

ACTIVITIES REPORT - MARCH QUARTER 2011

Overview

Drilling during the quarter generated additional information for incorporation into the structural model that now covers 1.5 kms of the overall 2.2 kms strike length of the Westminster Project area.

The recently completed drilling program has further defined an extensive target that includes twelve potential mineralised ore shoots.

Each of the twelve mineralised shoots is understood to consist of a stacked series of mineralised ironstone pods.

The aggregate potential of the mineralised shoots at Westminster is considered to be of the same order of magnitude as the larger historical mines in the Tennant Creek field.

Planned drilling for the next quarter is largely focused on targeting major gold mineralisation in the middle to lower portions of the separate ore shoots.

Truscott continues to maintain strategic holdings over four other primary target locations in similar structural settings to that of the Westminster Project (Figure 1).

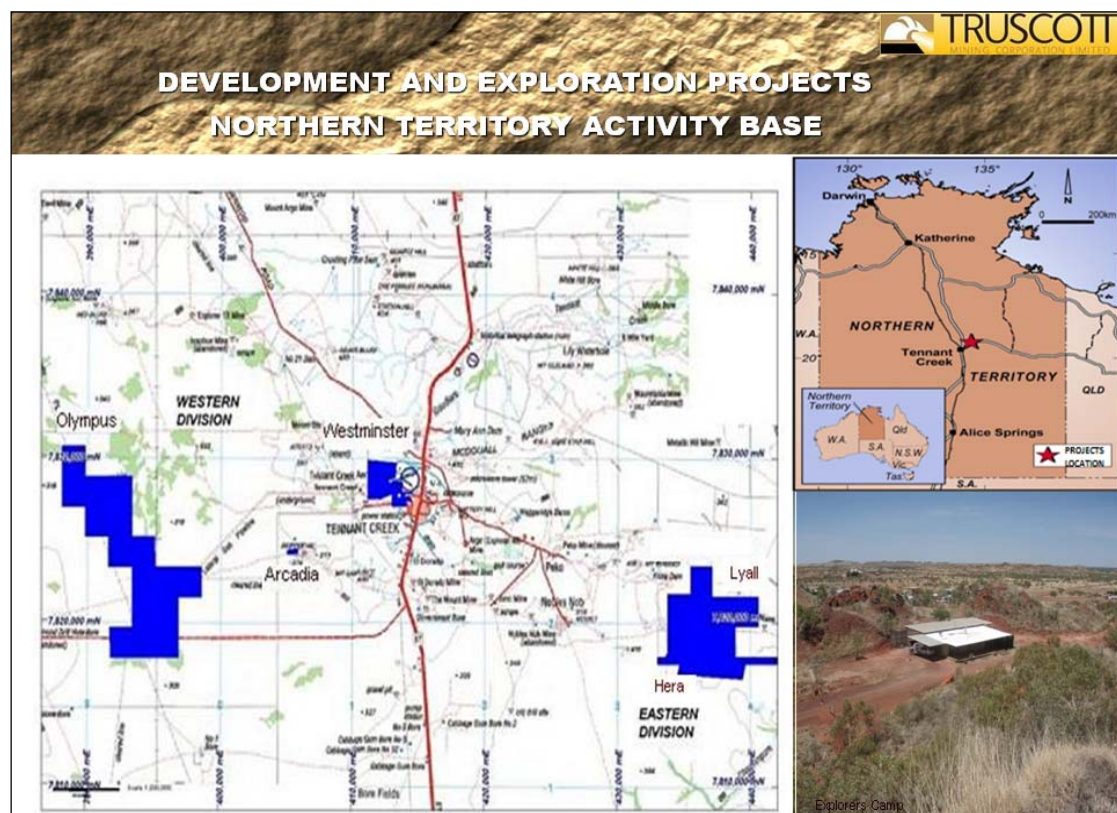


Figure 1: Exploration Activity Centres - Tennant Creek NT

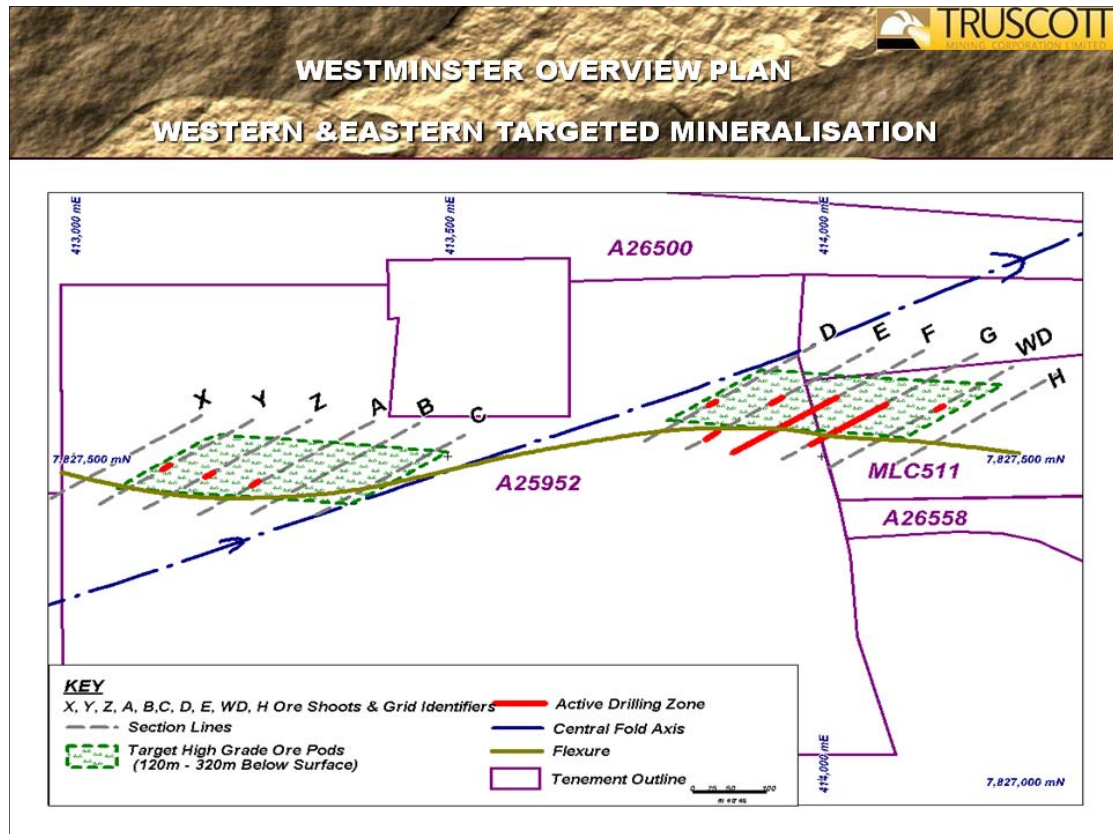


Figure 2: Westminster Project – Overview Plan - Targeted Mineralisation

Westminster Mineralised Lodes

Field mapping combined with geophysical and drilling data have been used to describe and identify the trends and structures present at the Westminster Project.

