

## **ACTIVITIES REPORT - SEPTEMBER QUARTER 2011**

### **Important Developments**

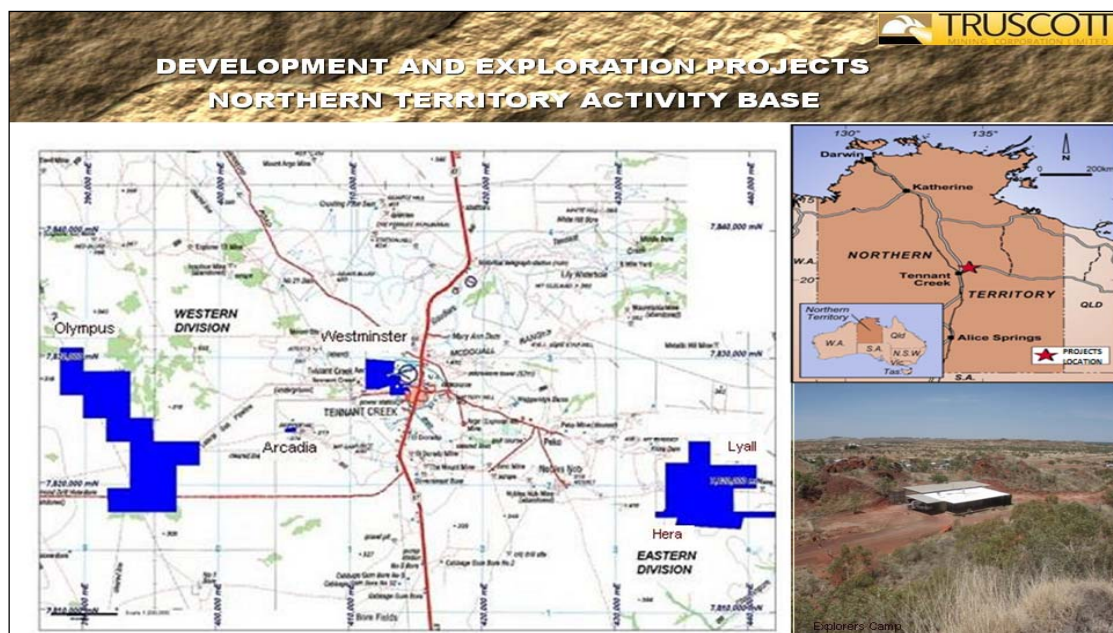
During the September Quarter planning for the next round of drilling the Westminster Project (Figure 1) was finalised and at the time of this report the last hole in the program had just been completed, with assays scheduled for return during November 2011.

The company's research in structural controls and mineralisation is now delivering a level of drill targeting effectiveness that has resulted in the intersection of mineralised ironstones in excess of eighty percent of the holes drilled.

Truscott has previously announced an initial Inferred Mineral Resource estimate of 111 300t @ 25.6 g/t Au for 91 700 contained Au oz. The company is now moving to incorporate the newly completed drilling in the database prior to release of an independently calculated resource position.

During the quarter the company engaged the services of Dr Jude Hanson as Principal Geologist to assist in the research and development activities of the company and to also provide a disciplined structural framework within which to appropriately constrain independent ore resource modelling.

Planning has been initiated to provide the inputs necessary to construct a three dimensional model of the extensive Westminster mineralisation. The mineralisation at Westminster is now well enough understood to allow for surveying work to be proceeded to define an expanded mining lease area (Figure 3).



**Figure 1: Exploration Activity Centres - Tennant Creek NT**



The identification of an explosive hydrothermal breccia adjacent to the ironstone hosted mineralisation may have implications for the overall structural setting and size of the Westminster Deposit.

**Westminster Project** (Truscott: MLC511, MLA26902, A25952, A26500, A26588 all 100%)

### Mineral Resource Drilling Status

Drill results returned early in the June quarter provided sufficient additional information to define an initial Inferred Mineral Resource estimate for portions of Shoots F & G (Figure 2) at Westminster.

Significant high grade results returned from the early drilling included:

**2m @ 81.0g/t Au, 5201g/t Bi, Hole 11WMRC082**

**2m @ 33.0g/t Au, 1747g/t Bi, Hole 11WMRC083**

The gold mineralisation occurs in or adjacent to ironstone lenses hosted in strongly altered and sheared sedimentary rocks. An aggressive lower cut-off grade of 5g/t Au was applied in calculating the resource estimate (Table 1) with the objective of building up a resource base that has the potential to sustain selective underground mining methods.

