
RECORD QUARTERLY COPPER PRODUCTION

HIGHLIGHTS:

- Zinc C1 cash costs negative US\$0.59/lb (after credits)
- Record copper in concentrate production for quarter
- Jaguar Project Reserves extend project life to +8 years
- Jaguar Project VMS strike extended to 50km
- Prepaid silver hedge financing raised \$14 million



Bentley offices at the Jaguar Project with Jaguar Concentrator in the distance

JABIRU CORPORATE OVERVIEW

The Company benefited from increased metal prices and copper production to achieve payable zinc C1 cash costs of negative \$0.59/lb (after copper & gold credits) in the September 2010 quarter (FY11 Q1).

Copper metal in concentrate production from Jaguar increased to a record level of 2,954 tonnes, an increase of 21% over the previous quarter.

The Jaguar Project Reserve life was also extended to +8 years at current throughput rates, with Bentley Stage 3 mineralisation yet to be included in Reserves or Resources.

At the end of the quarter, Jabiru's cash on hand increased to \$35.8 million.

During the quarter, Jabiru announced a number of strategic initiatives designed to enhance the Jaguar Project exploration potential and bolster working capital resources to ensure the Company can fully utilise its expanded +8 year Reserve life, including:

- completion of a pre-paid \$14 million silver hedge financing deal with BNP Paribas;
- acquisition of additional tenure adjacent to, contiguous with and immediately along strike from the Jaguar Project; and
- approval of the construction of a Heavy Media Plant (HMS) at the Jaguar Project for \$10 million aimed at pre-concentrating feed into the Jaguar processing facility, improving overall project economics and providing a 98% before tax IRR on the plant investment.

The silver financing agreement provides Jabiru with a \$14 million up-front cash payment in return for forward sales of 681,403 ounces of silver over the period of December 2010 to June 2012. This quantity of silver hedged represents approximately 60% of forecast payable silver production over this period. The cash generated from this agreement will be used to provide working capital and funding for a number of growth opportunities including the Bentley decline, completion of the Geraldton concentrate shed, feasibility work on the Stockman Project and exploration programmes at both the Jaguar and Stockman Projects.

The acquisition of additional tenements along strike and adjacent to the Jaguar Project is an important step in realising Jabiru's long term aspirations for the Project.

The purchase brings the strike extent held by Jabiru to 50km (from ~26km previously). Importantly, this is the first time that this geological package has been held by a single company. The new tenements already contain a number of high potential drill targets based upon historical exploration data. The Company is well progressed in developing an exploration plan for the new area.

JAGUAR PROJECT

Jaguar Operations Overview

Jabiru's zinc C1 costs benefited from low costs, and strong copper and silver credits.

Payable zinc C1 costs were negative US\$0.59/lb (after credits) for FY11 Q1. This compares favourably to the quarter average LME zinc price of US\$0.91/lb and confirms Jaguar as one of the world's lowest cost zinc producers.

JAGUAR PROJECT

During the September 2010 quarter:

- copper metal in concentrate production from Jaguar increased to a record level of 2,954 tonnes, an increase of 21% over the previous quarter. Zinc metal in concentrate decreased by 7.6% (Table 1);
- Jaguar mine development rates decreased by 10% over the previous quarter, but overall mine production was steady;
- mine & concentrator copper head grades were ~20% higher than the previous quarter with zinc head grades steady; and
- mine production and concentrator treatment rates were in-line with the previous quarter.

Table 1: Jaguar Operation Production

	Unit	FY11 Q1
Underground Development	metres	
Jaguar Underground		646
Bentley Underground		533
Mine Ore Production	tonnes	103,463
Mine Ore Grade		
Copper	Cu%	3.67
Zinc	Zn%	7.90
Ore Treated	tonnes	94,138
Concentrator Head Grade		
Copper	Cu%	3.67
Zinc	Zn%	7.90
Copper Concentrate Produced		
Cu concentrate	tonnes	12,340
Cu grade		
Cu metal in concentrate	Cu%	23.9
	tonnes	2,954
Zinc Concentrate Produced		
Zn concentrate	tonnes	11,695
Zn grade		
Zn metal in concentrate	Zn%	46.8
	tonnes	5,473
Silver in Copper Concentrate produced	oz	174,282
Metal Recoveries in Concentrate		
Cu in Cu concentrate	Cu%	85
Zn in Zn concentrate	Zn%	74
Zn C1 Cash Cost (after credits)	US\$/lb	(0.59)

The processing data in the table above is sourced from production records and has only been reconciled to include shipments of concentrate to final customers from which final weights and grades have been received. Typically there is a 3-4 month delay between mine site production and final reconciliation for that period. # Mining data includes site ore stockpiles and is not therefore considered to be reconciled against final shipments. * Recovery differentials are due to rounding head grade and concentrate grade. ** C1 cash costs per payable lb of zinc after copper and silver credits exclude capital development but include partial reconciliation of metal for YTD as above.

JAGUAR PROJECT

Jaguar Concentrate Production & Metallurgy

The high processing rates of the previous quarter were maintained, together with metallurgical recoveries and concentrate grades. These are expected to remain broadly comparable for the remainder of the calendar year, subject to head grade variations.