Interpreted dextral dilation envelopes enclose an “offset” shear/alteration zone proximal to a principle fold axis that has a trace approaching 068⁰ (Figure 2). The shear/alteration zone is characterised by chlorite/carbonate/iron alteration and cuts through a sequence of north dipping fine grained shale units.

The interpreted dilation envelopes are offset and are approximately 1km in length. Drilling to date has confirmed the continuity of mineralisation to approximately 200m depth. Several of the ore shoots so far identified, have favourable zones of hydrothermal alteration developed as depth increases.

The primary target zones for high grade massive mineralisation are indicated in Figure 2. The target zones shown in plan are interpreted as areas where there is a build up of mineralisation, within ore shoots, with increasing depth. It is reasonably expected to encounter high grade recoverable ore in lower ironstone pods within these zones.

Upper Ironstone Pods

The upper ironstone pods of the ore Shoots F & G (Figure 2) now have drilling densities close to that required to provide an initial mineral resource estimate.

New intersections drilled in the upper ironstone pods during the quarter included;

6m @ 7.8g/t Au, 1.2g/t Ag, 662g/t Bi, 115g/t Co from 60m in 10WMRC059 (Shoot G)

3m @ 10.9g/t Au, 1.2g/t Ag, 1439g/t Bi, 24g/t Co from 95m in 11WMRC077 (Shoot F)

Drill assay results to date indicate that the ore grades of the upper ironstone pods are lower than the ore grades of the ironstone pods deeper in the system.

Each of the upper ironstone pods (*B* Upper) are now considered to be targets with the potential to host between 10,000 to 50,000 ounces of gold.