The resource estimates for Shoots F & G have been calculated to depth limits of 200m and 140m respectively. Parameters that were used to calculate the resource estimate are listed in Appendix 1.

**Table 1: Progressive Resource Estimate Reporting – (Issue No.1)**

| <b>5g/t Au Cutoff</b> | <b>Tonnes</b>  | <b>Au(g/t)</b> | <b>Contained Ounces Au</b> |
|-----------------------|----------------|----------------|----------------------------|
| Shoot G               | 53 100         | 22.3           | 38 000                     |
| Shoot F               | 58 200         | 28.7           | 53 700                     |
| <b>Total</b>          | <b>111 300</b> | <b>25.6</b>    | <b>91 700</b>              |

The resource described to date exhibits the same high grade tenor as the ore mined (Figure 2) from the lease by early small scale operators. Additional metal credits for Silver, Bismuth, Cobalt, and other metals have not been included in the estimate.

Drill results returned later in the June quarter supported the ore emplacement model and facilitated the planning for the next round of resource extension and delineation drilling.

Significant high grade results returned from later drilling which have not been included in the initial resource estimate, but have now been utilised for planning, included:

**8m @ 5.1g/t Au, 75g/t Bi, Hole 11WMRC093**

**2m @ 8.1g/t Au, 675g/t Bi, Hole 11WMRC095**

Hole 11WMRC093 was drilled into Shoot E and returned 14m @ 3.3g/t Au (including 1m @ 26.3g/t Au). This is considered significant as it provides the first confirmation of high tenor gold mineralisation within Shoot E (Figure 2). This intersection provides the reference point for planning resource definition drilling of the newly identified shoot.

Hole 11WMRC095 was drilled into the lower F Shoot and returned 2m @ 8.1g/t Au within a 12m wide anomalous halo. This is interpreted as an intersection in the Shoot F approximately 30m above the main target. The significant intersection indicates an extension to the current limits of the ore resource estimate for Shoot F by 50m.



Figure 2: Westminster Project – Working Plans – Eastern End

Figure 2 shows the trends of the ironstone pods (labelled as D, E, F, G, WD, H, I & J) and the traces of the high grade gold mineralisation. The alignment of the initial inferred mineral resource zones, the historical mine workings and the target zones for resource extension drilling provide a sense of the likely vector for the identification of further high grade gold mineralisation.

### Newly Completed Drilling Activity

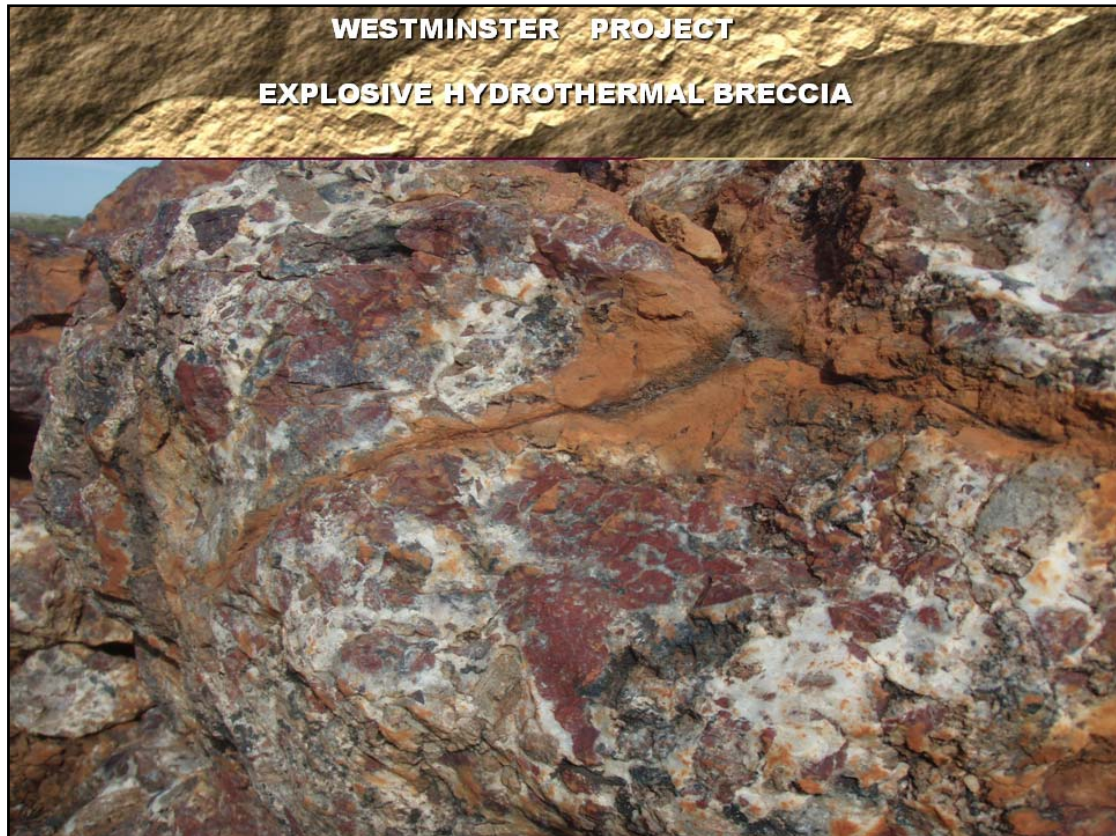
Towards the close of the September quarter planning was finalised for up to 3,000m of Reverse Circulation resource definition drilling for the Westminster Project. The drilling was scheduled to start in October 2011. Deep drilling (>300m) is scheduled for December 2011.

