195,125,001)	Shares held – 112,500,000 Voting Power – (57.7%)

* The voting power figures of the Relevant Interest Parties (and their associates) are the same as disclosed for the Consideration Party (and its associates).

[1] Assuming no other Shares are issued (except as contemplated by this Notice) and no Options are exercised.

[2] Assuming no further Shares are issued and no Options (other than those issued to the Consideration Party) are exercised after the date of the Notice and the Performance Shares are not converted.

[3] Assuming no further Shares are issued and no Options (other than those issued to the Consideration Party) are exercised after the date of the Notice and all Performance Shares are converted.

[4] Assuming no further Shares are issued and only those Options issued pursuant to the Resolutions are exercised after the date of the Notice.

The identity, associations (with the acquirer and any of its associates) and qualifications of any person who it is intended will become a director of the Company if Shareholders approve the Acquisition.

Pursuant to the terms of the Agreement the Vendors will be appointing two representatives to the Board on settlement of the Acquisition, being Tanan Jargalsaikhan and Naidansuren Jargalsaikhan (refer to Resolutions 7 and 8).

A statement of the acquirer's intentions regarding the future of the Company if Shareholders agree to the Acquisition.

Other than as disclosed elsewhere in this Explanatory Statement, at the date of this Notice of Meeting the Company understands that the Consideration Party do not intend to:

(a) make any significant changes to the business of the Company;

(b) inject further capital into the Company;

(c) make any changes to the future employment of the present employees of the Company;

(d) any property will be transferred between the Company and the Vendor or any person associated with any of them;

(e) otherwise redeploy the fixed assets of the Company; and

(f) change significantly the financial or dividend policies of the Company.

Further details of the Acquisition are set out throughout this Explanatory Statement. Shareholders are also referred to the Independent Expert's Report set out in Annexure B.

4.4 Assessment of the Acquisition

Advantages

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on Resolution 3:

(a) the Assests are primarily prospective for gold mineralisation which complements the Company's existing mining tenements;

(b) the Assets comprise several projects which are at a more advanced stage of exploration than the Company's existing mining tenements as well as two mining licences which have had historical small scale production;

(c) the Agreement requires the Company to complete a capital raising at $0.25 per Share to raise $10 million which will provide the Company with significant funds for exploration of the Assets;

(d) the absence of alternative projects;

(e) prior to the date of the announcement of the Acquisition the Shares last traded at 20 cents. Since that time and up to the date of this Notice, the Shares traded between 25 and 50 cents, which supports the market's assessment of the value of the Assets; and

(f) the potential increase in market capitalisation of the Company following settlement of the Acquisition and the associated capital raising may lead to increased coverage from investment analysts, access to improved equity capital market opportunities and increased liquidity which are not currently present.

Disadvantages

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on Resolution 3:

(a) the Vendors will have the potential to significantly influence the operations of the Company through their positions on the Board and their relevant interest in Shares;

(b) current Shareholders will have their interests in the Company diluted by the Acquisition and any further equity funding under taken by the Company;

(c) there is no guarantee that exploration on the Assets by the Company will result in the discovery of a JORC Code compliant resource and even where such a discovery is made there is no guarantee such a resource can be economically extracted; and

(d) current Shareholders may only want exposure to the Company's existing assets and the Acquisition will result in unwanted diversification of the Company's asset portfolio which includes exposure to additional risks as further discussed in Section 1.6 of this Explanatory Statement.

4.5 Recommendations of Directors

The Directors do not have any personal interests in the outcome of Resolution 3 and recommend that Shareholders vote in favour of the Resolution as they consider the proposed issue of Shares to the Vendor to be in the best interests of Shareholders for the following reasons:

(a) after assessment of the advantages and disadvantages referred to in Section 4.4 of this Explanatory Statement the Directors are of the view that the advantages outweigh the disadvantages; and

(b) the Independent Expert has determined the issue of Shares to the Vendor to be **fair and reasonable** to the non-associated Shareholders.

4.6 Independent Expert's Report

The Independent Expert's Report prepared by BDO Corporate Finance (WA) Pty Ltd sets out a detailed examination of the proposed Acquisition to enable non-associated Shareholders to assess the merits and decide whether to approve the issue of Shares to the Vendor.

To the extent that it is appropriate, the Independent Expert's Report sets out further information with respect to the Acquisition and concludes that the issue of Shares to the Vendor is **fair and reasonable** to the non-associated Shareholders.

Shareholders are urged to carefully read the Independent Expert's Report set out in Annexure B to understand its scope, the methodology of the valuation and the sources of information and assumptions made.

5. RESOLUTION 4 – CAPITAL RAISING

5.1 General

As outlined in Section 1.1 of this Explanatory Statement, the Agreement is conditional upon the Company completing the Capital Raising.

As announced on 4 January 2011 the Company has engaged the services of Thomas Weisel Partners International Limited, trading as Stifel Nicolaus, for the Capital Raising on a best endeavours basis (**Engagement**).

Pursuant to the Engagement (and assuming the full amount of the Capital Raising is raised), the Company will pay a cash fee equal to 6% of the gross proceeds raised, consultancy fees of $25,000 per month for six months, as well as issue up to 1,000,000 Shares, 1,000,000 Performance Shares and 2,000,000 Options (**Consultant Securities**) being the Securities the subject of Resolution 5.

Resolution 4 seeks Shareholder approval for the allotment and issue of up to 40,000,000 Shares the subject of the Capital Raising.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 4 will be to allow the Directors to issue the Shares pursuant to the Capital Raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Capital Raising:

(a) the maximum number of Shares to be issued is up to 40,000,000;

(b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;

(c) the issue price will be not less than $0.25 per Share;

(d) the Shares will be allotted and issued to sophisticated and institutional investors introduced pursuant to the Engagement. The Directors will determine the allottees in their sole discretion but none of them will be related parties of the Company, nor will they include the Consideration Party, the Relevant Interest Parties or any of their associates;

(e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

(f) the Company intends to use the funds raised from the Capital Raising towards the following items:

Item	**$**
Expenses of the Capital Raising	780,000
Repayment of debt owed by Gunbileg Gold LLC	850,000
Exploration expenditure – Mongolian tenements – gold	1,250,000
Exploration expenditure – Mongolian tenements – other	620,000
Underground development work – Mongolian tenements	650,000
Pre-feasibility work	500,000
Plant & equipment	4,150,000
Exploration expenditure – WA tenements – gold	100,000
Exploration expenditure – WA tenements – uranium	100,000
Working capital	1,000,000
Total	**10,000,000**

The above table is a statement of current intentions as of the date of this Notice. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

6. RESOLUTION 5 – ISSUE OF SECURITIES TO CONSULTANTS

6.1 General

As noted in Section 5.1 of this Explanatory Statement, the Company is required to issue up to 1,000,000 Shares, 1,000,000 Performance Shares and 2,000,000 Options, being the Consultant Securities, pursuant to the terms of the Engagement.

Resolution 5 seeks Shareholder approval for the allotment and issue of the Consultant Securities to consultants in consideration for their services in facilitating the Acquisition (**Consultant Placement**).

A summary of ASX Listing Rule 7.1 is set out in Section 5.1 of this Explanatory Statement.

The effect of Resolution 5 will be to allow the Directors to issue the Shares pursuant to the Consultant Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

6.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Consultant Placement:

(a) the maximum number of Shares, Performance Shares and Options to be issued is 1,000,000, 1,000,000 and 2,000,000 respectively;

(b) the Consultant Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX

waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;

(c) there will be no issue price for the Consultant Securities as they will be issued for nil cash consideration;

(d) the Consultant Securities will be allotted and issued to Thomas Weisel Partners International Limited, trading as Stifel Nicolaus, (or its nominees), who is not a related party of the Company;

(e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, the Performance Shares issued will be on the terms and conditions set out in Schedule 1 and the Options issued will be on the terms and conditions set out in Schedule 2; and

(f) no funds will be raised from the Consultant Placement as the issued is being made in consideration for services by consultants in facilitating the Acquisition.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – SHARES

7.1 General

On 8 November 2010, the Company issued 3,375,000 Shares at an issue price of $0.15 per Share to raise $506,250.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 5.1 of this Explanatory Statement.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

(a) 3,375,000 Shares were allotted;

(b) the issue price was $0.15 per Share;

(c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(d) the Shares were allotted and issued to sophisticated investor clients of Alto Capital, none of whom were a related party of the Company; and

(e) the funds raised from this issue were used for part of the initial advance made pursuant to the Loan (as defined in the Agreement and referred to in Section 1.1(c) of this Explanatory Statement) and general working capital.

8. RESOLUTIONS 7, 8 & 9 – ELECTION OF DIRECTORS

8.1 Background

As outlined in Section 1.1(d) of this Explanatory Statement, the Company has agreed to procure the appointment of two representatives of the Vendors as directors of the Company effective on and from settlement of the Acquisition.

In addition, two of the existing four Directors will resign effective on and from settlement of the Acquisition and one independent person will be appointed as an additional director of the Company.

8.2 Constitution requirements

Clause 13.3 of the Constitution provides for the Company to elect a person as a director of the Company by resolution passed in general meeting.

No person other than a Director seeking re-election shall be eligible for election to the office of Director at any general meeting unless the person or some Shareholder intending to propose his or her nomination has, at least 30 Business Days before the meeting, left at the registered office of the Company a notice in writing duly signed by the nominee giving his or her consent to the nomination and signifying his or her candidature for the office or the intention of the Shareholder to propose the person.

A copy of the respective notices of candidature for Tanan Jargalsaikhan, Naidansuren Jargalsaikhan and James Bickel are enclosed at Annexure A.

A director elected at a general meeting is taken to have been elected with effect immediately after the end of that general meeting unless the resolution by which the director was appointed or elected specifies a different time.

Resolutions 7, 8 & 9 seek the election of Tanan Jargalsaikhan, Naidansuren Jargalsaikhan and James Bickel respectively as a director of the Company with effect on and from the date of settlement of the Acquisition.

8.3 Background and qualifications

The background and qualifications of each proposed director is set out below.

Tanan Jargalsaikhan

Ms. Tanan Jargalsaikhan (age 32) has 11 years of experience in the finance, human resources and banking sectors. She holds a Bachelor Degree in Banking and Finance from the Institute of Finance and Economics of Mongolia, a Diploma in Human Resource Management (Tokyo, Japan) and a Private Banking Course in Higher Finance from Luxembourg Institute.

After graduation, Ms. Tanan served as Senior Officer of The National Statistical Office in Mongolia, responsible for State Budget Income. She has also served as Senior Finance Officer at the Mongol Post Bank and then in 2006 entered private enterprise as Chief Financial Officer for various successful companies in construction and banking. She has held roles in these companies as Executive Director –

Business with responsibility for all finance functions as well as investor relations, corporate governance and international correspondence.

Ms. Tanan will bring her experience of management of large teams and knowledge of Mongolian tax and finance to the Company.

Naidansuren Jargalsaikhan

Mr. JARGALSAIKHAN Naidansuren (age 53) has over 30 years of financial and banking experience. He is regarded as one of Mongolia's leading economists and bankers and has held many key roles in both the government and private sector. Mr. Jargalsaikhan holds a Master of Economics degree from the Prague School of Economics.

His career started in 1981 working for the State Committee for the External Economic Relations in Mongolia holding the position of Specialist in the Planning Department. Afterwards he held the role of Senior Economist for The State Bank of Mongolia and in 1990, progressed to the role of First Vice General Director at the Trade and Development Bank of Mongolia which remains as the first and leading Mongolian bank.

His career advanced in 1991 when he was appointed as the First Governor of The Central Bank of Mongolia (The Mongol Bank). His responsibility included drafting many of the financial sector laws to implement economic reform within Mongolia. He has worked as a Chief Advisor to the Minister of Finance on macroeconomic policy and controls in the banking sector. In later years, he entered the diplomatic service.

More recently, his work has been to assist to develop the mining sector within Mongolia, in a private capacity. His work has been instrumental in opening up Mongolia to foreign trade and expertise. He remains as a consultant to government and private sectors and with his extensive banking experience provides a vital link for foreign companies to Mongolia. Mr. Jargalsaikhan also holds a non-executive director position on MGM Gold Mining Plc.

James Bickel

Mr. Jim Bickel is a senior management expert and with more than 40 years experience in many sectors. After graduating from Middlebury College with a BA in Economics, his work experience includes President of five manufacturing companies and Vice President of the successful Uniglobe Travel Company managing more than 900 franchises across the USA with revenues exceeding US$3bn. Mr. Bickel has owned several successful businesses in China travelling throughout the country for more than 25 years.

9. RESOLUTIONS 10 & 11 – ISSUE OF SHARES TO RELATED PARTIES

9.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 332,500 Shares to Grant Button and Carey Smith (**Related Parties**) on the terms and conditions set out below.

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The issue of Shares to the Related Parties constitutes giving a financial benefit and the Related Parties are related parties of the Company because each is a Director.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Board (other than the Related Parties) that the exception set out in Section 211 of the Corporations Act applies in the current circumstances as the Shares will be issued to the Related Parties to remunerate them for their additional work performed in respect of the Acquisition and is considered to be reasonable remuneration. However, the Board (other than the Related Parties) believes that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought pursuant to ASX Listing Rule 10.11 only.

9.2 Technical information required by ASX Listing Rule 10.11

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Shares to the Related Parties:

(a) the persons receiving the Shares will be:

(i) Resolution 10 – Grant Button (or his nominee); and

(ii) Resolution 11 – Carey Smith (or his nominee);

(b) the maximum number of Shares to be issued is:

(i) 165,000 to Grant Button (or his nominee); and

(ii) 167,500 to Carey Smith (or his nominee);

(c) the Shares will be issued to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;

(d) the Shares will be granted for nil cash consideration, accordingly no funds will be raised; and

(e) the Shares issued to the Related Parties will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

10. RESOLUTION 11 – ISSUE OF SHARES – DAVID PARKER

10.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 167,500 Shares to David Parker (or his nominee) on the terms and conditions set out below.

Resolution 11 seeks Shareholder approval for the allotment and issue of these Shares.

A summary of ASX Listing Rule 7.1 is set out in Section 5.1 of this Explanatory Statement.

The effect of Resolution 11 will be to allow the Directors to issue the Shares to David Parker (or his nominee) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

10.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 11:

(a) the maximum number of Shares to be issued is 167,500;

(b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;

(c) there will be no issue price for the Shares as they will be issued for nil cash consideration;

(d) the Shares will be allotted and issued to David Parker (or his nominee), who is not a related party of the Company;

(e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

(f) no funds will be raised from the issue as the Shares are being issued in consideration for additional services performed in relation to the Acquisition.

11. RESOLUTION 12 – ADOPTION OF NEW CONSTITUTION

11.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 12 is a special resolution which will enable the Company to adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted in 2007.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend and * a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the at the Company's website www.alamar.com.au and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 6460 4960)). Shareholders are invited to contact the Company if they have any queries or concerns.

11.2 Summary of material proposed changes

Dividends (clause 21)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not a pay a dividend unless:

(a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;

(b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and

(c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (amends former clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to Section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by Section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

(a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;

(b) assisting in preventing Shareholders from being locked in as a minority;

(c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and

(d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

(a) proportional takeover bids may be discouraged;

(b) lost opportunity to sell a portion of their Shares at a premium; and

(c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 12.

12. RESOLUTION 14 – CHANGE OF COMPANY NAME

Section 157(1) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 14 seeks the approval of Shareholders to the adoption of Mongolian Resource Corporation Ltd as the new name for the Company, subject to settlement of the Acquisition occurring.

If Resolution 14 is passed the change of name will take effect when ASIC alters the details of the Company's registration. The proposed name has been reserved by the Company and if Resolution 14 is passed, the Company will lodge a copy of the special resolution with ASIC following settlement of the Acquisition occurring in order to effect the change.

The Board proposes this change of name on the basis that it more accurately reflects the proposed future operations of the Company.

13. ENQUIRIES

Shareholders are requested to contact the Company Secretary on +61 8 6460 4960 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

$ means Australian dollars.

Acquisition means the acquisition of 100% of the issued capital in MRC by the Company from the Vendors pursuant to the Agreement.

Agreement means the agreement between the Company, MRC and the Vendors in relation to the Acquisition and as further described in Section 1.1 of this Explanatory Statement.

ASIC means the Australian Securities and Investments Commission.

Assets means the mining properties located in Mongolia owned by MRC, Gunbileg Gold LLC and Gunbileg Trade LLC which the Company will acquire on settlement of the Agreement and as further described in Section 1.2 of this Explanatory Statement and the Independent Valuation Report prepared by Ravensgate and included as Appendix 3 to the Independent Expert's Report.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Capital Raising means the capital raising to be conducted by the Company as a condition of the Agreement and as further described in Section 5 of this Explanatory Statement.

Company means Alamar Resources Ltd (ACN 127 620 482).

Consideration Party means the party receiving consideration pursuant to the Agreement as identified in Section 4.1 of this Explanatory Statement.

Consideration Securities means the Shares, Performance Shares and Options to be issued at settlement of the Acquisition, being the Securities the subject of Resolution 3.

Constitution means the Company's constitution.

Consultant Placement means the placement of Consultant Securities contemplated by Resolution 5 and as further described in Section 6 of this Explanatory Statement.

Consultant Securities means the Shares, Performance Shares and Options to be issued pursuant to the Consultant Placement contemplated by Resolution 5 and as further described in Sections 5 and 6 of this Explanatory Statement.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Engagement means the engagement by the Company of the services of Thomas Weisel Partners International Limited, trading as Stifel Nicolaus, for the Capital Raising on a best endeavours basis and as further described in Section 5.1 of this Explanatory Statement.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice.

Independent Expert means BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045).

Independent Expert's Report means the report prepared by the Independent Expert and annexed to this Notice as Annexure B.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

MRC means MRCMGL LLC, Registration Number 9011245054, a company registered in Mongolia.

Notice or **Notice of Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Officers Placement means the placement of Shares contemplated by Resolutions 9, 10 and 11 and as further described in Sections 9 and 10 of this Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Shares means a performance share in the capital of the Company with the terms and conditions set out in Schedule 1.

Proposed Constitution means the new constitution to be adopted by the Company subject to Shareholder approval pursuant to Resolution 12 and as further described in Section 11 of this Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice.

Ratification means the ratification of a prior issue of Shares the subject of Resolution 6 as further described in Section 7 of this Explanatory Statement.

Related Parties means the parties to be issued the Shares the subject of Resolutions 9 and 10 as further described in Section 9 of this Explanatory Statement.

Relevant Interest Parties means the parties deemed to have a relevant interest in the securities that the Consideration Party has as further described in Section 4.2 of this Explanatory Statement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Securities means Shares, Performance Shares and Options or any one of them as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

US$ means dollars of the United States of America.

Vendors means the shareholders of MRC at the time of execution of the Agreement.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE SHARES

The terms and conditions of the Performance Shares are as follows:

Rights attaching to the Performance Shares

(a) (**Performance Shares**) Each Performance Share is a share in the capital of Alamar Resources Ltd (ACN 127 620 482) (**ALG**).

(b) (**General meetings**) The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of ALG that are circulated to holders of fully paid ordinary shares in the capital of ALG (**Shareholders**). Holders have the right to attend general meetings of Shareholders.

(c) (**No voting rights**) The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders.

(d) (**No dividend rights**) The Performance Shares do not entitle the Holder to any dividends.

(e) (**Rights on winding up**) The Performance Shares participate in the surplus profits or assets of ALG upon winding up of ALG only to the extent of $0.000001 per Performance Share.

(f) (**Not transferable**) The Performance Shares are not transferable.

(g) (**Reorganisation of capital**) If at any time the issued capital of ALG is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules at the time of reorganisation.

(h) (**Application to ASX**) The Performance Shares will not be quoted on ASX. However, upon conversion of the Performance Shares into fully paid ordinary shares (**Shares**), ALG must within 10 Business Days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.

(i) (**Participation in entitlements and bonus issues**) Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(j) (**No other rights**) The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Conversion of the Performance Shares

(k) (**Conversion on achievement of milestones**) Each Performance Share will convert into one Share upon achievement of an *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (**JORC Code**) compliant mineral resource in respect of:

(i) the area comprising the Tenements (defined as those being acquired under the acquisition of MRCMGL LLC); or

(ii) an alternative project area as vended to ALG by the vendors of MRCMGL LLC (or their associates) at no cost to ALG,

within 3 years from the date of issue of the Performance Shares of a minimum of 1 million ounces of gold with a minimum of 300,000 ounces in the indicated category (**Milestone**).

(l) (**Redemption if Milestone not achieved**) If the Milestone is not achieved by the required date, then the Performance Shares held by a Holder will be automatically redeemed by ALG for the sum of $0.000001 within 10 Business Days of non satisfaction of the Milestone.

(m) (**Conversion procedure**) ALG will issue the Holder with a new holding statement for the Shares within 10 Business Days following the conversion of the Performance Shares into Shares.

(n) (**Ranking upon conversion**) The Shares into which the Performance Shares may convert will rank pari passu in all respects with existing Shares.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) Subject to (k), each Option gives the Optionholder the right to subscribe for one Share.

(b) The Options will expire at 5.00pm (WST) on the later of that date which is 2 years after the date of issue of the Options or 31 March 2013 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) The amount payable upon exercise of each Option will be $0.25 (**Exercise Price**).

(d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.

(e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:

(i) a written notice of exercise of Options specifying the number of Options being exercised; and

(ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

(**Exercise Notice**).

(f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

(g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.

(h) The Options are not transferable except with the prior written approval of the board of directors of the Company.

(i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.

(j) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.

(k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(m) In respect of a pro-rata or bonus issue of securities to Shareholders, an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 3 – PROFORMA BALANCE SHEET

	Alamar Resources Ltd 31 Dec 2010 Unaudited	Proforma Consolidated 31 Dec 2010 Unaudited
CURRENT ASSETS		
Cash	**994,640**	**10,237,783**
Trade and other receivables	**639,131**	**5,646**
Other current assets	**-**	**40,352**
Total Current Assets	**1,633,771**	**10,283,781**
NON-CURRENT ASSETS		
Fixed assets	**-**	**5,152,685**
Exploration	**749,497**	**9,128,594**
Total Non-current Assets	**749,497**	**14,281,279**
TOTAL ASSETS	**2,383,268**	**24,565,060**
CURRENT LIABILITIES		
Trade and other payables	**37,518**	**642,718**
Creditors and borrowings	**-**	**862,913**
Total Current Liabilities	**37,518**	**1,505,631**
NON-CURRENT LIABILITIES		
Creditors and borrowings	**-**	**-**
Total Non-current Liabilities	**-**	**-**
TOTAL LIABILITIES	**37,518**	**1,505,631**
NET ASSETS	**2,345,750**	**23,059,429**
SHAREHOLDERS' EQUITY		
Share capital	**3,206,869**	**17,374,445**
Foreign exchange reserve	**-**	**(7,202)**
Options reserve	**146,438**	**521,652**
Retained loss	**(1,007,556)**	**5,114,907**
Minority Interest	**-**	**55,627**
TOTAL SHAREHOLDERS' EQUITY	**2,345,750**	**23,059,429**

ANNEXURE A – NOTICES OF CANDIDATURE OF PROPOSED DIRECTORS

JAMES BICKEL

4115 BLACKHAWK PLAZA CIRCLE
SUITE 20
DANVILLE CA 94506
EMAIL: J-BIC@SBCGLOBAL.NET

January 27, 2011

The Board of Directors
Alamar Resources Ltd
Suite 9, 1200 Hay Street
West Perth, WA 6005

Dear Sirs,

Notice of candidature

In accordance with clause 13.3 of the constitution of Alamar Resources Ltd (ACN 127 620 482) (**Company**), I, James Bickel, signify my intention to become a director of the Company and consent to my nomination at the upcoming meeting of shareholders to be held on or around mid-March 2011.

Yours faithfully,

James Bickel

January 24, 2011

The Board of Directors
Alamar Resources Ltd
Suite 9, 1200 Hay Street
WEST PERTH WA 6005

Dear Sirs,

Notice of candidature

In accordance with clause 13.3 of the constitution of Alamar Resources Ltd (ACN 127 620 482) (**Company**), I, Tanan Jargalsaikhan, signify my intention to become a director of the Company and consent to my nomination at the upcoming meeting of shareholders to be held on or around mid-March 2011.

Yours faithfully

Tanan Jargalsaikhan

January 24, 2010

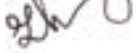
The Board of Directors
Alamar Resources Ltd
Suite 9, 1200 Hay Street
WEST PERTH WA 6005

Dear Sirs,

Notice of candidature

In accordance with clause 13.3 of the constitution of Alamar Resources Ltd (ACN 127 620 482) (**Company**), I, Naidansuren Jargalsaikhan, signify my intention to become a director of the Company and consent to my nomination at the upcoming meeting of shareholders to be held on or around mid-March 2011.

Yours faithfully



Naidansuren Jargalsaikhan

ANNEXURE B – INDEPENDENT EXPERT'S REPORT

SEE SEPARATE DOCUMENTS

PROXY FORM

APPOINTMENT OF PROXY
ALAMAR RESOURCES LTD
ACN 127 620 482

GENERAL MEETING

I/We _____

of _____

being a member of Alamar Resources Ltd entitled to attend and vote at the General Meeting, hereby

Appoint _____

Name of proxy

OR ☐ the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 10.00am (WST), on 28 March 2011 at Suite 9, 1200 Hay Street, West Perth, Western Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

☐ If the Chair of the General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 10 and 11** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 10 and 11 and that votes cast by the Chair of the General Meeting for Resolutions 10 and 11 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 10 and 11 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 10 and 11.

OR

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Change of scale of activities	☐	☐	☐
Resolution 2 – New class of securities	☐	☐	☐
Resolution 3 – Acquisition of MRCMGL LLC	☐	☐	☐
Resolution 4 – Capital Raising	☐	☐	☐
Resolution 5 – Issue of Securities to Consultants	☐	☐	☐
Resolution 6 – Ratification of prior issue – Shares	☐	☐	☐
Resolution 7 – Election of director – Tanan Jargalsaikhan	☐	☐	☐
Resolution 8 – Election of director – Naidansuren Jargalsaikhan	☐	☐	☐
Resolution 9 – Election of director – James Bickel	☐	☐	☐
Resolution 10 – Issue of Shares to related party – Grant Button	☐	☐	☐
Resolution 11 – Issue of Shares to related party – Carey Smith	☐	☐	☐
Resolution 12 – Issue of Shares – David Parker	☐	☐	☐
Resolution 13 – Adoption of new constitution	☐	☐	☐
Resolution 14 – Change of company name	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signature of Member(s): **Date:** _____

Individual or Member 1	**Member 2**	**Member 3**
Sole Director/Company Secretary	**Director**	**Director/Company Secretary**

Contact Name: _____ **Contact Ph (daytime):** _____

ALAMAR RESOURCES LTD
ACN 127 620 482

Instructions for Completing 'Appointment of Proxy' Form

1. (**Appointing a Proxy**): A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.

2. (**Direction to Vote**): A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.

3. (**Signing Instructions**):

   - (**Individual**): Where the holding is in one name, the member must sign.
   - (**Joint Holding**): Where the holding is in more than one name, all of the members should sign.
   - (**Power of Attorney**): If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
   - (**Companies**): Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

4. (**Attending the Meeting**): Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.

5. (**Return of Proxy Form**): To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

   (a) post to Alamar Resources Ltd, PO Box 281, WEST PERTH WA 6872; or

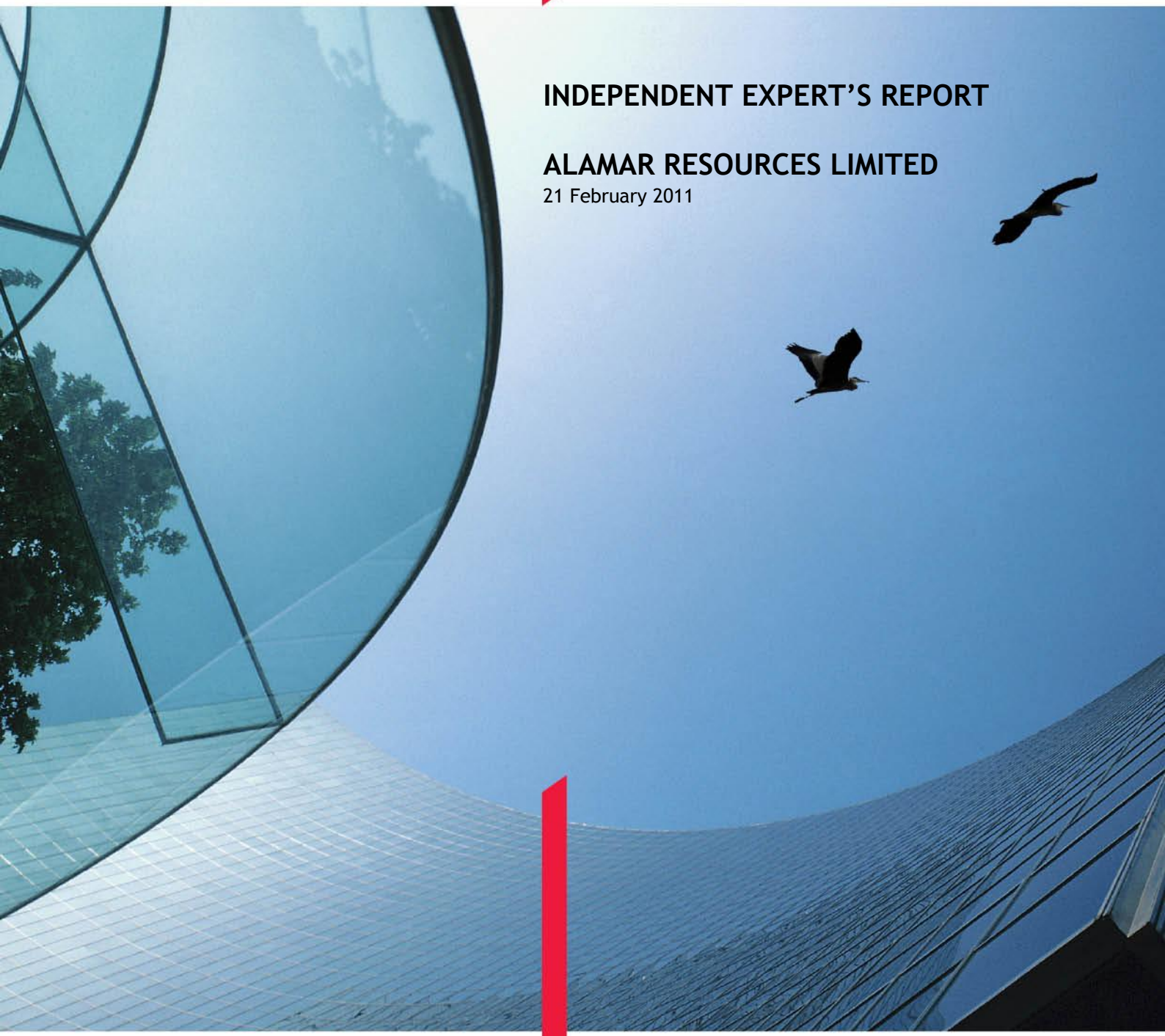
   (b) facsimile to the Company on facsimile number +61 8 9324 3045; or

   (c) email to the Company at admin@alamar.com.au,

   so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.

ANNEXURE B - PART 1



INDEPENDENT EXPERT'S REPORT

ALAMAR RESOURCES LIMITED

21 February 2011

Financial Services Guide

21 February 2011

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 (**"BDO"** or **"we"** or **"us"** or **"ours"** as appropriate) has been engaged by Alamar Resources Limited (**"Alamar"** or **"the Company"**) to provide an independent expert's report on the proposed acquisition of 100% of the shares in the capital of MRCMGL LLC (**"MRCMGL"**) from its shareholders, Naidansuren Jargalsaihkan and Tanan Jargaksaikhan (**"the Vendors"**). You will be provided with a copy of our report as a retail client because you are a shareholder of Alamar.

Financial Services Guide

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (**"FSG"**). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No. 316158;
- Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- Any relevant associations or relationships we have; and
- Our internal and external complaints handling procedures and how you may access them.

Information about us

BDO Corporate Finance (WA) Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients.

When we provide the authorised financial services we are engaged to provide expert reports in connection with the financial product of another person. Our reports indicate who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice

Fees, Commissions and Other Benefits that we may receive

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee for this engagement is approximately $25,000.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report.

We have received a fee from Alamar for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700 Subiaco WA 6872.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service (**"FOS"**). FOS is an independent organisation that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial service industry. FOS will be able to advise you as to whether or not they can be of assistance in this matter. Our FOS Membership Number is 12561.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service

GPO Box 3

Melbourne VIC 3001

Toll free: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au

Contact details

You may contact us using the details set out at the top of our letterhead on page 1 of this IER.

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Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

21 February 2011

The Directors
Alamar Resources Limited
Suite 9, 1200 Hay Street
WEST PERTH WA 6005

Dear Sirs

Independent Expert's Report

1. Introduction

On 27 October 2010, Alamar Resources Limited ("**Alamar**" or "**the Company**") announced that it had entered into a conditional agreement to acquire 100% of the share capital of MRCMGL LLC. On 4 January 2011, the Company announced an update that an amended agreement had been entered into to acquire 100% of the share capital of MRCMGL LLC in exchange for the issue of 55,000,000 fully paid Ordinary Shares, 45,000,000 Performance Shares, and 12,500,000 Options in Alamar. The agreement is conditional upon the completion of a capital raising of not less than $10,000,000.

Alamar has commissioned an Independent Expert's Report to satisfy the requirements of Section 611 of the Corporations Act ("the Act").

2. Summary and Opinion

2.1 Purpose of the Report

The directors of Alamar have requested that BDO Corporate Finance (WA) Pty Ltd ("**BDO**") prepare an independent expert's report ("**our Report**") to express an opinion as to whether or not the acquisition of MRCMGL in exchange for 55,000,000 fully paid Ordinary Shares, 45,000,000 Performance Shares, and 12,500,000 Options in Alamar ("**the Proposal**") is fair and reasonable to the non associated shareholders of Alamar ("**Shareholders**").

Our Report is prepared pursuant to section 611 of the Corporations Act and is to be included in the Explanatory Memorandum for Alamar in order to assist the Shareholders in their decision whether to approve the Proposal.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ("**ASIC**") Regulatory Guide 111 ("**RG 111**"), 'Content of Expert's Reports' and Regulatory Guide 112 ("**RG 112**") 'Independence of Experts'.

In arriving at our opinion, we have assessed the terms of the Proposal as outlined in the body of this report. We have considered:

- How the value of the assets being acquired compares to the value of the consideration to be paid for the assets;
- The likelihood of a superior alternative offer being available to Alamar;
- Other factors which we consider to be relevant to the Shareholder in their assessment of the Proposal; and
- The position of Shareholders should the Proposal not proceed.

2.3 Opinion

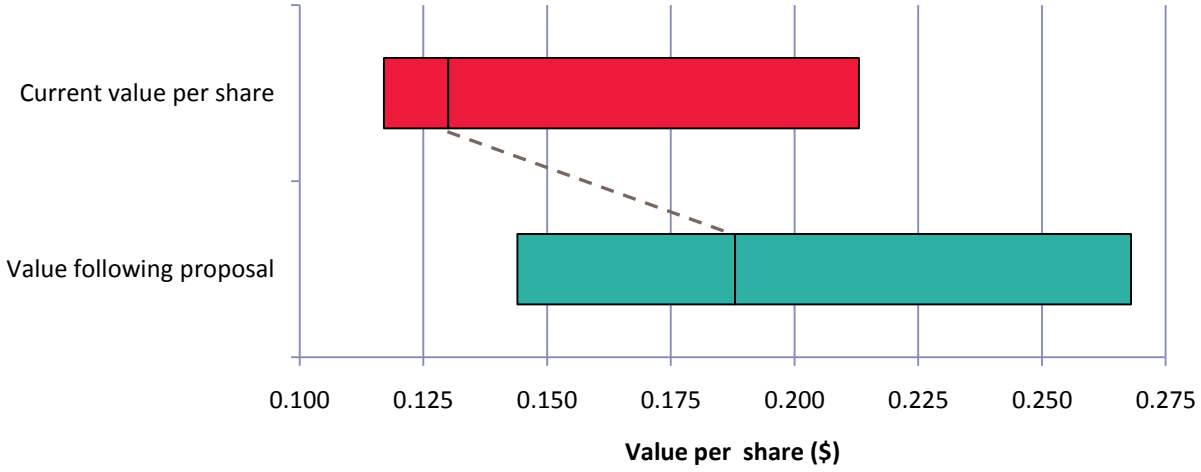
We have considered the terms of the Proposal as outlined in the body of this report and have concluded that the Proposal is fair and reasonable to Shareholders.

2.4 Fairness

In assessing fairness we have considered the value of an Alamar share prior to the Proposal and the value of an Alamar share following the Proposal. In Section 12 we determined that the value of an Alamar share prior to the Proposal compares to the value of an Alamar share following the Proposal, as detailed hereunder.

	Ref	Low $	Preferred $	High $
Value of an Alamar share prior to the Proposal	10.3	0.117	0.130	0.213
Value of an Alamar share following the Proposal	13.4	0.144	0.188	0.268

The above valuation ranges are graphically presented below:



The above analysis shows that the preferred value of an Alamar share is greater following approval of the Proposal than it is prior to approval. Therefore in the absence of any other relevant information, we consider the Proposal to be fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in Sections 12 and 13 of this report, in terms of both

- advantages and disadvantages of the Proposal; and
- alternatives, including the position of Shareholders if the Proposal does not proceed.

In our opinion, the position of Shareholders if the Proposal is approved is more advantageous than the position if the Proposal is not approved. Accordingly, in the absence of any other relevant information and/or a superior proposal we believe that the Proposal is reasonable for Shareholders. The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	**Advantages**	**Section**	**Disadvantages**
12	The Proposal is fair	13.6	The Vendors will have the potential to significantly influence the operations of Alamar
13.4	45% of the consideration shares are in the form of Performance Shares and therefore dependant on conditions being satisfied	13.6	Dilution of interest of existing shareholders
13.5	The loan to MRCMGL would become intercompany, and therefore reduce the risk of reclaiming value through the assets on which they are secured in any event of default	13.6	The Blue Eyes Mine is security for a mortgage on which approximately $860,000 is payable.
13.5	No upfront cash payment is required to acquire MRCMGL, freeing cash for exploration and working capital		
13.5	Diversification of assets into Mongolia from present Australia base, and increasing the exposure to gold assets		

Other key matters we have considered include:

Section	Description
13.1	The lack of alternative proposals
13.2	The Vendors' level of control
13.3	Post announcement movements in share price
13.4	Share value if conditions of performance shares are not satisfied

3. Scope of the Report

3.1 Purpose of the Report

We have prepared our Report pursuant to section 611 of the Corporation's Act (**"the Act"**).

The Vendors do not own any of the issued Ordinary Shares in Alamar. Section 606 of the Corporations Act Regulations expressly prohibits the acquisition of shares by a party if that acquisition will result in that person (or someone else) holding an interest in 20% or more of the issued shares of a public company, unless a full takeover offer is made to all shareholders.

Section 611 permits such an acquisition if the shareholders of that entity have agreed to the issue of such shares. This agreement must be by resolution passed at a general meeting at which no votes are cast in favour of the resolution by any party who is associated with the party acquiring the shares, or by the party acquiring the shares. Section 611 states that shareholders of the company must be given all information that is material to the decision on how to vote at the meeting.

Regulatory Guide 74 issued by ASIC deals with "Acquisitions Agreed to by Shareholders". It states that the obligation to supply shareholders with all information that is material can be satisfied by the non-associated directors of Alamar, by either:

- undertaking a detailed examination of the Proposal themselves, if they consider that they have sufficient expertise; or
- by commissioning an Independent Expert's Report.

The directors of Alamar have commissioned this Independent Expert's Report to satisfy this obligation.

3.2 Regulatory guidance

The Act does not define the meaning of "fair and reasonable". In determining whether the Proposal is fair and reasonable, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

This regulatory guide suggests that where the transaction is a control transaction the expert should focus on the substance of the control transaction rather than the legal mechanism to affect it. RG 111 suggests that where a transaction is a control transaction it should be analysed on a basis consistent with a takeover bid.

In our opinion the Proposal is a control transaction as defined by RG 111 and we have therefore assessed the Proposal to consider whether in our opinion it is fair and reasonable to Shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is greater than the value of the securities subject of the offer. When considering the value of the securities subject of the offer in a control transaction the expert should consider this value inclusive of a control premium. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in two parts:

- A comparison between value of an Alamar share prior to the Proposal and the value of an Alamar share following the Proposal (fairness – see Section 12 "Is the Transaction Fair?"); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the resolution, after reference to the value derived above (reasonableness – see Section 13 "Is the Proposal Reasonable?").

This assignment is a Valuation Engagement as defined by APES 225 Valuation Services. A Valuation Engagement means an engagement or assignment to perform a valuation and provide a valuation report where we determine an estimate of value of the Company by performing appropriate valuation procedures and where we apply the valuation approaches and methods that we consider to be appropriate in the circumstances

4. Outline of the Proposal

On 27 October 2010, updated on 4th January 2011, Alamar announced a conditional agreement to acquire a 100% interest in MRCMGL LLC (**"MRCMGL"** or **"Mongolian Resource Corporation"**).

MRCMGL has subsidiary interests of 85% in the Blue Eyes Gold Project through Gunbileg Gold, and 90% in the Sujigtei Gold Project through Gunbileg Trade.

Details on MRCMGL, Gunbileg Gold and the Blue Eyes Gold Project, and Gunbileg Trade and the Sujigeti Gold Project are discussed further in Section 6.1.

4.1. Proposed consideration offered

The consideration offered for the acquisition under the Proposal is:

- To the Vendors of MRCMGL:
  - An advance of up to US$1,000,000, of which approximately US$850,000 has been provided. This advance is for the development of the Blue Eyes Gold Mine and to provide for working capital. In the event the agreement is terminated, the advance becomes a loan and is repayable within 90 days accruing interest at the rate of 15%;
  - The issue of 55,000,000 Fully Paid Ordinary Shares in Alamar;
  - The issue of Performance Shares convertible into 45,000,000 fully paid Ordinary Shares in Alamar; and
  - The issue of 12,500,000 Company Options, exercisable at $0.25, expiring 2 years following settlement of the Proposal.
- To the Introducers of the transaction:
  - The issue of 1,000,000 Fully Paid Ordinary Shares in Alamar;
  - The issue of Performance Shares convertible into 1,000,000 fully paid Ordinary Shares in Alamar on the same conditions as those issued to the Vendors of MRCMGL;
  - The issue of 2,000,000 Company Options, exercisable at $0.25, expiring 2 years following settlement of the Proposal.
- To the Board and management of Alamar:
  - The issue of 500,000 Fully Paid Ordinary Shares in Alamar in lieu of services, subject to shareholder approval.

Performance shares

No voting rights or dividend rights are attached to the Performance Shares and they are not transferable. The Performance Shares will not be quoted on the Australian Securities Exchange. The Performance Shares will convert into Ordinary Shares upon achievement of a Milestone, defined as achievement of a JORC Code compliant mineral resource as follows:

i. In respect of the area comprising the Tenements detailed below in Section 4.2, or an alternative project area as vended to Alamar by the Vendors at no cost to Alamar;

ii. Of a minimum of 1 million ounces of gold with a minimum of 300,000 ounces content in the indicated category; and

iii. Within three years from the date of issue of the Performance Shares.

On conversion the shares will rank pari passu with all Ordinary Shares, in all respects. If the above Milestone is not achieved then the Performance Shares will automatically be redeemed by Alamar for the sum of $0.000001 each.

Capital raising

The Proposal is conditional on a capital raising of not less than $10,000,000 at $0.25 per Share. A Letter Of Engagement for the capital raising has been executed with Stifel Nicolaus Weisel investment Bank ("**SNW**"), in which related fees of 6% of capital raised has been agreed, and consultancy fees of $25,000 per month over a 6 month period.

The above shares and options to be issued are summarised below:

Options /shares (number)	Ordinary shares	Performance shares	Options	Total shares and options proposed
Capital raising	40,000,000	-	-	40,000,000
Vendors	55,000,000	45,000,000	12,500,000	112,500,000
Introducers	1,000,000	1,000,000	2,000,000	4,000,000
Board & Management	500,000	-	-	500,000
Total	96,500,000	46,000,000	14,500,000	157,000,000

4.2. Assets to be acquired

The following Tenements located in Mongolia would be acquired under the Proposal:

License	Compound	Project	Area (km^2)	Title Holder	Interest %
12512A	Au	Selenge	91	MRCMGL	100%
9432X, 9433X	Au	Selenge	332		
9434X	Au	Selenge	78		
9681X	Au	Selenge	70		
10226X	Au	Selenge	31		
12970X	Au	Selenge	2,256		
6980X	Au	Selenge	563		
13140X	Au	Ovorhangay	3,249		
6868X	Au	Bulgan	404		
9340X	Au	Dornogovi	959		
13393X	Au	Omnogovi	9,416		
13394X	Au	Omnogovi	2,071		
13901x	Fe	Bargilt	1,281		
11987X	Coal	Doshin	16,550		
13537X	Gold	Agg	7,777		
5707A, 11329X, 13826X	Au	Kargana/ Blue Eyes Mine	1,397	Gunbileg Gold	85%
194A	Au	Sujigtei	600	Gunbileg Trade	90%

Source: Share Exchange Agreement, Independent Valuation Report

4.3. Share structure

The Vendors of MRCMGL will hold a relevant interest 44.9% of the issued shares of Alamar following completion of the capital raising and Proposal. If the conditions of the Performance Shares were subsequently met, within three years following completion of the proposal, the Vendors' shareholding would increase to 59.3%.