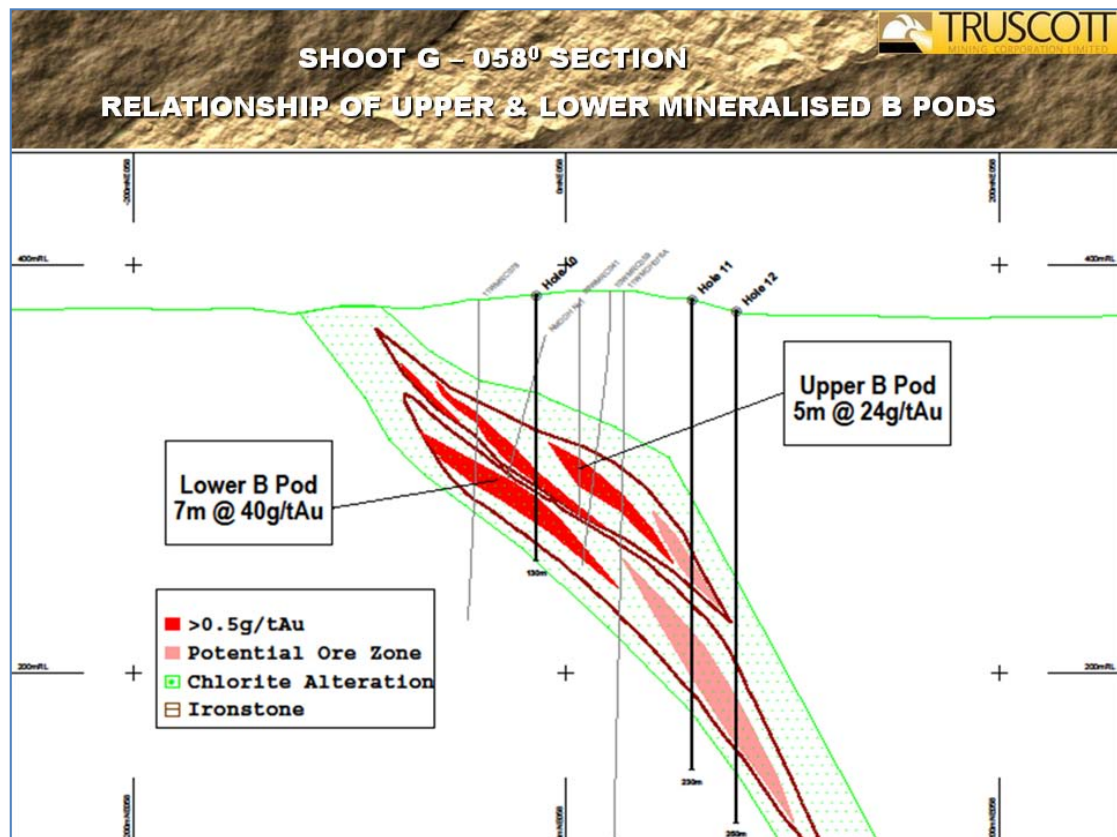


Figure 3: Westminster Project - The 058° Section G Shoot

Lower Ironstone Pods

A review of the literature for ore deposits in the Tennant Creek Field suggest the relative position of hydrothermal zoning observed at Westminster correlates well with a number of those deposits.

Drill intersections reported to date and a review of historic Tennant Creek deposits supports the concept that, the extent of the mineralisation in each of the twelve lower zone ironstone pods is potentially an order of magnitude larger than that for the upper ironstone pods.

Higher grade intersections, previously reported, in the F & G ore shoots supports this concept. These intersections are considered to be initial reference drill holes for the lower ironstone pods (*B* lower –“high grade pods”) and include;

5m @ 19g/t Au – Shoot F; Lower *B*
7m @ 40g/t Au – Shoot G; Lower *B*

The 058⁰ section along Shoot G (Figure 3) illustrates the relationship between the Upper *B* and the Lower *B* mineralised ironstone pods. The ironstone pods partially overlap with the lower *B* pods positioned in front of the Upper *B* pods.

Drilling completed during the quarter provided additional information that supports the continuity of the structural model at the western end of the Westminster Project. Anomalous results from previous drilling coupled with recent results identified mineralised halos to potential high grade pods within the shear/alteration zone.