The main objectives of the October drilling program include:

1. Support a reassessment and enlargement of the mineral resource estimate for Shoot F (Figure 2).
2. Confirm the upper zone of Shoot E (Figure 2) and test for ore grade mineralisation in Shoot D.
3. Test for ore grade mineralisation in Shoots I & H (Figure 2) adjacent to mineralisation intersected in **TRC13 of 5m @ 11.8 g/t Au.**

An additional exploratory hole was added to the program to test a newly defined outcrop of explosive hydrothermal breccia located 300 metres to the north of the known mineralised array at Westminster. The drill hole which was drilled vertically and adjacent to the outcrop remained in breccia for the completed hole to a depth of 185 metres.

The fine breccia encountered by the drill hole included fingers of coarser breccia (Figure 3) that carried sulphide mineralisation. The implications of the breccia unit in relation the structural setting and the nature of the mineralisation at Westminster are receiving careful consideration.



**Figure 3: Westminster Project – Explosive Hydrothermal Breccia**

The last hole of the drilling program has been just been completed at the time of this report. Drill intersections evidence that all targeted mineralised objectives have been successfully intersected and assays are expected to become available during November 2011.

### **Logistics**

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

Truscott has successfully consolidated a number of these historical mining leases along a line of strike. The project includes more than 2.2 km strike length of mineralised ironstone outcrop and sub-crop that host numerous historical shallow high grade gold workings.