If the Vendors were the only parties to exercise their options, their total shareholding would increase to 62.1%.

However there are currently 11,090,000 listed share options on issue exercisable at $0.20 on or before 31 March 2013. If these, and the Introducers', Options were exercised then the Vendors' shareholding would decrease to 57.7%.

Further, unlisted share options are also on issue for 1,000,000, exercisable at $0.20 on or before 30 June 2011. If these Options were also exercised then the Vendors' shareholding would decrease to 57.7%.

The Vendors will not participate in the capital raising. As such all shares to be issued under the capital raising will be issued to parties unrelated to the vendors.

Alamar Share structure	Pre Proposal		Ordinary Share issue		If Performance Shares are converted		If all Options are exercised	
Current	26,035,001	100.0%	26,035,001	21.3%	26,035,001	15.4%	38,125,001	19.5%
Capital raising	-	-	40,000,000	32.7%	40,000,000	23.8%	40,000,000	20.5%
Subtotal	26,035,001	100.0%	66,035,001	53.9%	66,035,001	39.2%	78,125,001	40.0%
Vendors	-	-	55,000,000	44.9%	100,000,000	59.3%	112,500,000	57.7%
Introducers	-	-	1,000,000	0.8%	2,000,000	1.2%	4,000,000	2.0%
Board & Management	-	-	500,000	0.4%	500,000	0.3%	500,000	0.3%
Total	26,035,001	100.0%	122,535,001	100.0%	168,535,001	100.0%	195,125,001	100.0%

4.4. Board structure

In addition to two existing Directors of the Company, the Proposal includes:

- The election of T Jargalsaikhan as Director nominated by the Vendors;
- The election of N Jargalsaikhan as Director nominated by the Vendors; and
- The election of J Bickel as an independent Director.

4.5. Loan advanced to MRCMGL

A loan of up to US$1,000,000 is to be made available by Alamar to MRCMGL for the purpose of paying invoices incurred in the development of the Blue Eyes Mine. Approximately US$850,000 of the loan has been provided to date, secured on the 13 exploration licenses held by MRCMGL relating to alluvial gold prospects. Payments of the loan are not to exceed budgeted costs by more than 5% on any item or, if not included in the budget, by more than 5% of the total budget without permission from Alamar. Budgeted costs are as follows:

Cost incurred	Budgeted cost US$
Operating costs	167,744
Registration	100,000
Equipment	729,900
Total	997,644

On settlement of the Proposal the loan will remain with MRCMGL, and will therefore be carried as an interest free intercompany loan. In the event that the Proposal is terminated, the loan is repayable within 90 days of termination. An interest rate of 15% per annum will apply to the loan in the event of termination of the agreement.

5. Profile of Alamar Resources Limited

5.1 Overview

Alamar Resources Ltd is a company based in Perth, Western Australia, and was formed to explore for and develop mineral resources. Alamar was incorporated on 19 September 2007 and made its debut on the Australia Securities Exchange on 25 July 2008.

The Company is currently focussed on its Western Australian Mandilla Well and Aragon Joint Venture gold project, located in the Yandal greenstone belt which hosts major gold deposits such as Bronzewing, Nimary – Jundee and Mt McClure. The Company has also applied for several exploration licenses that are considered prospective for uranium Western Australia, with some of these tenements being already granted.

The existing Directors of Alamar are:

- Grant Button;
- Michael Cartwright;
- Stockley Davis; and
- Carey Smith.

Recent Capital raisings in the Company are outlined below:

Date	Decription	Number of shares on issue
On registration		1
22 November 2007	750,000 shares issued at $0.001 to raise $750	750,001
22 November 2007	5 million shares issued at $0.02 to raise $100,000	5,750,001
20 March 2008	4 million shares issued at $0.10 to raise $400,000	9,750,001
17 July 2008	250,000 shares issued to purchase mining tenements	10,000,001
29 July 2008	12 million shares issued under placement at $0.20 to raise $2,400,000	22,000,001
18 December 2008	500,000 shares issued to Directors under Employee Incentive Scheme	22,500,001
8 November 2010	3,375,000 shares placed at $0.15 to raise $506,250	25,875,001
19 November 2010	15,000 options exercised at $0.20 to raise $3,000	25,890,001
21 December 2010	60,000 options exercised at $0.20 to raise $12,000	25,950,001
8 February 2011	85,000 options exercised at $0.20 to raise $17,000	26,035,001

5.2 Projects

Yandal Gold Project

The Yandal gold projects are located approximately 70km south east of Wiluna, within the Yandal Greenstone Belt of the Archaean Yilgarn Craton. Collectively the projects cover a 20km strike length of prospective sheared granite-greenstone contact, and comprise:

- Mandilla Well Project (80% interest);
- Maitland Joint Venture project (can earn up to 75% by spending c.$330,000 over 3 years); and
- A number of tenements surrounding and along strike of the Corboys historic line of workings (100% interest).

Uranium Exploration

Alamar has applied for a total of six exploration licences:

- E36/723: a 42 square kilometre claim within the Yeelirrie paleo-channel, which hosts BHP's Yeelirrie deposit, the world's largest known calcrete hosted uranium deposit;
- E29/734: a 108 square kilometre claim hosting a 14km x 4km radiometric anomaly. The anomaly has been only partially tested by drilling; and
- Four grass roots targets totalling approximately 400 square kilometres with little or no recorded previous uranium exploration.

The uranium tenements are either in the application stage or recently granted. Once a tenement has been granted, Alamar plans to undertake ground geophysical surveys and possibly drilling to test these targets.

Project	Compound	Ha	Interest %
Corboys North	Gold	3,640	100%
Maitland	Gold	7,440	51%
Mandilla Well	Gold	3,070	80%
Lake Barlee	Uranium	10,860	100%
Lake Wells	Uranium	13,880	100%
Laverton	Uranium	10,260	100%
Throssell	Uranium	10,260	100%
Yeelirrie	Uranium	4,220	100%
Woolshed Well	Base Metals	200	100%

5.3 Historical Balance Sheet

Alamar Resources Limited $	Unaudited As at 31 December 2010	Audited As at 30 June 2010	Audited As at 30 June 2009
CURRENT ASSETS			
Cash and cash equivalents	994,640	1,521,666	2,109,038
Trade and other receivables	639,131	9,658	22,286
TOTAL CURRENT ASSETS	1,633,771	1,531,324	2,131,324
NON-CURRENT ASSETS			
Property, plant and equipment	-	1,436	4,111
Exploration and evaluation	749,497	709,127	309,252
TOTAL NON-CURRENT ASSETS	749.497	710,563	313,363
TOTAL ASSETS	2,383,268	2,241,887	2,444,687
CURRENT LIABILITIES			
Trade and other payables	37,518	28,520	48,965
NET ASSETS	2,345,750	2,213,367	2,395,722
EQUITY			
Issued capital	3,206,869	2,688,834	2,688,909
Reserves	146,438	146,438	33,937
Accumulated losses	(1,007,556)	(621,905)	(327,124)
TOTAL EQUITY	2,345,750	2,213,367	2,395,722

Source: Alamar Resources Limited audited financial statements for the years ended 30 June 2009 and 30 June 2010, and the unaudited balance sheet for the period ended 31 December 2010.

5.4 Historical Income Statements

Income Statement $	Year ended 30 June 2010	Year ended 30 June 2009
REVENUE	73,282	138,897
EXPENSES		
Depreciation and amortisation	2,951	2,996
Employee benefits expense	118,310	140,147
Occupancy expenses	48,000	48,000
Other expenses	198,802	185,928
TOTAL EXPENSES	368,063	377,071
NET LOSS	**294,781**	**238,174**

Source: Alamar Resources Limited audited financial statements for the years ended 20 June 2009 and 30 June 2010.

We have not undertaken a review of Alamar's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 "Review of Historical Financial Information" and do not express an opinion on this financial information. However nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

Alamar's most significant assets relate to cash and to exploration and evaluation expenditure. Expenditure is recognised as an asset in the year in which it is incurred where:

1. The rights to the tenure are current; and
2. Either:
    a. the expenditures are expected to be recouped through either the successful development of the area or by its sale; or
    b. activities on the area have not reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations.

Reserves increased from 30 June 2009 to 30 June 2010 as a result of 112,501 options entitlement issued during the year.

Revenue relates to interest received on cash balances.

5.5 Capital Structure

The share structure of Alamar as at 18 February 2011 is outlined below:

Description	Number
Total Ordinary Shares on Issue	26,035,001
Top 20 Shareholders	11,335,591
Top 20 Shareholders - % of shares on issue	43.5%

The range of shares held in Alamar as at 18 February 2011 is as follows:

Range of Shares Held	No. of Ordinary Shareholders	No. of Ordinary Shares	% Issued Capital
1-1,000	2	101	0.00
1,001-5,000	13	43,693	0.17
5,001-10,000	72	715,500	2.75
10,001-100,000	202	7,315,113	28.10
100,001 - and over	56	17,960,594	68.99
TOTAL	345	26,035,001	100.00

The Ordinary Shares held by the most significant shareholders as at 18 February 2011 are detailed below:

Name	No of Ordinary Shares Held	Percentage of Issued Shares (%)
Quincy Nom PL	1,350,667	5.19
Metals X	1,000,000	3.84
Platinum Inv Corp PL	800,000	3.07
Virtual Genius PL	750,000	2.88
Monemvasia PL	750,000	2.88
Total Top 5	4,650,667	17.86
Others	21,384,334	82.14
Total Ordinary Shares on Issue	26,035,001	100.00

The most significant listed Option holders of Alamar as at 18 February 2011 are outlined below:

Name	Number of Options	Exercise Price ($)	Expiry Date
Wee Shane Hoecock	1,300,050	$0.20	31 March 2013
Aust Sport & Recreation L	886,479	$0.20	31 March 2013
Quincy Nom PL	539,500	$0.20	31 March 2013
Virtual Genius PL	375,000	$0.20	31 March 2013
Monemvasia PL	374,000	$0.20	31 March 2013
Total top 5	3,475,029		
Total Number of Options	11,090,000		
Cash Raised if Options Exercised	2,218,000		

There is one holder of unlisted Options, holding 1,000,000 Options exercisable at $0.20 on or before 31 March 2013.

Source: Alamar share registry

6. Profile of Mongolian Resource Company

6.1 History

MRCMGL is a Mongolian based diversified resource company, specialising in the acquisition, development and operation of resource properties in Mongolia.

MRCMGL's major assets are an 85% interest in the Blue Eyes Gold Project and a 90% interest in the Sujigtei Gold Project. The Blue Eyes project is located in the North Khentei gold belt which forms part of the northeast trending North Khentei tectonic belt of north Mongolia. The North Khentei gold belt includes several bedrock gold deposits including the Boroo and Gatsuurt gold mines, Bumbat, Erren, Khargant, and Sujigtei. The Blue Eyes project contains an existing mining operation that has been active for over 80 years but has only recently been mined at scale. The plant at Blue Eyes comprises a Jaw Crusher, Hammer Mill, two Ball Mills, four Shaking tables, and a Tailings Dam. The current capacity of the plant is 50 tpd (tonnes per day), however it is planned to upgrade the plant to 200tpd.

The Sujigtei project is located approximately 7km North East of the Blue Eyes Project and falls on the same mineralisation vein. There are no JORC compliant resources that exist at the Sujigtei project and a drilling and sampling program is anticipated to begin following settlement to define a JORC compliant resource.

Other assets owned by MRC include;

- 13 exploration leases and 1 mining lease prospective for alluvial gold
- 1 exploration lease prospective for iron ore (coarse grained skarn hosted magnetite)
- 1 exploration lease prospective for thermal coal
- 240m^3/hr IHC alluvial gold plant (not operational)

6.2 Historical Balance Sheet

MRCMGL Consolidated balance sheet	Unaudited As at 31 December 2010 $
CURRENT ASSETS	
Cash and cash equivalents	23,144
Trade and other receivables	5,645
Other current assets	1,504
TOTAL CURRENT ASSETS	30,293
NON-CURRENT ASSETS	
Property, plant and equipment	5,152,685
Exploration assets	7,678,594
TOTAL NON-CURRENT ASSETS	12,831,279
TOTAL ASSETS	12,861,571
CURRENT LIABILITIES	
Trade and other payables	1,193,430
Other borrowings	862,913
TOTAL CURRENT LIABILITIES	2,056,343
NET ASSETS	10,805,229
EQUITY	
Issued capital	5,853,308
Reserves	4,851
Retained earnings	4,891,443
Minority interest	55,627
TOTAL EQUITY	10,805,229

Source: Management information provided by Alamar

The balance sheet presented is the consolidated balance sheet of MRCMGL, including 85% of Gunbileg Gold and 90% of Gunbileg Trade. MRCMGL and its balance sheet were created for the purpose of this transaction, and therefore no historical consolidated balance sheets have been provided. No profit and loss accounts have been provided.

We have not undertaken a review of MRCMGL's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 "Review of Historical Financial Information" and do not express an opinion on this financial information. However nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

The most significant assets on the balance sheet relate to property, plant and equipment, and exploration expenditure. We instructed an independent specialist, Ravensgate, to provide an independent market valuation of the exploration assets and related mining equipment, and we have considered this market value in our assessment of the value of MRCMGL in section 10.

Other borrowings of $0.9 million relate to bank loans which are secured on the assets of the Blue Eyes mine. Warranties have been obtained from the Vendors that there is no further debt outstanding payable by MRCMGL or its subsidiaries.

The consolidated business has retained earnings of $4.9 million despite development for MRCMGL's exploration assets being in the pre feasibility stage and therefore not yet generating any trading income. The retained earnings primarily represent cash originally loaned by a third party, A Bainbridge, to Gunbileg Trade and Gunbileg Gold. The related debt has been assigned from A Bainbridge to MRCMGL, and is therefore not repayable by the consolidated company, resulting in a gain to profits. We understand that A Bainbridge, who is an original backer of the projects, has entered into a private agreement with the Vendors of MRCMGL.

Retained earnings also include approximately $490,000 relating to the share capital of the subsidiaries Gunbileg Gold and Gunbileg Trade. As no proceeds are payable by MRCMGL to acquire the subsidiaries which have net assets on their balance sheets, this creates an accounting gain on acquisition which has been recorded as profit.

6.3 Capital Structure

The share structure of MRCMGL is outlined below:

Shareholder	Number	%
Naidansuren Jargalsaihkan	510	51.0%
Tanan Jargalsaihkan	490	49.0%
Total	1,000	100.0%

Source: Heads of Agreement

7. Economic Analysis

Global output grew strongly in 2010, notwithstanding the relatively subdued performance of several of the major economies. The Chinese and Indian economies in particular have recorded very strong expansions, and price pressures, particularly for food and raw materials, have picked up. Concerns about sovereign creditworthiness in Europe have remained prominent and uncertainty from this source seems likely to persist for some time. Overall, however, the global economy continues to look strong going into 2011. Commodity prices have remained high and in many instances have risen further over recent months.

Australia's terms of trade are at their highest level since the early 1950s and national income is growing strongly. There have been further indications that private investment is beginning to pick up in response to high levels of commodity prices. In the household sector thus far, in contrast, there continues to be caution in spending and borrowing, and an increase in the saving rate. Asset values have generally been little changed over recent months and overall credit growth remains quite subdued, notwithstanding evidence of some greater willingness to lend.

Employment growth was unusually strong in 2010. Most leading indicators suggest further growth, though most likely at a slower pace. After the significant decline in 2009, growth in wages picked up somewhat last year. Some further increase is likely over the coming year.

Inflation is consistent with the medium-term objective of monetary policy, having declined significantly from its peak in 2008. Recent data show underlying inflation at around 2¼ per cent in 2010. The CPI rose by about 2¾ per cent, reflecting the once-off effect of the increase in tobacco excise. These moderate outcomes are being assisted by the high level of the exchange rate, the earlier decline in wages growth and strong competition in some key markets, which have worked to offset large rises in utilities prices. The Reserve Bank of Australia ("RBA") expects that inflation over the year ahead will continue to be consistent with the 2-3 per cent target.

The flooding in Queensland and Victoria is having a temporary adverse effect on economic activity and prices. Some production of crops and resources has been lost and some other forms of economic output have also been lower in the affected areas.

Prices for the relevant commodities have risen and are likely to remain elevated in the near term. Resumption of production is occurring at differing speeds by region and industry. In setting monetary policy the Bank will, as on past occasions where natural disasters have occurred, look through the estimated effects of these short-term events on activity and prices. The focus of monetary policy will remain on medium-term prospects for economic activity and inflation.

The floods also resulted in damage or destruction to physical capital in the affected regions. Over the next year or two, the efforts to repair or replace infrastructure and housing will add modestly to aggregate demand, compared with what would otherwise likely have occurred. The extent of this net additional effect will depend on the full extent of the damage, the speed of the rebuilding, and the extent to which other public and private spending is deferred. The RBA's preliminary assessment is that the net additional demand from rebuilding is unlikely to have a major impact on the medium-term outlook for inflation.

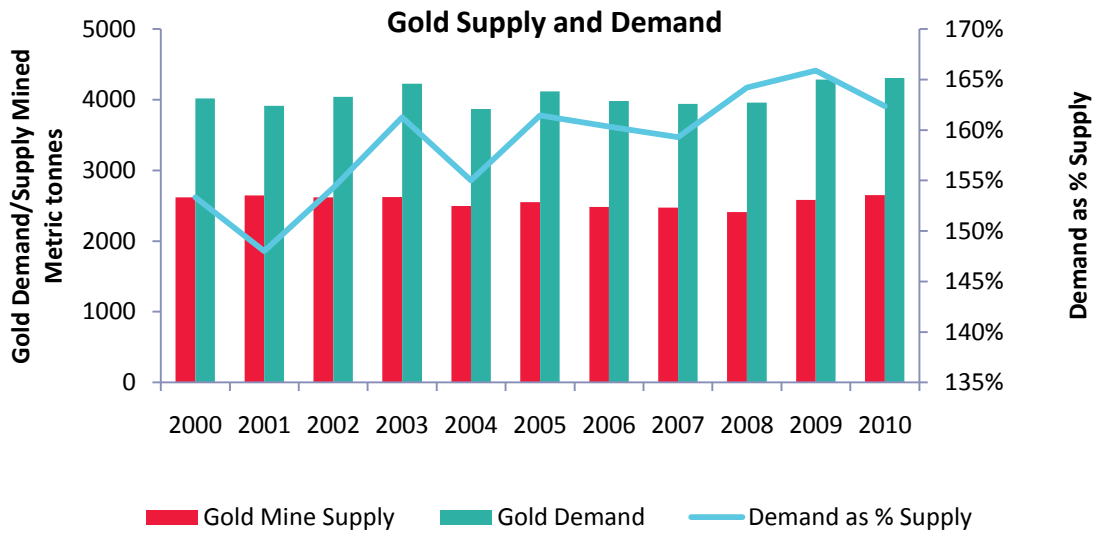
Source: www.**rba.gov.au**

8. Industry Analysis

8.1 Gold Industry analysis

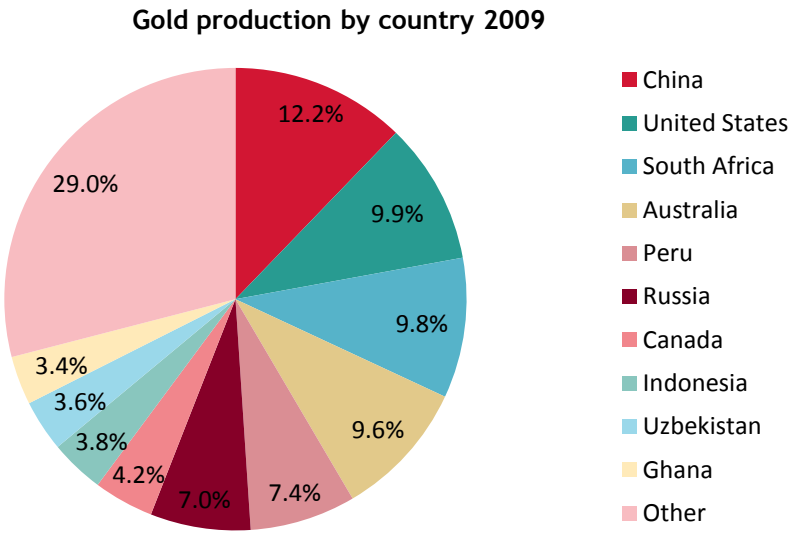
Gold is both a commodity and an international store of monetary value. Once mined, gold continues to exist indefinitely, often melted down and recycled to produce alternative or replacement products. This characteristic means that gold demand is supported by both mine production and gold recycling. According to GFMS Limited, at the end of 2007 the above ground stocks of gold were approximately 161,000 tonnes. Approximately two-thirds of annual demand for gold is driven by jewellery fabrication, with the remainder driven by industrial use and investment in gold.

As illustrated in the chart below, gold mine production was approximately 2,652 metric tonnes in 2010 and gold consumption was 4,306 metric tonnes. Demand for gold has consistently exceeded supply over the last 10 years, and the escalated level of economic and financial uncertainly during the past 18 months has caused investors to move capital from risky assets to gold assets, which are perceived to be a good store of monetary value. As a result, total gold demand increased by 9% between 2008 and 2010, with demand as a percentage of supply increasing from 164.2% in 2008 to 166.5% over the same period.



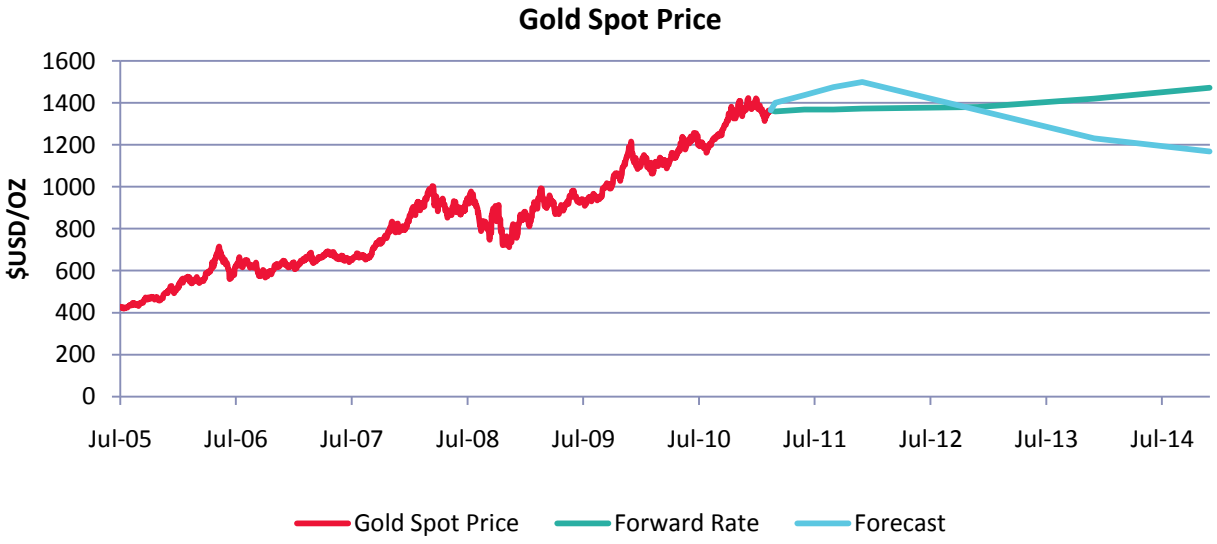
Source: Bloomberg

Until the late 1980's South Africa produced approximately half of total gold production. More recently, gold production has become geographically segmented, as shown in the chart below. In 2009 production was dominated by China (314 metric tonnes), Australia (227 metric tonnes), USA (216 metric tonnes) and South Africa (205 metric tonnes).



Source: Data from GFMS Limited

The price of gold fluctuates on a daily basis depending on global demand and supply factors. As can be seen in the graph below, the value of gold has increased over the past 5 years to USD$1364.68 per ounce on 15 February 2011. This peak was largely caused by the US Federal Reserve Bank announcing a new round of quantitative easing, but was also driven by contagion concerns in Europe. The price trend over the last 2 years is reflective of weak global economic conditions driving demand. The consensus view is that gold prices will fall over the next 3 years to approximately $1168 in 2014. The current forward rate suggests that the price of gold will stabilise at current levels over the next three years.



Source: Bloomberg

8.2 Uranium industry analysis

Uranium mining is the extraction of uranium ore from the ground. As uranium deposits are relatively rarely found, mining is concentrated to a few countries worldwide. The most common method of extraction is open pit mining due to the volume intense nature of extraction. This is attributable to uranium ore mostly occurring at relatively low concentrations.

A prominent use of uranium from mining is as fuel for nuclear power plants. As of 2008, known economically recoverable uranium ore resources are estimated to be sufficient to produce fuel for about a century, based on current consumption rates.

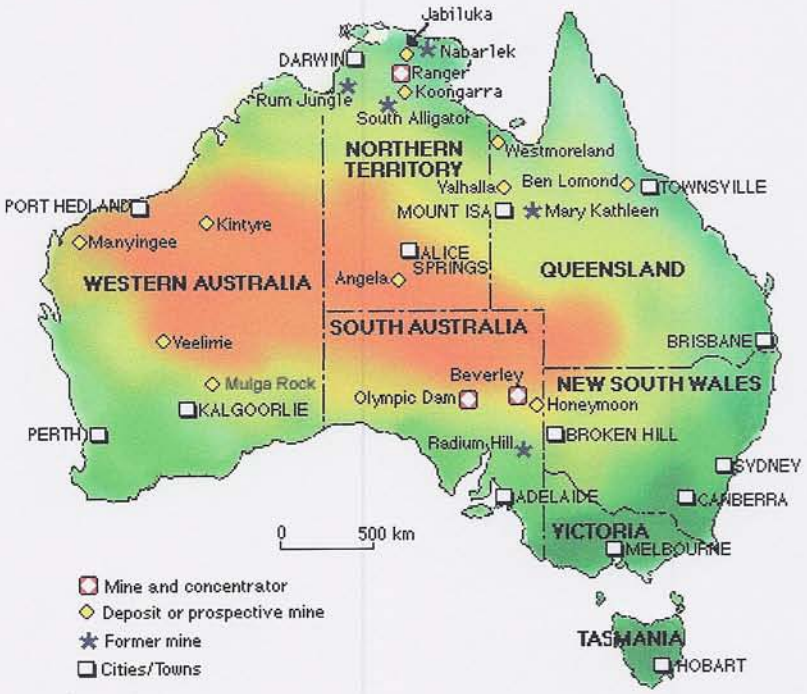
The state of the world's uranium market is almost wholly dependent on the global fortunes of the nuclear power generation industry. All of Australia's uranium is used for electricity generation. The nuclear energy sector is currently enjoying a revitalisation. There are two major strategic reasons for this and a number of tactical or technical factors. Among the tactical or technical factors is the fact that a new generation of reactor designs promise even greater safety margins as well as significantly cheaper electricity. In addition, ideological issues from the 1970s and 1980s have less significance with a generation that has grown up since the end of the Cold War.

The two major factors which are driving the recovery of nuclear power around the world are concerns about energy security and climate change.

Uranium Mining in Australia

Australia has the world's largest uranium reserves - 23% of the planet's known recoverable resources. The majority of these reserves are located in South Australia with other important deposits in Queensland, Western Australia and the Northern Territory.

The picture presented illustrates areas within Australia of current uranium mines, deposits or prospective mines, and former mines.



Source: http://www.world-nuclear.org

There are three operating uranium mines in Australia: Olympic Dam and Beverley in South Australia, and Ranger in Northern Territory. Two additional mines are scheduled for production:

- The Honeymoon deposit was planned to commence production by the end of 2010 with commercial production commencing in 2011, though this schedule appears to have slipped; and
- The Four Mile Mine is being explored by Quasar Resources Pty Ltd. Due to a delay with obtaining a Native Title Mining Agreement commissioning has been significantly delayed beyond April 2010. Now a legal feud between Quasar and Alliance Resources Ltd (25% joint venture partner) has resulted in a major delay. Production was expected to ramp up to 1400 t/yr U_3O_8.

The following table shows the recent production of uranium from Australian Mines:

Australian Uranium Mining Production										
Tonnes of U_3O_8	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Ranger	4,612	3,815	5,312	4,667	5,544	5,183	5,256	5,273	5,678	4,262
Olympic Dam	4,814	3,253	3,075	3,993	4,356	3,912	3,474	4,115	3,974	2,258
Beverley	219	649	762	873	1,064	854	847	707	626	630
Total	9,645	7,717	9,149	9,533	10,964	9,949	9,577	10,095	10,278	7,150

Source: http://www.world-nuclear.org

Australia's uranium is sold strictly for electrical power generation only, and safeguards are in place to ensure this. Australia is a party to the Nuclear Non-Proliferation Treaty ("**NPT**") as a non-nuclear weapons state. Australia's safeguards agreement under the NPT came into force in 1974 and in 1997 it was the first country in the world to bring into force the Additional Protocol in relation to this. In addition to these international arrangements Australia requires customer countries to have entered a bilateral safeguards treaty which is more rigorous than NPT arrangements.

The following table shows the recent exporting of Australian uranium:

Australian Uranium Mining Exports										
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Tonnes U_3O_8	9,723	7,366	9,592	9,099	11,215	10,252	9,518	10,151	10,114	7,555
A$million	497	361	427	364	475	545	658	887	1,030	758

Source: http://www.world-nuclear.org

Kazakhstan produces the largest share of uranium from mines (27% of world supply from mines), followed by Canada (20%) and Australia (16%). The failure to convert a strong resources position into a comparable share of the world's uranium market does not reflect badly on Australian industry. Rather it reflects a political situation where Australians have been divided in terms of their attitude to the industry.

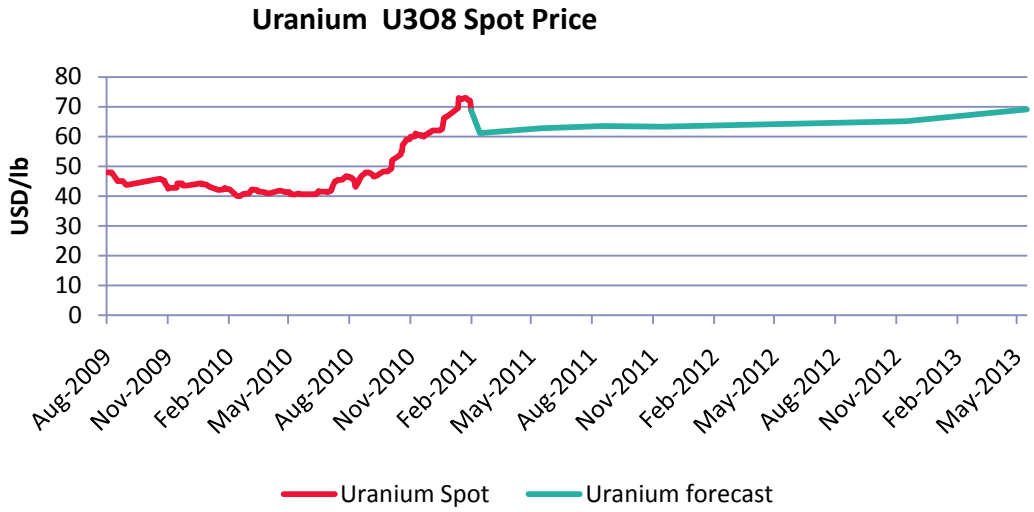
Opposition to the uranium industry developed in the late 1970s and then in the early-1980s manifested itself in a policy adopted by the Australian Labor Party ("**ALP**") that limited the industry to three existing mines. Until this policy was overturned by the ALP in April 2007, it discouraged exploration and prevented the development of new uranium mines in Australia for nearly a quarter of a century. Although the ALP's

change in policy in 2007 should have removed the main regulatory barrier to industry development, there has been a delay in the implementation of the policy at the State level.

In September 2007 Australia was one of eleven countries to join the five founders in the Global Nuclear Energy Partners. Australia made it a condition that it is not obliged to accept any foreign nuclear wastes, and it reserved the right to enrich uranium in the future.

Uranium Pricing

The uranium spot price as at 17 February 2011 was US$68.75/lb U_3O_8. The following table shows historical and forecast U_3O_8 spot prices since August 2009:



Source: Bloomberg

Up until mid 2010 the price of uranium remained under pressure from concerns of fund selling and postponed utility discretionary purchases. The spot price continued to depreciate to a low of around US$40/lb held back by the credit crunch and a weak global economy. In past six months uranium prices have risen by over 60% largely driven by indications that China is stockpiling the metal in preparation of a rapid expansion of its nuclear power industry. Prices were further supported by movements of investors noticing positive changes in the price direction coupled with the fears of supply issues. The consensus forecast indicates that the market will find a slight correction for the recent price spike before realising stability over the next two years at around US$69/lb.

9. Valuation Approach Adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Net Tangible Assets on a going concern basis ("**NTA**")
- Quoted Market Price Basis ("**QMP**")
- Capitalisation of future maintainable earnings ("**FME**")
- Discounted Cash Flow ("**DCF**")
- Multiple of Exploration Expenditure ("**MEE**")

A summary of each of these methodologies is outlined in Appendix 2.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information. In our assessment of the value of Alamar shares and of MRCMGL we have chosen to employ the following methodologies:

- Net Tangible Assets on a going concern basis ("**NTA**")
- Quoted Market Price Basis ("**QMP**")

We have chosen these methodologies for the following reasons:

- The core value of Alamar and MRCMGL is the value of the Tenements that they hold;
- We have instructed Ravensgate to prepare an Independent Specialist's Valuation on the current projects held by Alamar and MRCMGL. From this we are able to value Alamar and MRCMGL using the net assets on a going concern basis;
- Alamar and MRCMGL do not generate regular trading income. Therefore there are no historic profits that could be used to represent future earnings. This means that the FME valuation is not appropriate;
- Alamar and MRCMGL have no foreseeable future net cash inflows and therefore the application of DCF is not possible;
- Alamar's shares are traded on the ASX. This means that there is a regulated and observable market where Alamar's shares can be traded. However in order for the quoted market price to be considered an appropriate methodology the shares should be liquid and the market should be fully informed as to Alamar's activities. We have considered these factors in section 11.

10. Valuation of Alamar

10.1. Net Tangible Asset Valuation of Alamar

The value of Alamar's assets on a going concern basis prior to approval of the Proposal is reflected in our valuation below:

Alamar net assets ($)	Ref	Unaudited as at 31 December 2010	Low valuation	Preferred valuation	High valuation
CURRENT ASSETS					
Cash and cash equivalents		994,640	994,640	994,640	994,640
Trade and other receivables		639,131	639,131	639,131	639,131
TOTAL CURRENT ASSETS		1,633,771	1,633,771	1,633,771	1,633,771
NON-CURRENT ASSETS					
Exploration and evaluation	a	749,497	1,450,000	1,780,000	3,960,000
TOTAL NON-CURRENT ASSETS		749,497	1,450,000	1,780,000	3,960,000
TOTAL ASSETS		**2,383,268**	**3,083,771**	**3,413,771**	**5,593,771**
CURRENT LIABILITIES		37,518	37,518	37,518	37,518
NET ASSETS		**2,345,750**	**3,046,253**	**3,376,253**	**5,556,253**
Shares on issue (number)		26,035,001	26,035,001	26,035,001	26,035,001
Value of an Alamar share ($)			0.117	0.130	0.213

We have been advised that there has not been a significant change in the net assets of Alamar since 31 December 2010. The table above indicates the net asset value of an Alamar share is between $0.117 and $0.213.

The following adjustments were made to the net assets of Alamar as at 31 December 2010 in arriving at our valuation.

a. Exploration and evaluation

We instructed Ravensgate to provide an independent market valuation of the exploration assets held by Alamar. Ravensgate considered a number of different valuation methods when valuing the exploration assets of Alamar. Ravensgate applied the Preferred Notional Value method to the Woolshed Well Base Metal Project, and applied the Multiples of Exploration Expenditure (MEE) and Comparable Transaction methodologies to the Maitland Gold, Mandilla Well Gold, and Lake Barlee Uranium projects. In all other cases, Ravensgate applied the Comparable Transaction method. The MEE method is discussed in Appendix 2. The Comparable Transaction method involves calculating a value per common attribute in a comparable transaction and applying that value to the subject asset. A common attribute could be the amount of resource or the size of a tenement. We consider these methods to be appropriate given the pre feasibility stage of development for Alamar's exploration assets.

The range of values for each of Alamar's exploration assets as calculated by Ravensgate is set out below:

Mineral Asset ($Milliion)	Equity interest	Low Value	Preferred Value	High Value
Corboys North Gold	100%	0.10	0.18	0.40
Maitland Gold	51%	0.20	0.23	0.28
Mandilla Well Gold	80%	0.12	0.17	0.22
Lake Barlee Uranium	100%	0.26	0.30	0.38
Lake Wells Uranium	100%	0.20	0.30	0.90
Laverton Uranium	100%	0.20	0.20	0.70
Throssell Uranium	100%	0.20	0.20	0.70
Yeelirrie Uranium	100%	0.07	0.10	0.28
Woolshed Well Base Metals	100%	0.10	0.10	0.10
Combined Projects		**1.45**	**1.78**	**3.96**

The table above indicates a range of values between $1.45 million and $3.96 million, with a preferred value of $1.78 million.

10.2. Quoted Market Prices for Alamar Securities

To provide a comparison to the valuation of Alamar in Section 10.1, we have also assessed the quoted market price for an Alamar share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.22 suggests that when considering the value of a company's shares for the purposes of approval under Item 7 of s611 the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- control over decision making and strategic direction;
- access to underlying cash flows;
- control over dividend policies; and
- access to potential tax losses.

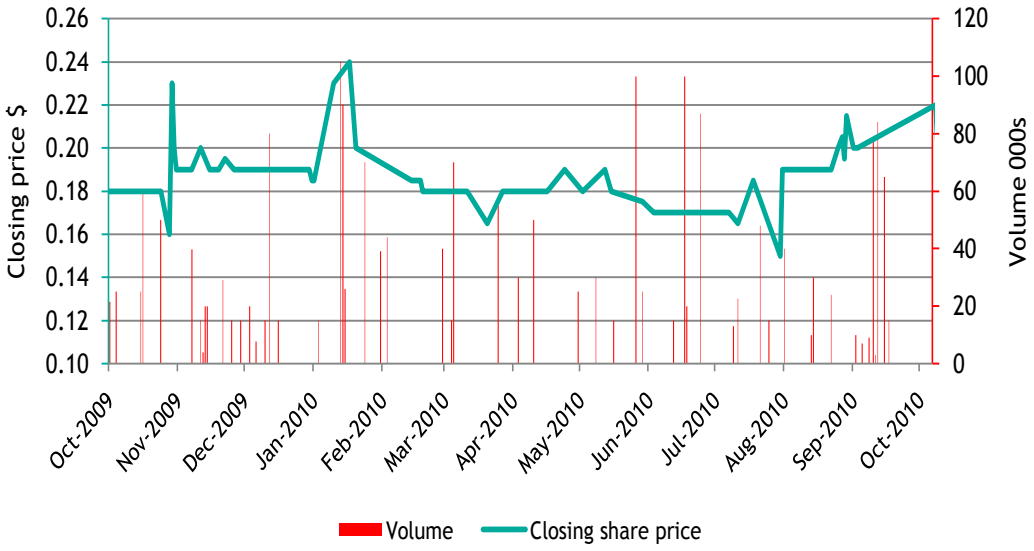
Whilst the Vendors will not be obtaining 100% of Alamar, RG 111 states that the expert should calculate the value of a target's shares as if 100% control were being obtained. RG 111.24 states that the expert can then consider an acquirer's practical level of control when considering reasonableness. Reasonableness has been considered in Section 13.

Therefore, our calculation of the quoted market price of an Alamar share including a premium for control has been prepared in two parts. The first part is to calculate the quoted market price on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

Our analysis of the quoted market price of an Alamar share is based on the pricing prior to the announcement of the Proposal. This is because the value of an Alamar share after the announcement may include the affects of any change in value as a result of the Proposal. However, we have considered the value of an Alamar share following the announcement when we have considered reasonableness in Section 13.

Information on the Proposal was first announced to the market on 27 October 2010. Therefore, the following chart provides a summary of the share price movement over the year to 25 October 2010 which was the last trading day prior to the announcement.



Source: Bloomberg

The daily price of Alamar shares from 26 October 2009 to 25 October 2010 has ranged from a high of $0.24 on 20 January 2010 to a low of $0.15 on 30 July 2010. During this period a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement $ (movement)	Closing Share Price Three Days After Announcement $ (movement)
29 Jul 2010	Quarterly activities report	0.185 (◂ 0%)	0.150 (▾ 19%)
28 Apr 2010	Quarterly activities report	0.190 (◂ 0%)	0.190 (◂ 0%)
5 Mar 2010	Update on Yandal drilling program	0.180 (▾ 3%)	0.180 (◂ 0%)
9 Feb 2010	Entitlement issue of Options	0.185 (◂ 0%)	0.185 (◂ 0%)
19 Jan 2010	Drilling commences at Yandal gold projects	0.230 (▴ 24%)	0.240 (▴ 4%)
15 Jan 2010	Quarterly activities report	0.185 (◂ 0%)	0.185 (◂ 0%)
3 Nov 2009	Update on uranium projects	0.160 (◂ 0%)	0.160 (◂ 0%)
28 Oct 2009	Quarterly activities report	0.180 (◂ 0%)	0.160 (▾ 11%)

To provide further analysis of the market prices for an Alamar share, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 26 October 2010.

	26 October 2010	10 Days	30 Days	60 Days	90 Days
Closing Price	$0.200				
Weighted Average		$0.200	$0.200	$0.208	$0.200

The above weighted average prices are prior to the date of the announcement of the Proposal, to avoid the influence of any increase in price of Alamar shares that has occurred since the offer was announced.

An analysis of the volume of trading in Alamar shares for the twelve months to 26 October 2010 is set out below:

	Share price low	Share price high	Cumulative Volume traded	As a % of Issued capital
1 day	0.200	0.200	-	-
10 days	0.200	0.200	-	-
30 days	0.200	0.200	-	-
60 days	0.190	0.220	390,000	1.31%
90 days	0.150	0.220	438,000	1.95%
180 days	0.150	0.220	890,500	3.96%
1 year	0.150	0.240	1,884,971	8.38%

This table indicates that Alamar's shares display a low level of liquidity, with 8.4% of Alamar's current issued capital being traded in a twelve month period. For the quoted market price methodology to be reliable there needs to be a 'deep' market in the shares. RG 111.53 indicates that a 'deep' market should reflect a liquid and active market. We consider the following characteristics to be representative of a deep market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'deep', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant. In the case of Alamar, the shares are not regularly traded, and therefore cannot be considered to be deep.

Our assessment is that a range of values for Alamar shares based on market pricing, after disregarding post announcement pricing, is between $0.190 and $0.220.

Control Premium

We have reviewed the control premiums paid by acquirers of mining companies listed on the ASX. We have summarised our findings below:

Transaction Period	Number of Transactions	Average Deal Value (US$m)	Median Deal Value (US$m)	Average Control Premium (%)	Median Control Premium (%)
2000	5	606.98	390.97	34.43	30.5
2001	6	112.98	69.82	28.98	31.25
2002	6	194.2	19.85	31.62	23.81
2003	6	624.03	50.21	6.77	14.37
2004	3	25.83	25.83	25.67	15.5
2005	13	887.38	62.17	42.42	29.78
2006	20	81.85	40.88	31.11	25.16
2007	24	432.74	148.31	24.62	17.68
2008	9	448.5	265.51	32.8	36.03
2009	19	109.9	32.67	32.67	22.95
2010	16	888.87	72.18	56.55	52.98
Total	127	401.21	107.13	31.60	27.27

Source: Bloomberg

We have also reviewed the control premiums paid by acquirers of global mining companies. We have summarised our findings below:

Transaction Period	Number of Transactions	Average Deal Value (US$m)	Median Deal Value (US$m)	Average Control Premium (%)	Median Control Premium (%)
2000	31	1246.46	79.05	48.95%	27.60%
2001	48	1343.02	101.56	48.58%	26.90%
2002	43	508.38	38.92	40.58%	26.70%
2003	21	294.11	51.31	53.04%	25.80%
2004	17	443.26	161.30	26.75%	21.20%
2005	24	1523.03	162.00	33.01%	33.01%
2006	32	2978.47	153.60	35.67%	27.20%
2007	38	2032.46	260.77	26.52%	23.60%
2008	46	693.23	240.12	31.78%	28.65%
2009	43	422.13	106.45	69.84%	50.70%
2010	29	897.45	56.56	58.41%	34.90%
Total	372	1125.64	106.45	43.01%	27.20%

Source: Mergerstat

Based on the results above, we have concluded that an appropriate control premium to use in our valuation is between 25% and 30%. This is due to Alamar being in an exploration phase.

