

Discover a world class iron ore opportunity in Nigeria



ANNUAL GENERAL MEETING

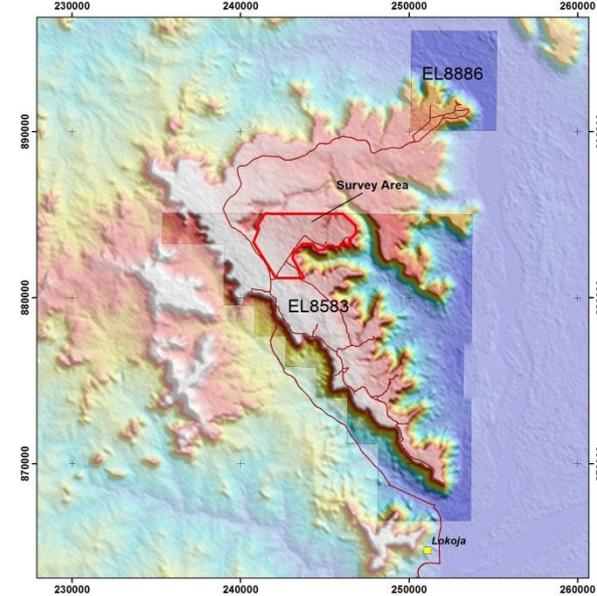
30 NOVEMBER 2011



Report on Company Activities

Activities 2011

- Geological Activities
- Drilling Process
- Sampling Process
- JORC
- Infrastructure Exercise
- Environmental Process
- Community Relationships



Geological Activities



- Continued general geological exploration focused on the EL8583 tenement.
- Put in place a procedure for large sample test and requirements to prove a resource to JORC code standard including qualified overview and sign off.
- Layout of the shafts and the drill hole sites necessary.
- Set sampling standard and education process for the Nigeria based geologists engaged in sampling and shaft wall stripping.
- Ensure that sampling and mapping standards are in accordance with international standards and the likely JORC requirements.
- Continued site visitation to administer the shaft sinking overview, survey, sampling and drilling methods.
- Continued updating of maps associated with the areas of interest.

Drilling Process

- Reviewed drill types available.
- Decision made to use the Reverse Circulation Process along with a small number of deep and diamond drill holes.
- International call for pricing with bids from 9 Companies.
- Contract awarded to well priced and reputable SPEKTRA Company.
- Survey Contractor completed layout of drill holes.
- Drill arrived at site at the end of the Nigerian “Wet”.
- Progress to date:
 - More than 200 holes completed of a target total 788 holes;
 - First deep hole drilled to determine results at depth (a number of others holes planned);
 - Drilling program will close for about three weeks in mid December with about 25% of all planned holes completed.



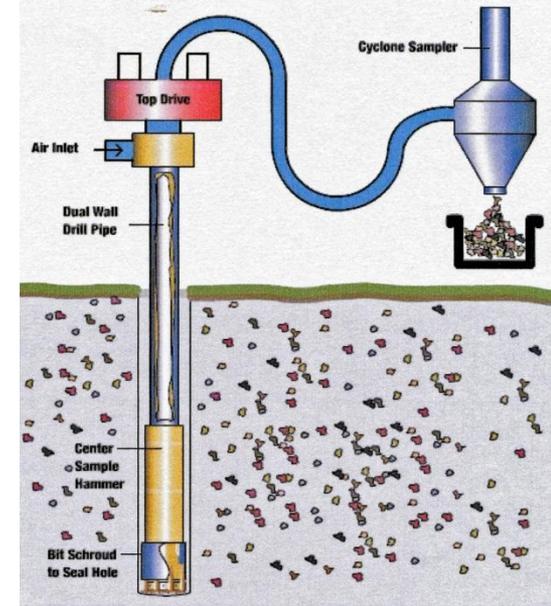
Sampling Process

Shaft Samples

- Three shafts sunk initially to provide geological strata detail and ore samples;
- Two additional shafts sunk in the “Target 400” area;
- XRF and Davis Tube shaft samples shipped to ASL Perth and processed; and Metallurgical samples being processed currently.

Drill Samples

- Drill program samples taken at one half metre intervals;
- Now more than 7,000 samples taken at the drill site;
- ALS (Australian Laboratory Services) chosen to undertake all sample processing;
- Drilling samples delivered to ALS in Ghana for preparation, ALS then moving the prepared samples to Perth for final processing and reporting;
- All sample results accompanied by QC Certification from ALS.



JORC PROCESS - Appointment of Coffey Mining

- JORC - Joint Ore Reserves Committee standard
- Interviewed three potential JORC Sign partners
- Work offered to Coffey Mining.
- Initial data swap completed and Coffey Mining commencing review activities.
- Coffey now reviewing sample and drill practices measured against international and JORC recognised standards.
- First priority is to review and agree or change the drilling process, spacing, depth, sampling frequencies etc.

Appended to this document, at pages 21-31, are extracts relevant to the JORC Code from four Australian Securities Exchange Companies Updates: 03/08, 11/07, 03/07, 05/04. These Updates, issued subsequent to publication of the Code, are important guides to the clarification and interpretation of the Code and should be read in conjunction with it.

Infrastructure Exercise



- Heavy Haulage Rail is likely to be the most cost effective, reliable and viable option for the transport of product from a mine site to a coastal shipping port.
- An existing and suitable rail service is in place and is Nigerian Government owned.
- An overview survey has been commissioned to look at the capacity of the existing rail system, the extension of the rail by about 70 kilometres to meet a loading point near the existing leases and an extension at the coastal end to a likely port location.
- This survey has commenced and a preliminary report is expected within a month.

Environmental Process



- It is proposed to undertake an environmental snapshot of the areas of interest on the existing leases to record the conditions on the ground prior to any surface disturbance and the likely effect of exploration and mining on the local communities and the terrain.
- This is a responsible course of action and may also be important in the future event that a developer may seek financial assistance from IFC/ World Bank or similar institutions.
- Scope of the work would include high definition satellite imaging , current surface water and ground water quality, air quality and how operations will influence the surrounding environment and communities as well as proposed land use after closure
- This work to take into account the likely mining plan for the area, the extraction and surface disturbance resulting from a graded mine plan that examines the likely mining areas, safety zones around the mining areas etc.

Community Relations



- Ongoing and effective contact with high level Government people at Ministerial level and at High Commissioner level.
- Ongoing and constant contact and interaction with the leaders of the Mining Department in Nigeria.
- Continuous contact and interaction with local government including local community leaders such as the King of Agbaja.
- Now hiring about 30 local people at professional and technical service level, to be engaged as geologists and in the sample management/warehousing/packaging/logging and despatch of sample material.



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