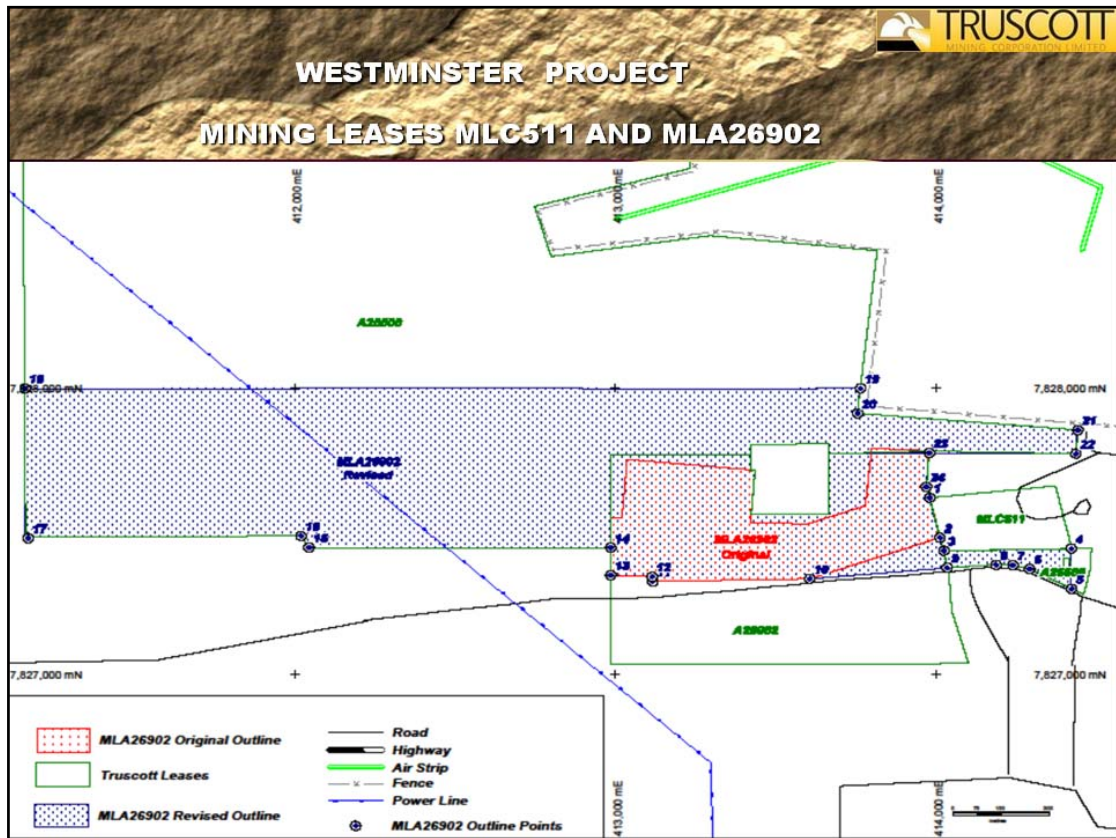


Figure 4: Westminster Project – Mining Leases MLC 511 & MLA 26902

The project site is ideally located close to all major service connections and within 500m of the local airport. The mineralisation at Westminster is now well enough understood to allow for surveying work to proceed to define additional mining lease areas to accommodate development requirements (Figure 4). The larger operational area of approximately 3.0 by 0.5 kilometres is expected to be sufficient to provide for the facilities necessary to support significant underground mining operations.

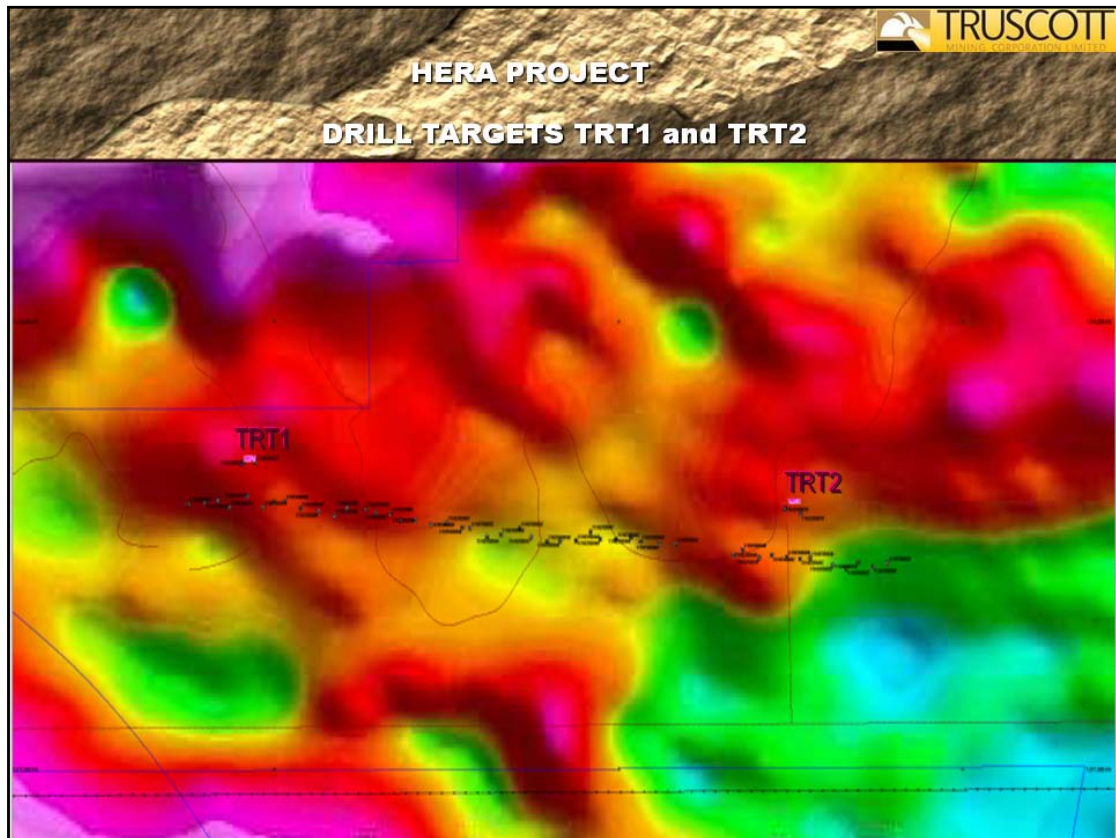
### Lyall and Hera Projects

(Truscott: SEL27731, EL25577, EL26221 (all 100%))

Previous on ground mapping and structural analysis undertaken on the Lyall and Hera project area is providing a basis for continued exploration work programs. The mapping identified key structural elements within SEL27731 that are present and control the distribution of the gold mineralisation identified at the Westminster Project.