Quoted market price including control premium

Applying a control premium to Alamar's quoted market share price results in the following quoted market price value including a premium for control:

	Low $	High $
Quoted market price value	0.190	0.220
Control premium	25%	30%
Quoted market price valuation including a premium for control	**0.238**	**0.286**

Therefore, our valuation of an Alamar share based on the quoted market price method and including a premium for control is between $0.238 and $0.286, with a midpoint of $0.262

10.3. Assessment of valuation of Alamar

The results of the valuations performed are summarised in the table below:

Consideration	Low $	Preferred $	High $
Net tangible assets (Section 11.1)	0.117	0.130	0.213
ASX market prices (Section 11.2)	0.238	0.262	0.286

Based on the results above, our preferred value of an Alamar share is $0.130 per share. We have relied on the net asset valuation as trading in Alamar shares is illiquid and the quoted price does not give a reliable reflection of the value of the Company.

11. Valuation of Alamar following the Proposal

11.1. Net Tangible Asset Valuation of MRCMGL

The value of MRCMGL's assets on a going concern basis is reflected in our valuation below.

MRCMGL Consolidated net assets ($)	Ref	Unaudited As at 31 December 2010	Low value	Preferred value	High value
CURRENT ASSETS					
Cash and cash equivalents		23,144	23,144	23,144	23,144
Trade and other receivables		5,645	5,645	5,645	5,645
Other current assets		1,504	1,504	1,504	1,504
TOTAL CURRENT ASSETS		30,293	30,293	30,293	30,293
NON-CURRENT ASSETS					
Property, plant and equipment	a	5,152,685	600,000	1,222,100	1,844,200
Exploration assets	b	7,678,594	6,480,000	11,300,000	19,270,000
TOTAL NON-CURRENT ASSETS		12,831,279	7,080,000	12,542,100	21,114,200
TOTAL ASSETS		12,861,571	7,110,293	12,572,393	21,144,493
CURRENT LIABILITIES					
Trade and other payables		1,193,430	1,193,430	1,193,430	1,193,430
Other borrowings		862,913	862,913	862,913	862,913
TOTAL CURRENT LIABILITIES		2,056,343	2,056,343	2,056,343	2,056,343
NET ASSETS		10,805,229	5,053,950	10,516,050	19,088,150
Less minority interests		(55,627)	371,474	(78,526)	(783,526)
NET ASSETS EXCLUDING MINORTY INTERESTS		10,749,602	5,425,424	10,437,524	18,304,624

Source: Management information provided by Alamar

a. Property, plant and equipment

Property, plant and equipment primarily relates to mining assets at the tenement sites, the values of which are reflected within the value of exploration assets, considered below.

The assets also include alluvial assets held in storage in Ulaanbataar, Mongolia, which are not reflected in the exploration assets and for which Alamar obtained independent valuations in September 2010. These independent valuations placed a market value on the assets of US$600,000 on a depreciated replacement costs basis (ie. residual value), and $1.8 million on a replacement cost basis. We have included the midpoint of these two values within the preferred valuation. We have assumed an exchange rate of US$1:1 in the analysis above.

b. Exploration assets

We instructed Ravensgate to provide an independent market valuation of the exploration assets held by MRCMGL. Ravensgate considered a number of different valuation methods and applied the Multiples of Exploration Expenditure (MEE) and Comparable Transaction methodologies to the projects. The MEE method is discussed in Appendix 2. The Comparable Transaction method involves calculating a value per common attribute in a comparable transaction and applying that value to the subject asset. A common attribute could be the amount of resource or the size of a tenement. We consider these methods to be appropriate given the pre feasibility stage of development for MRCMGL's exploration assets.

The range of values for MRCMGL's exploration assets as calculated by Ravensgate is set out below:

MRCMGL Mineral Asset	Entity	Equity interest	Low Value $m	Preferred Value $m	High Value $m
Selenge Gold Project	MRCMGL	100%	0.37	0.59	1.01
Ovorhangay Gold Project	MRCMGL	100%	0.10	0.13	0.16
Omnogovi Gold Project	MRCMGL	100%	0.37	0.46	0.55
Dornogovi Gold Project	MRCMGL	100%	0.03	0.04	0.05
Bulgan Gold Project	MRCMGL	100%	0.01	0.02	0.02
Bargilt Magnetite Iron	MRCMGL	100%	0.10	0.18	0.18
Doshin Coal	MRCMGL	100%	0.60	1.10	2.40
Agg Gold Project	MRCMGL	100%	-	-	-
Blue Eyes Mine	G. Gold	85%	1.40	2.60	4.50
Sujiegtei Gold Project	G. Trade	90%	3.50	6.20	10.40
MRCMGL Combined Projects			**6.48**	**11.32**	**19.27**

The values above have been included as a 100% interest in all assets, with the minority interest of 15% in Gunbileg Gold (Blue Eyes mine) and 10% in Gunbileg Trade (Sujigtie mine) being deducted within minority interests in the consolidated balance sheet.

The above analysis shows that MRCMGL consolidated has a net tangible asset value of between $5.4 million and $18.3 million, with a preferred value of $10.4 million.

11.2. Net Tangible Asset valuation of Alamar following approval of the Proposal

The value of Alamar's assets on a going concern basis following approval of the Proposal and acquisition of MRCMGL is reflected in our valuation below:

Alamar consolidated net assets ($)	Ref	Low Value	Preferred Value	High Value	Fully diluted High value
CURRENT ASSETS					
Cash and cash equivalents	a	10,237,784	10,237,784	10,237,784	13,862,784
Trade and other receivables		33,123	33,123	33,123	33,123
TOTAL CURRENT ASSETS		10,270,907	10,270,907	10,270,907	13,895,907
NON-CURRENT ASSETS					
Property, plant and equipment		600,000	1,222,100	1,844,200	1,844,200
Exploration assets		7,930,000	13,080,000	23,230,000	23,230,000
TOTAL NON-CURRENT ASSETS		8,530,000	14,302,100	25,074,200	25,074,200
TOTAL ASSETS		18,800,907	24,573,007	35,345,107	35,345,107
CURRENT LIABILITIES					
Trade and other payables		629,844	629,844	629,844	629,844
Other borrowings		862,913	862,913	862,913	862,913
TOTAL CURRENT LIABILITIES		1,492,757	1,492,757	1,492,757	1,492,757
Less minority interests		371,474	(78,526)	(783,526)	(783,526)
NET ASSETS EXCLUDING MINORITY INTERESTS		17,679,624	23,001,724	33,068,824	36,693,824
Shares on issue (number)	b	122,535,001	122,535,001	122,535,001	137,035,001
Value of an Alamar share ($)		0.144	0.188	0.270	0.268

The following adjustments were made to the net assets in arriving at our valuation.

Low, preferred and high values

a. The proposed transaction is conditional on a capital raising of not less than $10,000,000 at $0.25 per Share. Therefore we have added $10,000,000 to the cash balance, less related costs of $780,000.

b. We have added to the issued shares of Alamar the proposed shares as follows:

Shares (number)	Ordinary shares
Capital raising	40,000,000
Vendors	55,000,000
Introducers	1,000,000
Board & management	500,000
Total proposed	96,500,000
Current issued shares	26,035,001
Total following approval	122,535,001

In the analysis of fairness above we have assumed that the additional 46,000,000 performance shares do not convert into ordinary shares (representing the 45,000,000 consideration performance shares, and 1,000,000 performance shares to be issued to the introducers). The performance shares will convert into ordinary shares upon achievement of a Milestone, defined as achievement of JORC Code compliant mineral resource as follows:

1 In respect of the area comprising the Tenements detailed below, or an alternative project area as vended to Alamar by the Vendors at no cost to Alamar;

2 Of a minimum of 1 million ounces of gold with a minimum of 300,000 ounces content in the indicated category; and

3 Within three years from the date of issue of the Performance Shares.

We note that the independent market valuation provided by Ravensgate states that no JORC compliant resources have yet been identified at any of the Projects, and that the valuation is based upon the following exploration targets which are estimations and may not result in conversion to JORC compliant resources. Furthermore the independent valuation report cautions the reader that the potential quantity and grade or quality of an exploration target is conceptual in nature and shows there has been insufficient exploration and work to define a formal JORC mineral resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a mineral resource:

Project		Low	High	Low	High	Low	High
		Volume (thousands m^3)		Grade (g/m^3)		Ounces (thousands)	
Selenge:	Shiir am	50	76	0.6	0.9	1.06	2.41
	Ugtaal	161	241	0.6	0.9	3.41	7.65
	Bag ajir	22	33	1.6	2.4	1.24	2.79
	Bag ajir	64	96	1.6	2.4	3.61	8.13
	Altadin	10	15	0.8	1.2	0.28	0.63
	Khuurai	53	80	0.6	0.9	1.12	2.54
Sub total		360	541			10.72	24.15
		Million tonnes		Grade (g/t)		Ounces (thousands)	
Blue Eyes Mine		0.24	0.33	6.5	8.5	55.03	98.94
Sujiegtei Gold Project		0.18	0.24	22.0	30.0	139.68	253.97
Sub total		0.42	0.57			194.71	352.91
Total						205.43	377.06
Ovorhangay Gold Project						Not advanced exploration	
Omnogovi Gold Project						Not advanced exploration	
Dornogovi Gold Project						Not advanced exploration	
Bulgan Gold Project						Not advanced exploration	
Bargilt Magnetite Iron						Iron exploration	
Doshin Coal						Coal exploration	
Agg Gold Project						Not advanced exploration	

Under the estimates on which the current market value assessment has been based, the conditions of the performance shares are not met, and the performance shares would therefore not convert.

Fully diluted high value

The high valuation of $0.27 is greater than the exercise price of the options of $0.25 and therefore we have considered the fully diluted scenario where the options also being exercised. In this scenario we have made the following adjustments to net assets:

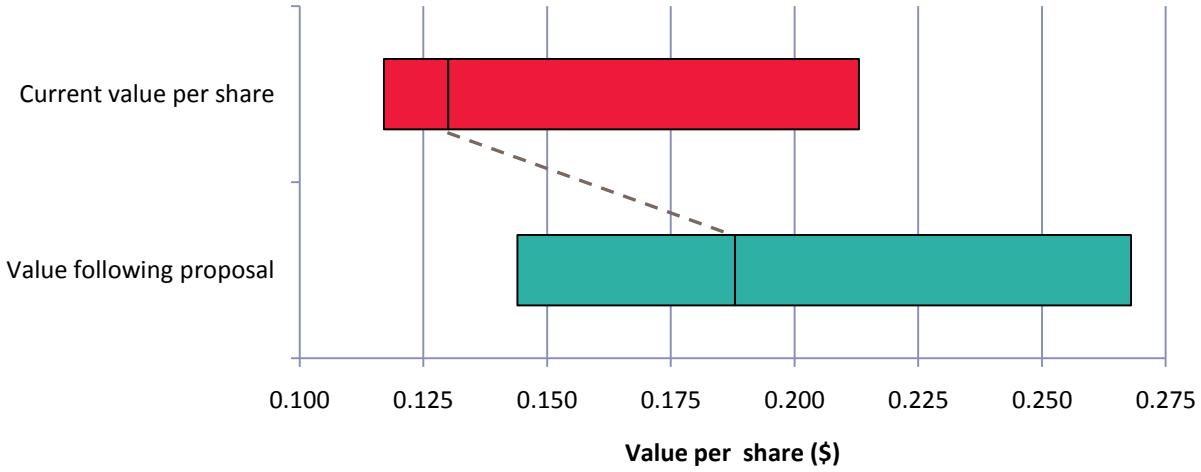
- We have added to cash the proceeds from the exercise of the options issued to the Vendors and introducers (14,500,000 options at an exercise price of $0.25 = proceeds of $3,625,000).
- We have increased the number of shares on issue by 14,500,000.

12. Is the Proposal Fair?

The value of an Alamar share prior to approval of the Proposal and the value of an Alamar share following the Proposal, assuming the performance shares do not convert, is compared below:

	Ref	Low $	Preferred $	High $
Value of an Alamar share prior to the Proposal	10.3	0.117	0.130	0.213
Value of an Alamar share following the Proposal	13.4	0.144	0.188	0.268

The above valuation ranges are graphically presented below:



This analysis shows that, assuming the performance shares do not convert due to the conditions being considered unlikely to be satisfied, the value of an Alamar share would increase in all three of the low, preferred and high valuations.

13. Is the Proposal Reasonable?

13.1 Alternative Proposal

We are unaware of any alternative proposal that might offer the Shareholders of Alamar a premium over the value ascribed to that resulting from the Proposal.

13.2 Practical Level of Control

Alamar Share structure	Pre Proposal		Ordinary Share issue		If Performance Shares are converted		If all Options are exercised	
Current	26,035,001	100.0%	26,035,001	21.3%	26,035,001	15.4%	38,125,001	19.5%
Capital raising	-	-	40,000,000	32.7%	40,000,000	23.8%	40,000,000	20.5%
Subtotal	26,035,001	100.0%	66,035,001	53.9%	66,035,001	39.2%	78,125,001	40.0%
Vendors	-	-	55,000,000	44.9%	100,000,000	59.3%	112,500,000	57.7%
Introducers	-	-	1,000,000	0.8%	2,000,000	1.2%	4,000,000	2.0%
Board & Management	-	-	500,000	0.4%	500,000	0.3%	500,000	0.3%
Total	26,035,001	100.0%	122,535,001	100.0%	168,535,001	100.0%	195,125,001	100.0%

If the minimum capital raising of $10 million at $0.25 is achieved and the Proposal is approved then MRCMGL will hold an interest of 44.9% in Alamar, with the introducers and Board members & management holding a further 1.2%. If the conditions of the Performance Shares are met then MRCMGL's shareholding will increase to 59.3%, with the introducers' and board members and management's share increasing to 1.5%.

In addition to two existing Directors of the Company, the proposal includes:

- The election of T Jargalsaikhan as Director nominated by the Vendors;
- The election of N Jargalsaikhan as Director nominated by the Vendors; and
- The election of J Bickel as an independent Director.

Therefore following approval of the Proposal nominated directors of MRCMGL will make up 40% of the board members.

When shareholders are required to approve an issue that relates to a company there are two types of approval levels. These are general resolutions and special resolutions. An ordinary resolution requires 50% of shares to be voted in favour to approve a matter and a special resolution required 75% of shares on issue to be voted in favour to approve a matter. If the Proposal is approved then the Vendors will be able to block special resolutions, and pass ordinary resolutions if the conditions of the Performance Shares are met.

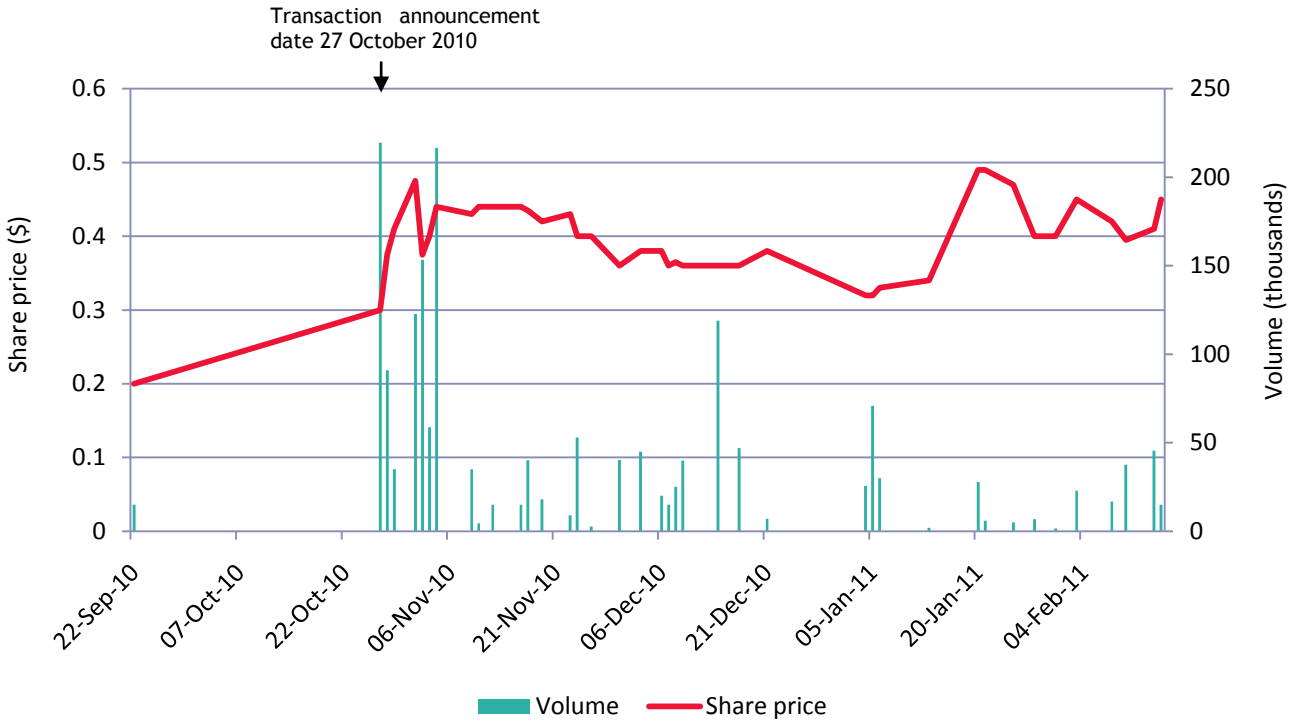
If the Vendors and Introducers were to act collectively and the proposed options were exercised then they would have a joint interest of 51.45% (assuming no other options were exercised) and could therefore pass ordinary resolutions.

MRCMGL's control of Alamar following the Proposal will be significant when compared to all other shareholders. Therefore, in our opinion, MRCMGL will be able to significantly influence the activities of Alamar by gaining an interest in the Company of over 50%. However, it will not be able to exercise a similar level of control as if it held 100% of Alamar. As such, MRCMGL should not be expected to pay a similar premium for control as if it were acquiring 100% of Alamar.

13.3 Consequences of not Approving the Scheme

Potential decline in share price

We have analysed movements in Alamar's share price since the Proposal was announced. A graph of Alamar's share price since the announcement is set out below.



Source: Bloomberg

In the two months prior to announcement of the Proposal, Alamar's share price had traded at an average of $0.20. This has increased to an average of $0.40 following the announcement. Given the above analysis it is likely that if the Proposal is not approved then Alamar's share price would decline.

13.4 Conditions of the performance shares

In the analysis of fairness in section 12 we have assumed that the additional 46,000,000 performance shares would not convert into ordinary shares due to the conditions of the performance shares not being satisfied per the independent valuation of the exploration assets. If the conditions of the performance shares are met, then it would be expected for the market value to significantly increase above the current market valuation on which our analysis of fairness is based.

Assuming the performance shares do convert, but without reflecting any expected increase in value of the exploration assets, the value of an Alamar share following the Proposal is valued as follows:

Alamar consolidated net assets ($)	Ref	Low Value	Preferred Value	High Value
Total current assets		10,270,907	10,270,907	10,270,907
Total non-current assets		8,530,000	14,302,100	25,074,200
TOTAL ASSETS		18,800,907	24,573,007	35,345,107
Total current liabilities		(1,492,757)	(1,492,757)	(1,492,757)
Less minority interests		371,474	(78,526)	(783,526)
NET ASSETS EXCLUDING MINORITY INTERESTS		17,679,624	23,001,724	33,068,824
Shares on issue (number)	a	168,535,001	168,535,001	168,535,001
Value of an Alamar share ($)		0.105	0.136	0.196

a. We have added to the issued shares of Alamar the proposed shares as follows:

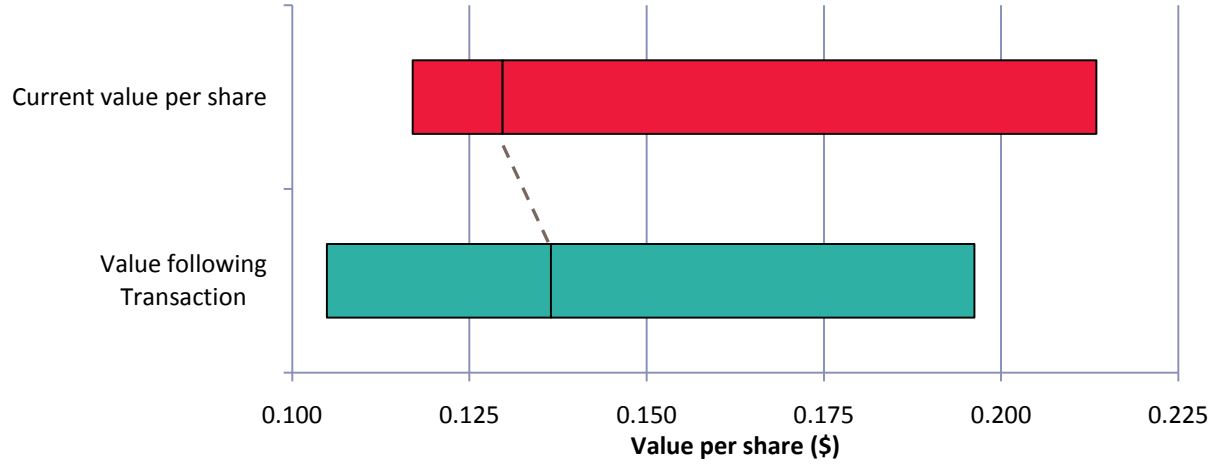
Shares (number)	Ordinary shares	Performance shares	Total shares
Capital raising	40,000,000	-	40,000,000
Vendors	55,000,000	45,000,000	100,000,000
Introducers	1,000,000	1,000,000	2,000,000
Board & management	500,000	-	500,000
Total proposed	96,500,000	46,000,000	142,500,000
Current issued shares	26,035,001	-	26,035,001
Total following approval	122,535,001	46,000,000	168,535,001

As the exercise price of the options that are proposed to be issued to the Vendors and the Introducers is greater than the value per share, it has been assumed in the analysis that these would not exercised.

The value of an Alamar share prior to approval of the Proposal and the value of an Alamar share following the Proposal, assuming the performance shares do convert into ordinary shares, is compared below:

	Ref	Low $	Preferred $	High $
Value of an Alamar share prior to the Proposal	10.3	0.117	0.130	0.213
Value of an Alamar share following the Proposal	11.3	0.105	0.136	0.196

The above valuation ranges are graphically presented below:



The above analysis shows that, even the performance shares do convert and no related increase in exploration asset value is assumed (which we note is not considered to be likely), then the preferred value of an Alamar share is greater following approval of the Proposal than it is prior to approval. Therefore we would continue to consider the Proposal to be fair in this scenario.

13.5 Advantages of Approving the Proposal

We have considered the following advantages when assessing whether the Proposal is reasonable.

Advantage	Description
The Proposal is fair	As set out in Section 12 the Proposal is fair. RG 111 states that an offer is reasonable if it is fair.
45% of the consideration shares are in the form of Performance Shares	45% of the consideration is therefore dependent on conditions being met before being converted into Ordinary Shares. If the performance share conditions were met then the market value of the exploration assets would be expected to significantly increase above the valuation on which our fairness assessment is based.
Conversion of loan	The loan afforded to MRCMGL would be converted into an intercompany loan, and therefore would reduce the risk of default on the loan agreement and any necessity to reclaim the value from the alluvial assets on which the loan is secured.
Diversification	By acquiring an interest in Mongolia, Alamar will be exposed to these assets as well as their own in Western Australia. Alamar would also increase its exposure to gold in addition to its current Yandal gold project.
No upfront cash payment is required	No cash payments are required to acquire MRCMGL, allowing cash to be used for further exploration and working capital purposes.

13.6 Disadvantages of Approving the Proposal

If the Proposal is approved, in our opinion, the potential disadvantages to Shareholders include those listed in the table below:

Disadvantage	Description
Dilution of interest of existing shareholders	The Proposal will require Alamar to issue up to 100 million shares to MRCMGL, 2 million shares to the introducers, and 40 million shares under the capital raising. This will decrease existing shareholders' interests in Alamar from 100% to a maximum of 21.3% if the 46 millions Performance Shares are not converted into Ordinary Shares, and to 15.4% if the Performance Shares are converted (assuming no further capital is raised or Options are exercised)
The Vendors of MRCMGL will have the potential to significantly influence the operations of Alamar	By having an interest in Alamar of over 50%, the Vendors will have the ability to pass ordinary resolutions. Ordinary resolutions include but are not limited: • Election/re-election of directors; • Appointment of an auditor; • Acceptance of reports at the annual general meeting; • The ability to make strategic or commercial decisions; and • The ability to increase or decrease the number of directors in the Company.
Debt of $860,000	MRCMGL has bank debt of $860,000 outstanding which is secured on the Blue Eyes mine and will be acquired as part of the Proposal. However this debt is to be repaid by Alamar on settlement of the Proposal.

14. Conclusion

We have considered the terms of the Proposal as outlined in the body of this report and have concluded that the Proposal is fair and reasonable to the Shareholders of Alamar.

15. Sources of Information

This report has been based on the following information:

- Draft Notice of General Meeting and Explanatory Statement on or about the date of this report;
- Audited financial statements of Alamar for the years ended 30 June 2009 and 30 June 2009 and unaudited management accounts at 31 December 2010;
- Unaudited consolidated balance sheet of MRCMGL at 31 December 2010;
- Independent valuation of the exploration assets of Alamar and MRCMGL;
- Share registry information;
- Information in the public domain; and
- Discussions with Directors and Management of Alamar.

16. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of $25,000 (excluding GST and reimbursement of out of pocket expenses). Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by Alamar in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the Alamar, including the non provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to Alamar and Alamar and any of their respective associates with reference to ASIC Regulatory Guide 112 "Independence of Experts". In BDO Corporate Finance (WA) Pty Ltd's opinion it is independence of Alamar and Alamar and their respective associates.

Neither the two signatories to this report nor BDO Corporate Finance (WA) Pty Ltd, have had within the past two years any professional relationship with Alamar, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to Alamar and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

BDO is the brand name for the BDO International network and for each of the BDO Member firms.

BDO (Australia) Ltd, an Australian company limited by guarantee, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms. BDO in Australia, is a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International).

17. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investment Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Member of the Institute of Chartered Accountants in Australia. He has over twenty years experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 140 public company independent expert's reports under the Corporations Act or ASX Listing Rules. These experts' reports cover a wide range of industries in Australia.

Adam Myers is a member of the Australian Institute of Chartered Accountants. Adam's career spans 12 years in the Audit and Assurance and Corporate Finance areas.

18. Disclaimers and Consents

This report has been prepared at the request of Alamar for inclusion in the Explanatory Memorandum which will be sent to all Alamar Shareholders. Alamar engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the acquisition by Alamar of 100% of the share capital of MRCMGL LLC in exchange for the issue of 55,000,000 fully paid Ordinary Shares, 45,000,000 Performance Shares, and 12,500,000 Options in Alamar.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Explanatory Memorandum. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Explanatory Memorandum other than this report.

BDO Corporate Finance (WA) Pty Ltd has not independently verified the information and explanations supplied to us, nor has it conducted anything in the nature of an audit or review of Alamar or MRCMGL or its subsidiaries in accordance with standards issued by the Auditing and Assurance Standards Board. However, we have no reason to believe that any of the information or explanations so supplied are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to Alamar. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

The forecasts provided to BDO Corporate Finance (WA) Pty Ltd by Alamar and its advisers are based upon assumptions about events and circumstances that have not yet occurred. Accordingly, BDO Corporate Finance (WA) Pty Ltd cannot provide any assurance that the forecasts will be representative of results that will actual be achieved. BDO Corporate Finance (WA) Pty Ltd disclaims any possible liability in respect of these forecasts. We note that the forecasts provided do not include estimates as to the effect of any future emissions trading scheme should it be introduced as it is unable to estimate the effects of such a scheme at this time.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Proposal, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Alamar, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent exploration asset valuations for exploration assets held by MRCMGL and Alamar.

The valuers engaged for the independent specialist valuations possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuations are appropriate for this report. We have received a consent from the valuer for the use of its valuation report in the preparation of this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd has no obligation to update this report for events occurring subsequent to the date of this report.

Yours faithfully

BDO CORPORATE FINANCE (WA) PTY LTD

Sherif Andrawes
Director

Adam Myers
Associate Director
Authorised Representative

APPENDIX 1 Glossary of Terms

Reference	Definition
The Act	The Corporations Act
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
BDO	BDO Corporate Finance (WA) Pty Ltd
Alamar	Alamar Resources Limited
The Company	Alamar
DCF	Discounted Future Cash Flows
MRCMGL	MRCMGL LLC
Mongolian Resources Corporation	MRCMGL
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
FMD	Future Maintainable Dividends
FME	Future Maintainable Earnings
ROC	Return of Capital
NTA	Net Tangible Assets
The Proposal	The Proposal for the acquisition by Alamar of 100% of the share capital of MRCMGL in exchange for the issue of 55,000,000 fully paid Ordinary Shares, 45,000,000 Performance Shares, and 12,500,000 Options in Alamar
Ravensgate	The independent valuation expert of the exploration assets of Alamar and MRCMGL
Our Report	This Independent Expert's Report prepared by BDO
VWAP	Volume Weighted Average Price
Shareholders	Shareholders of Alamar not associated with MRCMGL or the introducers
SNW	Stifel Nicolaus Weisel investment bank
Consideration shares	55 million Ordinary Shares and 45 million Performance Shares in Alamar
The vendors	The current shareholders of MRCMGL
RG 111	Regulatory Guide 111 – Content of Expert Reports
RG 112	Regulatory Guide 112 – Independence of Experts
Western Australia Projects	Projects either owned or managed in joint venture by Alamar, comprising: Corvoys North Gold Project; Maitland Gold Project; Mandilla Well Gold Project; Lake Barlee Uranium Project; Lake Wells Uranium Project; Laverton Uranium Project; Throssell Uranium Project; Yeelirrie Uranium Project; and Woolshed Well Base Metals Project.
Mongolian Projects	Mineral assets to be acquired from MRCMGL and its subsidiaries by Alamar, comprising: Selenge; Overhangay; Omnogovi; Dornogovi; Bulgan; Kargan /Blue Eyes; and Sujigtei Gold Projects; Bargilt Coal Project; and Doshin Coal Project.

APPENDIX 2 Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net tangible asset value on a going concern basis ("NTA")*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when entities are not profitable, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted Market Price Basis*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a "deep" market in that security.

3 *Capitalisation of future maintainable earnings ("FME")*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax (**"EBIT"**) or earnings before interest, tax, depreciation and amortisation (**"EBITDA"**). The capitalisation rate or "earnings multiple" is adjusted to reflect which base is being used for FME.

4 *Discounted future cash flows ("DCF")*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start up phase, or experience irregular cash flows.

5 *Multiple of Exploration Expenditure ("MEE")*

The Past Expenditure method is a method of valuing exploration assets in the resources industry. It is applicable for areas which are at too early a stage of prospectivity to justify the use of alternative valuation methods such as DCF. The Past Expenditure method is often referred to as the Multiple of Exploration Expenditure method.

Past expenditure, or the amount spent on exploration of a tenement, is commonly used as a guide in determining value. The assumption is that well directed exploration adds value to a property. This is not always the case and exploration can also downgrade a property. The Prospectivity Enhancement Multiplier (**"PEM"**) which is applied to the effective expenditure therefore commonly ranges from 0.5 to 3.0. The PEM generally falls within the following ranges:

- 0.5 to 1.0 where work to date or historic data justifies the next stage of exploration;
- to 2.0 where strong indications of potential for economic mineralisation have been identified; and
- to 3.0 where ore grade intersections or exposures indicative of economic resources are present.

APPENDIX 3 Independent Specialist Geological Valuation

SEE SEPARATE DOCUMENT

Ravensgate

ANNEXURE B - PART 2

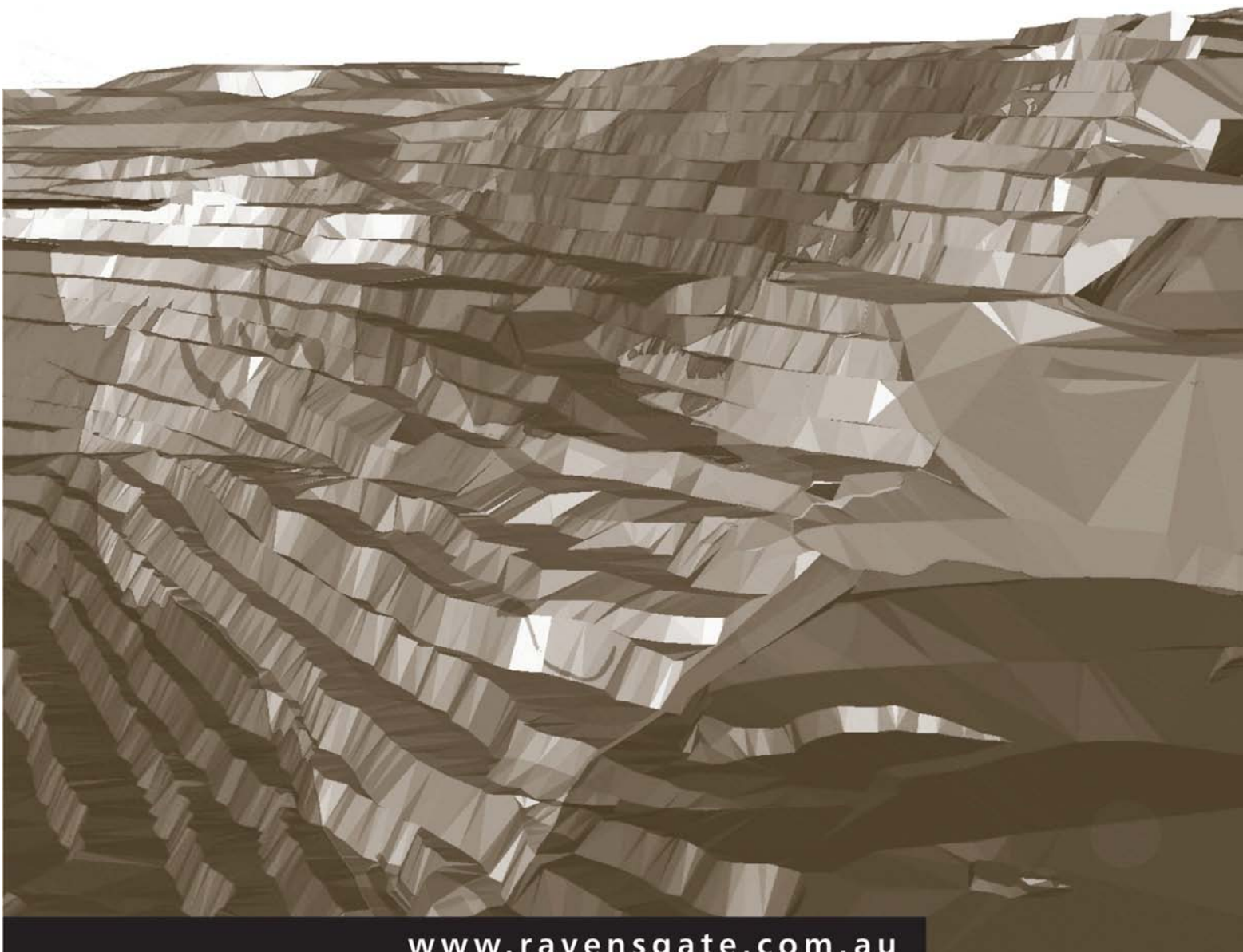
APPENDIX 3 - INDEPENDENT SPECIALIST GEOLOGICAL VALUATION

INDEPENDENT VALUATION REPORT

ALAMAR RESOURCES LIMITED

for

BDO
(BDO CORPORATE FINANCE (WA) PTY LTD)



INDEPENDENT VALUATION REPORT

ALAMAR RESOURCES LIMITED

for

BDO
(BDO CORPORATE FINANCE (WA) PTY LTD)

RAVENSGATE

20 October 2010

INDEPENDENT TECHNICAL VALUATION

Prepared by RAVENSGATE on behalf of:

ALAMAR RESOURCES LIMITED AND BDO CORPORATE FINANCE (WA) PTY LTD

Author(s):	Craig Allison	Principal Consultant	BAppSci Geology, MAusIMM
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Date:	20 October 2010		
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	Ravensgate (1)		

Craig Allison
For and on behalf of:
RAVENSGATE

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1. EXECUTIVE SUMMARY

Corvidae Pty Ltd ATF Ravensgate Unit Trust T/As Ravensgate (Ravensgate) has been commissioned by Alamar Resources Limited (Alamar) and BDO Corporate Finance (WA) Pty Ltd (BDO) to provide an Independent Technical Valuation over 5 Mongolian and 9 Western Australian Projects. The Western Australian Projects are currently either owned or managed in joint venture agreements by Alamar Resources Limited. The Western Australian exploration tenement applications in progress by Alamar have not been included in this valuation of Mineral Assets owned by Alamar Resources Limited. The projects included in this valuation report comprise:-

- Alluvial Gold Projects, Mongolia, over five project areas or regions;
  - Selenge Project,
  - Ovorhangay Project,
  - Omnogovi Project,
  - Dornogovi Project,
  - Bulgan Project.
- Kargana (Blue Eyes) Gold Project, Mongolia;
- Sujigtei Gold Project, Mongolia;
- Bargilt Magnetite Iron Project, Mongolia;
- Doshin Thermal Coal Project, Mongolia;

- Corboys North Gold Project, Western Australia;
- Maitland Gold Project, Western Australia;
- Mandilla Well Gold Project, Western Australia;
- Lake Barlee Uranium Project, Western Australia;
- Lake Wells Uranium Project, Western Australia;
- Laverton Uranium Project, Western Australia;
- Throssell Uranium Project, Western Australia.
- Yeelirrie Uranium Project, Western Australia.
- Woolshed Well Base Metal Project, Western Australia.

This Technical Valuation report provides an assessment of the Mongolian mineral assets to be acquired by Alamar Resources Ltd (Alamar) through the acquisition of MRCMGL LLC (MRC) and its subsidiaries. In addition the Technical Valuation report also provides an assessment of the Alamar gold and uranium projects in Western Australia which are presently either 100% owned or in Joint Venture agreements.

Mongolian alluvial gold tenements occur in five project areas (Figure 1 and Figure 3). The total project area is 272.97km^2 (27,297 hectares) and the source of the alluvial gold is generally considered to be nearby underlying auriferous quartz veins hosted in primary hard rock. The Sujigtei and Kargana (Blue Eyes) Gold Projects are located within the North Khentei gold belt in Central-North Mongolia. Sujigtei is approximately 7km north-east of the Blue Eyes project area. Historical underground mining has been undertaken at both deposits for narrow-vein, high-grade gold mineralisation while recent exploration has identified additional gold prospects. The Bargilt Magnetite Iron Project occurs in Central-East Mongolia and is considered prospective for surficial magnetite iron from skarn host rock while the Doshin Coal Project occurs in eastern Mongolia and is considered prospective for thermal coal seams.

Alamar's West Australian gold projects are located approximately 100km south-east of Wiluna and are considered prospective for gold mineralisation. The exploration projects are contiguous with a total tenement area of 141.5km^2 occurring within the Yandal Greenstone Belt. Alamar's uranium and base metal exploration projects are located around Leonora and Laverton in Western Australia (Figure 2). The uranium projects are considered prospective for sandstone-hosted or surficial uranium deposit styles based on exploration work carried out to date. The Woolshed Well Base Metal project is considered prospective for base metal mineralisation styles containing nickel, copper, zinc and/or lead. A search of public reports indicates that little exploration has been undertaken over the Woolshed Well project area since 1975 and would probably benefit from a review using modern exploration and geophysical techniques.

The valuation presented in this report was completed on behalf of Alamar Resources Limited and BDO Corporate Finance (WA) Pty Ltd. The valuation has been completed with information provided by and with the full support of Alamar and MRC/AIM. The applicable valuation date is 20 October 2010. The Mineral Assets within the Mongolian projects can be classified as Exploration Areas (Bargilt and Doshin) and Advanced Exploration Areas (Alluvial Gold, Blue Eyes and Sujigtei). The Mineral Assets within the Western Australian projects can be classified as Exploration Areas. A reported Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code - 2004 Edition) has not been defined for any of the projects. Ravensgate carried out a site visit and Project Technical Assessment on the 3rd to 11th of October 2010 over the Mongolian projects including : Blue Eyes, Sujigtei and Bargilt. No site visit was undertaken to the relatively minor Mongolian prospects of the Alluvial Gold Projects (5 areas) and Doshin Thermal Coal Project. Ravensgate considers no significant additional benefit would have been gained through an additional site visit to these minor areas. No site visits were undertaken to the Western Australian exploration projects as they are generally at an early stage of development. Ravensgate is also of the opinion that no significant additional benefit would have been gained through a site visit to these areas at this stage. Ravensgate personnel are also quite familiar with this particular region having visited the vicinity in the past.

Ravensgate has concluded the Mongolian (in particular) and Western Australian Projects are of technical merit and are worthy of conducting further exploration. A summary of the Mongolian project valuation in 100% terms is provided in Table 1. A summary of the Mongolian project valuation in 100% or joint venture terms where applicable is provided in Table 2. The applicable valuation date is 20 October 2010 and is derived from the Comparable Transactions valuation methods. The value of a 100% equity interest in the listed Projects is considered to lie in a range from $6.5M to $19.3M, within which range Ravensgate has selected a preferred value of $11.3M.

A summary of the Australian project valuation in 100% terms is provided in Table 3. A summary of the Australian project valuation in 100% or joint venture terms where applicable is provided in Table 4. The applicable valuation date is 20 October 2010 and is derived from the Multiples of Exploration Expenditure (MEE) and Comparable Transactions valuation methods. The value of a 100% equity interest in the listed Projects is considered to lie in a range from $1.68M to $4.29M, within which range Ravensgate has selected a preferred value of $2.05M.

Table 1 Alamar Resources Limited – Project Technical Valuation Summary in 100% terms for Mongolian Projects.					
Project	**Asset**	**Equity Interest**	**Valuation**		
			Low $M	**High $M**	**Preferred $M**
Alluvial Gold - Selenge Project	Advanced Exploration Area.	100%	0.3	0.9	0.5
Alluvial Gold - Selenge Project	Exploration Area.	100%	0.073	0.11	0.092
Alluvial Gold - Ovorhangay Project	Exploration Area.	100%	0.1	0.16	0.13
Alluvial Gold - Omnogovi Project	Exploration Area.	100%	0.37	0.55	0.46
Alluvial Gold - Dornogovi Project	Exploration Area.	100%	0.03	0.046	0.038
Alluvial Gold - Bulgan Project	Exploration Area.	100%	0.013	0.019	0.016
Kargana (Blue Eyes) Gold	Advanced Exploration Area.	100%	1.4	4.5	2.6
Sujigtei Gold	Advanced Exploration Area.	100%	3.5	10.4	6.2
Bargilt Magnetite Iron	Exploration Area.	100%	0.1	0.18	0.18
Doshin Coal	Exploration Area.	100%	0.6	2.4	1.1
Combined Mongolian Projects	**5 listed projects**	**100%**	**6.5**	**19.3**	**11.3**

Note the Alluvial Gold Project has been split by Mineral Asset type and also the project area or region as presented in Figure 3.

Table 2 Alamar Resources Limited – Project Technical Valuation Summary in 100% and Joint Venture terms for Mongolian Projects.

Project	Asset	Equity Interest	Valuation		
			Low $M	High $M	Preferred $M
Alluvial Gold - Selenge Project	Advanced Exploration Area.	100%	0.3	0.9	0.5
Alluvial Gold - Selenge Project	Exploration Area.	100%	0.073	0.11	0.092
Alluvial Gold - Ovorhangay Project	Exploration Area.	100%	0.1	0.16	0.13
Alluvial Gold - Omnogovi Project	Exploration Area.	100%	0.37	0.55	0.46
Alluvial Gold - Dornogovi Project	Exploration Area.	100%	0.03	0.046	0.038
Alluvial Gold - Bulgan Project	Exploration Area.	100%	0.013	0.019	0.016
Kargana (Blue Eyes) Gold	Advanced Exploration Area.	85%	1.19	3.83	2.21
Sujigtei Gold	Advanced Exploration Area.	90%	3.15	9.36	5.58
Bargilt Magnetite Iron	Exploration Area.	100%	0.1	0.18	0.18
Doshin Coal	Exploration Area.	100%	0.6	2.4	1.1
Combined Mongolian Projects	**5 listed projects**	**100%**	**5.9**	**17.6**	**10.3**

Note the Alluvial Gold Project has been split by Mineral Asset type and also the project area or region as presented in Figure 3.