A particularly encouraging intersection of **90m @ 0.24g/t Au** in 09WMRC021 (drilled in 2009) along Shoot C can now be more effectively followed up. This elevated mineralisation is interpreted to represent a broad mineralised halo around a potentially high grade ironstone pod predicted by the model.

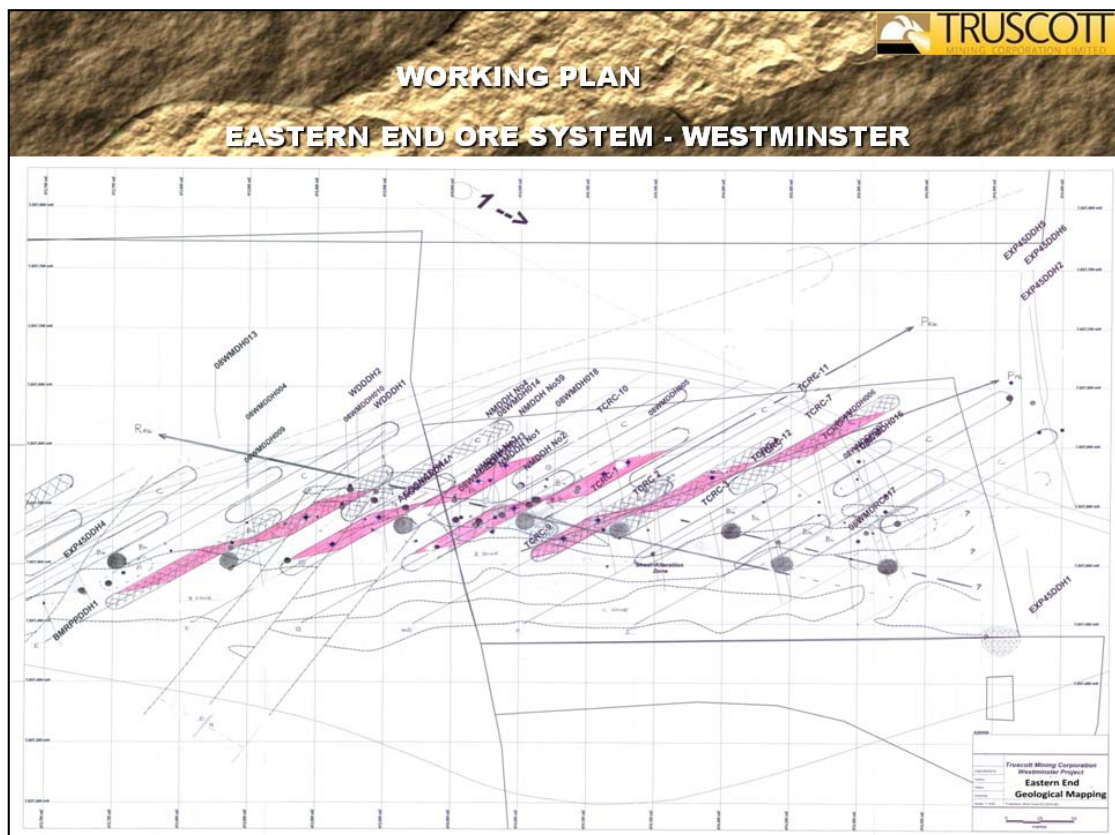


Figure 4.1: Westminster Project – Working Plans – Eastern End

Ore Emplacement

The exploration model being developed to target accumulations of high grade mineralisation draws upon the following three interrelated concepts;

Ironstone pods are located in zones of dilation developed during an early Phase 1 event of the regional deformation of the Tennant Creek Mineral Field.

Gold, Bismuth and Copper mineralisation were introduced as an overprinting during a later Phase 2 event that fractured and sheared the ironstone lenses.

The mineralisation exhibits a consistent hydrothermal mineral (Au-Bi-Cu-Pb-Zn) zonation through the different levels in the mineralised system.

To effectively target the mineralisation hosted in the ironstone pods it is necessary to understand and define the structural setting of the Westminster Project.

The structural setting defines positions within the three dimensional space that the Phase 1 and 2 deformation events interact. The areas of interaction are shaded purple on the model working plans of Figures 4.1 and 4.2. The interpreted interaction zones are seen to be places for the potential of ironstone hosted high grade gold mineralisation.