Between 8<sup>th</sup> August 2011 and 21<sup>st</sup> August 2011 fifty one RAB holes (11HERB029 to HERB079) were drilled at Hera Prospect for 2673m

Holes (11HERB029 to 11HERB075) were drilled along an east west trending line at 075<sup>0</sup> to 255<sup>0</sup> and located approximately 50m south (Figure 5) of the two geophysical anomalies TRT1 & TRT2. The holes were spaced at 25m intervals, angle -60<sup>0</sup> towards the west and drilled to a depth of 50m.



**Figure 5: Drill Targets TRT1 & TRT2 – Hera – SEL27731**

Holes (11HERB076 - 11HERB079) were drilled vertically to a depth of 70m, Holes (11HERB076 & 077) targeted anomaly TRT1, holes (11HERB078 & 079) targeted anomaly TRT2.

The best gold results returned were  
1m @5ppb Au from 51m in 11HERB060  
1m @5ppb Au from 7m in 11HERB078

Also of interest was:  
3m @9.9g/t Ag from 26m in 11HERB042

The silver mineralisation was associated with quartz veining hosted in deeply weathered volcanic irregular clay silty sediments.

A weak copper geochemical hallow (>100ppmCu in 11HERB051) was associated with Felsic Porphyry units.

The next stage of the program requires that the TRT1 and TRT2 geophysical anomalies be tested with deep (~250m) vertical RC holes sighted directly above the anomalies.

**Peter N Smith**  
**Executive Chairman**

***Competent Person:** The contents of this report, that relate to geology and exploration results, are based on information reviewed by Ivan Henderson MSc. BSc(Hons), who is a full time employee of Truscott Mining Corporation Limited and a Member of the Australian Institute of Geoscientists. He has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a “Competent Person”, as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ivan Henderson consents to the inclusion in this report of the matters compiled by them in the form and context in which they appear.*

**Appendix 1: Resource Estimate Summary**

The Inferred Mineral Resource Estimate identified for the Westminster Project was determined using simple classical polygonal resource calculating methods. Simple regular blocks were generated on geological sections drawn along the line of the mineralised Shoots F & G (058<sup>0</sup> - 238<sup>0</sup>). Geological and geochemical data collected from drilling and surface mapping were used to constrain the shape, size and orientation of the resource blocks. The resources for Shoot G & Shoot F were calculated separately and then combined to give a total resource (Table 1).

Table 1: Westminster Inferred Mineral Resource Estimate

| <b>5g/t Au Cutoff</b> | <b>Tonnes</b>  | <b>Au(g/t)</b> | <b>Contained Ounces Au</b> |
|-----------------------|----------------|----------------|----------------------------|
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*Notes*

1. Collar locations of all holes have been located using differential GPS
2. Down hole drift of the drill holes was measured at regular intervals using a digital down hole survey camera
3. An SG of 3.4t/m<sup>3</sup> was used to determine the tonnage. SG determinations were available from a series of drill core samples.
4. Resource blocks were generated on drill sections orientated along a bearing of 058<sup>0</sup> - 238<sup>0</sup>
5. The orientation and shape of the resource blocks were constrained by geological structures.
6. Resource blocks were assigned a grade corresponding to the line weighted average grade of the drill intercepts
7. Seven blocks were identified to determine the resource for Shoot G and eleven blocks were identified to determine the resource for Shoot F
8. The total resource estimate was calculated by a tonnage weighted average of all the defined resource blocks.
9. A 5g/t Au lower grade cut was used, no gold equivalent credits were applied, and no upper grade cut was applied.