Table 3 Alamar Resources Limited – Project Technical Valuation Summary in 100% terms for Western Australian Projects.

Project	Asset	Equity Interest	Valuation		
			Low $M	High $M	Preferred $M
Corboys North Gold	Exploration Area.	100%	0.1	0.4	0.18
Maitland Gold	Exploration Area.	100%	0.4	0.55	0.46
Mandilla Well Gold	Exploration Area.	100%	0.15	0.28	0.21
Lake Barlee Uranium	Exploration Area.	100%	0.26	0.38	0.3
Lake Wells Uranium	Exploration Area.	100%	0.2	0.9	0.3
Laverton Uranium	Exploration Area.	100%	0.2	0.7	0.2
Throssell Uranium	Exploration Area.	100%	0.2	0.7	0.2
Yeelirrie Uranium	Exploration Area.	100%	0.07	0.28	0.1
Woolshed Well Base Metals	Exploration Area.	100%	0.1	0.1	0.1
Combined Western Australian Projects	**9 listed projects**	**100%**	**1.68**	**4.29**	**2.05**

Table 4 Alamar Resources Limited – Project Technical Valuation Summary in 100% and Joint Venture terms for Western Australian Projects.

Project	Asset	Equity Interest	Valuation		
			Low $M	High $M	Preferred $M
Corboys North Gold	Exploration Area.	100%	0.1	0.4	0.18
Maitland Gold	Exploration Area.	51%	0.20	0.28	0.23
Mandilla Well Gold	Exploration Area.	80%	0.12	0.22	0.17
Lake Barlee Uranium	Exploration Area.	100%	0.26	0.38	0.3
Lake Wells Uranium	Exploration Area.	100%	0.2	0.9	0.3
Laverton Uranium	Exploration Area.	100%	0.2	0.7	0.2
Throssell Uranium	Exploration Area.	100%	0.2	0.7	0.2
Yeelirrie Uranium	Exploration Area.	100%	0.07	0.28	0.1
Woolshed Well Base Metals	Exploration Area.	100%	0.1	0.1	0.1
Combined Western Australian Projects	**9 listed projects**	**100%**	**1.45**	**3.96**	**1.78**

2. INTRODUCTION

2.1 Terms of Reference

Corvidae Pty Ltd ATF Ravensgate Unit Trust T/As Ravensgate (Ravensgate) has been commissioned by Alamar Resources Limited (Alamar) and BDO Corporate Finance (WA) Pty Ltd (BDO) to provide an Independent Technical Valuation over 5 Mongolian and 9 Western Australian Projects. The Western Australian Projects are understood to be currently either owned or managed in joint venture agreements by Alamar Resources Limited. The Western Australian exploration tenement applications in progress by Alamar have not been included in this valuation of Mineral Assets owned by Alamar Resources Limited. Alamar is considering acquisition of the Mongolian projects which comprise three gold projects, a magnetite iron project and a thermal coal project. Ravensgate understands that all the project tenements in Mongolia and West Australia are held in good standing. Ravensgate makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

The objective of this report is to provide a Valmin compliant valuation and technical assessment of the fourteen projects only. The work has been commissioned by Alamar Resources Limited and BDO Corporate Finance (WA) Pty Ltd and may be distributed to shareholders or investors in the form and context in which it appears within this report.

A site visit to the major projects was included in the commissioning proposal for the review of the Mongolian Projects and was carried out for Kargana (Blue Eyes) Gold Project, Sujigtei Gold Project and the Bargilt Magnetite Iron Project. The site visit was undertaken by Mr Don Maclean, Principal Consultant (Geologist) of Ravensgate from 3rd to the 11th October 2010. Mr Maclean was accompanied by Mr Mark Bainbridge of AIM Mongolia. No site visits were undertaken to the Western Australian exploration projects or the Mongolian alluvial gold and coal projects.

Alamar Resources Limited will rely upon and use this report to separately form an opinion about the value of the mineral rights in relation to consideration of project assessment or acquisition. This report does not provide a valuation of Alamar Resources Limited as a whole, nor does it make any comment on the fairness and reasonableness of any proposed transaction between any two companies.

The conclusions expressed in this Independent Technical Valuation are valid as at the Valuation Date (20 October 2010). The valuation is therefore only valid for this date and may change with time in response to changes in economic, market, legal or political factors, in addition to ongoing exploration results. All monetary values included in this report are expressed in Australian dollars (A$) unless otherwise stated.

This report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports (The ValMin Code) as adopted by the Australasian Institute of Mining and Metallurgy (AusIMM) in April 2005.

The Independent Technical Valuation report has been compiled based on information available up to and including the date of this report. Consent has been given for the distribution of this report in the form and context in which it appears.

2.2 Qualifications, Experience and Independence

Ravensgate was established in 1997 and specialises in resource modelling and resource estimation services. The company has worked for major clients globally, including Freeport at Grasberg Mine, Ok Tedi Gold Mine in Papua New Guinea, Goldfields in Ghana, BHP in Western Australia and many junior resource companies which are ASX (Australian Stock Exchange), TSX (Toronto Stock Exchange) or AIM (London Stock Exchange) listed companies. Ravensgate has focused upon providing resource estimations, valuations, and independent technical documentation and has been involved in the preparation of Independent Reports for Canadian, Australian, United States and United Kingdom listed companies.

Author: Craig Allison, Principal Consultant - Resources. BAppSci (Hons) Geology, MAusIMM.

Craig Allison is employed by Ravensgate as a Principal Consultant where he carries out work for Mineral Resource estimations, Independent Technical Valuations, Independent Geologist Report's and Formal Technical Project reviews over a range of commodities. He has over 15 years mining industry experience in operational project exploration, grade control and resource estimation. Craig has worked for both junior and larger ASX listed companies, encompassing open-cut and underground operations and evaluations. Competent Person sign-off was undertaken for BHP Billiton's Mt Keith nickel resource and other projects surrounding the mine in 2007. A Post Graduate course in Geostatistics was completed in 2006. Craig Allison holds the relevant qualifications and professional associations required by the ASX, JORC and ValMin Codes in Australia. He is a Qualified Person under the rules of the CIMM and NI43-101.

Co Author: H. Kate Holdsworth, Senior GIS Geologist. BSc (Hons) Geology, MAusIMM.

H. Kate Holdsworth is a senior GIS geologist with over 17 years GIS experience who joined the Ravensgate team in September 2006. During her tenure at Ravensgate, she has contributed to the compilation of numerous Independent Geologists Reports, Valuation Reports, GIS projects as well as having assisted clients with their exploration reporting requirements and QA/QC investigations into client's data quality. Prior to joining Ravensgate, she worked for Giscoe Pty Ltd, a GIS company in Johannesburg, for ten years, where she was involved in diverse GIS projects, including database creation, database population and data validation. Kate has four years' experience in GIS with the Geological Survey of South Africa, where she was a member of their GIS database design team.

Project Site Visit: Don Maclean, Principal Consultant – Geology. MSc Geology, MAIG, MSEG.

Don Maclean is a geologist with over fifteen years experience in exploration geology, mine geology, resource modelling and project management throughout Australasia and Europe. He has worked in a variety of commodities, including gold, precious and base metals. Prior to joining Ravensgate, Don was the Chief Geologist for Ironbark Zinc where he was responsible for managing exploration and resource development work at the Citronen Fjord Zinc project in Greenland. Prior to this, Don worked for Newmont and Normandy throughout Australasia in a variety of senior exploration and mine based roles. Don was instrumental in the discovery and development of the 1.5 Million ounce Westside Gold Deposit at Nimary-Jundee in Western Australia. Don has a broad skill base, having worked in regional and near mine exploration, resource development, open pit and underground geology as well as senior company management roles. He has extensive experience in planning and managing large exploration projects, working on feasibility teams, technical audits, resource generation, and exploration target generation. He has worked in a variety of geological terranes ranging from the high Arctic to the arid desserts of Australia. Mr. Maclean holds the relevant qualifications and professional associations required by the ASX, JORC and ValMin Codes in Australia.

Peer Reviewer: Stephen Hyland, Principal Consultant and Director. BSc Geology, MAusIMM, CIMM, GAA, MAICD.

Stephen Hyland has had extensive experience of over 20 years in exploration geology and resource modelling and has worked extensively within Australia as well as offshore in Africa, Eastern and Western Europe, Central and South East Asia, modelling base metals, gold, precious metals and industrial minerals. Stephen's extensive resource modelling experience commenced whilst working with Eagle Mining Corporation NL in the diverse and complex Yandal Gold Province where for three and half years he was their Principal Resource Geologist. The majority of his time there was spent developing the historically successful Nimary Mine. He also assisted the regional exploration group with preliminary resource assessment of Eagle's numerous exploration and mining leases. Since 1997, Stephen has been a full time consultant with the minerals industry consulting firm Ravensgate where he is responsible for all geological modelling and reviews, mineral deposit evaluation, computational modelling, resource estimation, resource reporting for ASX / JORC and other regulatory compliance areas. Primarily, Stephen specialises in Geological and Resource Block Modelling generally with the widely used MEDSystem / MineSight® 3D mine-evaluation and design software. Stephen Hyland holds the relevant qualifications and professional associations required by the ASX, JORC and ValMin Codes in Australia. He is a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI43-101.

The Authors of this report, are not, nor intend to be, a director, officer or other direct employee of Alamar Resources Limited and have no material interest in the projects of Alamar Resources Limited. The relationship with Alamar Resources Limited is solely one of professional association between client and independent consultant. Neither Ravensgate nor any of its employees or associates is an insider, associate or affiliate of Alamar Resources Limited or any associated company. This Report has been compiled based on information available up to and including the date of this Report. Consent has been given by Ravensgate for the distribution of this report by Alamar Resources Limited in the form and context in which it appears. Ravensgate's professional fees are based on time charges for work actually carried out, and are not contingent on any prior understanding concerning the conclusions to be reached.

2.3 Principal Sources of Information

The principal sources of information used to compile this report comprise technical reports and data variously compiled by Alamar Resource Limited (Alamar) and their partners or consultants, publically available information such as ASX releases, discussions with Alamar technical and corporate management personnel and government reports. A listing of the principal sources of information is included in the references attached to this report.

A site visit was carried out for Kargana (Blue Eyes) Gold Project, Sujigtei Gold Project and the Bargilt Magnetite Iron Project. The site visit was undertaken by Mr Don Maclean, Ravensgate's Principal Consultant (Geologist) of Ravensgate from 3rd to the 11th October 2010. Mr Maclean was accompanied by Mr Mark Bainbridge of AIM Mongolia. As part of this site visit Ravensgate completed a review of the technical aspects of each project, including previous work, geology, planned development and exploration potential in order to assist in the valuation. No site visits were made to the five Mongolian alluvial gold projects due to time and distance constraints, however a desktop review of the projects was completed with AIM's project geologists at their head office in Ulaanbataar. Ravensgate is of the opinion that on limited review, the site visit reasonably covered all major or significant areas for the purpose of this valuation report. No site visits were undertaken to the Western Australian exploration projects as they are generally at an early stage of development. Ravensgate is of the opinion that no significant additional benefit would have been gained through further site visits. The author of this report has previously undertaken a site visit to the Thatcher Soak surficial uranium deposit in West Australia which is of a similar style to the majority of uranium targets described within this report.

All reasonable enquiries have been made to confirm the authenticity and completeness of the technical data upon which this report is based. A final draft of this report was also provided to Alamar, along with a request to identify any material errors or omissions prior to final submission.

2.4 Competent Person Statement

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Craig Allison, who is a member of the Australian Institute of Mining and Metallurgy. Mr Allison is a full time employee of Ravensgate Minerals Industry Consultants where he holds the title of Principal Consultant. Mr Allison has sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Revision of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code Dec 2004) and the Valmin Code 2005. Mr Allison consents to the inclusion in this report of the matters pertaining to Exploration Targets in the form and context in which it appears.

2.5 Background Information

The projects discussed in this report are located in Mongolia and Australia. A locality map of the projects is presented in Figure 1 and Figure 2. A summary of the tenement details is listed in Table 39 and Table 40. Ravensgate understands that all the project tenements in Mongolia and West Australia are held in good standing. Ravensgate makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

Figure 1 Locality Map of the Mongolian Projects

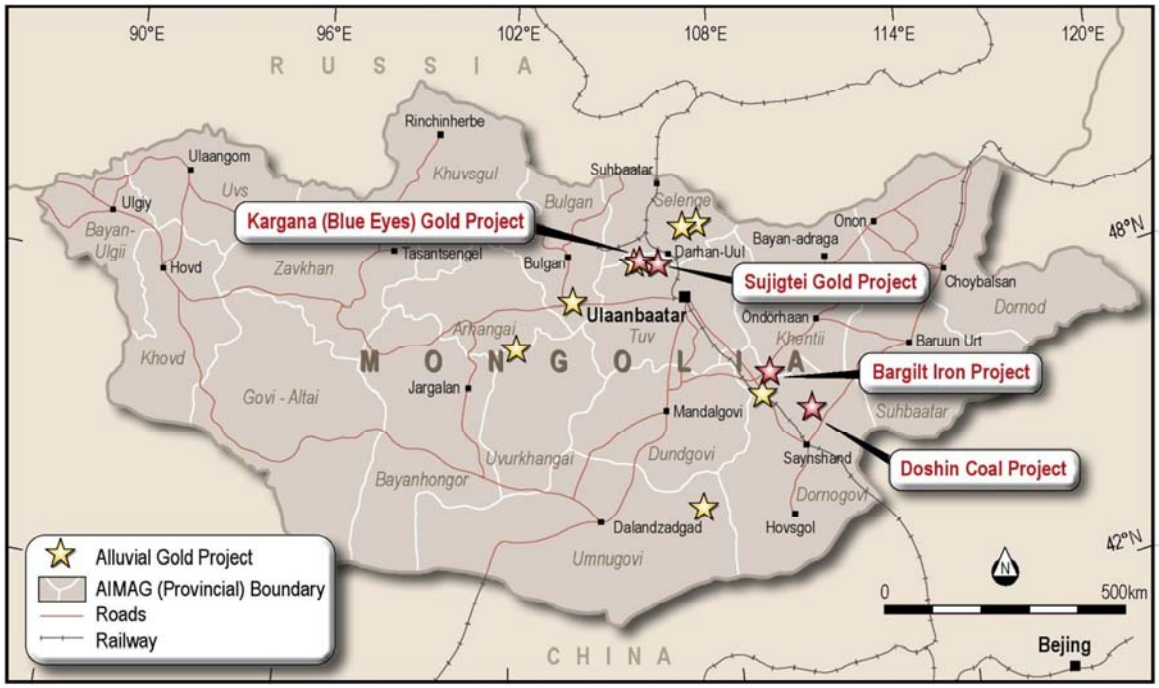
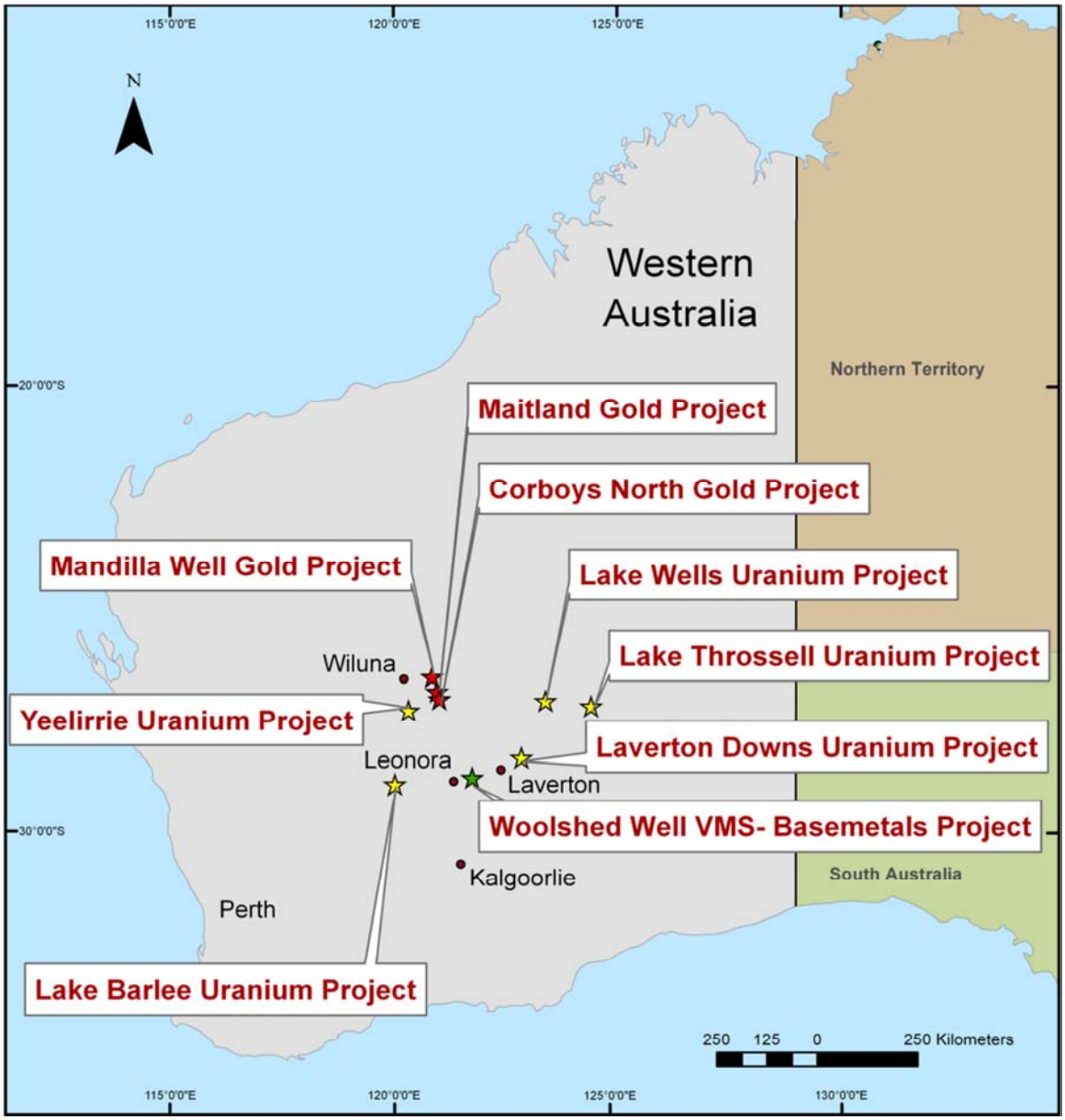


Figure 2 Locality Map of the Western Australian Projects



3. ALLUVIAL GOLD PROJECT, MONGOLIA

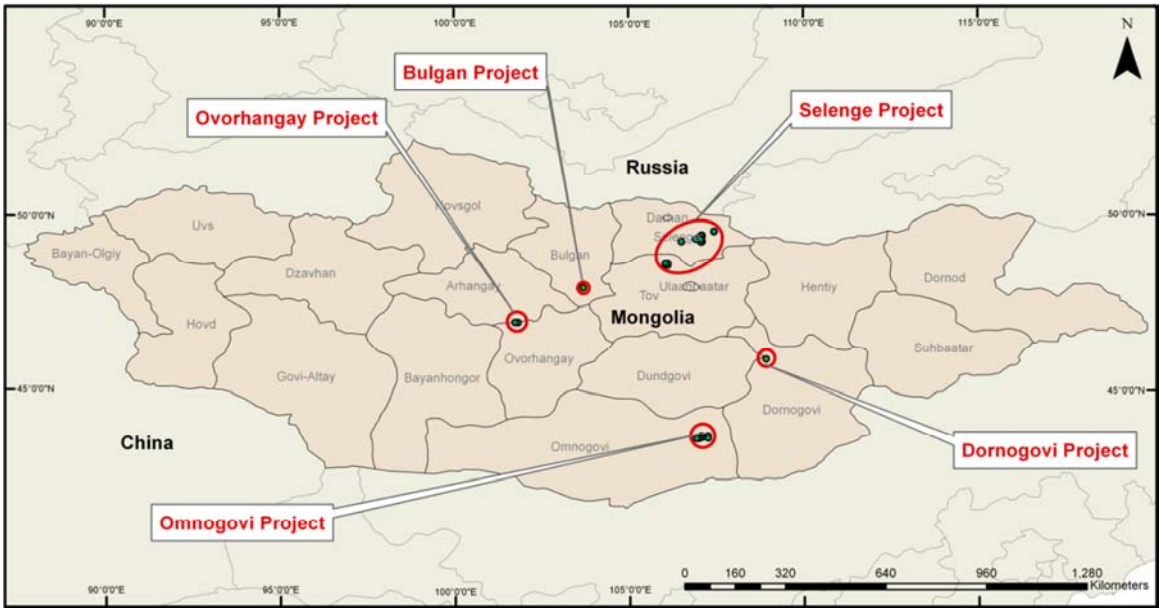
3.1 Introduction and Location

Alluvial gold has been mined for hundreds of years in Mongolia and contributes a significant amount to total gold produced in Mongolia. There are four major locations mined for alluvial gold in Mongolia including the North Henth Goldbelt, East Mongolian Belt, South Henth Goldbelt and the Bayanhongor Gold Belt. Alluvial mining is seasonal, taking place mostly in summer from April to October. This reflects heavy snowfalls and very low temperatures encountered in the winter season. The availability of water is one of the biggest challenges facing alluvial gold miners especially in the South Gobi district.

3.2 Tenure and Physiography

The Alluvial Gold Projects consist of 14 licenses, thirteen of which are exploration licenses and one mining license. They are located in seven different provinces, namely the Selenge, Bulgan, Dornogobi, Darkhan-Uul, Uvurhangai, Tuv and the Umnugobi Provinces. The total project area 272.97km^2 (27,297 hectares). The Alluvial Gold Projects can be divided into five separate areas as shown in Figure 3.

Figure 3 Locality Map showing the location of the five alluvial gold project areas by region.



3.3 Geology and Mineralisation

3.3.1 Regional Geology

Alluvial gold is located in the vicinity of granitic plutons with significant mesothermal quartz-vein gold mineralisation. Gold is thought to have originated in the late Palaeozoic when Mongolia underwent rifting and the emplacement of granitic plutons into varying country rock composition from volcanic to sedimentary. Wide-spread alluvial deposits were formed as the result of erosion of the cratons and accumulation of cover material during the late Tertiary.

3.4 Exploration History and Tenement Geology

3.4.1 Selenge Alluvial Gold Project (Area 1)

Huurai (9681X) Gold Exploration Prospect

This exploration licence is located 230km from Ulaanbaatar and 30km east of the town Hongor in the Darkhan-Uul province near to the Huurai Gol gold placer deposit. The licence has an area of 0.7km^2 (70 hectares). There is good infrastructure in the area as the licence is situated close to the Ulaanbaatar–Darkhan railway and the central asphalt road.

The licence overlies sedimentary sequences namely the Shar gol Formation and the Boroo gol Formation as well as unconsolidated material of sand and clay. The Shar gol Formation consists of conglomerate and sandstone whereas the Boroo gol Formation consists of conglomerate, sandstone and clay. Gold grains observed range in size from 0.1 to 0.2mm.

Ugtaal (6980x) Gold Exploration Prospect

This exploration licence is located 280km from Ulaanbaatar and 50km south east of Eroo in the Selenge province. Alluvial gold deposits are located in the Ugtaal valley. The licence has an area of 5.63km^2 (563 hectares). Within the licence area in the vicinity of Baga-Ulunt there is an area of interest for the occurrence of primary, hard-rock gold.

The licence overlies the Kharaa Formation, which consists of sedimentary and metamorphic rocks, an alkali granite as well as granite and diorite of the Boroo Formation. Details of exploration history are listed in Table 5.

Table 5 Alluvial Gold Project- Ugtaal (6980x): Exploration History

Date	Company	Findings
1956-1959	V.N. Loginov et al	Geological mapping 1:200,000
1973-1975	T. Semeihan et al	Metallogenic study of gold at 1:500,000. Compiled a gold distribution map at 1:50,000 and 1:100,000.
1979 and 1995	G. Dejidmaa et al	Metallogenic study of gold at 1:500,000. Compiled a gold distribution map at 1:50,000 and 1:100,000.
1992-1994	B. Batrom, O. Amar Governmental study	Geological mapping (1:50,000) and prospecting.
1988-1992	B. Bold-Erdene, Gungaanyam	Prospecting for placer gold.
1992-1994	P. Batchuluun, N. Nyam	Mapping of gold zone at 1:200,000 – North Khentii.
1994-1995	B. Purevsuren, O. Narantsetseg	Geological mapping (1:50,000) and prospecting.

Ajir (9432x) Gold Exploration Prospect

This exploration licence is located 200km from Ulaanbaatar and 80km from the city Darkhan in the Selenge province and is part of the gold region of the Eroo basin. The licence has an area of 0.25km^2 (25 hectares). In the area there is evidence of historical mining. The licence overlies a sedimentary sequence, the Yuruu Formation sandstone, Quaternary proluvial clays as well as a granitic intrusion.

Ajir 1 (9433x) Gold Exploration Prospect

This exploration licence is located 200km from Ulaanbaatar and 80km from the city of Darkhan in the Selenge province in the gold region of the Eroo basin. The licence has an area of 3.07km^2 (307 hectares). The licence overlies a sedimentary sequence, the Yuruu Formation which consists of sandstone and clay, unconsolidated sand and clay as well as a granitic intrusion. Quartz veining is found near the contact between the granite and the Yuruu Formation.

Shiir am (12512A) Gold Mining Prospect

This mining licence is located 380km from Ulaanbaatar and 30km from the town Huder in the Selenge province. The licence has an area of 0.91km^2 (91 hectares) and is located in the Sheer valley on the western side of the Shorgoolji River in the gold region of the Huder river basin. Historic exploration is listed in Table 6 below. A geology plan and sample line section are presented in Figure 4 and Figure 5 below.

Table 6 Alluvial Gold Project- Shiir am (12512A): Exploration History

Date	Company	Findings
1999	Dunar – Od LLC	Seven lines of drilling were undertaken. Line – 0 consisted of ten drill holes ranging in depth from 7.2 to 14m. The average grade ranged from 0.109 to 1.066 g/m^3. Line – 2 consisted of fifteen drill holes ranging in depth from 10.0 to 12.2m. The average grade ranged from 0.015 to 2.702 g/m^3. Line – 4 consisted of six drill holes ranging in depth from 6.0 to 12.4m. The average grade ranged from 0.132 to 0.520 g/m^3. Line – 6 consisted of seven drill holes ranging in depth from 7.6 to 8.4m. The average grade ranged from 0.093 to 1.397 g/m^3. Line – 8 consisted of six drill holes ranging in depth from 7.6 to 8.4m. The average grade ranged from 0.054 to 1.078 g/m^3. Line – 10 consisted of nine drill holes ranging in depth from 7.0 to 8.0m. The average grade ranged from 0.070 to 1.291 g/m^3. Line – 12 consisted of six drill holes ranging in depth from 6.8 to 8.0m. The average grade ranged from 0.062 to 0.325 g/m^3.

Figure 4 Geology Plan for Tenement 12512A.

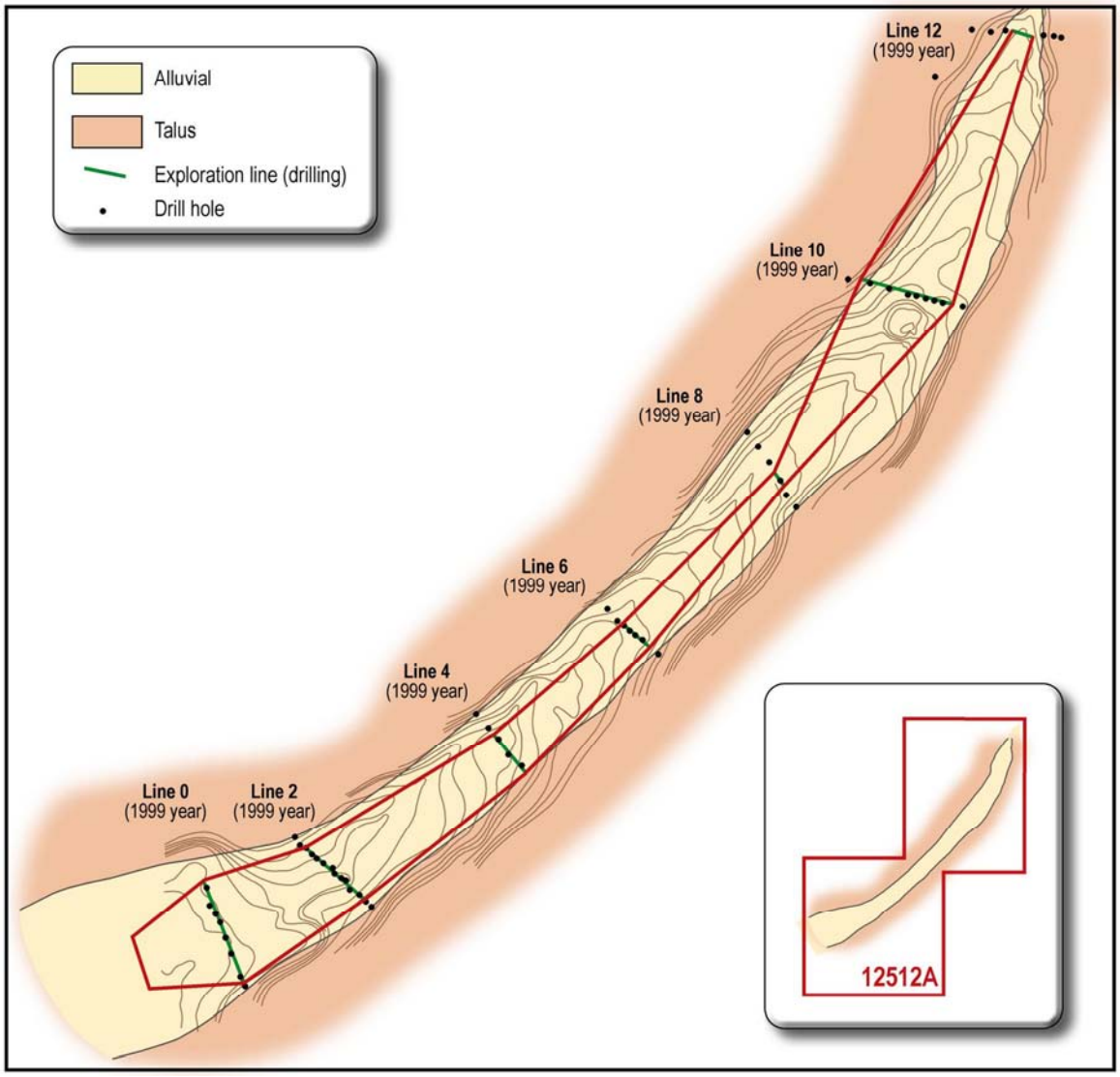
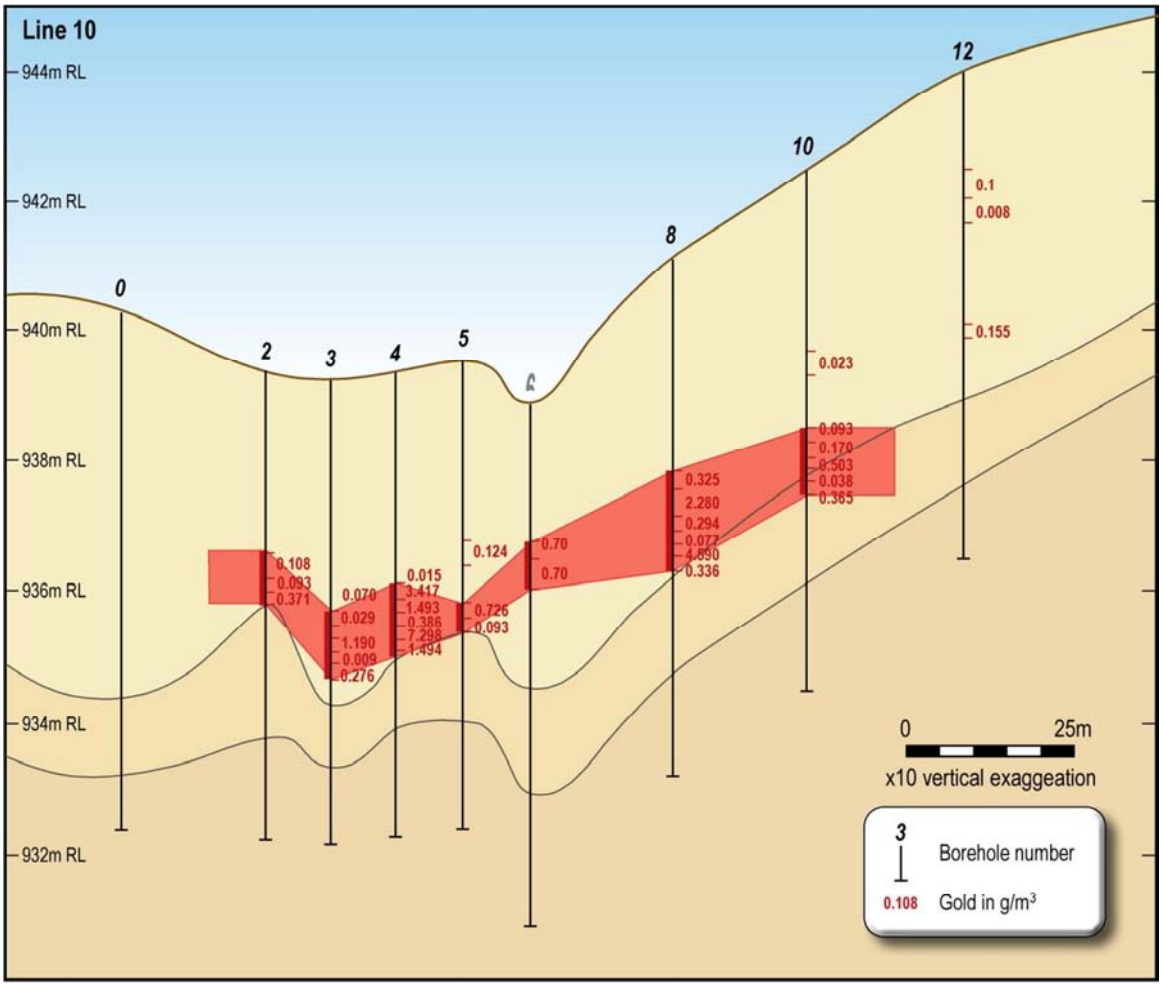


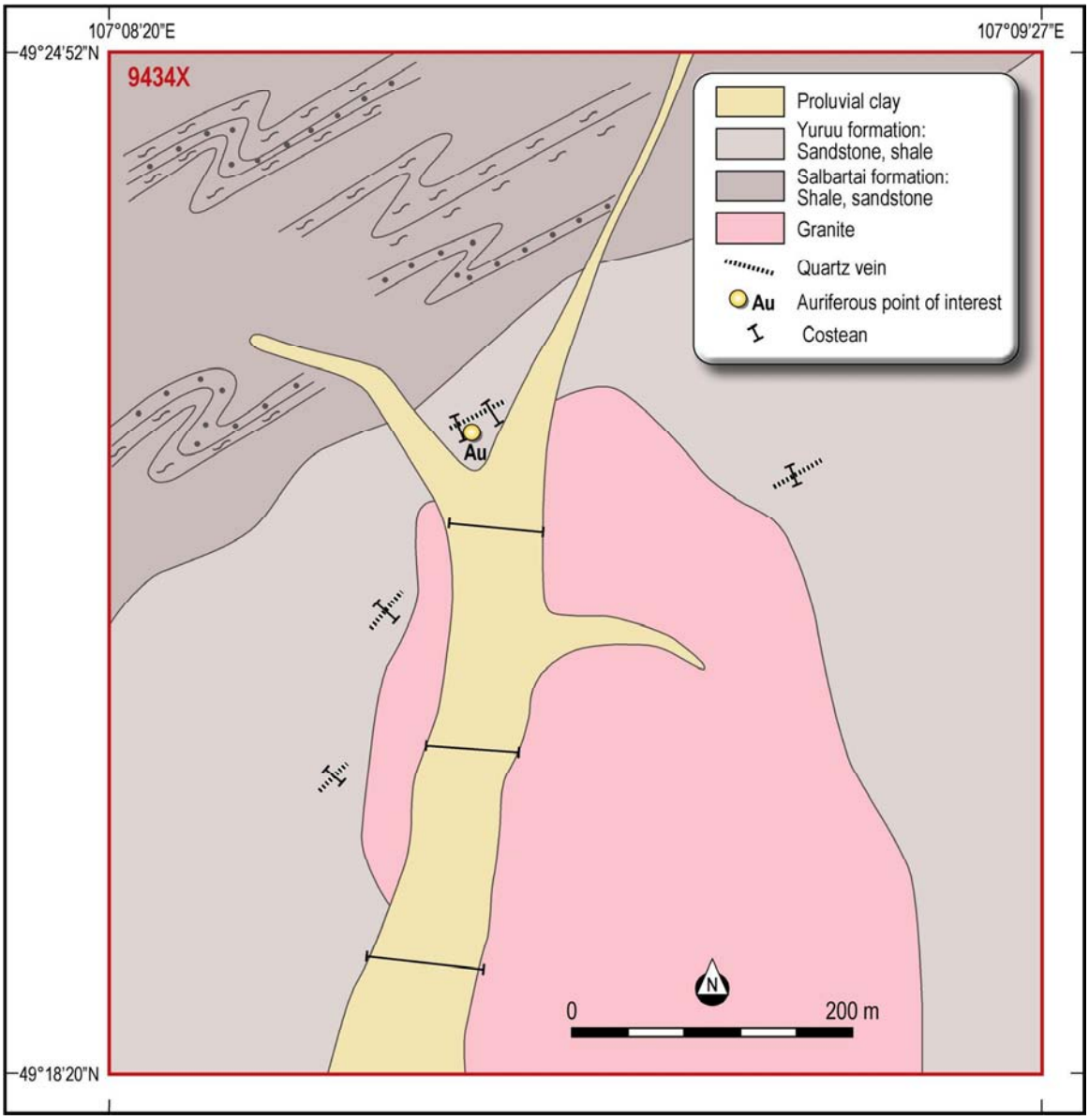
Figure 5 Gold Sample Results for Section Line 10 relating to Geology Plan



Honhor (9434X) Gold Exploration Prospect

This exploration licence is located 210km from Ulaanbaatar and 90km from the city of Darkhan in the Selenge province in the gold region of the Eroo basin. The licence has an area of 0.78km^2 (78 hectares). The licence overlies the Yuruu Formation, the Slabartai Formation and a granite intrusion. These formations consist of sandstones and shale in the licence area. Quartz veining occurs near the contact between the granite and the Yuruu Formation. Earlier explorers have highlighted the prospectivity of Galtai Wading (Figure 6).

Figure 6 Geology Plan for Tenement 9434X



Ilrel (12970X) Gold Exploration Prospect

This exploration licence is located in the Tuv Province near the village of Bornuur and has an area of 22.56km^2 (2,256 hectares). Regional geology over the project tenement consists of coarse-grained granite on the western side and schist, sandstone and carbonatised sandstone in the central and eastern portions of the tenement. Contemporary to Quarternary age unconsolidated sediments overlie the hard rock lithologies. A soil sample exploration program was conducted on a 20m by 20m grid across the tenement with a multi-element assay suite undertaken. Several gold anomalies were identified from the soil sampling program which require follow-up exploration to investigate. Sampling was undertaken in June, 2010 by consulting group Asia Intercept Mining LLC with a total of 240 samples collected in the prospective area. The samples were collected as Lower B - Upper C horizon material via a 0.6m to 1m hole dug by shovel. At the sample site a sample was collected (approximately 1kg) and then oven dried and sieved to -80# mesh to obtain 0.1-0.2kg of material. Duplicate field samples for assay Quality Assurance/Quality Control (QA/QC) were taken every 20 samples and

photos of each sample site were compiled. Laboratory standards were also used for assay QA/QC. All samples were sent to Alex Stewart laboratories and assayed with XRF analysis for 32 elements. Sample pulps were returned for storage at Asia Intercept Mining Sample storeroom

Khongor (10226X) Gold Exploration Prospect

This exploration licence is located in the Darkhan-Uul Province near the village of Khongor and has an area of 0.31km^2 (31 hectares). Regional geology over the project tenement consists of dominantly of the Paleozoic-Lower Cambrian Buuraltai sub-formation. It consists of limestone, sandstone, conglomerate and schists which have been variously intruded by granitic bodies. Contemporary sediments (Riverbed and Floodplain) sands, clays and grits overlie the Buuraltai sub-formation. A small limestone quarry (~50m x 25m) is noted in the central area of the tenement.

3.4.2 Ovorhangay Alluvial Gold Project (Area 2)

Sedut (13140X) Gold Exploration Prospect

The exploration licence is located 530km from Ulaanbaatar and 30km northwest of Bat-Ulzii Soum in the Uvurhangai province. The licence has an area of 32.49km^2 (3,249 hectares).

The source of alluvial gold in this area is from the surrounding Buluutsagaan Mountains. Mining and exploration of the gold placers has been undertaken for a considerable period of time. The licence overlies the Erdenetsogt Formation which consists of green aleurolite and sandstone with elluvium. Historic exploration is listed in Table 7.

Table 7 Alluvial Gold Project: Exploration History

Date	Company	Findings
1970-1990s	The Soviet Union	Exploration program which included trenching, bulk sampling and drill testing.

3.4.3 Omnogovi Alluvial Gold Project (Area 3)

Zest (13393X) Gold Exploration Prospect

This exploration licence is located in the Omnogovi Province and has an area of 94.16km^2 (9,416 hectares). Regional geology consists dominantly of Lower to Upper Carboniferous sandstones and siltstones, mafic lava flows and felsic volcanics /volcaniclastics. Early Carboniferous to Late Permian Granodiorite intrusive occurs in the north-western area of the tenement while Quarternary Sediments (clay, sand and gravels) are noted in the northern and southern areas of the tenement. Russian explorers in the 1960's had historically noted the presence of low grade (0.3-0.8g/t Au) gold-bearing quartz veins in the southern area of the tenement. No significant exploration programs have been undertaken since that time.

Bogd (13394X) Gold Exploration Prospect

This exploration licence is located in the Omnogovi Province and has an area of 20.71km^2 (2,071 hectares). Regional geology consists of faulted Lower Carboniferous mafic lavas with sandstone or siltstone sub-units and Lower Permian felsic volcanics and volcaniclastics. Quarternary sediments (clay, sands and gravels) overlie the mafic and felsic rocks. Russian explorers have historically noted the occurrence of gold-bearing intrusive-related veins in the central area of the tenement.

3.4.4 Dornogovi Alluvial Gold Project (Area 4)

Bor (9340X) Gold Exploration Prospect

This exploration licence is located in the Dornogovi Province and has an area of 9.59km^2 (959 hectares). Regional geology over the project tenement consists of Medium-Upper Jurassic rhyolite and rhyodacite on the western and central area of the tenement, Lower Cretaceous basalt flows in the southern area of the tenement and Quaternary sediments (sand, clay and gravels) in the north-eastern area of the tenement.

3.4.5 Bulgan Alluvial Gold Project (Area 5)

Baishint (6868X) Gold Exploration Prospect

This exploration licence is located in the Bulgan Province and has an area of 4.04km^2 (404 hectares). Regional geology over the project tenement consists of the Medium-Upper Triassic Vzaga Formation of sandstones, siltstones, conglomerates and schists. Granitic bodies of the Jurassic period (Har Alag Complex) have intruded into the Vzaga Formation in the central area of the tenement. Russian explorers in the 1960's had historically noted the presence of auriferous mineralisation associated with the Har Alag complex. Contemporary sediments of riverbed and flood-plain clays, grits and sands overlie the Vzaga Formation. No significant exploration programs have been undertaken since that time.

3.4.6 Agg (13537X) Gold Exploration Prospect

Ravensgate understands license 13537X is considered to be a grass-roots (Greenfields) exploration prospect with no information available for review. No value has been attributed to this license to reflect the unavailability of information for review at the present time.

3.5 Exploration and Resource Potential

The Alluvial Gold Project tenements are at various stages of exploration and development ranging from minor field reconnaissance activity and geological mapping to more advanced prospecting, pit investigations, drilling and/or bulk sampling. Exploration has recognised that coarser gold particles in general may be more readily recovered where favourable material types are present and this rationale has been adopted when carrying out project generation reviews and exploration. The source of the alluvial gold is considered to be nearby underlying auriferous quartz veins hosted in primary hard rock. Ravensgate considers that the various Alluvial Gold Project tenements may be classified as either "Exploration Area" or "Advanced Exploration Area" Mineral Assets depending on both the amount exploration undertaken and the conclusions determined for each tenement. A Mineral Resource compliant with the current reporting guidelines of the Australian JORC code (JORC, 2004) has not been estimated due to the sparse amount, age and/or quality of available data. An Exploration Target has been estimated over the "Advanced Exploration Area" Mineral Assets for the purposes of this valuation using current geological understanding and exploration information obtained to date. The Exploration Target is only defined where supported by geological and exploration information. Further and more detailed exploration programs would be required to increase confidence in mineralisation volumes and grades before a Mineral Resource could be estimated and classified. Ravensgate cautions the reader that the potential quantity and grade or quality of an Exploration Target is conceptual in nature and shows there has been insufficient exploration and work to define a formal JORC Mineral Resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a Mineral Resource. On the basis of this review, an Exploration Target has been defined for some tenement projects as presented in Table 8 for "Advanced Exploration Area" Mineral Assets. These gold projects all occur in the northern area of Mongolia (Project Area 1) as presented in Figure 3.