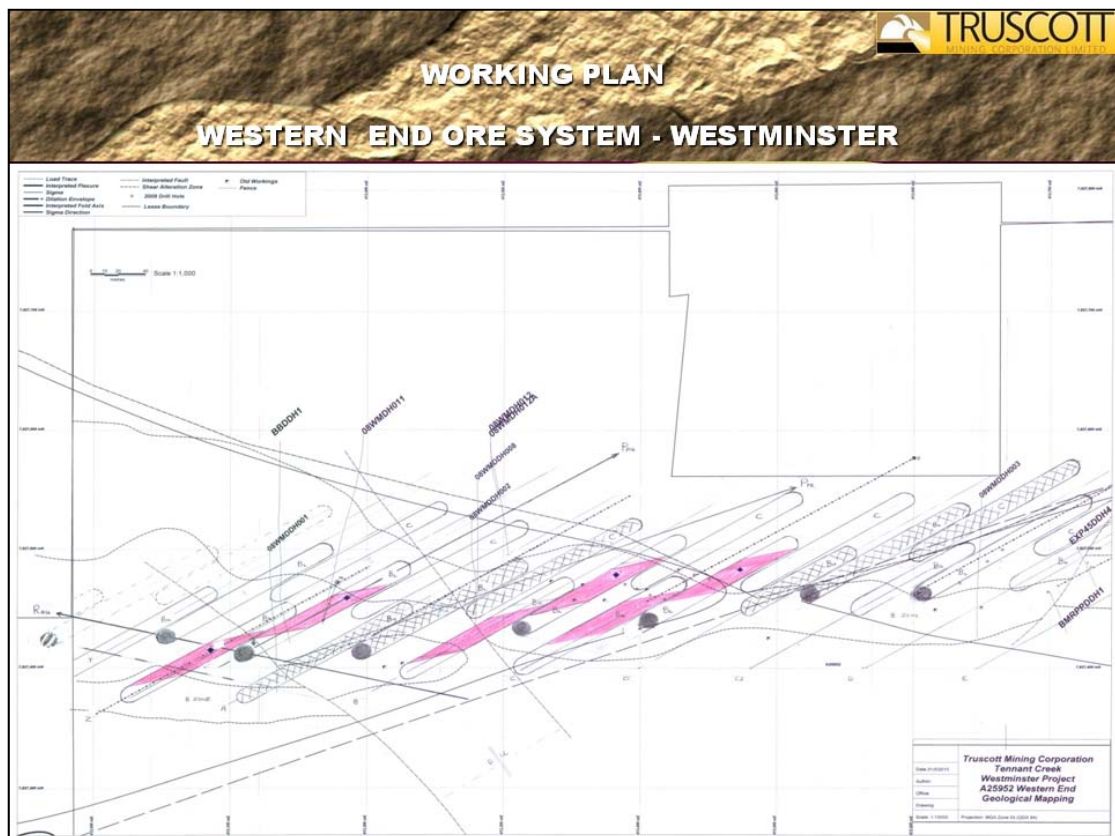


Figure 4.2: Westminster Project – Working Plans – Western End

Field mapping indicates that the east-west alignment of the targeted ore shoots along the length of the Westminster Project undergoes a major flexure as they cross an interpreted central anticline. The flexure is an integral part of the setting of the zones of dilation that hosts the mineralisation. It is interpreted that the shoots differ in size and mineral content as a consequence of their positions relative to flexure. It is expected that future drill results are likely to reflect these differences.

Current Drilling Activity

During the June quarter a program of 3,000m of RC drilling is planned and drilling activity is scheduled for April/May 2011 with the objectives of:

1. Completing sufficient infill drilling in, the Upper *B* pods of, Shoot F and Shoot G to allow mineral resource calculation to commence.
2. Identifying up to seven potential, Lower *B* pods, deeper in the stacked ironstone sequence of shoots Z, B, C, E, F,G and WD (Figures 4.1 & 4.2)

It is expected that initial resource estimates will be calculated for the Upper *B* ironstone pods in Shoot F and Shoot G during the second quarter 2011.