**Appendix 2: Drill Hole Information**
**Table 1 Hera RAB Drilling Collar Details**

| Hole ID   | Dip | Azm | Depth m | GDAmE  | GDAmN   |
|-----------|-----|-----|---------|--------|---------|
| 11HERB029 | -60 | 90  | 51      | 434390 | 7817730 |
| 11HERB030 | -60 | 90  | 51      | 434369 | 7817726 |
| 11HERB031 | -60 | 90  | 51      | 434348 | 7817731 |
| 11HERB032 | -60 | 90  | 51      | 434330 | 7817724 |
| 11HERB033 | -60 | 90  | 51      | 434311 | 7817728 |
| 11HERB034 | -60 | 90  | 51      | 434278 | 7817736 |
| 11HERB035 | -60 | 90  | 51      | 434263 | 7817735 |
| 11HERB036 | -60 | 90  | 51      | 434244 | 7817737 |
| 11HERB037 | -60 | 90  | 51      | 434222 | 7817739 |
| 11HERB038 | -60 | 90  | 51      | 434204 | 7817736 |
| 11HERB039 | -60 | 90  | 51      | 434180 | 7817745 |
| 11HERB040 | -60 | 90  | 51      | 434167 | 7817739 |
| 11HERB041 | -60 | 90  | 51      | 434082 | 7817751 |
| 11HERB042 | -60 | 90  | 51      | 434059 | 7817752 |
| 11HERB043 | -60 | 90  | 51      | 434032 | 7817754 |
| 11HERB044 | -60 | 90  | 51      | 434018 | 7817759 |
| 11HERB045 | -60 | 90  | 52      | 433996 | 7817757 |
| 11HERB046 | -60 | 90  | 52      | 433973 | 7817757 |
| 11HERB047 | -60 | 90  | 52      | 433959 | 7817765 |
| 11HERB048 | -60 | 90  | 52      | 433938 | 7817755 |
| 11HERB049 | -60 | 90  | 52      | 433915 | 7817755 |
| 11HERB050 | -60 | 90  | 52      | 433896 | 7817754 |
| 11HERB051 | -60 | 90  | 52      | 433873 | 7817759 |
| 11HERB052 | -60 | 90  | 52      | 433856 | 7817769 |
| 11HERB053 | -60 | 90  | 52      | 433829 | 7817762 |
| 11HERB054 | -60 | 90  | 52      | 433809 | 7817759 |
| 11HERB055 | -60 | 90  | 52      | 433784 | 7817769 |
| 11HERB056 | -60 | 90  | 52      | 433773 | 7817770 |
| 11HERB057 | -60 | 90  | 52      | 433750 | 7817775 |
| 11HERB058 | -60 | 90  | 52      | 433727 | 7817773 |
| 11HERB059 | -60 | 90  | 52      | 433704 | 7817778 |
| 11HERB060 | -60 | 90  | 52      | 433683 | 7817778 |
| 11HERB061 | -60 | 90  | 52      | 433668 | 7817785 |
| 11HERB062 | -60 | 90  | 52      | 433647 | 7817786 |
| 11HERB063 | -60 | 90  | 52      | 433633 | 7817791 |
| 11HERB064 | -60 | 90  | 52      | 433605 | 7817792 |
| 11HERB065 | -60 | 90  | 52      | 433587 | 7817783 |
| 11HERB066 | -60 | 90  | 52      | 433564 | 7817788 |
| 11HERB067 | -60 | 90  | 52      | 433538 | 7817791 |
| 11HERB068 | -60 | 90  | 52      | 433515 | 7817799 |



|           |     |      |      |        |         |
|-----------|-----|------|------|--------|---------|
| 11HERB069 | -60 | 90   | 52   | 433499 | 7817798 |
| 11HERB070 | -60 | 90   | 17   | 433484 | 7817792 |
| 11HERB071 | -60 | 90   | 52   | 433461 | 7817805 |
| 11HERB072 | -60 | 90   | 52   | 433435 | 7817792 |
| 11HERB073 | -60 | 90   | 52   | 433418 | 7817800 |
| 11HERB074 | -60 | 90   | 52   | 433399 | 7817798 |
| 11HERB075 | -60 | 90   | 52   | 433375 | 7817796 |
| 11HERB076 | -90 | vert | 70   | 433455 | 7817842 |
| 11HERB077 | -90 | vert | 70   | 433472 | 7817842 |
| 11HERB078 | -90 | vert | 70   | 434241 | 7817790 |
| 11HERB079 | -90 | vert | 70   | 434264 | 7817785 |
|           |     |      | 2673 |        |         |
|           |     |      |      |        |         |

**Hole Type:** RAB – Rotary Air Blast

**Collar Coordinates:**

MGA Zone 53 (GDA94)