Table 8 Alamar Resource Ltd – Tenement Details and Exploration Targets for Alluvial Gold Leases

Project Area & License	Area (km^2)	Volume (m^3) Minimum	Volume (m^3) Maximum	Grade (g/m^3) Minimum	Grade (g/m^3) Maximum	Exploration Target and Mineral Asset Type
Area 1> 12512A	0.91	50,000	76,000	0.6	0.9	Shiir am - Advanced Exploration.
Area 1> 6980X	5.63	161,000	241,000	0.6	0.9	Ugtaal – Advanced Exploration.
Area 1> 9432X	0.25	22,000	33,000	1.6	2.4	Baga ajir – Advanced Exploration.
Area 1> 9433X	3.07	64,000	96,000	1.6	2.4	Baga ajir – Advanced Exploration.
Area 1> 9434X	0.78	10,000	15,000	0.8	1.2	Altadiin – Advanced Exploration.
Area 1> 9681X	0.70	53,000	80,000	0.6	0.9	Khuurai – Advanced Exploration.
Area 1> 10226X	0.31	N/A	N/A	N/A	N/A	Khongor - Exploration.
Area 1> 12970X	22.56	N/A	N/A	N/A	N/A	Ilrel - Exploration.
Area 2> 13140X	32.49	N/A	N/A	N/A	N/A	Sudut - Exploration.
Area 3> 13393X	94.16	N/A	N/A	N/A	N/A	Zest - Exploration.
Area 3> 13394X	20.71	N/A	N/A	N/A	N/A	Bogd - Exploration.
Area 4> 9340X	9.59	N/A	N/A	N/A	N/A	Bor - Exploration.
Area 5> 6868X	4.04	N/A	N/A	N/A	N/A	Baishint - Exploration.
Total	**195.2**					

Note tenements with an "X" suffix refer to granted tenements for Exploration and tenements with an "A" suffix refer to granted tenements for Mining. Alluvial gold project areas are presented in Figure 3.

4. KARGANA (BLUE EYES) GOLD PROJECT, MONGOLIA

4.1 Introduction and Location

The Kargana (Blue Eyes) Gold Project is located in the Tov Province in the central-north area of Mongolia. The project is located 110km from Ulaanbaatar and 12km east of the town of Bornuur. From the project it is 15km to the nearest railway station and the main National Trans-Siberian Highway.

The project area consists of undulating wooded hills and open grassland in the valleys. The wooded parts of the project are not economic forest resources. Settlements in the area are connected to the centralized electric power supply system.

The climate in the project area is continental with annual temperature variation ranging from temperate to very cold. Average annual temperature is approximately 0ºC. Temperatures are as low as -40ºC during the months of December through February. Summer temperatures may sometimes exceed +40ºC, but typical warm season temperatures during July and August are approximately 20ºC. The area receives approximately 250mm of precipitation per year, most of which is rainfall falling during July through August. Field exploration is generally most efficient during the months of March to November. Access to the Kargana (Blue Eyes) Project from Ulaanbaatar is by well maintained bitumen roads to Bornuur and from there to the site by a dirt road is which is usable throughout the year.

4.2 Tenure and Physiography

The Kargana (Blue Eyes) Gold Project consists of one mining licence (0.45km^2) and two exploration licences (Figure 7). The total area of the project is 13.97km^2 (1,397 hectares).

4.3 Geology and Mineralisation

The Kargana (Blue Eyes) gold project lies within the North Kentii Gold belt which forms part of the northeast striking North Kentii tectonic terrane. The geology of the project areas comprises a sequence of Late Proterozoic to Lower Palaeozoic age folded turbidites (Haraa Sediments). They have been intruded by a series of Paleozoic aged leucocratic granite and granodiorites of the Boroo Complex. The area has also been intruded by late Paleozoic age granitic and dioritic dykes. Several rhyolitc bodies interpreted to be of Permian age outcrop within the project area and these are the main host rocks for gold mineralisation.

The Kargana (Blue Eyes) Gold deposits lies on the northeast striking Sujigtei fault which forms part of the Yeroogol Fault system. Regionally this fault appears to have played an important role in the localization of gold mineralisation as it is spatially related with several other gold deposits including the Sujigtei and Gatsurt Gold deposit to the northeast. A northwest striking fault transects the project area (the Highway Fault). This fault also appears to be a regionally significant structure and hosts the Boroo gold deposit and several other smaller deposits.

Gold mineralisation at Kargana (Blue Eyes) consists of stockwork and vein style gold mineralisation and is predominantly hosted within rhyolite. Mineralisation is interpreted to be of an intrusive related gold system style. Gold mineralisation related alteration is typified by an assemblage of quartz~sericite~K-feldspar~pyrite~arsenopyrite.

The main Kargana (Blue Eyes) Vein is a narrow (0.2 to 2 metres) quartz vein with minor sulphides of predominantly pyrite and arsenopyrite. Of note is that possible gold tellurides have been observed in hand specimen but detailed petrology studies are required to clarify this. The vein dips steeply southeast and is sub parallel to the Sujigtei fault. The main vein is laterally extensive with a known strike of 450 metres and a down dip extent of 150m (and is open down dip). Several smaller northwest striking veins cross cut the main vein and appear to have created localised ore shoots within the main vein. There are several smaller less strike extensive veins that run parallel to the main Kargana (Blue Eyes) Vein as well as localised areas of quartz vein stockworks and microfractures.

Elsewhere in the project area several different styles of gold mineralisation have been observed from outcrop and from historic artisanal workings and exploratory drives including:

- Pervasively silicified zones with fine-grained sulphides.
- Stock work quartz veinlets and microfractures. Flat lying quartz veins with a variable sulphide content.

4.4 Exploration History and Mine Production

In the past the project area has been explored by a number of different explorers, details are listed in Table 9.

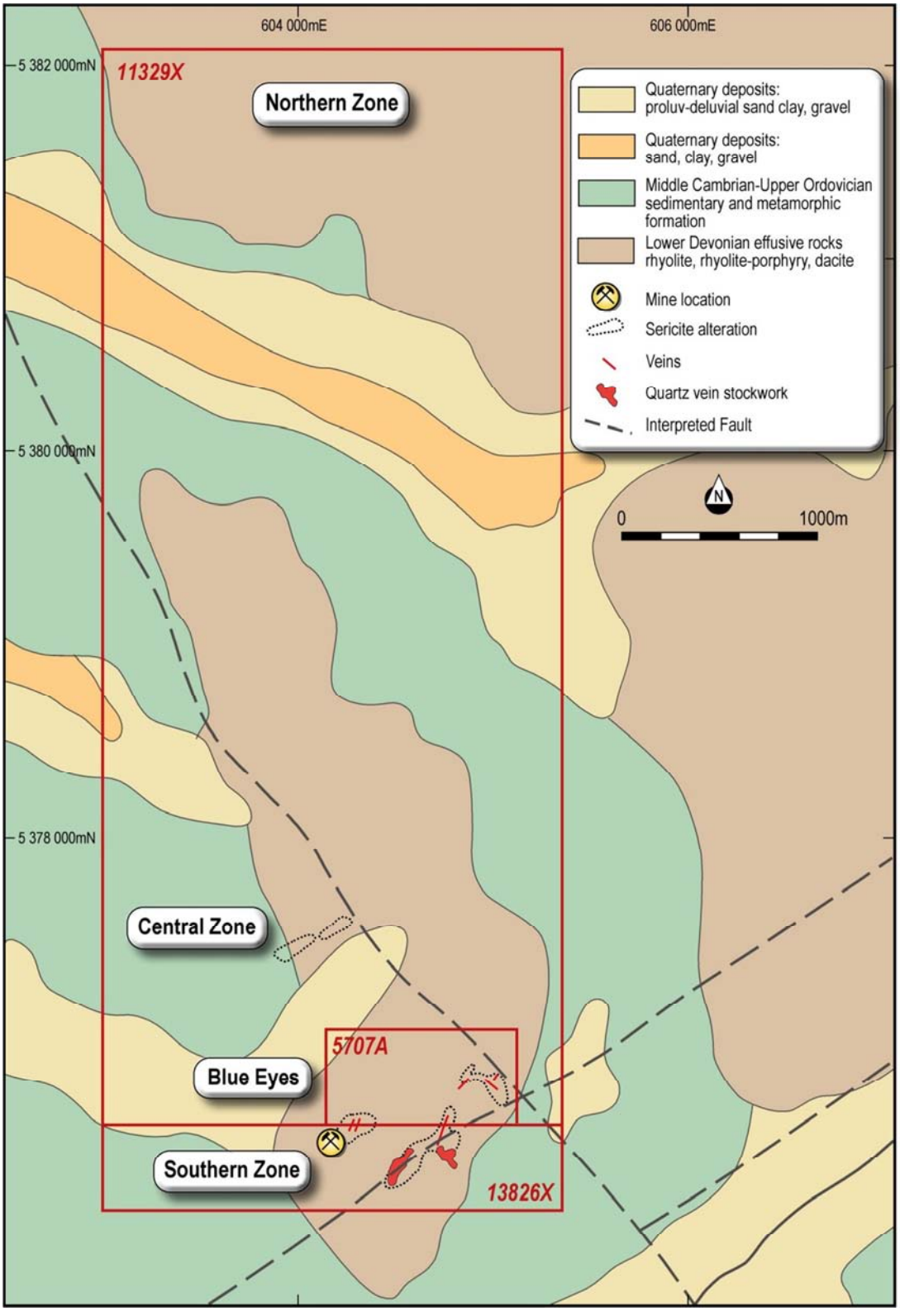
Table 9 Kargana (Blue Eyes) Gold Project: Exploration History

Date	Company	Findings
1913-1914	Mongolor Corporation M.A.Usov et. al	Exploration and prospecting led to exploitation of hard rock and placer gold deposits.
1946-1947	Russian geologists N.E.Nevzorov and others	Geological mapping at 1:200,000 scale, prospecting and exploration for gold. Exploration resulted in the mining of the Sair, Naran Tolgoi and Zurkh deposits.
1965-1967	East? German geologists A.Kampfe and others	Undertook geological mapping at 1:50,000 scale. "They considered that the gold mineralisation in the district was originated in association with small-scale dyke rock effected by Hercynian tectonism and had spatial relationship with quartz veins that formed cutting through strongly folded, northeast-striking altered rock, mostly metasediments such as schists, black shales etc. They presumed the age of the gold mineralisation as Permian-Triassic" (Bainbridge, 2010).
1980s	Russia/East Germany	Completed exploration driving along the main Kargana (Blue Eyes) vein. Two levels were developed. The vein was extensively sampled with grade and tonnage estimations were completed (Russian).
1994-1996	Mongolian geologists Ts.Tumur and others	Carried out geological mapping at 1:50,000 scale and exploration. Assessed and assimilated all previous exploration on the property.
2008-2010	Asia Intercept Mining	Completed extensive exploration programs throughout the project areas including magnetic and IP geophysical surveys, soil sampling, rock chip sampling and geological mapping. Drilled a 7 hole diamond drilling program targeting the main Kargana (Blue Eyes) vein and several peripheral targets. Work has identified extensive zones of mineralised quartz stockworks to north east of the Kargana (Blue Eyes) Vein and several other regional targets that require follow up exploration and drilling.

The Kargana (Blue Eyes) Vein has been developed as a small underground mine. Initial work on the mine was carried out in the 1980s by Russian and East German operators. They developed and sampled the main levels and undertook grade and tonnage estimates for the project. Ravensgate notes the historical grade and tonnage estimates would not be reportable as being in compliance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves (The JORC Code, 2004). With the collapse of the Soviet Union in 1991 the project was abandoned. Little further work was completed on the project until recent years when a Mongolian company acquired the Kargana (Blue Eyes) Mine and began underground mining and stoping from the two previously developed levels. Production for the last three years is reported as approximately 1.5 tonnes of gold. Asia Intercept Mining became involved in the project in 2008 and have recently began building a bigger processing plant (250 tonnes per day capacity) and have been refurbishing and modernising the underground mine in order to help

prepare for increasing production. Of note is that alluvial gold deposits have been historically worked in the valleys draining the project area in the north. No hard rock source for this gold has as yet been identified.

Figure 7 Plan of Tenement Location and Geology for Kargana (Blue Eyes)



4.5 Exploration and Resource Potential

The Kargana (Blue Eyes) Gold Project has undergone substantial exploration and mine development to date. Two underground strike drives have been developed with mineralisation width being on average 0.45m at the 60m level and on average 1.4m at the deeper 120m level. Asia Intercept Mining is developing a third strike drive at a lower level (150m). Ravensgate considers that the Kargana (Blue Eyes) Gold Project is an "Advanced Exploration Area" Mineral Asset where prospective quartz-hosted gold veins from exploration drilling, mine development and lower-quality samples (e.g. underground channel samples) have been identified but where a formal Mineral Resource compliant with the current reporting guidelines of the Australian JORC code (JORC, 2004) has not been reported. In the case of this gold deposit generally, this reflects a requirement for a resource estimate and associated report detailing consideration of such check assessment items as referred to in Table 1 of the JORC code rather than specific modifying factor issues. In addition a mined void volume survey reflecting any recent hand-mining by locals is also required. It is currently thought mined tonnage by recent hand-mining would most likely be minor although likely to have targeted higher grade areas.

An Exploration Target has been estimated for the purposes of this valuation using the current geological understanding, exploration/mining information obtained to date and also observations from Ravensgate's recent site visit. The Exploration Target is only defined where supported by geological and gold assay information. Ravensgate cautions the reader that the potential quantity and grade or quality of an Exploration Target is conceptual in nature and shows there has been insufficient exploration and development work to define a formal JORC Mineral Resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a Mineral Resource. On the basis of this review, an Exploration Target of approximately 0.24 to 0.33 million tonnes at 6.5 to 8.5g/t using the assessment criteria as listed below and derived from sufficiently-spaced sample information has been used for the purposes of this valuation report.

- Quartz vein bulk density of 2.7 (a total of 24 samples from the mineralised rhyolite ranged between 2.58 to 2.77g/cm^3 for bulk density determination);
- Tonnage and grade estimates based on polygonal or grade average methods with half distance influence between sample data points;
- Grade estimates based on underground channel samples from mine development and exploration drillholes;
- Mined out areas are excluded from the tonnage range.

Of note is that the Kargana (Blue Eyes) Vein is open at depth and has not been drill tested below 150 metres from surface. There is potential for depth extensions as well as strike extensions of the vein to the northeast. Outside of the main Kargana (Blue Eyes) Vein a number of targets have also been identified that require further follow up work. Notable targets include:

- Remainder of Kargana (Blue Eyes) Vein. Most work to date has focussed on the central main Kargana (Blue Eyes) Vein. Several smaller veins (sub parallel and cross cutting) have been identified in outcrop and by sampling. In addition zones of stockwork quartz veins and micro-fractures have been observed. There is very little drilling to define these structures. These may form a coherent low to moderate grade zone that could be mined by open pit methods.
- Southern Zones to the hill east of Kargana (Blue Eyes) contain extensive quartz vein stockworks and sericite altered rhyolites which have been identified from surface outcrops over an area of 600m by 400m. Assay grades of up to 18g/t gold (Au) have been taken from surface rock chips. Drilling is still required to systematically test these areas. Also within the southern zone there are several small historic workings centred on flat lying quartz veins within rhyolites which also require drill testing.

- Northern Zones. Rock chip sampling has identified anomalous (up to 4g/t Au) gold values within rhyolitic breccias. These require further follow up exploration.
- Arsenic (As) and Lead (Pb) anomalies. Soil sampling using a niton XRF has identified a number of arsenic (As) and lead (Pb) anomalies. Exploration work over Kargana (Blue Eyes) indicates arsenic and lead are elevated over gold mineralised areas and these anomalies require follow up exploration.

Figure 8 Kargana (Blue Eyes) Gold-hosted Quartz Vein (top-left) on backs of underground drive development. View is approximately 2.5m across

5. SUJIGTEI GOLD PROJECT, MONGOLIA

5.1 Introduction and Location

Sujigtei (Сүжигтэй) is located in Central Northern Mongolia at the south-western end of the Khentii Mountain Range. The project lies approximately 110km north of the capital city of Ulaanbaatar in the Mandal Soum Province. The geographic position is approximately at a latitude of 48°34′N and longitude 106°30′E. The Sujigtei deposit is part of the Noyon Project group of gold deposits in the Zuunmod goldfield and is located approximately 9km south west of the nearby Gatsuurt deposit and 7km north east of the Kargana (Blue Eyes) Gold Mine. These deposits are located on the regionally significant Yeroogol ('Sujigtei') tectonic fault structure. The fault zone is thought to control gold mineralisation where it is interpreted to divide predominately barren volcanic rock types from granites that host the observed gold-bearing quartz and gold-sulphide mineralisation.

5.2 Tenure and Physiography

The Sujigtei Project is contained within tenement 194A which Ravensgate understands is 100% owned by Gunbileg Gold LLC (which is 90% owned by MRC and 10% by local tribal mining group). Ravensgate has not independently verified ownership and current standing of the tenements and is not qualified to make legal assessment or representations in this regard. Similarly Ravensgate has not attempted to establish the legal status of tenements within the project area with respect to either local or foreign title claims.

The Sujigtei Project area within "Dzuun Mod" is characterised by moderately hilly terrain which is moderately forested and generally devoid of outcrops except in locations where slopes or stream banks are steep. Forest cover generally consists of birch, pine, and larch species and in places the slopes may be grass covered. The average elevation over the area is 1,400 metres above sea level. Numerous small (moderately to well-developed) streams are present and these sometimes flow over beds of alluvium which may be up to 10-20m thick in places, except where material has been historically stripped locally by alluvial mining for gold. Drainage from Sujigtei follows the Sujigtei River Gatsuurt and the Kharaa River to eventually reach Lake Baikal in Russia.

The climate in the Project area is continental with annual temperature variation ranging from temperate to very cold. Average annual temperature is approximately 0ºC. Temperatures are as low as -40ºC during the months of December through February. Summer temperatures may sometimes exceed +40ºC, but typical warm season temperatures during July and August is approximately 20ºC. The area receives approximately 250mm of precipitation per year, most of which is rainfall falling during July through August. Field exploration is generally most efficient during the months of March to November. Access to the Sujigtei Project is by well maintained bitumen roads to within 10km to the site where a dirt road is usable throughout the year.

5.3 Geology and Mineralisation

5.3.1 Regional Geology

The Sujigtei deposit is located within in the North Khentei gold belt. The gold belt forms part of the northeast trending North Khentei tectonic belt. The tectonic belt is bounded to the northwest and southeast by the Bayangol and the Yeroogol fault systems respectively

The North Khentei gold belt has a long history of alluvial placer mining and includes both structurally hosted gold deposits as well as placer style gold deposits both of which exhibit arsenic anomalies in drill sampling and in stream sediment sampling which are interpreted to be directly related to the major Bayangol and Yeroogol fault systems. The North Khentei gold belt mineralisation is interpreted to be mesothermal and comprised of quartz veining with associated coarse gold (with generally low-sulphide content), or alternatively as disseminated fine-grained gold in higher sulphidation rocks. Significant litho-structural units occur along, and are separated by the Sujigtei subvertical fault where volcanics (rhyolite) are generally found on the northwest side of the fault. Some of the granite emplacements often contain fault-bounded

"xenoliths" of the Kharaa Series metasedimentary rocks. Minor diorite dikes and xenoliths of other Boroo Complex rocks are also sometimes observed.

The Central Mineralized Zone lies on the southeast hangingwall side of and immediately adjacent to the main fault structure where the bulk of gold mineralisation occurs within a distance of 100m. Gold mineralisation can be generally described as a set of sub parallel structural zones with sub vertical dips with a north-easterly strike. The estimated length of the main zone at Sujigtei is approximately 800m and the approximate total width of mineralisation is up to 250m. Not all of this width is mineralised. The known depth of mineralisation exceeds 200m from surface and may extend further down. The Main Vein is hosted by Lower Palaeozoic granite in the hanging wall of the fault zone. Gold mineralisation related alteration is typified by an assemblage of quartz~sericite~K-feldspar~pyrite~arsenopyrite.

The Sujigtei deposit is part of the northeast trending tectonic belt geological terrain of the North Khentei Mountain belt in north central Mongolia. The tectonic belt is bounded to the northwest and southeast by the Bayangol and the Yeroogol fault systems, respectively. The North Khentei tectonic belt is composed of three major lithotectonic components as follows:

- The Late Precambrian sequence is comprised of early Paleozoic flysch and subsequent plutonic emplacement. The interpreted miogeosynclinal flysch includes the Precambrian Yeroo Series of greenschist grade metamorphic rocks adjacent and immediately northwest to the Yeroogol fault and the associated Lower Palaeozoic Kharaa Series sandstones, shales, siltstones, conglomerates which are locally metamorphosed into phyllites, quartz-sericite and sericite-chlorite schists. Locally there is some intermediate tuff cover. Within these units the biotite and biotite-hornblende granodiorite and granites (450Ma to 520Ma) have intruded into the Palaeozoic Boroo Complex and the Yeroo and Kharaa Series southeast of the regionally significant Bayangol fault zone. The intrusives are interpreted to be dislocated by renewed movement along the faults.
- The Mid to Upper Devonian continental volcanic and sedimentary rocks (~280Ma) lie unconformably on the Yeroo, Kharaa, and Boroo group and are located in the near vicinity of the Yeroogol fault system. The volcanic rock types observed are typically subvolcanic rhyolite porphyry with some extrusive tuffaceous andesite lavas and volcanic breccias. The sedimentary units observed are a mix of shale, sandstone, and conglomerate denoting the changing hydrodynamic conditions often seen associated with changing magmatic back-arc basin depositional environments.

  The Jurassic-Cretaceous and Tertiary coal-bearing sedimentary rocks and Conglomerates associated with the northeast-southwest trending Bayangol and Yeroogol fault strike-slip fault systems are interpreted to have caused left-lateral displacement which are associated with volcanism and magmatism that may indicate that they are deep-seated structural features. Other interpreted structures which are, oriented approximately 020˚ and 130˚, intersect the Yeroogol fault in places and it is these intersections that are considered favourable dilational ductile locations conducive to gold deposition.

5.3.2 Local Geology and Mineralisation

The Sujigtei deposit has a clearly observable control associated with the distribution of gold mineralisation and associated alteration, namely a major tectonic structure which divides essentially barren Ryolite or Ryolite-Porphyry volcanic rocks from granites which are the main host rocks for gold-bearing quartz and gold-sulphide mineralisation. The fault strikes consistently at 45˚, with no apparent fault displacements, and dips sub-vertically to 85° southeast.

The main fault zone is observed to be rhyolite gouge comprised of clay and silica altered material or breccia and quite narrow in width. Additional fault planes have been intersected in the immediate hanging wall parallel to the Sujigtei fault and the gold mineralisation associated with these substructures is quite strong. In all a total of 5 fault zones ('veins') have been historically exploited or partially developed by small scale underground mining methods. The most significant of these is referred to as 'Vein 1' which is the largest lode structure .

There are two dominant orientations observed for the major fault zone. The most important being the 045° trending Sujigtei structure which defines the southeast margin of mineralisation and also some smaller scale 'en-echelon' structures with approximate azimuths of 020°-030° which typically are observed to contain the higher grade zones (+3g/t Au) when compared with the surrounding broader zones of quartz-sericite alteration that typically display gold mineralisation grades of 1g/t Au or more. The observed margin zones of mineralisation generally display lower sulphide content as well as degree of quartz-sericite alteration.

Gold is observed and associated with three styles of mineralisation:

- Discrete white quartz veins with variable sulphide content and frequent visible gold,
- Pervasive silicified zones with fine-grained sulphides and visible gold,
- Disseminated and fracture controlled stockwork sulphide veins.

Gold distribution at Sujigtei tends to be not very homogeneous particularly over short lateral distances across the strike of the fault structures.

Alteration

Six styles of alteration are recognized at the Sujigtei deposits, with patterns largely confined to rhyolite and granite host rocks. The width of the pervasive alteration varies, but is commonly from 50m to 80m from the main fault but can extend further in places. Alteration is interpreted as mesothermal mineralisation and the major observed styles of alteration are:

- sericitic
- siliceous
- K-feldspathic or potassic
- propylitic
- carbonatization
- argillic alteration

Gold mineralisation at Sujigtei is associated with the quartz-sericite of types 1 and 2 above as well as some K-feldspathic alteration. The alteration systems are sometimes associated with pyrite and native visible gold in quartz veins and stockworks.

5.4 Exploration History

In the past the project area has been explored by a number of different explorers, details are listed in Table 10 below.

Table 10 Sujigtei Gold Project: Exploration History		
Date	**Company**	**Findings**
1910	Mongolian Geologists	The Sujigtei deposit was originally discovered in 1910 by Geology teams from Mongolia and subsequently some limited mining of gold contained in quartz veins occurred up until the 1960s.
1966-1969	Russian Geological Expedition GDR-1	A report in 1969 from the geological expedition GDR-1 provided detailed information about the current state of the exploration and development activity at Sujigtei. The main objective of the GDR-1 exploration survey was to review all previous work and review the known grade/tonnage base and the respective categories estimated at that time, as well as considering future prospecting localities and their respective future development and production potential.
1980s	Russia/East Germany	Completed extensive underground driving and sampling of the main vein and several smaller veins. Completed Russian grade and tonnage estimates. Several levels were developed and a mill and gold processing plant built. Limited stoping took place in the upper levels before the mine was abandoned in 1991 with the collapse of the Soviet Union
2000-2010	Cameco Gold (now Centerra Gold)	Completed 17 diamond drill holes (2,262m) testing around the Main Sujigtei deposit and several satellite targets. Nine of the 17 drillholes were completed on the project tenement. Best results included 1.6m at 114.5g/t Au from the main Sujigtei vein (SJ-08) and 10m at 8.3g/t Au from the Hidden Vein (SJ-15 from 132m). Other results reflected intersections with separate vein structures or stockwork veins as presented in TABLE 11. These results range from 1.03 g/t Au to 4.3 g/t Au.

Table 11 2000-2010 Cameco Gold Drillhole Assay Results.

DH ID	Description	EOH (m)	From (m)	To (m)	Interval (m)	Grade (g/t)
SJ-01	No gold intersection of note.	150.06	-	-	-	-
SJ-02	Separate vein structure to stockwork.	100.35	84.6	85.8	1.2	1.19
SJ-07	Separate vein structure to stockwork.	186.00	27.4	29.6	2.2	1.77
			31.8	34.1	2.3	4.30
			66.4	68.2	1.8	2.45
			69.7	71.2	1.5	1.51
SJ-08	Main Sujigtei Vein.	102.10	47.9	49.5	1.5	114.5
SJ-09	Separate vein structure to stockwork.	125.00	4.6	6.2	1.6	1.17
SJ-10	Separate vein structure to stockwork.	122.00	9.2	10.7	1.5	3.45
			11.9	13.2	1.3	1.57
			35.3	36.7	1.6	3.15
			39.2	42.2	2.0	1.73
SJ-11	Separate vein structure to stockwork.	130.00	76.2	77.8	1.6	1.03
SJ-14	Separate vein structure to stockwork.	70.00	18.0	20.0	2.0	2.67
SJ-15	Separate vein structure to stockwork.	192.00	74.0	76.0	2.0	3.99
			76.0	78.0	2.0	1.07
			78.0	80.0	2.0	1.39
	Hidden Vein		132.0	134.0	2.0	5.22
			134.0	136.0	2.0	5.94
			136.0	138.0	2.0	5.09
			138.0	140.0	2.0	8.61
			140.0	142.0	2.0	16.5

The Sujigtei Gold deposit was mined as a small underground mine in the 1980's before the collapse of the Soviet Union. More recently the mine has been worked by local artisanal "Ninja" miners who have worked the upper levels of the deposit.

Figure 9 Plan of Tenement Location and Geology for Sujigtei Deposit

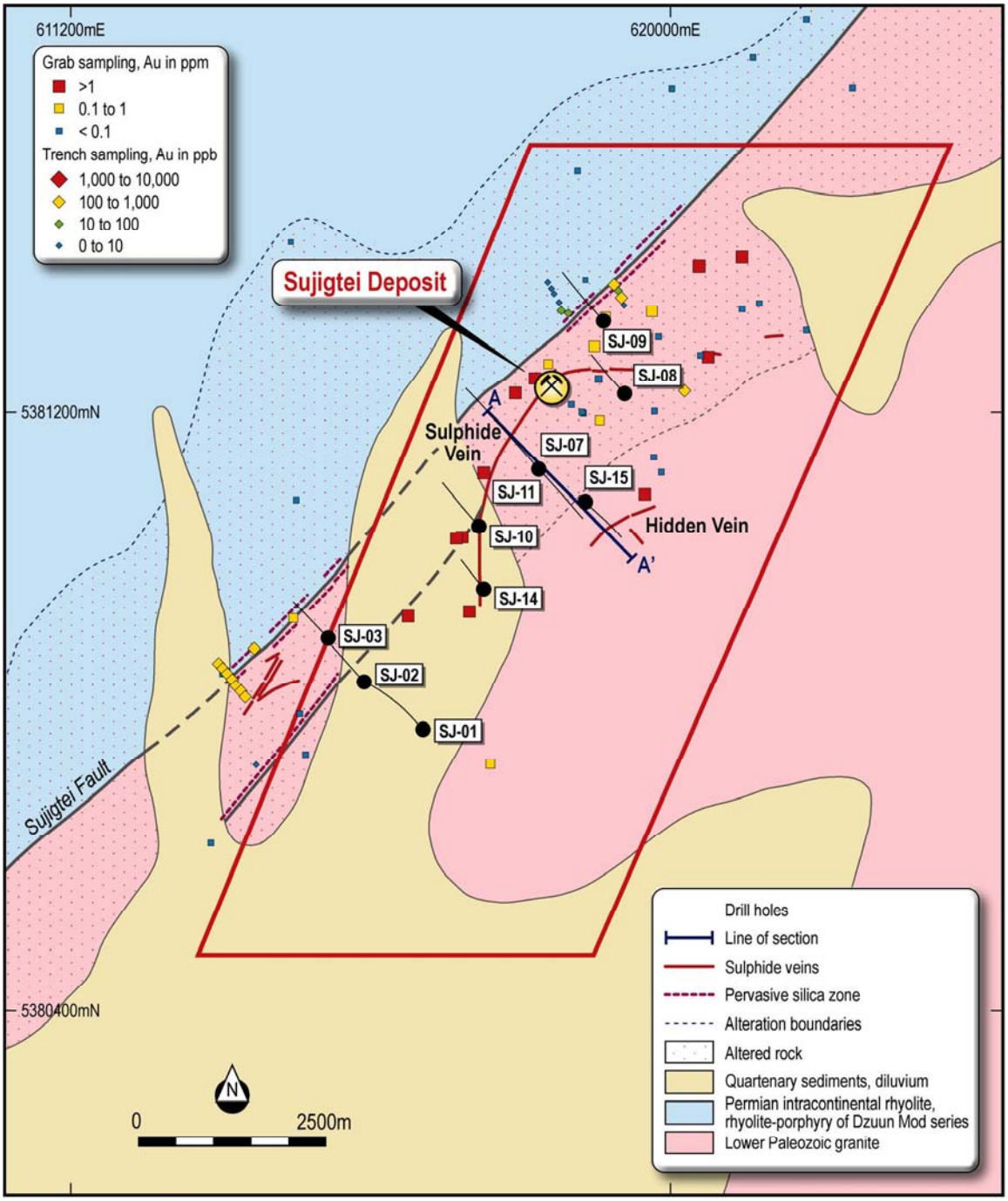


Figure 10 Section A-A' through Sujigtei Deposit from Geology Plan

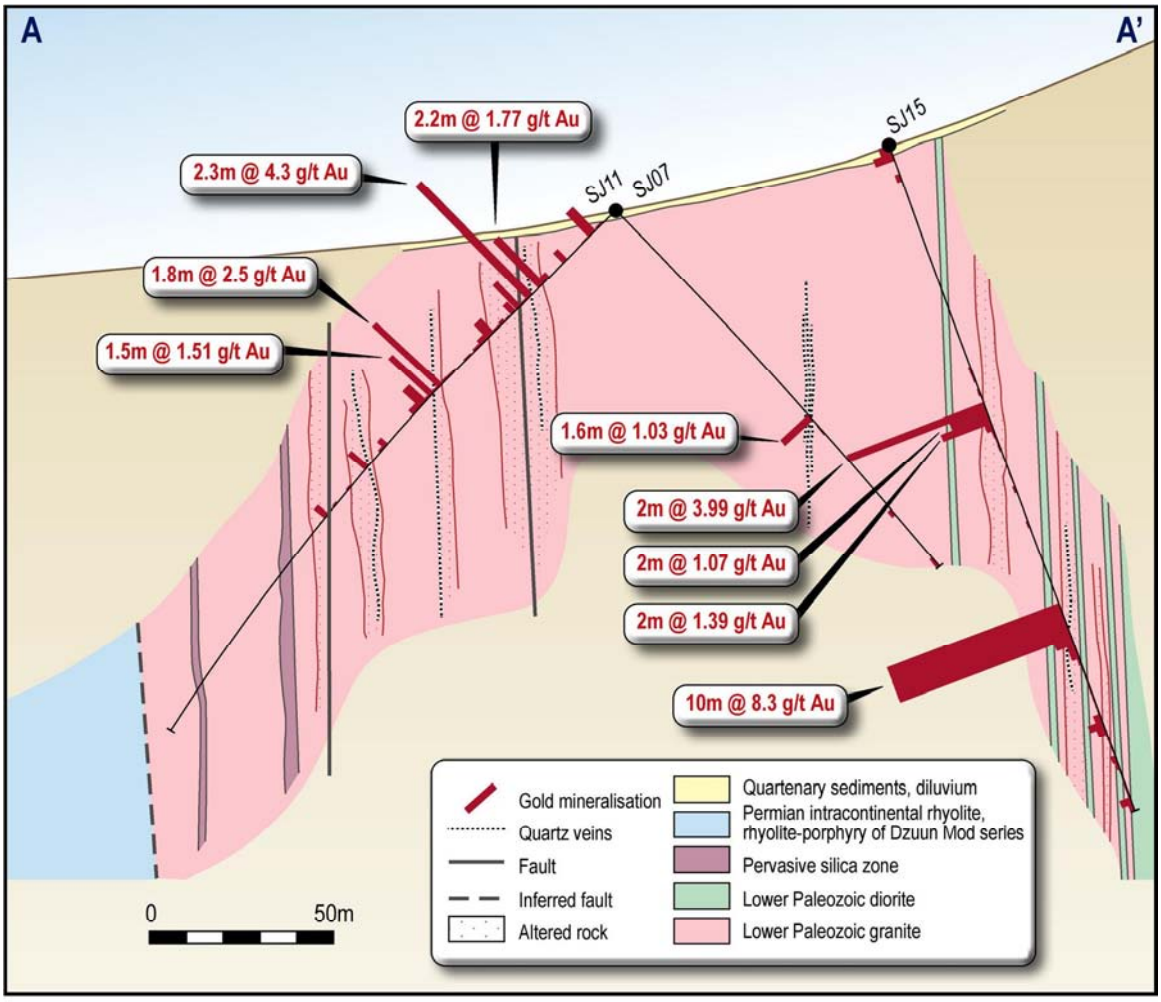
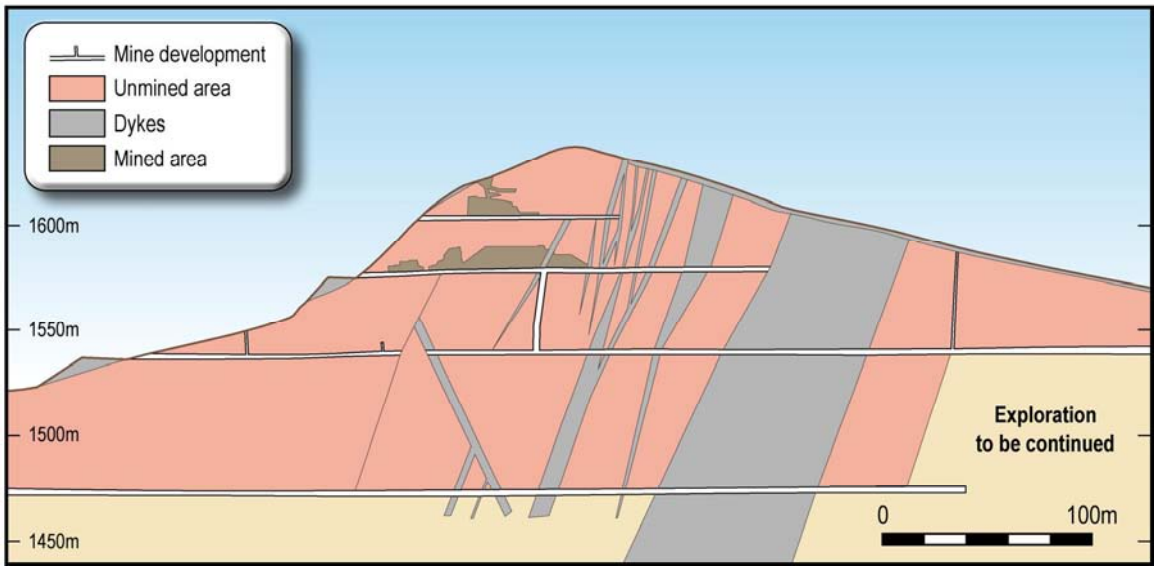


Figure 11 Long Section of Sujigtei Mine Workings



5.4.1 Historical work programs

The Sujigtei deposit was originally discovered in 1910 by Geology teams from Mongolia and subsequently some limited mining of gold contained in quartz veins occurred up until the late 1960s when a more detailed Exploration Survey by the Russian Geological Expedition of GDR-1 was carried out between 1966 and 1968.

A report in 1969 from the geological expedition GDR-1 provided detailed information about the current state of the exploration and development activity at Sujigtei. The main objective of the GDR-1 exploration survey being to review all previous work and review the known grade and tonnage base and the respective categories estimated at that time as well as considering future prospecting localities and their respective production potential.

Further work during the 1970s by East German project geologists examined the possibility of larger scale or 'bulk mining' being carried out within a number of the Noyon group projects. During the period 1991 to 2002 a number of gold mineralisation targets were explored by various mining companies including the most recent work from 2000 onwards carried out by Cameco Gold Inc.

5.5 Exploration and Resource Potential

The main Sujigtei vein is laterally very extensive, very high grade (up to 114.5g/t Au from drilling), narrow (generally <1m) and has a strike length of over 600m and a known dip extent of 150m. The vein is open down dip and there is potential to identify extensions at depth as well as strike extensions. In addition the Hidden Vein which lies in the hangingwall to the main Sujigtei vein is very poorly tested and there is potential to identify strike and dip extensions to this vein. Several smaller veins lie between the Sujigtei and the Hidden veins which also are poorly tested. The upper levels of the Sujigtei vein lie on top of a hill. The veins have been extensively worked by "Ninja" miners (Figure 12), but there is likely to be mineralisation remaining in pillars and lower grade splays and alteration haloes to the main vein. Also there are a number of smaller veins and low grade zones of stockwork mineralisation that are poorly tested. Drilling of the upper levels of the deposit is recommended to test whether there is sufficient mineralisation to establish an open pit to mine the remnant and low grade halo and stockwork mineralisation.

Little modern exploration has been completed elsewhere in the license area. Veining and mineralisation has been noted at the Argent Zone several hundred metres to the southwest of Sujigtei. This may be an extension of the Sujigtei Vein that has been sinistrally offset along the Sujigtei Fault. A similar relationship has been observed at the Gatsuurt gold deposit to the northeast. Ravensgate recommends a systematic exploration program throughout the project area comprising geological mapping, surface geochemistry and geophysics followed up by systematic drill testing of targets.

Ravensgate considers that the Sujigtei Gold Project is an "Advanced Exploration Area" Mineral Asset. The Sujigtei Gold Project has undergone a significant amount of historical Russian based grade and tonnage estimation work using polygonal estimation / arithmetic methods. The methodology appears comprehensive given the available information for review. Using reviewed information, exploration program and associated mining development results, reporting of a conceptual exploration target is possible based on the availability of historic tonnage and grade estimates. These estimates are compiled from estimated mineralisation panel surface areas and corresponding vein thickness for each known 'Vein Structure'. Bulk density is taken as 2.6 to 2.7 to allow conversion of mineralisation panel volumes to tonnage figures.

Currently no Mineral Resources and Ore Reserves, in accordance with the JORC Code (JORC, 2004) have been defined on the project. Careful review and verification of 'depleted' or mined material volumes must be taken into account when considering the Exploration target ranges with respect to 'Clause 18" of the JORC Code (December, 2004). An Exploration Target has been outlined for the purposes of this valuation using geological, exploration and mining information obtained to date and the review of the site visit. The Exploration Target is only defined where supported by geological and gold assay information. Ravensgate cautions the reader that the potential quantity and grade or quality of an Exploration Target is conceptual in nature and shows there has been insufficient exploration and work to define a formal JORC

Mineral Resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a Mineral Resource. Using the available information for Sujigtei Ravensgate estimates the Exploration Target range at this point in time is in the order of between 0.18Mt and 0.24Mt with grades ranging up to and between 22 and 30 g/t Au. The deposit would benefit from completion of a block model estimate.

Figure 12 Historical upper workings exposed over Sujigtei deposit. View is approximately 3 to 4m across

6. BARGILT MAGNETITE IRON PROJECT, MONGOLIA

6.1 Introduction and Location

The project is located at latitude 46°20′N and longitude 109°18′E in the Khentii Province, about 250km southeast of Ulaanbaatar. The project can be accessed via a sealed road from Ulaanbaatar to the town of Choyr and then a further 70km by unsealed road eastwards to the project. The project lies 15km to the northwest of the fluorite mining and processing town of Bor-Undur at which there is a 60km long railway that links to the main Trans-Siberian railroad.

6.2 Tenure and Physiography

The project is comprised of one exploration license (13901X) which covers an area of 12.81km^2 (1,281 hectares). Tenement details are presented in Table 40 below. The project lies within gently rolling hills, plains and steppes of the northern edge of the Gobi Desert. The climate in the project area is arid continental with annual temperature variation ranging from temperate to very cold. Average annual temperature is approximately 0ºC. Temperatures may be as low as -40ºC during the months of December through February. Summer temperatures may sometimes exceed +40ºC, but typical warm season temperatures during July and August is approximately 20ºC. The area receives approximately 250mm of precipitation per year, most of which is rainfall falling during July through to August.

6.3 Geology and Mineralisation

The geology of the Bargilt project area is dominated by granitoid intrusions which intrude a sedimentary succession comprised of predominantly limestones. Magnetite mineralisation occurs within skarns on the margins of the granite bodies. The magnetite is typically coarse grained (up to 6mm). There is currently insufficient geological data from within the project area to quantify the geometry or thickness of magnetite skarn mineralisation. At the neighboring Bau Steel owned magnetite deposit mineralisation is understood to form gently north dipping lenses that may be up to 50m in thickness.

6.4 Exploration History

The project area has had very limited previous exploration with details listed below in Table 12.