Background & Strategic Tenement Holdings

Tennant Creek -- Poly-Metallic Deposits (Au, Ag, Bi, Mo, Co, Cu, Pb, Zn, Fe)

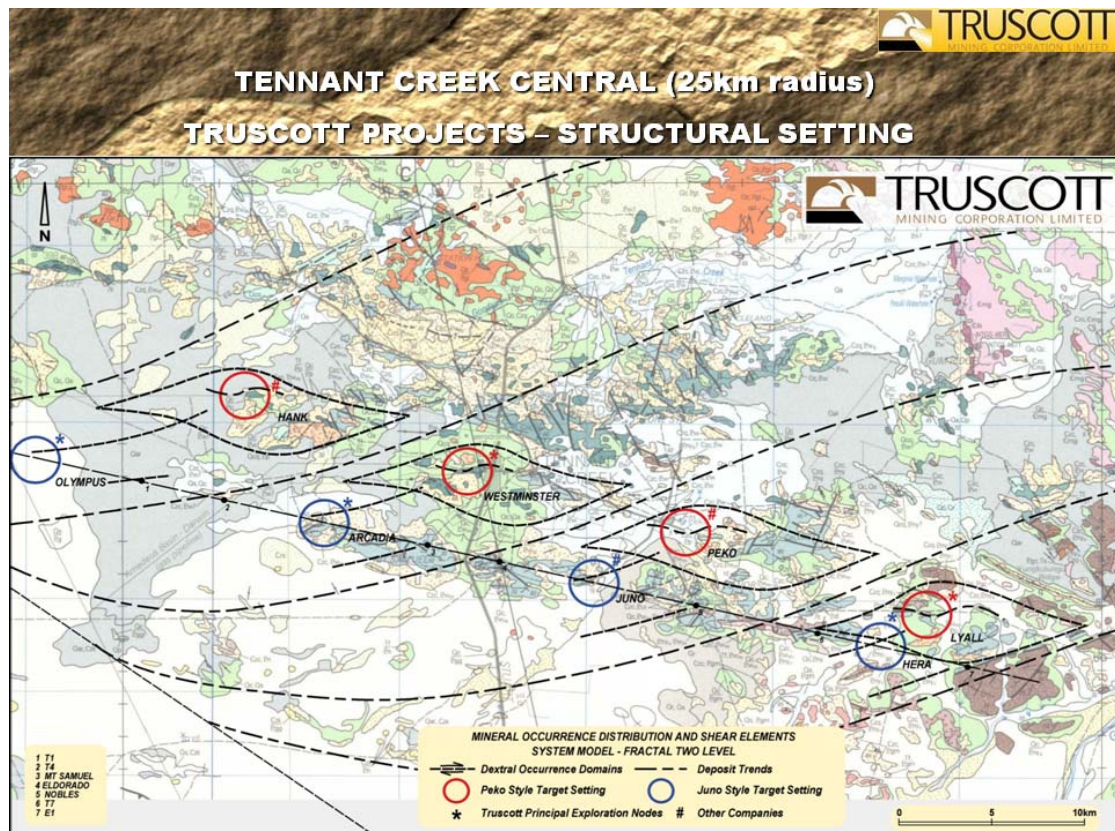


Figure 5: Tennant Creek Mineral Field – Structural Settings

The company is continuing to focus its exploration effort in an area within a 25km radius of the Tennant Creek Township. Within this area, two underground operations, Peko and Juno stand out, with substantive past and present publicly reported inferred and indicated resource estimates.

The company's structural modelling has identified primary targets exhibiting congruent structural settings to major deposits in the Tennant Creek Mineral Field. The targets are located at the intersections between the axis of major folds with prominent shear zones (Figure 5).

Westminster Project Logistics

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

Truscott's Westminster Project is located just west of the Tennant Creek Township in the centre of the Tennant Creek Mineral Field. The project covers an area of 5.96 km² which includes some of the earliest workings and discoveries in the field that date from the mid 1930's.

Truscott has been the first company to successfully consolidate a number of these historical mining leases along a line of strike. The project covers more than 2.2 km strike length of mineralised ironstone outcrop and sub-crop that host numerous historical shallow high grade gold workings. The project site is ideally located close to all major service connections and within 500m of the local airport.

Outlying Exploration Projects

Lyll and Hera Projects

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

Olympus

(Truscott: EL 27145 100%)

Arcadia

(Truscott: MLC621, MLC622 all 100%)

No on ground work was completed on the outlying tenement holdings during the March quarter due to an exceptionally heavy wet season. The Aboriginal Areas Protection Authority was however commissioned to complete the clearance work on the balance of the Lyll Project area included in EL 26221.

Following the issuing of a clearance certificate on EL 26221 all of the Lyll and the Hera tenement holdings will be accessible for on ground exploration activities.

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.*