Table 12 Bargilt Magnetite Iron Project: Exploration History

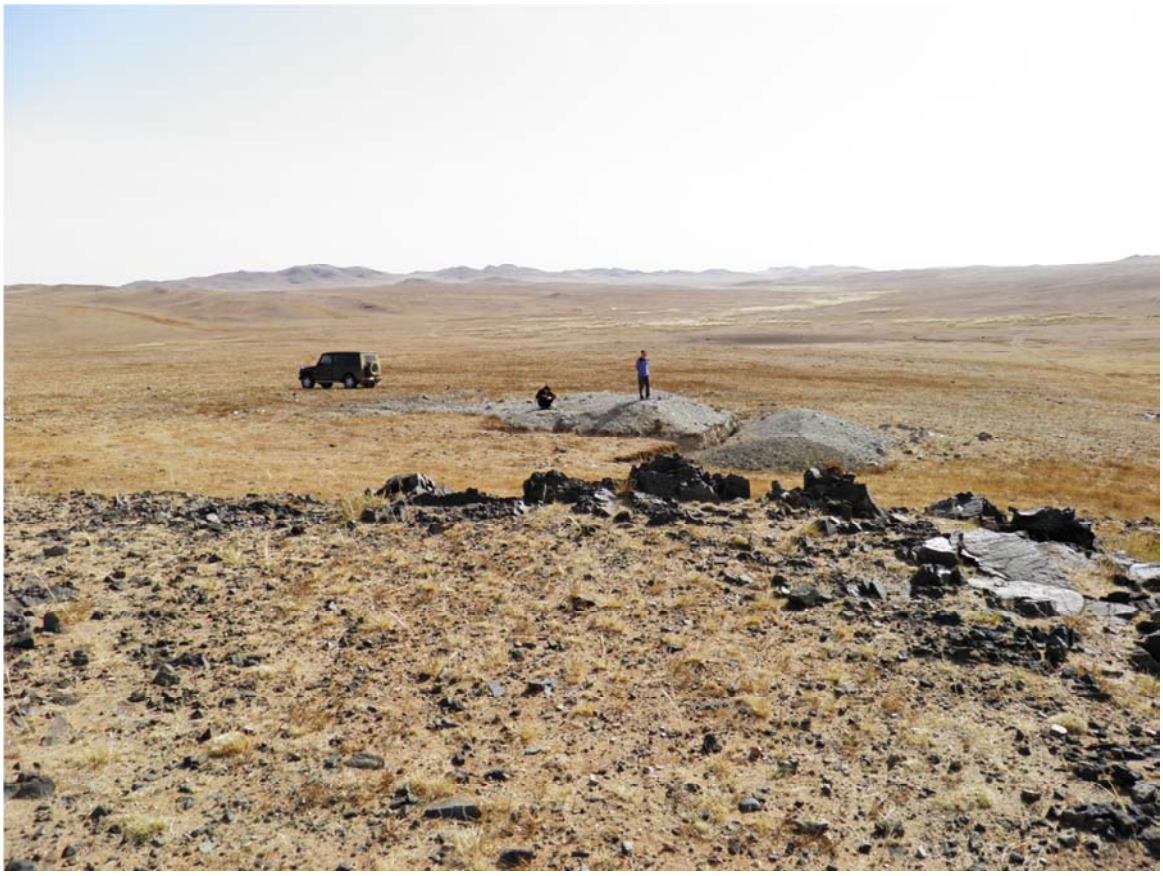
Date	Company	Findings
2008-2010	MRC	Completed geophysical ground magnetic's over the project area and defined several magnetic anomalies. Two shallow drillholes tested the western margin of one of these anomalies. Trenching and surface mapping was also completed.

6.5 Exploration and Resource Potential

The project area is immediately adjacent to a magnetite iron mine operated by Bau Steel. The operation is understood to produce in excess of 1 million tonnes per annum of direct shipping magnetite ore (>55%) using a dry magnetic separation method. In addition another Chinese owned magnetite iron mine has recently commenced construction 2km to the north of the license area. The outcrop geology of this new mine area appears to be very similar to that within the license area.

Coarse grained magnetite had been identified at several locations throughout the project area in float and in outcrop. Ground magnetics has defined two major magnetic anomalies that warrant further exploration and testing. The two shallow holes drilled previously appear to be on the edge of one of these geophysical anomalies and do not provide an adequate test of the exploration potential. Ravensgate considers that the project warrants further exploration and notes the magnetic anomalies require systematic drill testing to further evaluate the project area.

Figure 13 View of project area looking East. Note exploration trench contains coarse grained magnetite iron float (darker surface material)



7. DOSHIN COAL PROJECTS, MONGOLIA

7.1 Introduction and Location

The Doshin coal project is located in the Dornogovi province in eastern Mongolia. The nearest village (Altanshiree), is located 3km to the west of the project. The project can be accessed from Ulaanbaatar via sealed roads followed by approximately 150km of unsealed road. The vegetation in eastern Mongolia is acclimatised to semi-arid conditions. The climate is characterised by cold winds from November to March and by temperatures ranging from a minimum temperature of -26°C in January and a maximum of 23 °C in July. Mean annual precipitation is 23.3mm with the rainy season being from June to August. Permafrost occurs from November to March with the soil frozen up to 3m in depth.

7.2 Tenure and Physiography

The project consists of one exploration license (11987x) with an area of 165.5km^2 (16,550 hectares). The altitude in the project area ranges from 950m to 1,100m above sea level and is mostly characterised by hilly grasslands.

7.3 Geology and Mineralisation

7.3.1 Regional Geology

Coal within eastern Mongolia is mostly found within Lower Cretaceous sediments. These are mostly contained within large Mesozoic troughs filled with volcanogenic-sedimentary sequences. The Eastern Mongolia coal area is bordered by the Paleozoic Hentii Ranges to the northwest and to the southeast the Nuhetdavaa uplift. The Doshin area was formed by the Ondershil Fault System (Polo Resources Ltd, 2008 & Suryanegara et al., 2008). From a regional geology report by the Mongolian Government it was noted that they considered the Doshin area to be in the East Govi Basin (Polo Resources Ltd, 2008 & Suryanegara et al., 2008).

The regional stratigraphy consists of:

- Quaternary unconsolidated sediments;
- Khukh Teeg Unit: mostly mudstone with interbedded shale, sandstone, coal and a conglomerate. The conglomerate is in the basal part of the unit. The unit is approximately 260m in thickness.
- Tsagaan Tsar Unit: consists mainly of igneous rock with some coarse grained sandstone. The unit is approximately 700m in thickness.
- Manlai Unit: consists mainly of interbedded mudstone, coarse grained sandstone and conglomerate. The unit is approximately 400m to 530m in thickness.
- Sainshand Unit: consists mainly of interbedded mudstone, fine grained sandstone and conglomerate. The unit is approximately 650m in thickness.

7.3.2 Local Geology and Mineralisation

The coal seams occur within the Khukh Teeg unit. This unit consists of mudstone interbedded with shale, sandstone and a basal conglomerate. The conglomerate ranges from 15 to 30m in thickness. The occurrence of two faults in the area has been noted with a displacement of 5 to 10m. Three coal seams have been identified. These range in thickness from 1m to 12.6m with a dip of less than 5 degrees. The 1st and 2nd seams are of variable thickness and lenticular where as the 3rd seam is found throughout the project (although of variable thickness).

- The 1st seam ranges in thickness from 1 to 1.3m;
- The 2nd seam ranges in thickness from 1 to 3m (and on average 1.9m);
- The 3rd seam ranges in thickness from 4 to 12.6m but is mostly averaging 7.0m.

The coal is a "dull brown coal" with no observable pyrite. The coal is located within 40m below the surface. The quality of the coal (Polo Resources Ltd, 2008 & Suryanegara et al., 2008) is summarised below as:

- Inherent Moisture (ad), ranging from 5.1% to 16.1%, average 11.2%;
- Total Moisture (ar), ranging from 20.8% to 40.0%, average 28.8%;
- Ash content (ad), ranging from 7.3% to 31.2%, average 16.6%;
- Sulfur content (ad), ranging from 0.7% to 3.4%, average 1.6%;
- Calorific value (ad) ranging from 3,500 to 5,270 kcal/kg, average 4,570 kcal/kg.

The coal is considered have a variable ash, high moisture and variable sulphur content resulting in a medium energy coal which is suitable for the thermal market (Polo Resources Ltd, 2008 & Suryanegara et al., 2008).

Table 13 Doshin Coal Project: Seam Assay Data (Polo Resources Ltd, 2008 & Suryanegara et al., 2008)

Lab. Analysis	Inherent Moisture (% adb)	Total Moisture (% arb)	Ash (% adb)	Total Sulfur (% adb)	Calorific Value (% adb)
Saybolt 29/06/2007	8.40		18.90	1.06	4,740
	9.80		11.50	1.17	5,228
	8.60		17.90	1.98	4,799
	8.00		13.10	1.03	5,124
Central Geological Laboratory	9.06	36.89	23.47	3.39	4,554
	8.86	36.36	13.63	0.82	5,105
	9.36	30.87	25.83	0.90	4,359
Central Geological Laboratory (date unknown)	5.05	39.98	31.21	2.47	3,973
	9.88	37.05	18.60	2.50	4,615
	9.24	26.10	26.25	2.34	3,913
	8.11	31.17	22.49	2.45	4,357
	13.01	28.80	17.62	2.28	4,341
	11.94	29.42	14.19	1.68	4,634
	8.83	33.68	11.12	1.63	5,180
	11.57	20.81	17.04	2.65	4,508
	15.33	25.54	18.22	1.90	4,221
	14.87	23.75	17.33	1.88	4,220
	14.76	22.25	13.95	2.10	4,591
	13.52	32.48	16.15	3.12	4,428
	10.58	25.15	20.80	1.77	4,219
	13.76	25.70	12.80	1.41	4,544
	7.24	22.14	7.53	1.33	5,268
	11.34	24.54	12.17	1.17	4,838
	16.08	25.95	7.29	0.70	4,680
	8.46	24.00	11.21	1.02	5,084
	14.78	25.45	12.84	1.11	3,507
	11.19	39.03	16.58	0.93	4,394
	14.80	29.78	20.27	1.14	3,807
	14.62	25.43	19.12	1.10	4,235
	9.16	29.30	10.70	1.13	5,174
	15.57	25.61	12.84	1.22	4,810
	12.42	27.92	18.51	0.98	4,667
Minimum	**5.05**	**20.81**	**7.29**	**0.70**	**3,507**
Maximum	**16.08**	**39.98**	**31.21**	**3.39**	**5,268**
Average	**11.19**	**28.76**	**16.60**	**1.64**	**4,566**

7.4 Exploration History

7.4.1 Historical work programs

The area has been explored by various companies in the past with details of these programmes being listed in Table 14 below.

Table 14 Doshin Coal Project: Exploration History

Date	Company	Findings
1950	Russian geology teams	Regional mapping.
1976-1998	Mongolian Geological Survey	Regional mapping.
2006-2007	Unknown explorers	Detailed exploration was undertaken but no formal information is available. A total of 31 drillholes were drilled in the northern part of the project area.

7.4.2 Recent work programs (2007-2010)

SRK Consulting undertook a site visit to the project area during December 2007 (Polo Resources Ltd, 2008 & Suryanegara et al., 2008). During this visit drill holes from previous and current programmes were investigated. The recent exploration program consisted of five drill holes and was undertaken by Polo Resources Limited. No geophysical logging on the drill holes was reported as being available.

Drilling within the project area consists of a previous drilling program and a more recent program, the previous program consisted of 31 cored drill holes for a total of 1,880m and was located in the northern part of the project area. Most of the holes were drilled on four grid lines 40 to 60m apart. The recent drilling program was undertaken to verify the results of the previous program and to submit samples for coal analysis. This program consisted of five drill holes.

7.5 Exploration and Resource Potential

The Doshin Coal Project has undergone minor exploration to date with exploration results confirming the prospectivity for thermal coal seams. Ravensgate considers the project is worthy of further exploration and that systematic and modern exploration methods will provide the opportunity for further discoveries within the project area.

8. CORBOYS NORTH GOLD PROJECT, WESTERN AUSTRALIA

8.1 Introduction and Location

The Corboys North Gold Project is part of three contiguous tenement projects which occur within the Yandal Greenstone Belt. The projects are located approximately 100km south-east of Wiluna and are prospective for gold mineralisation. The project can be accessed along the unsealed Wiluna to Yandal Road. Various station and exploration tracks provide access within the tenements.

8.2 Tenure and Physiography

The Corboys North Gold Project consists of two granted exploration and two granted prospecting tenement permits. The project is located on the Barwidgee Pastoral Lease. Alamar Resources Limited owns and manages 100% of the project. A tenement schedule is presented in Table 39 with a locality map of the tenements presented in Figure 2. The project area over the four tenements is 36.4km^2 with a list of the tenement permits below:

- E53/1409 with grant date of 17 February 2009;
- P53/1511 with grant date of 26 August 2009;
- P53/1512 with grant date of 26 August 2009;
- E53/1487 with grant date of 30 March 2010.

8.3 Geology and Mineralisation

8.3.1 Regional Geology

Project tenements are located within the East Murchison Mineral Field in the Yandal Greenstone Belt of the Archaean Yilgarn Craton. The Yandal Greenstone Belt has a north northwest-south southeast trend and extends for approximately 200 kilometres. The belt is broadly bound by the Ninnis Fault to the east, the Moilers Shear Zone to the north west and the Mount McClure Fault to the south west (Worth, 2010). Several Proterzoic dolerite dyke sets trend east-west in the region. The weathering profile is deep with very poor surface rock outcrop. The central portion of the Greenstone Belt is attenuated and provides a link between the northern and southern regions of the belt. The northern and central regions of the belt are sub-divided as three main lithological domains designated from east to west as :

- An eastern domain dominated by mafic and ultramafic rocks.
- Felsic volcanic, volcaniclastic and sedimentary rocks dominating a thick central domain with frequent chert and BIF horizons.
- A western domain of mafic and ultramafic rocks featuring notable chert and BIF horizons.

8.3.2 Local Geology and Mineralisation

Generally there is poor surface exposure of rock outcrop with the south western part of E53/1409 covered by aeolian sand sourced from nearby granitic rocks. A granite/greenstone contact occurs in the central part of the tenement property and a shear zone has been interpreted along this contact. The shear zone is referred to as the Barwidgee Fault. Local project geology consists of a metamorphosed Archaean sequence of mafic volcanics, felsic volcanics and volcaniclastic rocks or sediments which are bound on the western margin by deformed granitoids. The majority of gold anomalies are associated with the granite-greenstone contact. The eastern part of the project contains tenement E53/1487 and features mafic and minor sedimentary rocks which are folded into a broad south-plunging anticlinal fold. The central portion of the fold contains monzonite and tonalite.

8.4 Exploration History

8.4.1 Historical work programs

Table 15 Corboys North Gold: Exploration History		
Date	**Company**	**Findings**
~1900	Small Scale	A number of historic small-scale workings occur in the southern area of the project. These workings are the northern extension of the Corboys historical workings to the south of the project.
1990s	Various	Geological study and interpretation, reconnaissance RAB drilling with minor RC/AC drilling and water bore drilling. Soil geochemical and surface rockchip sampling. Remote sensing studies.
2000-	Various	Minor geological study and interpretation. Ground geophysical survey (magnetics).

Navarre Resources Pty Ltd carried out recent work during 2007 to 2009 which is covered by tenement E53/1487. Exploration activities included surface rock chip samples, open file data compilation, reconnaissance mapping and aircore drilling (10 holes for 451m and 131 samples). A tenement surrender report was completed in 2009 with exploration concluding the area was of low prospectivity.

8.4.2 Recent work programs (2009-2010)

8.4.2.1 M53/1409

Exploration work undertaken by Alamar Resources within the tenement reporting period ending February 2010 consisted of:

- Review of WAMEX and Open File reports and associated data (e.g. geophysics);
- Field reconnaissance;
- Generation of exploration targets;
- RAB drilling (29 shallow drillholes).

Exploration work undertaken by Alamar Resources within the tenement reporting period ending February 2011 consisted of:

- RAB and AirCore Drilling;
- Return of assay results.

In January 2010, Alamar initiated a Yandal Gold drill program consisting of RAB and Aircore drilling. The program was completed in March 2010 and comprised 134 drillholes for 7,192m over the Corboys North, Maitland and Mandilla Well Projects. The Corboys North RAB drilling program tested the northern extension of the historical Corboys workings and infill drilled previously identified anomalous RAB drilling gold results noted in granite adjacent to the granite-greenstone contact. A summary of drilling type and meterage is reproduced in Table 16. A table of best results is produced in Table 17 with all other assay results being generally more subdued. The table of drillhole results only tabulates assay results greater than 100ppb gold.

Table 16 Drillhole Summary for 2009-2010 RAB drillholes (Worth, 2010). Grid MGA94_51.						
Hole ID	**RAB Blade**	**RAB Hammer**	**Total metres**	**Ave Depth**	**No of Samples**	**Comments**
AYR001 To AYR029	200m	346m	546m	19m	170	Corboys historic workings marked by shearing, potassic alteration, quartz veining and slightly deeper weathering.

Table 17 Best Drillhole Results for 2009-2010 RAB drillholes (Worth, 2010). Grid MGA94_51.						
Hole ID	**East**	**North**	**From**	**To**	**Width (m)**	**Au ppb**
AYR009	297300	7005603	34	37 (EOH)	3	293
AYR018	297251	7005603	6	10	4	122

Note other assay results were generally subdued with no significantly anomalous intersections recorded.

8.4.2.2 P53/1511

Exploration work undertaken by Alamar Resources within the tenement reporting period ending August 2010 consisted of:

- Review of WAMEX and Open File reports and data (e.g. geophysics);
- Review of exploration potential.

An examination of tenement expenditure for the period finds $9,271 spent in total with $7,000 being spent on exploration activities.

8.4.2.3 P53/1512

Exploration work undertaken by Alamar Resources within the tenement reporting period ending August 2010 consisted of:

- Review of WAMEX and Open File reports and data (e.g. geophysics);
- Review of exploration potential.

An examination of tenement expenditure for the period finds $6,570 spent in total with $5,000 being spent on exploration activities.

8.4.2.4 E53/1487

The tenement was granted on 30 March 2010 and shows no expenditure reported to the Government of Western Australia – Department of Mines and Petroleum to date. This reflects the tenement being still within the first year of the reporting period.

8.5 Exploration and Resource Potential

The Corboys North Project has undergone moderate exploration for gold to date and some review for uranium potential. Gold mineralisation targets are shear-hosted with quartz vein association. Drill programs have mainly tested for near-surface gold targets to date with somewhat modest results. A reported Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code - 2004 Edition) has not been defined for any of the projects. Some potential for deeper targets over M53/1409 can be found in encouraging bottom-of-RAB drillhole intersections. This would allow generation of deeper RC drilling targets for further testing. Uranium mineralisation potential over M53/1409 appears to be fairly limited for surficial targets based on geophysical analysis undertaken to date.

9. MAITLAND GOLD PROJECT JOINT VENTURE, WESTERN AUSTRALIA

9.1 Introduction and Location

The Maitland Gold Project is part of three contiguous tenement projects which occur within the Yandal Greenstone Belt. The project is located approximately 100km south-east of Wiluna and is prospective for gold mineralisation. The project can be accessed along the unsealed Wiluna to Yandal Road. Various station and exploration tracks provide access within the tenements.

9.2 Tenure and Physiography

The Maitland Gold Project consists of three granted exploration and nine granted prospecting tenement permits. The project is located on the Barwidgee Pastoral Lease. In June 2009 Alamar Resources Limited entered into a farm-in/Joint Venture (JV) agreement Aragon Resources Ltd. Under the terms of the agreement, Alamar Resources may earn up to 75% by spending $330 thousand on exploration over 3 years. Further details are presented in Section 18.3. Alamar Resources is project manager of the Joint Venture. A tenement schedule is presented in Table 39 with a locality map of the tenements presented in Figure 2. The project area over the twelve tenements is 74.4km^2 with a list of the tenement permits below:

- P53/1243 with grant date of 13 March 2007;
- P53/1244 with grant date of 13 March 2007;
- P53/1247 with grant date of 13 March 2007;
- E53/1248 with grant date of 13 March 2007;
- E53/1237 with grant date of 19 April 2007;
- P53/1249 with grant date of 23 May 2007;
- P53/1468 with grant date of 12 June 2008;
- P53/1469 with grant date of 12 June 2008;
- E53/1355 with grant date of 8 July 2009;
- E53/1202 with grant date of 24 July 2006;
- P53/1245 with grant date of 25 October 2007;
- P53/1250 with grant date of 25 October 2007.

9.3 Geology and Mineralisation

9.3.1 Regional Geology

Project tenements are located within the East Murchison Mineral Field in the Yandal Greenstone Belt of the Archaean Yilgarn Craton. The Yandal Greenstone Belt has a north northwest-south southeast trend and extends for approximately 200 kilometres. The belt is broadly bounded by the Ninnis Fault to the east, the Moilers Shear Zone to the north west and the Mount McClure Fault to the south west (Worth, 2010). Several Proterzoic dolerite dyke sets trend east-west in the region. The weathering profile is deep with very poor surface rock outcrop. The central portion of the Greenstone Belt is attenuated and provides a link between the northern and southern regions of the belt. The northern and central regions of the belt are sub-divided as three main lithological domains designated from east to west as:

- An eastern domain dominated by mafic and ultramafic rocks.
- Felsic volcanic, volcaniclastic and sedimentary rocks dominating a thick central domain with frequent chert and BIF horizons.
- A western domain of mafic and ultramafic rocks featuring notable chert and BIF horizons.

9.3.2 Local Geology and Mineralisation

Local geology features metamorphosed Archaean mafic volcanics, felsic volcanics and volcaniclastic rocks and sediments. Deformed granitoids occur along the western margin while the overall geology strike is north-west and east dipping (Peachey, 2000). The greenstone belt and granite contact is referred to as the Barwidgee Fault to represent an interpreted shear zone. Surface outcrop is poor and restricted to the eastern region of the project. Thick alluvial cover occurs over deep weathering on the western and central regions of the project. A very deep weathering profile occurs over the granite-greenstone belt contact with palid clays extending down to 100m below surface on occasion. The palid zone of weathered clays generally represents a zone of gold depletion however anomalous gold from clays and saprolite can be returned.

The sheared greenstone belt and granite contact is considered most prospective for gold mineralisation. The contact is auriferous immediately south of the project, however deep cover occurs over the contact on the tenement area.

9.4 Exploration History

9.4.1 Historical work programs

The district has been subject to periodic, campaign-based exploration activity and drilling programs over the last several decades. A brief outline is presented in Table 18.

Table 18 Maitland Gold: Project Exploration History

Date	Company	Findings
~1900	Small Scale	A number of historic small-scale workings occur in the eastern area of the project. The workings are usually over a few 10s of metres and following narrow (<1m) quartz veins.
1980-	Various	Exploration work undertaken has included field work, surface rock chip and soil sampling (lag and conventional), shallow RAB and minor more recent and deeper RAB and RC drilling.
?	Anglo Gold Ashanti Australia Ltd (AGAA)	Exploration work included database compilation, geological interpretation and target generation.
2005-	Navarre Resources Pty Ltd.	Exploration work included data compilation, reconnaissance fieldwork, regional basin study and target generation for gold/uranium. Navarre acquired the project from AGAA on 18th November 2005.
2007	Aragon Resources Ltd	Aragon acquired the project and progressively added tenements. Exploration work included rock chip sampling on P53/1244 (#14) and uranium target generation study. No significant uranium targets were defined within the project area.
2008	Aragon Resources Ltd	Exploration work included soil geochemistry (#926) over 5 project tenements.
2009	Aragon Resources Ltd	Exploration work included data file review and field reconnaissance. Alamar acquired project management in June 2009.

9.4.2 Recent work programs (2009 and 2010)

Exploration work undertaken by Alamar Resources within the tenement reporting period ending December 2009 consisted of:

- Review of WAMEX and Open File reports and data (e.g. geophysics);
- Field reconnaissance;

- Generation of exploration targets;
- Development of drill programs for 2010.

Exploration work undertaken by Alamar Resources within the tenement reporting period ending December 2010 consisted of:

- RAB Drilling;
- Return of assays.

In January 2010, Alamar initiated a Yandal Gold drill program consisting of RAB and Aircore drilling. The program was completed in March 2010 and comprised 134 drillholes for 7,192m over the Corboys North, Maitland and Mandilla Well Projects. A total of 12 RAB drillholes for 324m and 71 Aircore drillholes for 4,931m were completed on the Maitland Project. The average depth of drilling was 63m. The 2010 drilling was reported as identifying several anomalous gold results in the mottled clays and 'bottom of the hole' saprolite samples. The most significant result was 4m at 1.91g/t Au from mottled zone clays at 26m-30m depth below surface (Drillhole AYA036). All other significant intersections recorded anomalous results in the Au ppb range.

9.5 Exploration and Resource Potential

A reported Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code - 2004 Edition) has not been defined for any of the project tenements. The Maitland Project has undergone broad spaced (nominal 800m x 100m) exploration for gold to date although project geology and mineralisation style is reasonably well understood for generating exploration targets. Defined gold mineralisation targets dominantly occur along a broad shear zone known as the Barwidgee Fault. Drill programs have only tested for near surface or shallow gold targets to date and may have been ineffective due to the deep cover of transported material and deep weathering over the greenstone belt and granite contact. In addition vertical drillholes would have difficulty intersecting sub-vertical targets which may be narrow. The deep cover has resulted in approximately 6km of the strike length along the contact requiring further exploration work within the project area. Elevated gold values have been returned over approximately 3km of the sheared granite-greenstone belt contact.

10. MANDILLA WELL GOLD PROJECT JOINT VENTURE, WESTERN AUSTRALIA

10.1 Introduction and Location

The Mandilla Well Gold Project is part of three contiguous tenement projects which occur within the Yandal Greenstone Belt. The projects are located approximately 100km south-east of Wiluna and are considered prospective for gold mineralisation. The project can be accessed along the unsealed Wiluna to Yandal Road. Various station and exploration tracks provide access within the tenements.

10.2 Tenure and Physiography

The Mandilla Well Gold Project consists of two granted exploration and seven granted prospecting tenement permits. The project is located on the Barwidgee Pastoral Lease. In May 2008, Alamar announced an agreement to acquire an 80% tenement interest in the Mandilla Well Gold Project. Alamar currently owns and manages 80% of the project with the remainder of the project held by Furnace Technologies Pty Ltd. Further tenement details are presented in Table 39. Alamar Resources is the project manager of the Joint Venture Agreement. A tenement schedule is presented in Table 39 with a locality map of the tenements presented in Figure 2. The project area over the nine tenements is 30.7km^2 with a list of the tenement permits below:

- E53/1257 with grant date of 14 May 2007 (expanded by amalgamation of P53/1493 to P53/1495);
- E53/1431 with grant date of 5 June 2009 (recently added to the Joint Venture);
- P53/1276 with grant date of 5 July 2007;
- P53/1277 with grant date of 5 July 2007;
- P53/1278 with grant date of 5 July 2007;
- P53/1279 with grant date of 5 July 2007;
- P53/1280 with grant date of 5 July 2007;
- P53/1281 with grant date of 5 July 2007;
- P53/1282 with grant date of 5 July 2007.

10.3 Geology and Mineralisation

10.3.1 Regional Geology

Project tenements are located within the East Murchison Mineral Field in the Yandal Greenstone Belt of the Archaean Yilgarn Craton. The Yandal Greenstone Belt has a north northwest-south southeast trend and extends for approximately 200 kilometres. The belt is broadly bound by the Ninnis Fault to the east, the Moilers Shear Zone to the north west and the Mount McClure Fault to the south west (Worth, 2008 & 2009). Several Proterzoic dolerite dyke sets trend east-west in the region. The weathering profile is generally deep below surface with very poor surface rock outcrop. The central portion of the Greenstone Belt is attenuated and provides a link between the northern and southern regions of the belt. The Mandilla Well Project is located in the northern region of the Yandal Greenstone Belt. The northern and central regions of the belt are sub-divided as three main lithological domains designated from east to west as :

- An eastern domain dominated by mafic and ultramafic rocks.
- Felsic volcanic, volcaniclastic and sedimentary rocks dominating a thick central domain with frequent chert and BIF horizons.
- A western domain of mafic and ultramafic rocks featuring notable chert and BIF horizons.

10.3.2 Local Geology and Mineralisation

Local geology features mafic, ultramafic and felsic rocks and sediments with a north-west strike and easterly dip. The weathering profile is approximately 30m below surface but can increase to 100m below surface. Weathering has generally penetrated deeper along shear zones and the area is covered by shallow alluvium. The metamorphosed sequence of Archaean mafics, ultramafics and felsics is intruded to the east by a gabbro unit and to the west by granites that have subsequently undergone some deformation. A broad shear zone known as the Barwidgee Fault is interpreted along the granite-greenstone contact on the western part of the property (Worth, 2008 & 2009). The south-eastern portion of the project area features historical mines of minor extent known as the Mandilla South workings. A minor Chert/Banded Iron Formation (BIF) occurs in felsic volcaniclastics and sediments in the north eastern area of the project. The majority of surface rock outcrop is limited to several chert ridges.

10.4 Exploration History

10.4.1 Historical work programs

The district has been subject to periodic, campaign-based drilling programs and exploration activities over the last several decades. A brief outline is presented in ***Table 19***.

Table 19 Mandilla Well Gold: Exploration History for M53/1409

Date	Company	Findings
~1900	Small Scale	A number of historic small-scale workings occur in the south-eastern area of the project.
1980s	Various	Exploration work undertaken included field work, drilling of RAB, Aircore and RC holes with geophysics (aeromagnetics and IP), mapping and soil sampling undertaken.
1990s	Various	Exploration work undertaken included surface lag sampling outside previously drilled areas and RAB/RC drilling of target prospects.

A compilation of historical drilling is presented below in Table 20.

Table 20 Compilation of Historical Drilling (Worth, 2009)

Report No	Hole type	No of holes	Total metres	Depth / survey Data	Assay Data
A27900	RAB	222	5230	Yes	Yes
A45966	RAB	44	2967	Yes	Yes
A53366	RAB	32	1384	Yes	Yes
A55043	RAB	129	3759	Yes	Yes
A59678	RAB	36	1981	Yes	Yes
Total RAB		463	15321	Average depth 33m	
A27900	RC	31	1739	Yes	Yes
A55043	RC	20	1949	Yes	Yes
A58321	RC	5	642	Yes	Yes
A59678	RC	10	1055	Yes	Yes
Total RC		66	5385	Average depth 82m	
A59678	RAB/unknown	1156	Unknown	Collar only (from plan)	Max Au only (from plan)
All Drilling Total		1685	21862*		

**Collar only holes with no sample intervals or geology logging assigned 1m depth.*

10.4.2 Recent work programs (2008, 2009 and 2010)

Exploration work undertaken by Alamar Resources within the tenement reporting period ending June 2008 consisted of:

- Compilation of WAMEX and Open File reports and data (e.g. geophysics);
- Processing and integration of geology, geophysics, geochemistry and drilling;
- Field reconnaissance and examination of the Mandilla South historic workings.

Exploration work undertaken by Alamar Resources within the tenement reporting period ending June 2009 consisted of:

- Interpretation of geology, geophysics, geochemistry and drilling;
- Identification of exploration targets.

Exploration work undertaken by Alamar Resources within the tenement reporting period ending June 2010 tenement reporting period consisted of:

- RAB Drilling (two lines);
- Return of assay results.

In January 2010, Alamar initiated a Yandal Gold drill program consisting of RAB and Aircore drilling. The program was completed in March 2010 and comprised 134 drillholes for 7,192m over the Corboys North, Maitland and Mandilla Well Projects. A total of 22 RAB drillholes for 1,391m were completed on the Mandilla Well Project. The average depth of drilling was 63m. The 2010 drilling was reported as identifying anomalous gold results with a number of significant intersections recording in the order of several hundred ppb.

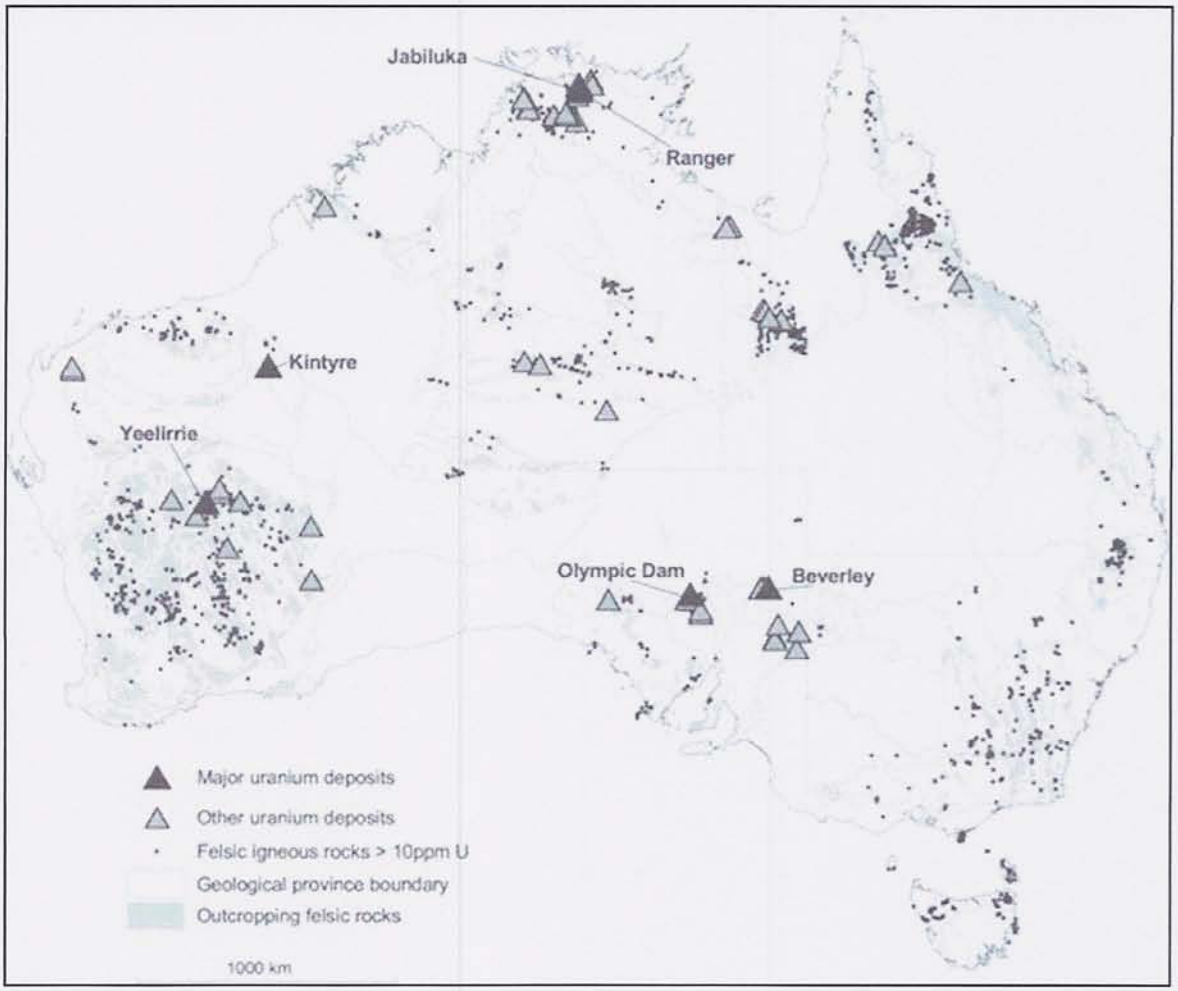
10.5 Exploration and Resource Potential

A reported Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code - 2004 Edition) has not yet been defined for any of the projects. The Mandilla Well Project has undergone extensive but principally shallow exploration for gold to date with project geology and mineralisation styles being reasonably well understood for generating exploration targets. Gold mineralisation targets are shear-hosted with quartz vein association. Drill programs have only tested for principally shallow-surface gold targets to date and may have been ineffective due to the deep cover of transported material over the greenstone belt-granite contact. The deep cover has resulted in approximately 6km of the strike length along the contact requiring further exploration work within the project area. An assessment of gold exploration targets in 2009 has identified a number of areas of interest that are worthy of further exploration programs. A review of the potential for surficial uranium exploration targets found no areas of interest on information known to date.

11. REGIONAL GEOLOGY AND MINERALISATION FOR THE WESTERN AUSTRALIAN URANIUM PROJECTS

The Yilgarn Craton is a large, stable and ancient part of the continental lithosphere which features widespread granite and granodiorite intrusions (> 70% of the craton), tholeiitic basalt and komatiite volcanism, regional metamorphism and deformation. Craton assemblage has occurred at between ~2.94 and 2.63Ga in age and the resultant land mass forms most of Western Australia. The craton is largely composed of granite-gneiss metamorphic terrain and three granite-greenstone terrains. It is host to approximately 30% of the world's economically recoverable reserves of gold. The Yilgarn Craton and its surface cover sequences host uranium in localised mineralisation traps. The uranium traps occur within Tertiary or younger palaeodrainage and current drainage systems derived from granites of the Yilgarn Craton and/or its flanking Proterozoic orogens. Examples of similar uranium deposits include Yeelirrie, Mulga Rock and Lake Way-Centipede.

Figure 14 Plan of Australian uranium deposits in relation to occurrences of felsic igneous rocks known to have at least 10 ppm uranium



Source Geoscience Australia, December 2005 -
(http://www.ga.gov.au/ausgeonews/ausgeonews200512/uranium.jsp).

12. LAKE BARLEE URANIUM PROJECT, WEST AUSTRALIA

12.1 Introduction and Location

The Lake Barlee Uranium Project is located approximately 130km west of Leonora. Leonora is 833km north east of Perth, Western Australia. The area can be accessed via the unsealed Menzies-Sandstone road.

12.2 Tenure and Physiography

The Lake Barlee Uranium Project consists of one granted exploration licence with an area of 108.6km^2. The area is covered by the Wutha WC99/001 Native Title Claim Group. GE Resources had an agreement with the Goldfields Land and Sea Council who were acting on behalf of the Wutha Native Title Claim Group. GE Resources undertook a search of the Department of Indigenous Affairs' Aboriginal site register, on the project for registered ethnographic or archaeological heritage sites during May 2007 and none were found. Tenement details are presented in Table 39 with an inventory of the granted tenement below:

- E29/0734 with grant date of 22 June 2010.

12.3 Geology and Mineralisation

12.3.1 Local Geology and Mineralisation

The project is located within the Archaean Yilgarn Craton of Western Australia. The bedrock geology of the project is comprised mostly of granite with mafic greenstones in the west and northeast. There is little outcrop in the project area. The bedrock is overlain by alluvium, sand or calcareous soil cover, up to 10m of calcrete overlying clay, channel sands and gravel.

Uranium mineralisation in the region is considered to be either of the sandstone uranium deposit type or of the surficial uranium deposit type. In the project area, surficial uranium deposits are being targeted. On the south eastern lake margin where a drainage channel and the lake meet carnotite has been observed in calcrete. The project hosts a 14km x 4km radiometric anomaly (Alamar, 2009).

Surficial uranium deposits are usually defined as young (Tertiary to Recent) near-surface uranium concentrations in sediments or soils. These deposits commonly have secondary cementing minerals including calcite, gypsum, dolomite, ferric oxide and halite. Calcrete-hosted uranium deposits are the largest of the surficial type. The uranium mineralisation is contained in fine-grained surficial sand and clay cemented by calcium and magnesium carbonates. Calcrete deposits are formed where uranium rich granites are deeply weathered in a semi-arid to arid climate. The world's largest known surficial deposit is the undeveloped Yeelirrie deposit in Western Australia. Lake Way, Centipede, Thatcher Soak and Lake Maitland are other similar important deposits in Western Australia. Calcrete uranium deposits in Western Australia occur in valley-fill sediments along Tertiary drainage channels and in playa lake sediments which then overlie an Archaean granite basement.

12.4 Exploration History

In the past the project area has been explored by a number of different explorers, details are listed in Table 21.

Table 21 Lake Barlee Uranium Project: Exploration History		
Date	**Company**	**Findings**
Unkn	ASARCO Australia Pty Ltd	Six auger drillholes (AA01-06) were undertaken to test an airborne radiometric U anomaly.
1970s	Uranerz Pty Ltd	Their exploration program consisted of auger, RAB, aircore and diamond drilling. The auger drilling program was undertaken on a 1,600 x 400m grid over the lake area. The auger holes were to a depth of 11m. The identification of the Deborah Prospect was the result of this program. The RAB and aircore drilling program was undertaken on a 1,600 x 400m grid to a depth of 11m. Resulted in some anomalous values with the maximum result being 21 x times background. The anomalous results were followed up with the drilling of three diamond holes. Drill holes LB8 and LB9 intersected carnotite mineralisation. The best results returned were 0.12m at 1,300ppm U_3O_8 from 3.95m in LB8 and 0.3m at 411ppm U_3O_8 from 5.8m in LB9. A 400 x 400m grid of auger drilling was undertaken for a total of 27 holes for 257.5m. The best results returned were 1m at 390ppm U_3O_8 from 5m in AD95. A water sampling program was also undertaken with the total of 29 samples being collected from bores in the area. The results ranged from <5ppb U to 260ppb U. The maximum result was taken from a bore near to LB9.
2006-2008	Uranium Equities Limited / GE Resources Pty Ltd	Soil/calcrete sampling was undertaken with a total of 124 samples being collected over previously defined anomalous areas. A further soil sampling program was carried out in the southwest, an area of extensive calcrete. The results from sampling confirmed the historic anomalous area and values greater than 100ppm were returned from the lake margin with a maximum value of 215ppm being returned near LB8 and LB9. Field reconnaissance was carried out and the acquisition of HyMap hyperspectral data. A total of 124 aircore holes were drilled for 1,812m to test radiometric anomalies around the lake margin in 2007 with wireline logging. Uranium grades were estimated from gamma logging. From the drilling it was noted that from a depth of 3-5m around the lake margin a zone 1-2.5m thick exhibited elevated eU_3O_8 grades. The grades intersected ranged between 0.01-0.05% eU_3O_8.

12.5 Exploration and Resource Potential

The Lake Barlee Project has undergone limited exploration for uranium. The exploration history of the project, detailed in the preceding section, describes the work completed by ASARCO Australia Pty Ltd, Uranerz Pty Ltd and Uranium Equities Limited / GE Resources Pty Ltd. These companies have defined a number of radiometric anomalies, of which the anomalies in the central lake area require further testing. Ravensgate notes this may be subject to formal environmental approvals. Potential exists to discover uranium mineralisation within the project area. Ravensgate considers the project of merit and worthy of further exploration.

13. LAKE WELLS URANIUM PROJECT, WEST AUSTRALIA

13.1 Introduction and Location

The Lake Wells Uranium Project is located approximately 400km north east of Kalgoorlie. Kalgoorlie is 595km east-northeast of Perth, Western Australia. The area can be accessed via the Lake Wells Road and then the Blaxland Range Lake Wells Road. The Blaxland Range Lake Wells Road passes through the southern end of the tenement. The project is located on the Farquharson Tableland at an elevation of approximately 500m above sea level.

Tenure and Physiography

The Lake Wells Project comprises one granted exploration licence with an area of some 138.8km^2. Tenement details are presented in Table 39 with an inventory of the granted tenement below:

- E38/2262 with grant date of 26 March 2010.

13.2 Geology and Mineralisation

13.2.1 Local Geology and Mineralisation

The project is located on the eastern margin of the Archaean Yilgarn Craton of Western Australia. It is covered by lacustrine clay, silt and sand sediments within a larger Quaternary drainage system. An anomalous radioactive signature is located along the western margin of the lake which is considered to be a larger Tertiary drainage system at depth. Uranium mineralisation in the region is considered to be either of the sandstone uranium deposit type or of the surficial uranium deposits type. Recent investigations have been undertaken for the occurrence of surficial uranium deposits. The project overlies a radiometric anomaly, a U/Th ratio and a U anomaly with a strike length of 18km (Alamar, 2009).

13.3 Exploration History

13.3.1 Historical work programs

From a WAMEX search it appears that prior to GE Resources Pty Ltd (GE Resources) no other company had explored the tenement area.

13.3.2 Recent work programs

The details of recent work programs undertaken in the project area are listed in Table 22 below.

Table 22 Lake Wells Uranium Project: Exploration History

Date	Company	Findings
2006-2008	GE Resources Pty Ltd	The company undertook field reconnaissance, an auger sampling program (11 samples) and acquired NOAA night time thermal infra red data. The best result from sampling was 2.76ppm U.

13.4 Exploration and Resource Potential

The Lake Wells Project has undergone limited exploration for uranium. The exploration history of the project, detailed in the preceding sections, describes the work completed by GE Resources Pty Ltd. A radiometric anomaly has been identified and is at an early stage of assessment. GE Resources Pty Ltd undertook some limited testing (11 auger samples) of the radiometric anomaly. Potential exists to discover uranium mineralisation over the project area. Ravensgate considers the project of merit and worthy of further exploration.

14. LAVERTON URANIUM PROJECT, WEST AUSTRALIA

14.1 Introduction and Location

The Laverton Uranium Project is located approximately 50km north east of Laverton and approximately 30km south east of the township of Menzies. Laverton is 957km north-northeast of Perth, Western Australia. The area can be accessed via the Laverton-Warburton Road.

14.2 Tenure and Physiography

The Laverton Downs Project comprises one granted exploration licence with an area of 102.6km^2. A portion of the tenement overlies the Cosmo-Newberry Aboriginal Reserve. GE Resources negotiated compensation agreements with the Cosmo-Newberry Aboriginal Corporation in 2007 to permit them to explore the tenement area. Access to the area was denied until the negotiations had been completed. Tenement details are presented in Table 39 with an inventory of the granted tenement below:

- E38/2261 with grant date of 26 March 2010.

14.3 Geology and Mineralisation

14.3.1 Local Geology and Mineralisation

The project is located within the Archaean Yilgarn Craton of Western Australia. There is little granite outcrop in the project area. The project area exhibits an anomalous radiometric signature with a U/Th ratio anomaly and U anomaly over an area of approximately 7km x 3km (Alamar, 2009). The bedrock is overlain by alluvium and playa lake sequences. The playa lake units are comprised of saline playa lake deposits, mixed dune material, alluvial and evaporate units marginal to and within playa lakes. Residual units consist of ferruginous and siliceous duricrusts. Uranium mineralisation in the region is considered to be either of the sandstone uranium deposit type or of the surficial uranium deposits type.

Sandstone uranium deposits occur in medium to coarse grained sandstones deposited in fluvial or marine settings. The uranium is deposited as a result of oxidised uranium rich fluids coming into contact with reducing conditions generally associated with carbonaceous material or impermeable shale and mudstone units. These are commonly referred to as “roll front” style deposits which have an arcuate shape within buried sandstone units although they may have elongate geometries depending on the depositional environment. Within the Frome Embayment of South Australia for example, six uranium deposits are known, the largest being Beverley, Honeymoon, East Kalkaroo and Billaroo West-Gould Dam. Other deposits are Manyingee, Oobagooma, and Mulga Rock in Western Australia (WA) and Angela, Northern Territories (NT). At Mulga Rock, uranium mineralisation is in peat layers interbedded with sand and clay within a buried palaeochannel.

14.4 Exploration History

14.4.1 Historical work programs

From a WAMEX search it appears that prior to GE Resources Pty Ltd no other company had explored the tenement area.

14.4.2 Recent work programs

The details of recent work programs undertaken in the project area are listed in Table 23

Table 23 Laverton Downs Uranium Project: Recent Exploration		
Date	**Company**	**Findings**
2006-2008	GE Resources Pty Ltd	The company undertook a remote sensing project to identify palaeo channels. They acquired a NOAA image. This resulted in the identification of palaeochannels.

14.5 Exploration and Resource Potential

The Laverton Downs Project has undergone very limited exploration for uranium. The exploration history of the project, detailed in the preceding section, describes the work completed by GE Resources. This company defined prospective palaeochannels within the project area. Potential exists to discover uranium mineralisation over the project area. Ravensgate considers the project of merit and worthy of further exploration.

15. THROSSELL URANIUM PROJECT, WEST AUSTRALIA

15.1 Introduction and Location

The Throssell Uranium Project is located approximately 220km north east of Laverton. Laverton is 957km north northeast of Perth, Western Australia. The area can be accessed via the Great Central road which transects the project.

15.2 Tenure and Physiography

The Lake Throssell Project comprises one granted exploration licence with an area of 102.6km^2. Tenement details are presented in Table 39 with an inventory of the granted tenement below:

- E38/2260 with grant date of 13 April 2010.

15.3 Geology and Mineralisation

15.3.1 Local Geology and Mineralisation

The project is located within the Archaean Yilgarn Craton of Western Australia. The project is situated within the Officer basin. The bedrock geology of the project is comprised mostly of Permian glacigene and fluviatile sediments of the Paterson Formation. The bedrock is overlain by lacustrine sediments and units related to playa lake systems. The playa units are comprised of saline playa lake deposits, mixed dune, alluvial and evaporate unit's marginal to and within playa lakes.

Uranium mineralisation in the region is considered to be either of the sandstone uranium deposit type or of the surficial uranium deposits type. Within the project area carnotite occurrences have been recorded. The radiometric anomaly (U, U/Th ratio) covering the project area is about 10km x 1km in extent (Alamar, 2009).

15.4 Exploration History

15.4.1 Historical work programs

From a WAMEX search it appears that prior to Encounter Resources Ltd (Encounter) no other company had explored the tenement area for uranium. The details of diamond exploration undertaken in the tenement area are listed in Table 24

Table 24 Lake Throssell Uranium Project: Exploration History

Date	Company	Findings
1980-1982	Seltrust Mining Corporation	The company was exploring for diamonds. Aeromagnetic and radiometrics were flown over the project area, the data was processed which resulted in the identification of anomalous areas over the project. Eight anomalies were RAB drilled, with 32 holes for a total of 789m. Calcrete was intersected in several holes ranging from one to five metres. A percussion hole was drilled. It intersected 27m of calcrete.

15.4.2 Recent work programs

The details of recent work programs undertaken in the project area are listed in Table 25.

Table 25 Lake Throssell Uranium Project: Recent Exploration

Date	Company	Findings
2006-2008	Encounter Resources Ltd	The area was targeted for calcrete style uranium deposits. A total of 31 AC holes were drilled for a total of 633m. The best result returned was 29ppm U. Only 31 out of a proposed 53 AC holes were completed due to heavy seasonal rains.

15.5 Exploration and Resource Potential

The Lake Throssell Project has undergone limited exploration for uranium. The exploration history of the project, detailed in the preceding section, describes the work completed by Seltrust and Encounter. These companies defined a number of radiometric anomalies, of which only some were drilled due to heavy seasonal rains. Potential exists to discover uranium mineralisation over the project area. Ravensgate considers the project of merit and worthy of further exploration.

16. YEELIRRIE SOUTH URANIUM PROJECT, WEST AUSTRALIA

16.1 Introduction and Location

The Yeelirrie Uranium Project is located approximately 25km south west of the Mt Keith Mine and approximately 88km south west of the township of Wiluna. Wiluna is 947km north east of Perth, Western Australia. The area can be accessed via the sealed Great Northern Highway and Sandstone-Wiluna road. The project tenement is separate and southward of the Yeelirrie deposit.

16.2 Tenure and Physiography

The Yeelirrie Project comprises one granted exploration licence with an area of some 42km^2. Tenement details are presented in Table 39 with an inventory of the granted tenement below:

- E36/0723 with grant date of 21 May 2010.

16.3 Geology and Mineralisation

16.3.1 Local Geology and Mineralisation

The project is located between the Wiluna greenstone belt to the east and the Montague Range greenstone belt to the west. The bedrock geology of the project is comprised mostly of granite or gneiss. A large Cretaceous palaeochannel is found within the project. The project is overlain by alluvium with some calcrete. Uranium mineralisation in the region is considered to be of the surficial uranium deposit type. A uranium radiometric anomaly has been identified over the project area (Alamar, 2009). The tenement project is located approximately 40km down-stream in the regional drainage channel of the Yeelirrie deposit.

16.4 Exploration History

16.4.1 Historical and recent work programs

Historically and also more recently the project area has been explored by a number of explorers, details are listed in Table 26 below.

Table 26 Yeelirrie Uranium Project: Exploration History

Date	Company	Findings
1996-1997	B. Legendre	Reconnaissance exploration.
2006-2009	Encounter Resources Ltd	Review of geophysical images, historical data, ground reconnaissance and AC drilling. On the project area a total of 21 Air Core holes were drilled for 300m. The best result returned was 26ppm U.

16.5 Exploration and Resource Potential

The Yeelirrie Project has undergone limited exploration for uranium. The exploration history of the project, detailed in the preceding section, describes the work completed by B. Legendre and Encounter Resources Ltd. A radiometric anomaly has been identified in the area and is at an early stage of assessment. Potential exists to discover uranium mineralisation over the project. Ravensgate considers the project is of merit and worthy of further exploration.

17. WOOLSHED WELL BASE METALS PROJECT, WEST AUSTRALIA

17.1 Introduction and Location

The Woolshed Well Base Metals Project is located approximately 13km north west of Murrin Murrin. Murrin Murrin is located 883km from Perth in Western Australia. The project is located approximately 4.5km from the Laverton Leonora Road.

17.2 Tenure and Physiography

The Woolshed Well Base Metals Project comprises one granted exploration licence with an area of 2km^2. The project consists of one granted prospect tenement license and five pending tenement license's. Tenement details are presented in Table 39 with an inventory of the granted tenement below:

- P37/7884 with grant date of 6 October 2010.

17.3 Geology and Mineralisation

17.3.1 Regional Geology

The project area is located within the Archaean Yilgarn Craton of Western Australia, it is characterised by the north-northeast trending Kilkenny Syncline and the western margin of the north-northwest trending Keith-Kilkenny Tectonic Zone. The area has undergone low grade metamorphism, with prehnite-pumpelleyite to greenschist facies mineralogy observed with good preservation of both sedimentary and igneous textures.

17.3.2 Local Geology and Mineralisation

The project overlies a greenstone belt consisting of acid and basic volcanic, sediments, cherts, ultramafic and mafic intrusives.

17.4 Exploration History

17.4.1 Historical work programs

In the past the project area has been explored by a number of different explorers, details are listed in Table 27.

Table 27 Woolshed Well Base Metals Project: Exploration History

Date	Company	Findings
1968-1970	Australian Selection (Pty) Limited	The company was exploring for copper, nickel, zinc, lead, silver, cobalt, platinum and asbestos. Exploration consisted of geological mapping.
1969-1975	Northern Selcast Pty Ltd	Exploration consisted of regional soil sampling programs and geological mapping.

17.4.2 Recent work programs

From a WAMEX search of public reports it appears that no exploration has taken place on the tenement since 1975.

17.5 Exploration and Resource Potential

Regionally, the greenstone belt, which trends through the project area, hosts a number of significant nickel deposits to the south west and north namely Minara Resources' Murrin Murrin nickel operation and GME Resources' Waite Kauri and other nearby nickel laterite prospects. The region also hosts the Jaguar-Teutonic Bore VMS copper-zinc-silver deposits which are located 67km to the north west. The project has not been explored in much detail since 1975 and would benefit from a review using modern exploration and perhaps geophysical techniques. Ravensgate considers the project is of merit and worthy of further exploration however notes the project is at a very early stage.

18. VALUATION

18.1 Introduction

There are a number of recognised methods used in valuing "mineral assets". The most appropriate application of these various methods depends on several factors, including the level of maturity of the mineral asset, and the quantity and type of information available in relation to the asset. All monetary values included in this report are expressed in Australian dollars (A$) unless otherwise stated.

The Valmin Code, which is binding upon "Experts" and "Specialists" involved in the valuation of mineral assets and mineral securities, classifies mineral assets in the following categories:

- Exploration Areas refer to properties where mineralisation may or may not have been identified, but where specifically a JORC compliant mineral resource has not been identified.
- Advanced Exploration Areas refer to properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by some form of detailed geological sampling. A JORC compliant mineral resource may or may not have been estimated but sufficient work will have been undertaken that provides a good understanding of mineralisation and that further work will elevate a prospect to the resource category.
- Pre-Development Projects are those where Mineral Resources have been identified and their extent estimated, but where a positive development decision has not been made.
- Development Projects refers to properties which have been committed to production, but which have not been commissioned or are not operating at design levels.
- Operating Mines are those mineral properties, which have been fully commissioned and are in production.

Various recognised valuation methods are designed to provide the most accurate estimate of the asset value in each of these categories of project maturity. In some instances, a particular mineral property or project may include assets that comprise one or more of these categories.

When valuing Exploration Areas, and therefore by default where the potential is inherently more speculative than more advanced projects, the valuation is largely dependent on the informed, professional opinion of the valuer. There are a number of methods available to the valuer when appraising Exploration Areas.

The Multiple of Exploration Expenditure ("MEE") method can be used to derive project value, when recent exploration expenditure is known or can be reasonably estimated. This method involves applying a premium or discount to the exploration expenditure or Expenditure Base ("EB") through application of a Prospectivity Enhancement Multiplier ("PEM"). This factor directly relates to the success or failure of exploration completed to date, and to an assessment of the future potential of the asset. The method is based on the premise that a "grass roots" project commences with a nominal value that increases with positive exploration results from increasing exploration expenditure. Conversely, where exploration results are consistently negative, exploration expenditure will decrease along with the value. The following guidelines are presented on selection of the PEM:

- PEM = 1. Exploration activities and evaluation of mineralisation potential justifies continuing exploration.
- PEM = 2. Exploration activities and evaluation of mineralisation potential has identified encouraging drill intersections or anomalies with targets of noteworthy interest generated.
- PEM = 3. Exploration activities and evaluation of mineralisation potential has identified significant grade intersections and mineralisation continuity.

Where transactions including sales and joint ventures relating to mineral assets that are comparable in terms of location, timing, mineralisation style and commodity, and where the terms of the sale are suitably "arms length" in accordance with the Valmin Code, such transactions may be used as a guide to, or a means of, valuation. This method is considered highly appropriate in the current volatile financial environment where other "cost based" methods may tend to overstate value.

The Joint Venture Terms valuation method may be used to determine value where a Joint Venture Agreement has been negotiated at "arms length" between two parties. When calculating the value of an agreement that includes future expenditure, cash and/or shares payments, it is considered appropriate to discount expenditure or future payments by applying a discount rate to the mid-point of the term of the earn-in phase. Discount factors are also applied to each earn-in stage to reflect the degree of confidence that the full expenditure specified to completion of any stage will occur. The value assigned to the second and any subsequent earn-in stages always involves increased risk that each subsequent stage of the agreement will not be completed, from technical, economic and market factors. Therefore, when deriving a technical value using the Joint Venture Terms method, Ravensgate considers it appropriate to only value the first stage of an earn-in Joint Venture Agreement.

The total project value of the initial earn-in period can be estimated by assigning a 100% value, based on the deemed equity of the farminor, as follows:

$$V_{100} = \frac{100}{D}\left[CP + \left(CE * \frac{1}{(1+I)^{\frac{t}{2}}}\right) + \left(EE * \frac{1}{(1+I)^{\frac{t}{2}}} * P\right)\right]$$

where:

V_{100}	=	Value of 100% equity in the project ($)
D	=	Deemed equity of the farminor (%)
CP	=	Cash equivalent of initial payments of cash and/or stock ($)
CE	=	Cash equivalent of committed, but future, exploration expenditure and payments of cash and/or stock ($)
EE	=	Uncommitted, notional exploration expenditure proposed in the agreement and/or uncommitted future cash payments ($)
I	=	Discount rate (% per annum)
t	=	Term of the Stage (years)
P	=	Probability factor between 0 and 1, assigned by the valuer, and reflecting the likelihood that the Stage will proceed to completion.

Where mineral resources remain in the Inferred category, reflecting a lower level of technical confidence, the application of mining parameters is inappropriate and their economic value can therefore not be demonstrated using the more conventional DCF/NPV approach. In these instances it is considered appropriate to use the 'in-situ' Resource method of valuation for these assets. This technique involves application of a heavily discounted valuation of the total in-situ metal or commodity contained within the resource. The level of discount applied will vary based on a range of factors including physiography and proximity to infrastructure or processing facilities.

In the case of Pre-development, Development and Mining Projects, where Measured and Indicated Resources have been estimated and mining and processing considerations are known or can be reasonably determined, valuations can be derived with a reasonable degree of confidence by compiling a discounted cash flow (DCF) and determining the net present value (NPV).

The Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC code, 2004) sets out minimum standards, recommendations and guidelines. A Mineral Resource defines a mineral deposit with reasonable prospects of economic extraction. Mineral Resources are sub-divided into Inferred, Indicated and Measured to represent increasing geological confidence from known, estimated or interpreted specific geological evidence and

knowledge. An Ore Reserve is the economically minable part of a Measured or Indicated Resource after appropriate studies. An Inferred Resource reflecting insufficient geological knowledge, cannot translate into an Ore Reserve. Measured Resources may become Proved (highest confidence) or Probable Reserves. Indicated Resources may only become Probable Reserves.

18.2 Previous Mineral Asset Valuations

Ravensgate is not aware, nor have we been made aware, of any other valuations over the Mongolian and Western Australian projects. In September 2010, Ravensgate completed a desktop, internal valuation report for Alamar on the Alluvial Gold and Bargilt Magnetite Iron Project. The desktop valuation partly forms the basis for this report. The Mongolian projects referred to within this report cover one alluvial gold project, two lode-hosted gold projects, a magnetite iron project and a thermal coal project. The Australian projects referred to within this report cover three shear-hosted gold projects, five uranium projects and one base metal project. Alamar has 6 uranium projects pending, with a total of ten tenements in application. Exploration tenements have not been included in the valuation where tenure or permits have not been granted to the relevant company and the company does not therefore have any ownership over tenements or any exploration value within the tenements.

18.3 Material Agreements

Ravensgate has been commissioned by Alamar Resource Limited (ASX code: ALG) and BDO Corporate Finance (WA) Pty Ltd (BDO) to provide an Independent Technical Valuation. The Technical Valuation report provides an assessment of the Mongolian minerals assets to be acquired by Alamar Resources Ltd (Alamar) through the acquisition of MRCMGL LLC (MRC) and its subsidiaries. In addition the Technical Valuation report also provides an assessment of the Alamar gold, uranium and base metal projects in Western Australia which are either owned 100% or in Joint Venture agreements. Details of the Ownership and Joint Venture agreements can be listed below as:

Mongolia Projects

- Alluvial Gold Project, Mongolia.
  - Alamar plans to acquire 100% of the project.
- Kargana (Blue Eyes) Gold Project, Mongolia.
  - Alamar plans to acquire 85% of the project. The remainder will be held by private, local partners.
- Sujigtei Gold Project, Mongolia.
  - Alamar plans to acquire 90% of the project. The remainder will be held by private, local partners.
- Bargilt Magnetite Iron Project, Mongolia.
  - Alamar plans to acquire 100% of the project.
- Doshin Thermal Coal Project, Mongolia.
  - Alamar plans to acquire 100% of the project.

Australian Projects

- Corboys North Gold Project, West Australia, Australia.
  - Alamar owns and manages 100% of the project.
- Maitland Gold Project, West Australia, Australia.
  - Alamar earned a 51% interest of the project during the 2009-2010 financial year and manages the project in Joint Venture with ASX-listed Aragon Resources Ltd.

- Mandilla Well Gold Project, West Australia, Australia.
  - Alamar owns and manages 80% of the project in Joint Venture with Furnace Technologies Pty Ltd.
- Lake Barlee Uranium Project, West Australia, Australia.
  - Alamar owns and manages 100% of the project.
- Lake Wells Uranium Project, West Australia, Australia.
  - Alamar owns and manages 100% of the project.
- Laverton Uranium Project, West Australia, Australia.
  - Alamar owns and manages 100% of the project.
- Throssell Uranium Project, West Australia, Australia.
  - Alamar owns and manages 100% of the project.
- Yeelirrie Uranium Project, West Australia, Australia.
  - Alamar owns and manages 100% of the project.
- Woolshed Well Base Metals Project, West Australia, Australia.
  - Alamar owns and manages 100% of the project.

In June 2009, Aragon Resources Limited and Alamar Resources Limited finalised a Joint Venture agreement whereby Alamar could farm into the Maitland Gold Project. Under the terms of the agreement, Alamar has an exclusive right to earn an initial 51% interest in the project with an exploration spend of $0.2M over 2 years. Alamar has an additional right to earn a further 24% in year three with a further exploration spend of $0.13M. Alamar will be the sole manager of the Maitland Project while it is earning or holds greater than 50% interest. Alamar earned a 51% interest of the project during the 2009-2010 financial year by completing a RAB/Aircore drilling program. Alamar has elected not to sole fund exploration to earn a 75% interest and is in discussion with the Joint Venture partner regarding the next stage of exploration.

In May 2008, Alamar announced an agreement to acquire an 80% tenement interest in the Mandilla Well Gold Project. Under the terms of the agreement Alamar will gain an 80% interest in the project through a buy-in arrangement of cash ($0.1M) and shares (0.25M). The agreement was conditional upon the company being successfully admitted to the ASX Official List by 31 July 2008. Alamar currently owns and manages 80% of the project with the remainder of the project held by Furnace Technologies Pty Ltd (Furnace). The 20% project interest held by Furnace is free-carried until a decision to commence mining is made, at which point Furnace has the right to participate in the mining operations or allow its interest to dilute to a 1.5% production royalty. The tenement holder is recorded as Furnace.

Ravensgate understands all exploration tenements are granted at this point in time and are in good standing. Ravensgate is not aware, nor have we been made aware, of any other agreements that have a material effect on the provisional valuations of the mineral assets, and on this basis have made no adjustments on this account.

18.4 Comparable Transactions

Ravensgate has completed a search for publicly available market transactions involving gold, iron and coal projects within the Asian region. A search for publicly available market transactions involving gold, uranium and base metal projects within West Australia was also undertaken. Some difficulty was found in sourcing relevant market transactions within Mongolia for magnetite iron projects. An extensive search of the Central and Eastern Asian region was also not completely successful in researching market transactions for iron ore projects designated as 'Exploration Area' Mineral Assets where a more appropriate valuation is on a dollar per square kilometre basis (i.e. in the absence of a Mineral Resource or sample-supported Exploration Target). The relatively low number of comparative market transactions for the magnetite iron projects is not seen as a significant issue. This reflects the majority of value for the Mongolian projects being associated with the more advanced gold projects.

An Ore Reserve or Mineral Resource Estimate reported in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code - 2004 Edition) has not been carried out for any of the Mongolian or Western Australian projects. The transactions have been specifically selected to be comparative to the valuation tenements. Transactions reflect comparable tenement holdings in geological provinces that are considered prospective for similar commodities, and that are of similar prospectivity to the minerals assets being acquired. In Ravensgate's experience and opinion, individual market transactions are rarely completely identical to the relevant project area or may not contain all the required information for compilation. In practice a range of implied values on a dollar per metal unit or dollar per square kilometre of tenement holding will be defined for further use. The transactions identified along with the implied cash-equivalent values are summarised in Section 18.4.1 to Section 18.4.5 by commodity and region.

Publically available market transactions have been separated to reflect transactions on a dollar per square kilometre of tenement holding or on a dollar per metal unit for an advanced Exploration Target or Mineral Resource. This was undertaken to reflect the varying levels of geological exploration carried out within the various project tenements. In general terms, exploration projects may start with a relatively large tenement holding where a lack of detailed geological sampling and knowledge renders the use of the "in-situ" yardstick valuation method inappropriate (i.e. an "Exploration Area Mineral Asset). For these particularly early-stage exploration areas comparable transactions on a dollar per square kilometre basis are more relevant. As the project advances and as geological sampling and knowledge increase, tenement areas tend to decrease to match a narrowing focus on more prospective areas. For these areas where specific targets have been identified that warrant further detailed evaluation and are drill sample supported, comparable transactions on a dollar per metal unit basis may be more appropriate (i.e. an "Advanced Exploration Area Mineral Asset").

18.4.1 Reported Market Transactions involving Gold Projects within the Asia Region

Ravensgate's analysis of Asian market transactions for gold projects indicates an implied value between $20 per troy ounce to $59 per troy ounce for more advanced or strategic Exploration Targets or moderate-Confidence Mineral Resources (Table 28). Ravensgate's analysis of Asian market transactions for early-stage, conceptual gold projects, indicates an implied value between $3,200 per square kilometre to $4,800 per square kilometre, rising to between $29,000 to $37,000 per square kilometre (Table 29).

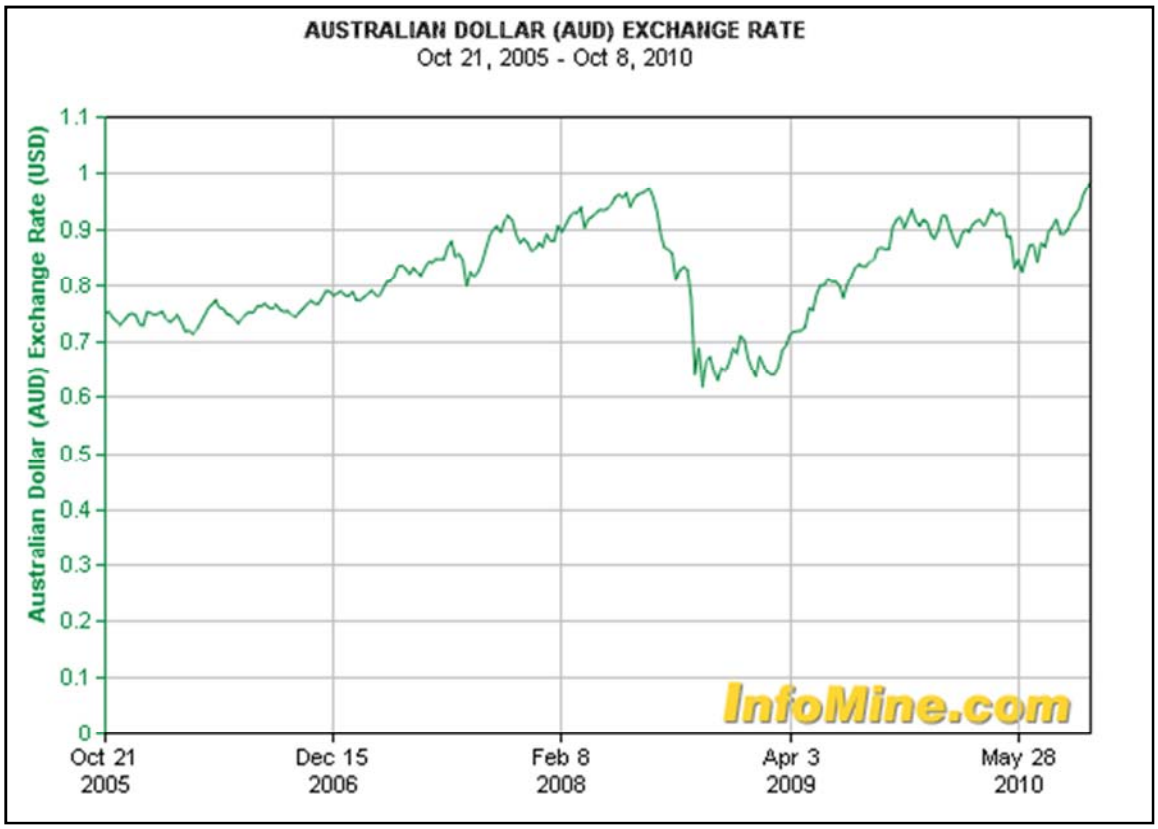
Table 28 Recent Market Transactions Involving Gold Exploration Projects at Advanced Exploration Target or Moderate-Confidence Mineral Resource Stage within Asia				
Project	**Transaction Details & Type**	**Troy Ounces (Oz)**	**Purchase Price 100% Basis (A$)**	**Implied Value / Ounce (A$)**
Mongolia.	January 2010: Green Global Resources Ltd acquired 100% of Dadizi Yuan LLC for a cash consideration of HK$39.7M. The tenement area totals 20km^2 for two alluvial gold mines containing an estimated 3 tonnes of gold. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $5.6M (notional 58 A$/oz on 100% terms).	0.096Moz	$5.6M	$58/oz
Aksu, Bestobe, and Zholymbet, North Kazakhstan.	September 2009: Polyus Gold entered into a buy-in agreement with KazakhGold to earn 100% in a total deal worth US$256M. The project tenements are prospective for gold with a classified 15Moz Au estimate (audited at the time by Wardell Armstrong). Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $298M (notional 20 A$/oz on 100% terms).	15Moz	$298M	$20/oz
Alytn-Tas & Buguty-Palm Project, Kazakhstan.	May 2007: Central Asia Resources entered into a farm-in/JV agreement to acquire 23.75% in Alytn-Tas and 15% in Buguty-Palm with a buy-in of US$1.0M. The tenement area is prospective for gold plus base metal mineralisation with an estimated 1,405,000t @ 1.7g/t Au (Inferred) and 124,875t @ 3.9g/t Au (Inferred) for 92,800oz Au total. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $5.5M (notional 59 A$/oz on 100% terms).	0.092Moz	$5.5M	$59/oz
Bong Mieu and Phuoc Son Project, Vietnam.	July 2008: Zedex Minerals Ltd entered into private agreements to acquire an additional 17.36% in Olympus Pacific Minerals Inc. via purchase of 40.33 M shares. The tenement area totals 100km^2 for Mineral Resources in production and development, primarily gold but also tungsten and fluorine (as gold equivalent). Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $43.2M (notional 29 A$/oz on 100% terms).	1.492Moz	$43.2M	$29/oz
East Dragon, China.	December 2007: Sino Gold Mining Ltd entered into a farm-in/JV agreement with Rockming Group Co Ltd to earn 72% with a cash buy-in. An Exploration Target of 2.3 to 2.9Mt at 7 to 8g/t gold had been identified within the project area. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $16.2M (notional 26 A$/oz on 100% terms).	0.627Moz	$16.2M	$26/oz

Table 29 Recent Market Transactions Involving Gold Exploration Projects at a particularly early and conceptual stage within Asia				
Project	**Transaction Details & Type**	**Area (km^2)**	**Purchase Price 100% Basis (A$)**	**Implied Value/km^2 (A$)**
Gutain Davaa, Mongolia.	January 2010: Meritus Minerals acquired 100% of Troy Mongolian Alt Resources (TMAR) which owned 80% of the project. The acquisition was for a mixture of cash (US$0.5M) and shares (of 7M). The tenement area totals 43.61km^2 for two exploration licenses prospective for quartz-vein hosted gold. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis at that point in time is $1.6M.	43.61	$1.6M	$37,000
Bizhe Project, Kazakhstan.	November 2008: Central Asia Resources entered into a farm-in/JV agreement to earn 90% with a cash and shares buy-in of $0.7M. The tenement area totals 246km^2 for prospective gold plus silver and potential porphyry copper mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.78M.	246	0.78M	$3,200
Agnie-Afanasievsky Project, East Russia.	October 2008: Polymetal entered a successful bid to acquire the project (100%) for US$1.2M. The tenement area totals 441km^2 for prospective gold quartz vein and stockwork mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $1.75M.	441	$1.75M	$4,000
Tovshiir, Mongolia.	October 2008: Garrison Asia LLC acquired 100% of exploration license 13839X for a cash consideration of US$0.35M. The tenement area totals 101km^2 for prospective gold exploration. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.487M.	101	$0.487M	$4,800
Penjikent, Tajikistan.	June 2007: Zijin Mining Croup entered into an agreement to acquire 75% of JV Zeravshan LLC for a cash buy-in. JV Zeravshan LLC holds gold mining and exploration rights over a 3,000km^2 area. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $87M.	3,000	$87M	$29,000

For reference, and critical to the valuation task at hand, the prevailing commodities and currency markets at any point in time should also be considered. A general analysis of the five year price chart for gold in Figure 15 indicates a steady price increase since 2005. A general analysis of the five year price chart for the Australian dollar to US exchange rate in Figure 16 indicates a move towards parity in recent months.

Figure 15 Five year price chart for Gold Price

Figure 16 Five year Australian dollar to US Exchange Rate



18.4.2 Reported Market Transactions involving Iron Projects within the Asia Region

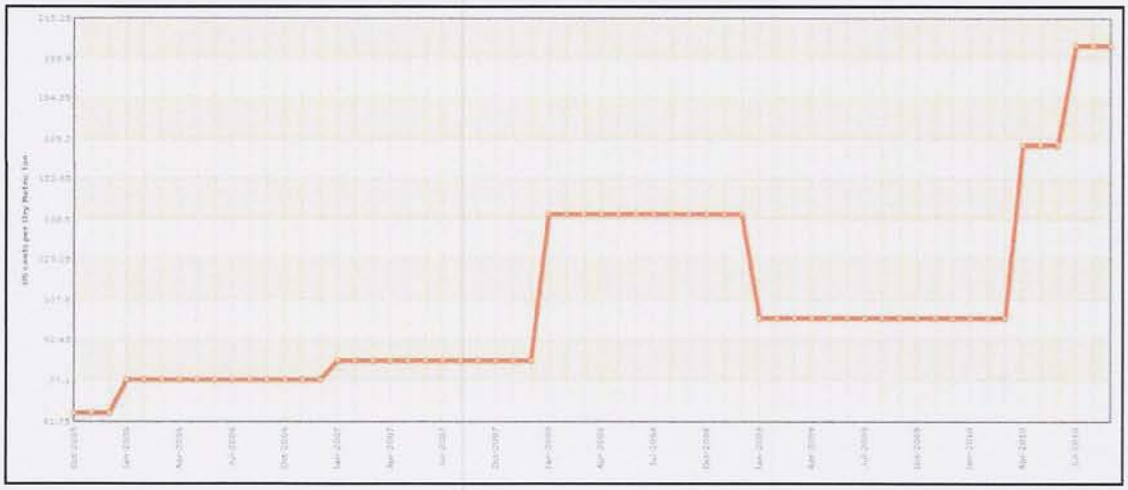
Ravensgate's analysis of Asian market transactions for early-stage, conceptual iron ore projects, indicates an implied value between $7,400 per square kilometre to $14,100 per square kilometre (Table 30). Ravensgate would note these market transactions are not regarded as ideal however has been unable to locate more relevant market transactions at this stage.

Table 30 Recent Market Transactions Involving Iron Ore Exploration Projects at a particularly early and conceptual stage within Asia.

Project	Transaction Details & Type	Area (km^2)	Purchase Price 100% Basis (A$)	Implied Value/km^2 (A$)
Paisali, Thailand.	November 2009: Matsa Resources Limited entered into a farm-in/JV agreement with private vendors to earn 100% with a cash, shares and royalty buy-in. The tenement area totals 18km^2 for prospective magnetite iron skarns. Assuming the terms of the agreement were fully met (however excluding future shares and royalty); the implied cash equivalent on a 100% equity basis is $0.13M.	18	$0.13M	$7,400
Agam Project, Sumatra, Indonesia.	May 2008: Coziron Resources Limited entered into a farm-in/JV agreement with PT Galian Endapan Buana (GEB) to earn 80% with a cash and shares buy-in. The tenement area totals 39.6km^2 for prospective Iron Sands. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.56M.	39.6	$0.56M	$14,100

A general analysis of the five year price chart for iron ore in Figure 17 indicates a steady price increase and recovery since October 2009.

Figure 17 Five year price chart for Iron Ore Monthly Price



Note: Iron Ore, 67.55% iron content, fine, contract price to Europe, FOB Ponta da Madeira, US cents per dry metric tonne unit (source website: http://www.indexmundi.com/commodities/?commodity=iron-ore&months=60).

18.4.3 Reported Market Transactions involving Coal Projects within the Asia Region

Ravensgate's analysis of Asian market transactions for early-stage, conceptual coal projects, indicates an implied value between $3,600 per square kilometre to $14,700 per square kilometre, rising to between $31,300 to $45,000 per square kilometre particularly where projects feature coal of better quality (Table 31).

Table 31 Recent Market Transactions Involving Coal Exploration Projects at a particularly early and conceptual stage within Asia.

Project	Transaction Details & Type	Area (km^2)	Purchase Price 100% Basis (A$)	Implied Value/km^2 (A$)
Shanagan Project, Central Mongolia.	June 2010: Aspire Mining Ltd entered into a farm-in/JV agreement to acquire 51% for cash and exploration expenditure. The tenement area totals 20km^2 for prospective bituminous coal seams. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.82M.	20	$0.82M	$41,000
South and East Mongolia.	November 2009: Hunnu Coal Ltd entered into a farm-in/JV agreement with Narmandakh Batchuluun to acquire 60% of 4 exploration license's with a cash and exploration spend of US$7.7M. The tenement area totals 954.16km^2 for prospective lignite thermal up to export thermal and/or coking coal. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $14M.	954.16	$14M	$14,700
Ovoot Project, North West Mongolia.	November 2009: Windy Knob Resources Ltd entered into a farm-in/JV agreement with Khurgatai Khairkhan LLC to acquire 100% for a consideration of cash, shares and options. The tenement area totals 724km^2 for prospective metallurgical coal. Assuming the terms of the agreement were met (excluding options), the implied cash equivalent on a 100% equity basis is $8.6M	724	$8.6M	$11,900
Tsagaan Delger Project, Central Mongolia.	October 2009: Hunnu Coal Ltd entered into a farm-in/JV agreement with Erdenyn Erel LLC to acquire 70% with a cash and exploration spend of US$0.362M. The tenement area totals 104.54km^2 for prospective thermal, brown coal. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.52M.	104.54	$0.52M	$5,000
Ar Zuul Project, West Mongolia.	October 2009: Hunnu Coal Ltd entered into a farm-in/JV agreement with Adamus Mountain LLC to acquire 70% with a cash and exploration spend of US$4.3M. The tenement area totals 196.4km^2 for prospective export quality thermal or coking coal with an exploration target of 20-30Mt. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $6.15M.	196.4	$6.15M	$31,300
Zuun Gol Project, West Mongolia.	October 2009: Hunnu Coal Ltd entered into a farm-in/JV agreement with Ar Zuun Gol LLC to acquire 70% with a cash and exploration spend of US$1.7M. The tenement area totals 60km^2 for prospective export quality thermal or coking coal with an exploration target of 400-500Mt. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $2.7M.	60	$2.7M	$45,000

Table 31 Recent Market Transactions Involving Coal Exploration Projects at a particularly early and conceptual stage within Asia.				
Project	**Transaction Details & Type**	**Area (km^2)**	**Purchase Price 100% Basis (A$)**	**Implied Value/km^2 (A$)**
Munh Haan (East Mongolia) & Delgereh Project (SE Mongolia).	October 2009: Hunnu Coal Ltd entered into a farm-in/JV agreement with NEEX LLC to acquire 70% with a cash and exploration spend of US$0.738M. The tenement area totals 327.24km^2 for prospective thermal coal. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $1.18M.	327.24	$1.18M	$3,600

Ravensgate notes that while coking coal commands a higher price to thermal coal, projects may show a differential feature reflecting value for a company's coal blending requirements, location and transport convenience. However in general, analysis of the five year price chart for thermal coal in Figure 18 indicates a steady price increase and recovery since April 2009.

Figure 18 Five year price chart for Australian thermal coal.

Note: Australian thermal coal, 12000-btu/pound, less than 1% sulphur, 14% ash, FOB Newcastle/Port Kembla, US$ per metric tonne
(source website:http://www.indexmundi.com/commodities/?commodity=coal-australian&months=60)

18.4.4 Reported Market Transactions involving Western Australian (WA) Gold Projects

Ravensgate's analysis of WA market transactions for early-stage, conceptual gold projects, indicates an implied value between $2,900 per square kilometre to $11,000 per square kilometre (Table 32). Three market transactions (two by Alamar), were located on or nearby regarding the Yandal Gold Projects. The transactions featured an implied value between $2,900 per square kilometre to $6,700 per square kilometre which is within the lower-to mid point of the transaction range noted in Table 32.

Table 32 Recent Market Transactions Involving Western Australian Gold Exploration Projects at a particularly early and conceptual stage				
Project	**Transaction Details & Type**	**Area (km^2)**	**Purchase Price 100% Basis (A$)**	**Implied Value/km^2 (A$)**
Erayinia, Kalgoorlie, WA.	September 2010: Integra Mining Limited entered into a farm-in/JV agreement with Image Resources NL to earn 70% with an exploration spend of $0.75M over 5 years. The tenement area totals 125.23km^2 for prospective gold mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $1.07M.	125.23	$1.07M	$8,600
West Musgrave, WA.	January 2010: Tortuga Advisors Ltd entered into a farm-in/JV agreement with Strzelecki Metals Ltd to earn 80% with an exploration spend of $4.0M over 5 years. The tenement area totals 1,489km^2 for prospective uranium, gold and base metal mineralisation. Anomalous soil gold and uranium assays occur in the southern area of the project. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $5M.	1,489	$5M	$3,400
Penny's Find Project, Kalgoorlie, WA.	October 2009: Empire Resources Ltd entered into a joint agreement to earn a 51% interest with Rubicon Resources Ltd over the Penny's Find gold licences located near Kalgoorlie. Assuming the terms of the agreement were met for the initial farm-in stage the implied cash equivalent on a 100% equity basis is $0.43M.	40	$0.43M	$10,780
Mystique Project, Albany Frazer, WA.	September 2009: Blackfire Minerals Ltd entered into a joint agreement to earn a 75% interest with Pacmag Metals Ltd over its Mystique gold licences located in the Albany Frazer Province. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $3.4M.	434	$3.4M	$7,800
Peters Dam Project, Kalgoorlie, WA.	July 2009: Integra Mining Ltd entered into a joint agreement to earn a 70% interest with Rubicon Resources Ltd over its Peters Dam gold licences located some 70km east of Kalgoorlie. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $3.6M.	325	$3.6M	$11,000
Lake Violet, Yandal, WA.	June 2009: Tharsis Mining Pty Ltd entered into a farm-in/JV agreement with Aragon Resources Ltd to earn 51% with $0.66M exploration spend. The tenement area totals 450.7km^2 for prospective gold mineralisation. Assuming the initial terms of the agreement were met the implied cash equivalent on a 100% equity basis is $1.29M.	450.7	$1.29M	$2,900
Maitland, Yandal, WA.	June 2009: Alamar Resources Ltd ented into a farm-in/JV agreement with Aragon Resources Ltd to earn 51% with $0.2M exploration spend. The tenement area totals 65.08km^2 for prospective gold mineralisation. Assuming the initial terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.392M.	65.08	$0.392M	$6,000
Mandilla Well, Yandal, WA.	June 2008: Alamar Resources Limited entered into a farm-in/JV agreement to earn 80% for a buy-in mixture of cash and shares. The tenement area totals 28.15km^2	28.15	$0.188M	$6,700

Table 32 Recent Market Transactions Involving Western Australian Gold Exploration Projects at a particularly early and conceptual stage				
Project	**Transaction Details & Type**	**Area (km^2)**	**Purchase Price 100% Basis (A$)**	**Implied Value/km^2 (A$)**
	for prospective gold mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.188M.			

18.4.5 Reported Market Transactions involving Western Australian Uranium Projects (3 yr chart)

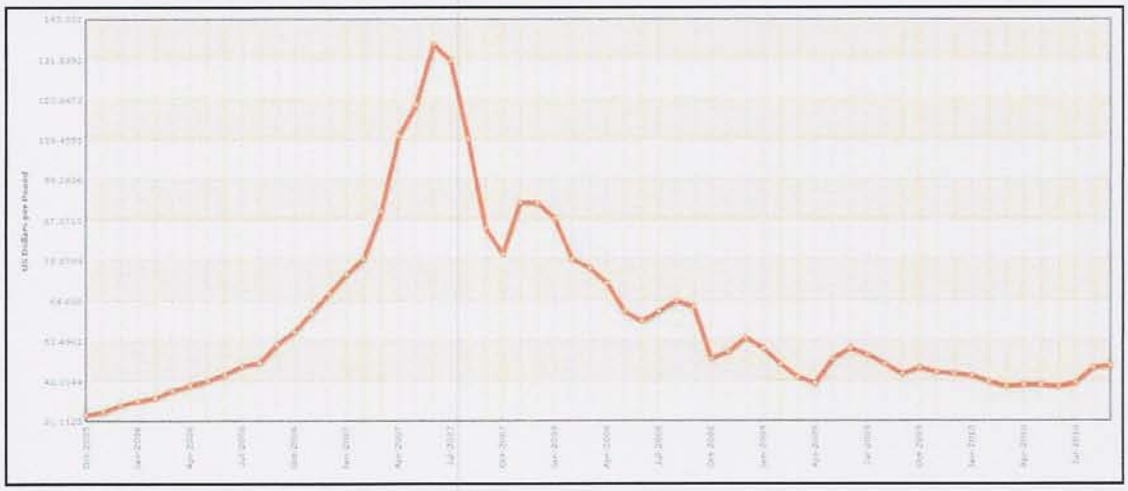
Ravensgate's analysis of WA market transactions for early-stage, conceptual uranium projects, indicates an implied value between $1,600 per square kilometre to $6,600 per square kilometre, rising to $9,800 per square kilometre (Table 33). Ravensgate notes the Western Australian government ban on mining uranium deposits was overturned in November 2008.

Table 33 Recent Market Transactions Involving Western Australian (WA) Uranium Exploration Projects at a particularly early and conceptual stage. (Note the WA development ban on uranium deposits was overturned in November 2008).				
Project	**Transaction Details & Type**	**Area (km^2)**	**Purchase Price 100% Basis (A$)**	**Implied Value/km^2 (A$)**
Mudjalla, Canning Basin, WA.	14/07/2010: Uranium Exploration Australia Ltd entered into a farm-in/JV agreement with a private vendor to earn 80% with a buy-in of cash and shares. The tenement area totals 318.8km^2 for prospective sandstone-hosted uranium mineralisation plus coal. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $1.35M.	318.8	1.35M	$4,200
Yarlarweelor, Meekatharra, WA.	31/03/2010: FYI Resources Limited completed a farm-in/JV agreement with Empire Resources Limited. Empire retains a 32% stake in FYI for a deemed value of $1.5M. The tenement area totals 492km^2 for prospective structurally-controlled uranium mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $4.81M.	492	$4.81	$9,800
Myroodah, Canning Basin, WA.	17/02/2010: Uranium Equities Ltd entered into a farm-in/JV agreement with Rey Resources Ltd to earn 51% with a $0.75M exploration spend over two years. The tenement area totals 649.11km^2 for prospective sandstone-hosted uranium mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $1.5M.	649.11	$1.5M	$2,300
West Musgrave, WA.	29/01/2010: Tortuga Advisors Ltd entered into a farm-in/JV agreement with Strzelecki Metals Ltd to earn 80% with an exploration spend of $4.0M over 5 years. The tenement area totals 1,489km^2 for prospective uranium, gold and base metal mineralisation. Anomalous soil gold and uranium assays occur in the southern area of the project. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $5M.	1,489	$5M	$3,400
Gardner Range,	16/10/2009: Northern Uranium Ltd entered into a farm-	550	$1.75M	$3,200

Table 33 Recent Market Transactions Involving Western Australian (WA) Uranium Exploration Projects at a particularly early and conceptual stage. (Note the WA development ban on uranium deposits was overturned in November 2008).				
Project	**Transaction Details & Type**	**Area (km^2)**	**Purchase Price 100% Basis (A$)**	**Implied Value/km^2 (A$)**
North WA.	in/JV agreement with Manhattan Corporation Limited to earn 60% with an exploration spend of $1.05M over 4 years. The tenement area totals 550km^2 for prospective unconformity hosted uranium plus gold mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $1.75M.			
Mundong Well, Ashburton, WA.	06/10/2009: Artemis Resources Limited entered into a farm-in/JV agreement with KTL Technologies Ltd to earn 80% with a $0.4m cash buy-in. The tenement area totals 85.03km^2 for prospective palaeochannel-hosted uranium mineralisation. Assuming the terms of the agreement were met the implied cash equivalent on a 100% equity basis is $0.5M.	85.03	$0.5M	$5,900
Yanrey Project, WA.	1/09/2008: Scimitar Ltd entered into agreements to acquire 70% of two permits adjoining their Yanrey Project from Atomic Resources located in WA, totaling 440km^2. The implied cash equivalent on a 100% equity basis, provided the terms of the agreement were met, was $0.71M.	440	$0.71M	$1,600
All Crossland Projects, Australia.	7/07/2007: PanconU entered into agreements to acquire 50% of all Crossland Projects located throughout Australia, totaling some 2,431km^2. The implied cash equivalent on a 100% equity basis, provided the terms of the agreement were met, was $16M.	2,431	$16.0M	$6,600

Ravensgate notes that the long-term uranium U_3O_8 price has recently traded above the spot uranium U_3O_8 price for several years. However in general, analysis of the five year price chart for uranium in Figure 19 indicates a steady price decline since 2007.

Figure 19 Five year price chart for Uranium spot price



Note: Uranium U_3O_8 restricted price, Nuexco spot exchange, US$ per pound (source website: http://www.indexmundi.com/commodities/?commodity=uranium&months=60)

18.5 Alluvial Gold Project, Mongolia

18.5.1 Selection of Valuation Method

The Alluvial Gold Project can be classified as an 'Exploration Area' to 'Advanced Exploration Area' Mineral Asset. The classification is based on exploration and operations work undertaken to date by tenement as listed in Section 3. Ravensgate has elected to value the 'Advanced Exploration' Mineral Assets on a Comparative Transactions Method (dollar per ounce basis); while 'Exploration' Mineral Assets are valued on a Comparative Transactions Method of dollar per square tenement kilometre basis. The valuation has been split by the respective project areas as presented in Figure 3.

18.5.2 Selenge Alluvial Gold Project (Area 1) Analysis – Comparable Transactions Method ("Advanced Exploration Area" Mineral Asset)

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of more advanced or strategic exploration projects with gold potential generally lies in the range $20 to $59 per troy ounce, which relates to a valuation range of approximately $0.3M to $0.9M for the midpoint of the conceptual Exploration Target. The conceptual Exploration Target is defined in Section 3.5 (Table 8) as a combined 0.36 to 0.54 million cubic metres at 0.8 to 1.3 g/m^3. Ravensgate has elected to assign a preferred value of $0.5M which is within the range of the market transactions. The preferred value of $0.5M is towards the middle of the range, recognising the geological understanding and relatively low cost of alluvial mining counterbalanced against the difficulty in estimating likely recovered gold before actual mining operations. Ravensgate cautions the reader that the potential quantity and grade or quality of an Exploration Target is conceptual in nature and shows there has been insufficient exploration and work to define a formal JORC Mineral Resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a Mineral Resource.

18.5.3 Selenge Alluvial Gold Project (Area 1) – Comparable Transactions Method ("Exploration Area" Mineral Asset)

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of strategically located, conceptual greenfield gold exploration projects within Asia generally lies in the range $3,200/km² to $4,800/km², which relates to approximately $0.073M to $0.11M for the 2 tenements listed in Table 8 as Exploration Targets for Project Area 1 (22.87km^2). A preferred value of $0.092M has been selected after examination of the geological and exploration history over the project. Ravensgate considers the Exploration Areas to be sufficiently prospective to warrant further exploration however has elected to assign a preferred value at the middle of the range to reflect the inherent prospectivity and the uncertain nature of early-stage, alluvial gold exploration.

18.5.4 Ovorhangay Alluvial Gold Project (Area 2) Analysis – Comparable Transactions Method ("Exploration Area" Mineral Asset)

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of strategically located, conceptual greenfield gold exploration projects within Asia generally lies in the range $3,200/km² to $4,800/km², which relates to approximately $0.1M to $0.16M for the single tenement listed in Table 8 as an Exploration Target for Project Area 2 (32.49km^2). A preferred value of $0.13M has been selected after examination of the geological and exploration history over the project. Ravensgate considers the Exploration Areas to be sufficiently prospective to warrant further exploration however has elected to assign a preferred value at the middle of the range to reflect the inherent prospectivity and the uncertain nature of early-stage, alluvial gold exploration.

18.5.5 Omnogovi Alluvial Gold Project (Area 3) Analysis – Comparable Transactions Method ("Exploration Area" Mineral Asset)

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of strategically located, conceptual greenfield gold exploration projects within Asia generally lies in the range $3,200/km² to $4,800/km², which relates to approximately $0.37M to $0.55M for the 2 tenements listed in Table 8 as Exploration Targets for Project Area 3 (114.87km^2). A preferred value of $0.46M has been selected after examination of the geological and exploration history over the project. Ravensgate considers the Exploration Areas to be sufficiently prospective to warrant further exploration however has elected to assign a preferred value at the middle of the range to reflect the inherent prospectivity and the uncertain nature of early-stage, alluvial gold exploration.

18.5.6 Dornogovi Alluvial Gold Project (Area 4) Analysis – Comparable Transactions Method ("Exploration Area" Mineral Asset)

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of strategically located, conceptual greenfield gold exploration projects within Asia generally lies in the range $3,200/km² to $4,800/km², which relates to approximately $0.03M to $0.046M for the single tenement listed in Table 8 as an Exploration Target for Project Area 4 (9.59km^2). A preferred value of $0.038M has been selected after examination of the geological and exploration history over the project. Ravensgate considers the Exploration Areas to be sufficiently prospective to warrant further exploration however has elected to assign a preferred value at the middle of the range to reflect the inherent prospectivity and the uncertain nature of early-stage, alluvial gold exploration.

18.5.7 Bulgan Alluvial Gold Project (Area 5) Analysis – Comparable Transactions Method ("Exploration Area" Mineral Asset)

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of strategically located, conceptual greenfield gold exploration projects within Asia generally lies in the range $3,200/km² to $4,800/km², which relates to approximately $0.013M to $0.019M for the single tenement listed in Table 8 as an Exploration Target for Project Area 5 (4.04km^2). A preferred value of $0.016M has been selected after examination of the geological and exploration history over the project. Ravensgate considers the Exploration Areas to be sufficiently prospective to warrant further exploration however has elected to assign a preferred value at the middle of the range to reflect the inherent prospectivity and the uncertain nature of early-stage, alluvial gold exploration.

18.5.8 Agg (13537X) Gold Exploration Prospect

Ravensgate understands license 13537X is considered to be a grass-roots (Greenfields) exploration prospect with no information available for review. No value has been attributed to this license to reflect the unavailability of information for review at the present time.

18.5.9 Valuation Summary

By using the Comparable Transactions method for valuing a 100% interest in the exploration potential associated with the various Mongolian Alluvial Gold Projects by Project Area, a range of selected provisional values from $0.89M to $1.79M can be derived (Table 34). Ravensgate has elected to assign a preferred value of $1.24M in the middle of the range. The preferred value reflects successful exploration over the more advanced tenements, the development of conceptual gold mineralisation target models for other less advanced tenements and further exploration work required to outline Mineral Resources over the project tenements.

Table 34 Alamar Resources Limited – Project Technical Valuation Summary in 100% terms for Mongolian Alluvial Gold Projects by Project Region.

Project Area	Asset	Equity Interest	Valuation		
			Low $M	High $M	Preferred $M
Selenge Project	Advanced Exploration Area.	100%	0.3	0.9	0.5
Selenge Project	Exploration Area.	100%	0.073	0.11	0.092
Ovorhangay Project	Advanced Exploration Area.	100%	0.1	0.16	0.13
Omnogovi Project	Advanced Exploration Area.	100%	0.37	0.55	0.46
Dornogovi Project	Exploration Area.	100%	0.03	0.046	0.038
Bulgan Project	Exploration Area.	100%	0.013	0.019	0.016
Combined Alluvial Project Areas	**5 Project Areas**	**100%**	**0.89**	**1.79**	**1.24**

18.6 Kargana (Blue Eyes) Gold Project, Mongolia

18.6.1 Selection of Valuation Method

The Kargana (Blue Eyes) Gold Project can be classified as an 'Advanced Exploration Area' mineral asset where prospective quartz-hosted gold veins from exploration and mine development have been identified but a Mineral Resource compliant with the current reporting guidelines of the Australian JORC code (JORC, 2004) has not been reported. The commodity item of interest for exploration is primarily gold. In valuing the exploration potential of the Kargana (Blue Eyes) Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.6.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of more advanced or strategic exploration projects with gold potential generally lies in the range $20 to $59 per troy ounce, which relates to approximately $1.4M to $4.5M for the middle of the conceptual Exploration Target. The Exploration Target is defined in Section 4.5 as 0.24 to 0.33 million tonnes at 6.5 to 8.5g/t. Ravensgate cautions the reader that the potential quantity and grade or quality of an Exploration Target is conceptual in nature and shows there has been insufficient exploration and work to define a formal JORC Mineral Resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a Mineral Resource. From this range a preferred value of $2.6M has been selected which is within the range of market transactions listed in Table 28 for more advanced exploration projects. The preferred value of $2.6M is towards the middle of the range and reflects successful exploration and development programs undertaken to date although a formal Mineral Resource is yet to be reported. Additional mineralisation potential is recognised at depth and adjacent to the underground workings which remains to be fully tested.

18.7 Sujigtei Gold Project, Mongolia

18.7.1 Selection of Valuation Method

The Sujigtei Gold Project can be classified as an 'Advanced Exploration Area' mineral asset where prospective quartz-hosted gold veins from exploration and mine development have been identified but a Mineral Resource compliant with the current reporting guidelines of the Australian JORC code (JORC, 2004) has not been estimated. The commodity item of interest for exploration is primarily gold. In valuing the exploration potential of the Sujigtei Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.7.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of more advanced or strategic exploration projects with gold potential generally lies in the range $20 to $59 per troy ounce, which relates to approximately $3.5M to $10.4M for the midpoint of the conceptual Exploration Target. The Exploration Target is defined in Section 5.5 as 0.18 to 0.24 million tonnes at 22 to 30g/t. Ravensgate cautions the reader that the potential quantity and grade or quality of an Exploration Target is conceptual in nature and shows there has been insufficient exploration and work to define a formal JORC Mineral Resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a Mineral Resource. From this range a preferred value of $6.2M has been selected which is towards the range of the market transactions. The preferred value of $6.2M reflects the advanced stage of exploration and mine development programs undertaken with accompanying further work required for development of future mine operations. A formal Mineral Resource is yet to be reported and would benefit the project. Additional mineralisation potential remains to be fully tested by exploration and is recognised at depth below workings, along strike of mineralised structures and adjacent to the underground workings.

18.8 Bargilt Magnetite Iron Project, Mongolia

18.8.1 Selection of Valuation Method

The Iron Ore Project can be classified as an 'Exploration Area' Mineral Asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily magnetite iron. The classification is based on exploration work undertaken over the project tenement to date. Project exploration field-work includes identification of surficial, limestone-hosted magnetite iron skarn. The surface outcrop has been correlated with geophysics (magnetics) and is geologically considered to be an extension from an adjacent operating mine (Bau Steel). In valuing the exploration potential of the Bargilt Magnetite Iron Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however only minor drilling expenditure has been undertaken. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1. Ravensgate noted a difficulty in researching market transactions for iron ore projects within the Central and Eastern region of Asia. The relatively low number of less than ideal comparative market transactions for the magnetite iron project is not seen as a significant issue. This reflects the majority of value for the Mongolian projects being associated with the more advanced gold projects.

18.8.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the iron-ore related market transactions indicates that the implied value of strategically located, conceptual greenfield iron exploration projects within Asia generally lies in the range $7,400/km² to $14,100/km², which relates to approximately $0.1M to $0.18M for the single tenement listed in Table 40 (12.81km^2). A preferred value of $0.18M has been selected at the upper end of the range after examination of the geological and exploration potential over the project. Ravensgate considers the Exploration Area to be sufficiently prospective to warrant further exploration with encouragement shown from geological work programs undertaken to date and the nearby mining activities along lithological strike.

18.9 Doshin Coal Project, Mongolia

18.9.1 Selection of Valuation Method

The Doshin Coal Project can be classified as an 'Exploration Area' mineral asset where exploration has identified a number of coal seams of thermal coal quality. In valuing the exploration potential of the Doshin Coal Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however relevant tenement expenditure is minor as the project is generally at a conceptual stage of exploration. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.9.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the coal-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with thermal coal potential generally lies in the range $3,600/km^2 to $14,700/km^2, which relates to approximately $0.6M to $2.4M for the single granted project tenements (165.5km^2). From this range a preferred value of $1.1M has been selected. While Ravensgate considers the mineral potential sufficiently prospective to warrant further exploration, we have elected to assign a preferred value towards the lower end of the range, reflecting the early stage of the exploration project over a large tenement holding, type of coal quality (thermal coal) and improvement in coal price with the gradual economic recovery.

18.10 Corboys North Gold Project, West Australia

18.10.1 Selection of Valuation Method

The Corboys North Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily gold. In valuing the exploration potential of the Corboys North Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however current tenement expenditure is minor due to the tenements being in the first year of reporting. Previous exploration had concluded low project prospectivity, implying minimal value add from historical expenditure. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.10.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with gold potential generally lies in the range $2,900/km^2 to $11,000/km^2, which relates to approximately $0.1M to $0.4M for the 4 granted tenements covering the project (36.4km^2). From this range a preferred value of $0.18M has been selected which recognises the nearby market transactions (of between $2,900/km^2 to

$6,700/km^2$), the uncertain nature of early stage exploration and remaining mineralisation potential identified to date.

18.11 Maitland Gold Project, West Australia

18.11.1 Selection of Valuation Method

The Maitland Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily gold. In valuing the exploration potential of the Maitland Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. Ravensgate has elected to apply the Multiples of Exploration Method (MEE) and Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.11.2 Project Analysis - Multiple of Exploration Expenditure Method (MEE)

In valuing the exploration potential of the Maitland Gold Project Ravensgate has elected to apply the Multiple of Exploration Expenditure (MEE) method. Inspection of recent tenement expenditure and annual reports shows cumulative exploration expenditure since tenement grant (generally 2007) can be deemed $0.44M. As far as can be reasonably ascertained, this exploration expenditure is replacement costed as at October 2010. The exploration expenditure includes the 2010 drill program over the project. Previous historical expenditure has been restricted in its effectiveness and has been disregarded due to limited future exploration relevance for the purpose of this valuation.

A value of $0.44M was selected for the MEE Earnings Base (EB) with the majority of expenditure being incurred in 2009 and 2010. Ravensgate has elected to apply a Prospectivity Enhancement Multiplier (PEM) of 0.8 to 1.6 reflecting the exploration results and conclusions to date. Applying this PEM to the Earnings Base (EB) of $0.44M results in a range of provisional values for the exploration potential from $0.4M to $0.7M. A provisional value of $0.55M selected from the MEE analysis reflects exploration success and issues to date.

18.11.3 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with gold potential generally lies in the range $2,900/km^2$ to $11,000/km^2$, which relates to approximately $0.2M to $0.8M for the 12 granted tenements covering the project ($74.4km^2$). From this range a preferred value of $0.4M has been selected which recognises the nearby market transactions (of between $2,900/km^2$ to $6,700/km^2$), outcomes of exploration programs undertaken and encouraging mineralisation potential identified to date.

18.11.4 Conclusion

By using the Multiples of Exploration Expenditure (MEE) Method and Comparable Transactions method for valuing a 100% interest in the exploration potential associated with the Maitland Project, a range of selected provisional values from $0.4M to $0.55M can be derived. Ravensgate has elected to assign a preferred value of $0.46M in the middle of the range, recognising mineral asset prospects and the exploration drilling and geological work outlined to date. In Ravensgate's opinion the provisional value reflects the project's potential which remains to be fully tested, the uncertain nature of early stage exploration and the current relatively high gold price.

18.12 Mandilla Well Gold Project, West Australia

18.12.1 Selection of Valuation Method

The Mandilla Well Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily gold. In valuing the exploration potential of the Mandilla Well Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. Ravensgate has elected to apply the Multiples of Exploration Method (MEE) and Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.12.2 Project Analysis - Multiple of Exploration Expenditure Method (MEE)

In valuing the exploration potential of the Mandilla Well Gold Project Ravensgate has elected to apply the Multiple of Exploration Expenditure (MEE) method. Inspection of recent tenement expenditure and annual reports shows cumulative exploration expenditure since tenement grant (generally 2007) can be deemed $0.27M. As far as can be reasonably ascertained, this exploration expenditure is replacement costed as at October 2010. The exploration expenditure includes the 2010 drill program over the project. Previous historical expenditure has been restricted in effectiveness and has been disregarded due to limited future exploration relevance for the purpose of this valuation.

A value of $0.27M was selected for the MEE Earnings Base (EB) with increased expenditure being incurred in 2010. Ravensgate has elected to apply a Prospectivity Enhancement Multiplier (PEM) of 0.5 to 1.5 reflecting the exploration results and conclusions to date. Applying this PEM to the Earnings Base (EB) of $0.27M results in a range of provisional values for the exploration potential from $0.14M to $0.41M. A provisional value of $0.28M selected from the MEE analysis reflects exploration success and issues to date.

18.12.3 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the gold-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with gold potential generally lies in the range $2,900/km^2 to $11,000/km^2, which relates to approximately $0.1M to $0.34M for the 9 granted tenements covering the project (30.7km^2). From this range a preferred value of $0.15M has been selected which recognises the nearby market transactions (of between $2,900/km^2 to $6,700/km^2), outcomes of exploration programs undertaken to date and further assessment of mineralisation potential identified to date.

18.12.4 Conclusion

By using the Multiples of Exploration Expenditure (MEE) Method and Comparable Transactions method for valuing a 100% interest in the exploration potential associated with the Mandilla Well Project, a range of selected provisional values from $0.15M to $0.28M can be derived. Ravensgate has elected to assign a preferred value of $0.21M in the middle of the range, recognising mineral asset prospects and the exploration drilling and geological work outlined to date. In Ravensgate's opinion the provisional value reflects the project's potential which remains to be fully tested, the uncertain nature of early stage exploration and the current relatively high gold price.

18.13 Lake Barlee Uranium Project, West Australia

18.13.1 Selection of Valuation Method

The Lake Barlee Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily uranium. In valuing the exploration potential of the Lake Barlee Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. Ravensgate has elected to apply the Multiples of Exploration Method (MEE) and Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.13.2 Project Analysis - Multiple of Exploration Expenditure Method (MEE)

In valuing the exploration potential of the Lake Barlee Uranium Project Ravensgate has elected to apply the Multiple of Exploration Expenditure (MEE) method. Inspection of recent tenement expenditure and annual reports shows cumulative exploration expenditure since 2006 can be deemed $0.26M. Historical exploration expenditure prior to this date has been disregarded as obsolete. As far as can be reasonably ascertained, this exploration expenditure is replacement costed as at October 2010. The exploration expenditure includes the 2007 drill program over the project.

A value of $0.26M was selected for the MEE Earnings Base (EB) as relevant and effective with increased expenditure being incurred in 2008. Ravensgate has elected to apply a Prospectivity Enhancement Multiplier (PEM) of 0.5 to 1.5 reflecting the exploration results and conclusions to date. Applying this PEM to the Earnings Base (EB) of $0.26M results in a range of provisional values for the exploration potential from $0.13M to $0.39M. A provisional value of $0.26M selected from the MEE analysis reflects the outcomes of recent exploration programs undertaken to date and the requirement for laboratory assays to confirm downhole eU_3O_8 gamma logging.

18.13.3 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the uranium-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with uranium potential generally lies in the range $1,600/km^2 to $6,600/km^2, which relates to approximately $0.17M to $0.72M for the single granted tenement covering the project (108.6km^2). From this range a preferred value of $0.38M has been selected which recognises the uncertain nature of early stage exploration and declining trend in uranium price since 2007.

18.13.4 Conclusion

By using the Multiples of Exploration Expenditure (MEE) Method and Comparable Transactions method for valuing a 100% interest in the exploration potential associated with the Mandilla Well Project, a range of selected provisional values from $0.26M to $0.38M can be derived. Ravensgate has elected to assign a preferred value of $0.30M towards the lower end of the range, recognising the recent prior relinquishment of the tenement lease and very early stage of current tenement lease exploration activities.

18.14 Lake Wells Uranium Project, West Australia

18.14.1 Selection of Valuation Method

The Lake Wells Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily uranium. In valuing the exploration potential of the Lake Wells Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however current tenement expenditure is minor due to the tenements being in the first year of reporting. Previous exploration is also minor from the 2006-2007 auger program over the project ($0.03M) with further exploration required to test the identified radiometric anomaly. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.14.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the uranium-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with uranium potential generally lies in the range $1,600/km^2 to $6,600/km^2, which relates to approximately $0.2M to $0.9M for the single granted tenement covering the project (138.8km^2). From this range a preferred value of $0.3M has been selected which recognises the very early stage of exploration history, the moderately strong uranium anomaly identified and declining trend in uranium price since 2007.

18.15 Laverton Uranium Project, West Australia

18.15.1 Selection of Valuation Method

The Laverton Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily uranium. In valuing the exploration potential of the Laverton Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however current tenement expenditure is minor due to the tenements being in the first year of reporting. Previous exploration is also minor with further exploration required to test the identified radiometric anomaly. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.15.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the uranium-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with uranium potential generally lies in the range $1,600/km^2 to $6,600/km^2, which relates to approximately $0.2M to $0.7M for the single granted tenement covering the project (102.6km^2). From this range a preferred value of $0.2M has been selected which recognises the very early stage of exploration history, the moderate uranium anomaly identified and declining trend in uranium price since 2007.

18.16 Throssell Uranium Project, West Australia

18.16.1 Selection of Valuation Method

The Throssell Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily uranium. In valuing the exploration potential of the Throssell Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however current tenement expenditure is minor due to the tenements being in the first year of reporting. Previous exploration is also minor from the 2006-2007 aircore program over the project ($0.05M) with further exploration required to test the identified radiometric anomaly and complete the rain-interrupted 2006-2007 drillhole program. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.16.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the uranium-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with uranium potential generally lies in the range $1,600/km^2 to $6,600/km^2, which relates to approximately $0.2M to $0.7M for the single granted tenement covering the project (102.6km^2). From this range a preferred value of $0.2M has been selected which recognises the early stage of exploration history and previous drilling being unable to complete all planned drillholes due to heavy seasonal rains, the high uranium anomaly identified along with carnotite and declining trend in uranium price since 2007.

18.17 Yeelirrie South Uranium Project, West Australia

18.17.1 Selection of Valuation Method

The Yeelirrie Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily uranium. The Yeelirrie South project tenement is separate and southward of the Yeelirrie deposit. In valuing the exploration potential of the Yeelirrie Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however current tenement expenditure is minor due to the tenements being in the first year of reporting. Previous exploration is also minor from Air Core drilling (~$0.02M) with further exploration required to test the identified radiometric anomaly. Ravensgate has elected to apply the Comparable Transaction Method to value the project after consideration of the various valuation methods outlined in Section 18.1.

18.17.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of the uranium-related market transactions indicates that the implied value of early-stage, greenfield exploration projects with uranium potential generally lies in the range $1,600/km^2 to $6,600/km^2, which relates to approximately $0.07M to $0.28M for the single granted tenement covering the project (42.2km^2). From this range a preferred value of $0.1M has been selected which recognises the very early stage of exploration history, the moderately strong uranium anomaly identified and declining trend in uranium price since 2007.

18.18 Woolshed Well Base Metal Project, West Australia

18.18.1 Selection and Analysis of Valuation Method

The Woolshed Well Base Metal Project can be classified as an 'Exploration Area' mineral asset where areas of exploration interest have been outlined but significant and coherent mineralisation intersections and volumes have yet to be identified. The commodity item of interest for exploration is primarily base metals such as copper and nickel. In valuing the exploration potential of the Woolshed Base Metal Project, Ravensgate considers the 'DCF/NPV' method inappropriate due to the lack of an Ore Reserve reportable as defined by the JORC Code 2004. The Multiples of Exploration Expenditure Method (MEE) was considered however current tenement expenditure is minor due to the tenements being in the first year of reporting. Previous exploration is somewhat dated and has been disregarded as relatively minor and obsolete. In addition the project area is of a relatively small size until when and if remaining pending tenements are granted or taken up. The project is considered to be at a very early and conceptual stage of exploration.

Ravensgate has elected to apply a Preferred Notional Value to value the project after consideration of the various valuation methods outlined in Section 18.1. An examination of base-metal market transactions identified an implied value per km^2 of $250/$km^2$ (Windy Knob Project, 2008) and $1,5000/$km^2$ (Avalon Project, 2007). Ravensgate has selected a preferred notional value of $0.01M for the base metal rights on a 100% basis.

18.19 Valuation Summary

Ravensgate has concluded the Mongolian (in particular) and Western Australian Projects are of merit and worthy of further exploration. A summary of the Mongolian project valuation in 100% terms is provided in Table 35. A summary of the Mongolian project valuation in 100% or joint venture terms where applicable is provided in Table 36. The applicable valuation date is 20 October 2010 and is derived from the Comparable Transactions valuation methods. The value of a 100% equity interest in the listed Projects is considered to lie in a range from $6.5M to $19.3M, within which range Ravensgate has selected a preferred value of $11.3M.

A summary of the Australian project valuation in 100% terms is provided in Table 37. A summary of the Australian project valuation in 100% or joint venture terms where applicable is provided in Table 38. The applicable valuation date is 20 October 2010 and is derived from the Multiples of Exploration Expenditure (MEE) and Comparable Transactions valuation methods. The value of a 100% equity interest in the listed Projects is considered to lie in a range from $1.68M to $4.29M, within which range Ravensgate has selected a preferred value of $2.05M.

Table 35 Alamar Resources Limited – Project Technical Valuation Summary in 100% terms for Mongolian Projects.					
Project	**Asset**	**Equity Interest**	**Valuation**		
			Low $M	**High $M**	**Preferred $M**
Alluvial Gold - Selenge Project	Advanced Exploration Area.	100%	0.3	0.9	0.5
Alluvial Gold - Selenge Project	Exploration Area.	100%	0.073	0.11	0.092
Alluvial Gold - Ovorhangay Project	Exploration Area.	100%	0.1	0.16	0.13
Alluvial Gold - Omnogovi Project	Exploration Area.	100%	0.37	0.55	0.46
Alluvial Gold - Dornogovi Project	Exploration Area.	100%	0.03	0.046	0.038
Alluvial Gold - Bulgan Project	Exploration Area.	100%	0.013	0.019	0.016
Kargana (Blue Eyes) Gold	Advanced Exploration Area.	100%	1.4	4.5	2.6
Sujigtei Gold	Advanced Exploration Area.	100%	3.5	10.4	6.2
Bargilt Magnetite Iron	Exploration Area.	100%	0.1	0.18	0.18
Doshin Coal	Exploration Area.	100%	0.6	2.4	1.1
Combined Mongolian Projects	**5 listed projects**	**100%**	**6.5**	**19.3**	**11.3**

Note the Alluvial Gold Project has been split by Mineral Asset type and also the project area or region as presented in Figure 3. Ravensgate understands license 13537X is considered to be a grass-roots (Greenfields) exploration prospect with no information available for review. No value has been attributed to this license to reflect the unavailability of information for review at the present time.

Table 36 Alamar Resources Limited – Project Technical Valuation Summary in 100% and Joint Venture terms for Mongolian Projects.

Project	Asset	Equity Interest	Valuation		
			Low $M	High $M	Preferred $M
Alluvial Gold - Selenge Project	Advanced Exploration Area.	100%	0.3	0.9	0.5
Alluvial Gold - Selenge Project	Exploration Area.	100%	0.073	0.11	0.092
Alluvial Gold - Ovorhangay Project	Exploration Area.	100%	0.1	0.16	0.13
Alluvial Gold - Omnogovi Project	Exploration Area.	100%	0.37	0.55	0.46
Alluvial Gold - Dornogovi Project	Exploration Area.	100%	0.03	0.046	0.038
Alluvial Gold - Bulgan Project	Exploration Area.	100%	0.013	0.019	0.016
Kargana (Blue Eyes) Gold	Advanced Exploration Area.	85%	1.19	3.83	2.21
Sujigtei Gold	Advanced Exploration Area.	90%	3.15	9.36	5.58
Bargilt Magnetite Iron	Exploration Area.	100%	0.1	0.18	0.18
Doshin Coal	Exploration Area.	100%	0.6	2.4	1.1
Combined Mongolian Projects	**5 listed projects**	**100%**	**5.9**	**17.6**	**10.3**

Note the Alluvial Gold Project has been split by Mineral Asset type and also the project area or region as presented in Figure 3. Ravensgate understands license 13537X is considered to be a grass-roots (Greenfields) exploration prospect with no information available for review. No value has been attributed to this license to reflect the unavailability of information for review at the present time.

Table 37 Alamar Resources Limited – Project Technical Valuation Summary in 100% terms for Western Australian Projects.

Project	Asset	Equity Interest	Valuation		
			Low $M	High $M	Preferred $M
Corboys North Gold	Exploration Area.	100%	0.1	0.4	0.18
Maitland Gold	Exploration Area.	100%	0.4	0.55	0.46
Mandilla Well Gold	Exploration Area.	100%	0.15	0.28	0.21
Lake Barlee Uranium	Exploration Area.	100%	0.26	0.38	0.3
Lake Wells Uranium	Exploration Area.	100%	0.2	0.9	0.3
Laverton Uranium	Exploration Area.	100%	0.2	0.7	0.2
Throssell Uranium	Exploration Area.	100%	0.2	0.7	0.2
Yeelirrie Uranium	Exploration Area.	100%	0.07	0.28	0.1
Woolshed Well Base Metals	Exploration Area.	100%	0.1	0.1	0.1
Combined Western Australian Projects	9 listed projects	100%	1.68	4.29	2.05

Table 38 Alamar Resources Limited – Project Technical Valuation Summary in 100% and Joint Venture terms for Western Australian Projects.

Project	Asset	Equity Interest	Valuation		
			Low $M	High $M	Preferred $M
Corboys North Gold	Exploration Area.	100%	0.1	0.4	0.18
Maitland Gold	Exploration Area.	51%	0.20	0.28	0.23
Mandilla Well Gold	Exploration Area.	80%	0.12	0.22	0.17
Lake Barlee Uranium	Exploration Area.	100%	0.26	0.38	0.3
Lake Wells Uranium	Exploration Area.	100%	0.2	0.9	0.3
Laverton Uranium	Exploration Area.	100%	0.2	0.7	0.2
Throssell Uranium	Exploration Area.	100%	0.2	0.7	0.2
Yeelirrie Uranium	Exploration Area.	100%	0.07	0.28	0.1
Woolshed Well Base Metals	Exploration Area.	100%	0.1	0.1	0.1
Combined Western Australian Projects	9 listed projects	100%	1.45	3.96	1.78

19. MONGOLIAN AND WESTERN AUSTRALIAN TENEMENT DETAILS

Note minor rounding errors may occur.

Table 39 Project Tenement Details for West Australia

PROJECT	TENEMENT	OWNERSHIP	GRANT DATE	EXPIRY DATE	Area (km2)	RENT	EXPENDITURE COMITTMENT	TARGET COMMODITY
Corboys North	E53/1409	100%	17-Feb-2009	16-Feb-2014	21.1	$830.06	$20,000.00	Gold
Corboys North	P53/1511	100%	26-Aug-2009	25-Aug-2013	2.0	$457.38	$7,920.00	Gold
Corboys North	P53/1512	100%	26-Aug-2009	25-Aug-2013	1.3	$288.75	$5,000.00	Gold
Corboys North	E53/1487	100%	30-Mar-2010	29-Mar-2015	12.1	$474.32	$15,000.00	Gold
Corboys North	All				36.4			
Maitland	P53/1243	51%	13-Mar-2007	12-Mar-2011	1.0	$231.00	$4,000.00	Gold
Maitland	P53/1244	51%	13-Mar-2007	12-Mar-2011	1.1	$249.48	$4,320.00	Gold
Maitland	P53/1247	51%	13-Mar-2007	12-Mar-2011	1.4	$328.02	$5,680.00	Gold
Maitland	P53/1248	51%	13-Mar-2007	12-Mar-2011	1.8	$404.25	$7,000.00	Gold
Maitland	E53/1237	51%	19-Apr-2007	18-Apr-2012	42.2	$2,584.12	$20,000.00	Gold
Maitland	P53/1249	51%	23-May-2007	22-May-2011	1.4	$321.09	$5,560.00	Gold
Maitland	P53/1468	51%	12-Jun-2008	11-Jun-2012	0.7	$168.63	$2,920.00	Gold
Maitland	P53/1469	51%	12-Jun-2008	11-Jun-2012	0.8	$173.25	$3,000.00	Gold
Maitland	E53/1355	51%	08-Jul-2009	07-Jul-2014	3.0	$285.67	$10,000.00	Gold
Maitland	E53/1202	51%	24-Jul-2006	23-Jul-2011	18.1	$1,107.48	$30,000.00	Gold
Maitland	P53/1245	51%	25-Oct-2007	24-Oct-2011	1.7	$395.01	$6,840.00	Gold
Maitland	P53/1250	51%	25-Oct-2007	24-Oct-2011	1.2	$281.82	$4,880.00	Gold
Maitland	All				74.4			

Table 39 Project Tenement Details for West Australia

PROJECT	TENEMENT	OWNERSHIP	GRANT DATE	EXPIRY DATE	Area (km2)	RENT	EXPENDITURE COMITTMENT	TARGET COMMODITY
Mandilla Well	E53/1257	80%	14-May-2007	13-May-2012	15.1	$922.90	$15,000.00	Gold
Mandilla Well	E53/1431	80%	05-Jun-2009	04-Jun-2014	3.0	$285.67	$10,000.00	Gold
Mandilla Well	P53/1276	80%	05-Jul-2007	04-Jul-2011	1.7	$401.94	$6,960.00	Gold
Mandilla Well	P53/1277	80%	05-Jul-2007	04-Jul-2011	2.0	$457.38	$7,920.00	Gold
Mandilla Well	P53/1278	80%	05-Jul-2007	04-Jul-2011	2.0	$459.69	$7,960.00	Gold
Mandilla Well	P53/1279	80%	05-Jul-2007	04-Jul-2011	1.1	$256.41	$4,440.00	Gold
Mandilla Well	P53/1280	80%	05-Jul-2007	04-Jul-2011	2.0	$452.76	$7,840.00	Gold
Mandilla Well	P53/1281	80%	05-Jul-2007	04-Jul-2011	1.9	$434.28	$7,520.00	Gold
Mandilla Well	P53/1282	80%	05-Jul-2007	04-Jul-2011	2.0	$459.69	$7,960.00	Gold
Mandilla Well	All				30.7			
Lake Barlee	E29/0734	100%	22-Jun-2010	21-Jun-2015	108.6	$4,268.88	$36,000.00	Uranium
Lake Wells	E38/2262	100%	26-Mar2010	25-Mar-2015	138.8	$5,454.68	$46,000.00	Uranium
Laverton	E38/2261	100%	26-Mar2010	25-Mar-2015	102.6	$4,031.72	$34,000.00	Uranium
Throssell	E38/2260	100%	13-Apr-2010	12-Aprl-2015	102.6	$4,031.72	$34,000.00	Uranium
Woolshed Well	P37/7884	100%	6-Oct-2010	5-Oct-2014	2.0	$462.00	$8,000.00	Base Metals
Yeelirrie	E36/0723	100%	21-May-2010	20-May-2010	42.2	$1,660.12	$20,000	Uranium

Table 40 Project Tenement Details for Mongolia								
PROJECT	**TENEMENT**	**OWNERSHIP**	**GRANT DATE**	**EXPIRY DATE**	**Area (km2)**	**RENT**	**EXPENDITURE COMITTMENT**	**TARGET COMMODITY**
Shiir am	12512A	100%	26/06/2007	26/06/2037	0.91	$1,365		Gold
Baishint	6868X	100%	30/01/2004	30/01/2013	4.04	$404	$404	Gold
Ugtaal	6980X	100%	19/02/2004	19/02/2013	5.63	$563	$563	Gold
Bor	9340X	100%	23/02/2005	23/02/2014	9.59	$959	$959	Gold
Baga ajir	9432X	100%	14/03/2005	14/03/2014	0.25	$25	$25	Gold
Baga ajir	9433X	100%	14/03/2005	14/03/2014	3.07	$307	$307	Gold
Altadiin	9434X	100%	14/03/2005	14/03/2014	0.78	$78	$78	Gold
Khuurai	9681X	100%	02/05/2005	02/05/2014	0.70	$70	$70	Gold
Khongor	10226X	100%	01/08/2005	01/08/2014	0.31	$31	$31	Gold
Ilrel	12970X	100%	20/11/2007	20/11/2016	22.56	$677	$1,128	Gold
Sudut	13140X	100%	07/01/2008	07/01/2017	32.49	$650	$1,625	Gold
Zest	13393X	100%	20/03/2008	20/03/2017	94.16	$1,883	$4,708	Gold
Bogd	13394X	100%	20/03/2008	20/03/2017	20.71	$414	$1,036	Gold
Agg	13537X	100%	11/04/2008	11/04/2017	77.77	$1,555	$3,889	Gold
Alluvial Gold	All				272.97			
DOSHIN	11987X	100%	09/05/2006	09/05/2015	165.50	$8,275	$16,550	Thermal Coal
Kargana (Blue Eyes)	5707A	85%	05/05/2003	05/05/2033	0.45	$675	$45	Gold
Kargana (Blue Eyes)	11329X	85%	09/02/2006	09/02/2016	12.43	$1,243	$1,243	Gold
Kargana (Blue Eyes)	13826X	85%	20/06/2008	20/06/2017	1.09	$55	$55	Gold

Table 40 Project Tenement Details for Mongolia								
PROJECT	**TENEMENT**	**OWNERSHIP**	**GRANT DATE**	**EXPIRY DATE**	**Area (km2)**	**RENT**	**EXPENDITURE COMITTMENT**	**TARGET COMMODITY**
Kargana (Blue Eyes)	All				13.97			
Sujigtei	194A	90%	29/01/2007	29/01/2037	6.00	$900	$900	Gold
Bargilt	13901x	100%	12/08/2008	12/08/2017	12.81	$384	$84	Magnetite Iron

Note tenements with a "X" suffix refer to Granted Tenements for Exploration and tenements with an "A" suffix refer to Granted Tenements for Mining. Note minor rounding errors may occur.

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21. GLOSSARY

aeromagnetic	A survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
airborne geophysical data	Data pertaining to the physical properties of the Earth's crust at or near surface and collected from an aircraft.
Aircore (AC)	Drilling method employing a drill bit that yields sample material which is delivered to the surface inside the rod string by compressed air.
alluvial	Sand, clay and silt deposit – water transported.
alteration	The change in the mineral composition of a rock, commonly due to hydrothermal activity.
andesite	An intermediate volcanic rock composed of andesine and one or more mafic minerals.
ash content	Percentage of a coal sample remaining after incineration to a constant weight under standard conditions.
anomalous	A departure from the expected norm, generally geochemical or geophysical values higher or lower than the norm.
anticline	An area of rocks that have been arched upwards in the form of a fold.
auger	A corkscrew-shaped sampling tool.
Archaean	A geologic eon before 2.5 billion years ago.
assay	A procedure where the element composition of a rock soil or mineral sample is determined.
base metals	A non-precious metal, usually referring to copper, lead and zinc.
bentonite	An absorbent clay consisting mostly of montmorillonite.
breccia	Rock consisting of angular fragments enclosed in a matrix, usually the result of persistent fracturing by tectonic or hydraulic means.
calcrete	Superficial residual deposits cemented by or precipitated from groundwater as secondary calcium carbonate as a result of evaporation.
calorie	Quantity of heat required to raise 1 gram of water from 15°to 16°Celsius.
calorific value	Heat of combustion of a unit quantity of a substance.
carnotite	Yellow, strongly radioactive, potassium, uranium vanadate $K_2(UO_2)_2(VO_4)_2$ $3H_2O$, usually occurring as a secondary uranium mineral deposited or precipitated from meteoric waters.
clastic	Pertaining to sedimentary rocks composed primarily from fragments of pre-existing rocks or fossils.
coal	A combustible black or brownish-black sedimentary rock containing carbonaceous material formed from plant remains that have been compacted, indurated, chemically altered, and metamorphosed by heat and pressure during geologic time.
conformable	Description of rock strata where the layers are uninterrupted through time.
conglomerate	A sedimentary rock consisting of rounded rock fragments greater than 2mm in size cemented together.
Cretaceous	The third and final period of the Mesozoic era, between 141 and 65 million years ago.

density	Mass of coal per unit volume.
deltaic deposits	A deposit of sediments formed at the mouth of a river where it enters a lake or the sea.
depletion	The lack of a mineral in the near-surface environment due to leaching processes during weathering.
diamond drilling	A method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit.
dolerite	A medium grained mafic intrusive rock composed mostly of pyroxenes and sodium-calcium feldspar.
dry-air basis (dab)	Calculations done on the basis that a sample has no moisture.
dykes	A tabular body of intrusive igneous rock, crosscutting the host strata at a high angle.
fault	A fracture in rocks whereby rocks on one side have been moved relative to the rocks on the other.
felsic	An adjective indicating that a rock contains abundant feldspar and silica.
fixed carbon	Matter remaining after determination of moisture, volatile matter and ash.
fluvial deposits	Applied to sand and gravel deposits laid down by streams or rivers.
granite	A common type of intrusive, felsic, igneous rock.
greenstone belt	A broad term used to describe an elongate belt of rocks that have undergone regional metamorphism to greenschist facies.
inherent moisture	Moisture entrapped in the coal and removed by heating to 220° F.
JORC	Joint Ore Reserves Committee (of the Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia)
limestone	A sedimentary rock comprised largely of the mineral calcite (calcium carbonate).
infill	Refers to sampling or drilling undertaken between pre-existing sample points.
intermediate	A rock unit which contains a mix of felsic and mafic minerals.
lithology	A term pertaining to the general characteristics of rocks.
lode	A vein or other tabular mineral deposit with distinct boundaries.
mafic	A dark igneous rock composed dominantly of iron and magnesium minerals (such as basalt).magnetite A mineral comprising iron and oxygen which commonly exhibits magnetic properties.
magnetic anomaly	Zone where the magnitude and orientation of the earth's magnetic field differs from adjacent areas.
metamorphic	A rock type which has been subjected to heat and pressure.
metasediment	Metamorphosed sedimentary rock.
mineralisation	A geological concentration minerals or elements of prospective economic interest.
moisture content	Percentage of moisture (water) in coal.
Moz	Millions of ounces.
Mt	Million Tonnes.
ore	A volume of geological material containing components or minerals in a mode of occurrence which renders it valuable for mining.

Palaeozoic	The era of geologic time that includes the Cambrian, Ordovician, Silurian, Devonian, Carboniferous, and Permian periods.
pallid clays	A relatively pale coloured clay-rich weathering horizon in a lateritic profile which is depleted in iron, usually by leaching.
parting	Layer or stratum of non-coal material in a coal bed which does not exceed the thickness of coal in either the directly underlying or overlying benches.
pluton	A large body of intrusive igneous rock.
quartz	Mineral species composed of crystalline silica (SiO_2).
radiometric	Geophysical technique measuring emission from radioactive isotopes.
RAB drilling	A relatively inexpensive and less accurate drilling technique (compared to RC drilling) involving the collection of sample returned by compressed air from outside the drill rods.
RC drilling	Reverse Circulation drilling, whereby rock chips are recovered by airflow returning inside the drill rods, rather than outside, thereby returning more reliable samples.
seam	A bed of coal lying between a roof (rock above)and floor (rock below).
schist	Medium grade metamorphic rock which contains more than 50% platy and elongated minerals.
sedimentary	Rocks formed by the deposition of particles carried by air, water or ice.
sedimentation	The accumulation of sediment.
shale	Fine grained sedimentary rock with well defined bedding planes.
total moisture	All moisture present in coal, sum of moisture lost in drying and residual moisture of a sample.
ultramafic	Dark to very dark coloured igneous rocks composed mainly of mafic minerals.
unconformity	Description of rock strata where the layers are interrupted, discontinuous.
volatile matter	Non-moisture products which are given off as gas and vapour during heating of coal.

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