Copper concentrate shipped in FY11 Q1 totalled 9,967 dmt grading 24.36% copper and 472 g/t silver. Zinc concentrate shipped totalled 9,850 dmt grading 47.72 % zinc.

Construction of the new concentrate storage and handling facility at the Port of Geraldton is progressing on schedule. Shed construction will ensure that Jabiru has unimpeded access to concentrate loading facilities at the Port over the long term.

The shed is due for completion in FY11 Q2. Until then, Jabiru will continue to share the use of the adjacent MMG Golden Grove shed.

Jaguar Resource & Reserve

Mined tonnes and grades at Jaguar have been consistent with both the resource model and the reserve model. This provides a high degree of confidence for the future of the Project.

Jabiru announced an upgraded (Stage Two) Reserve for the new 100% owned Bentley underground mine that will provide future feed for the Jaguar concentrator, extending the Jaguar Project life to over 8 years.

At 1 September 2010, the Jaguar Project ore Reserve, inclusive of Jaguar and Bentley, was 3.23Mt @ 1.8% Cu, 7.9% Zn, 99 g/t Ag (Table 2). This updated reserve is the second step of a three stage upgrade to the Jaguar Project Resources and Reserves. Bentley Stage 3 mineralisation is planned to be converted to Inferred Resource in FY11 Q2.

It is notable that:

- Jaguar and Bentley have both achieved +95% Resource to Reserve conversion in respect of the massive sulphides;
- The latest Reserve is equivalent to a project life of +8 years at current treatment rates;
- A further Resource upgrade (Stage 3) is expected in FY11 Q2, when mineralised material below the current Bentley Resource will be modelled and classified under the JORC code; and
- The Bentley and Jaguar ore bodies remain open at depth.

Jaguar Underground Mining

Jaguar underground development rates decreased, but mine production remained steady over the previous quarter.

Mined copper grades increased by 20%. This quarterly grade result reflects the higher copper grades and lower zinc grades mined from Jaguar as the operation mines deeper.

HMS Upgrade

Jabiru has successfully completed metallurgical test work programmes aimed at investigating the opportunity for pre-concentration of stockpiled ore prior to it being treated by the Jaguar concentrator. This test work and subsequent financial modelling culminated in the decision to construct a HMS plant at the Jaguar Project.

The HMS plant will be constructed in 2011 at a cost of approximately \$10 million and is expected to be operational in the September quarter. The plant will be capable of treating stringer material, lower grade development ore, mill scats and existing low grade stockpiles to enhance the grade into the concentrator by removing waste and sub economic material. This will significantly improve project economics for the existing ore Reserve and allow marginal ore sources to be upgraded and included as viable ore Reserve under the JORC reporting code.

JAGUAR PROJECT

Table 2: Jaguar Project Ore Reserves: 1 September 2010

Classification	Tonnes	Cu %	Zn %	Ag g/t	Au g/t
Bentley Underground: Stage 1&2 (Sept 2010)					
Massive Direct Feed					
Proved	-	-	-	-	-
Probable	1,890,000	1.46	10.7	130	0.62
Footwall Stringer Indirect Feed					
Proved	-	-	-	-	-
Probable	560,000	1.46	1.72	23	0.24
Total Probable: Bentley (Sept 2010)	2,450,000	1.46	8.64	106	0.53
Jaguar Underground & Surface Stockpile Reserve (July 2010)					
Proved	486,000	3.4	6.8	92	-
Probable	368,000	2.5	4.5	71	-
Less Mining depletion Jul/Aug 2010	69,100	3.85	8.14	112	-
Jaguar Underground Mine plus Surface Stockpiles (Sept 2010)					
Proved	416,900	3.3	6.6	89	-
Probable	368,000	2.5	4.5	71	-
Total Proved & Probable: Jaguar (Sept 2010)	784,900	2.9	5.6	81	-
Total Jaguar Project Summary Reserve (Sept 2010)					
Proved	416,900	3.3	6.6	89	-
Probable	2,818,000	1.6	8.1	101	0.46
Total Proved & Probable Reserves: Jaguar Project (Sept 2010)	3,234,900	1.8	7.9	99	0.4

JAGUAR PROJECT BENTLEY DEVELOPMENT

Bentley Underground

The announcement of a further upgrade to the Bentley underground Reserve (Sept 2010) supports Jabiru's view of the likelihood of a long life for the Jaguar Project, particularly as the latest Resource Estimate for Bentley does not yet include high grade massive sulphide mineralisation which has been identified in drilling extending 200m below the current resource limits.

The Bentley mine is located 4.6km from the Jaguar underground mine, with Bentley ore planned to complement Jaguar mine feed.

At the end of the quarter, the development of Bentley is progressing on schedule and on budget. The decline now extends 310m from the Bentley portal.

First ore from Bentley is expected to be mined in FY12 Q1.



JAGUAR PROJECT EXPLORATION ACTIVITIES

Bentley Diamond Drilling

Two targets adjacent to the Bentley deposit were tested with diamond drilling (Figure 1). 10BTDD020 tested down-dip of the northern extent of the Bentley Resource and encountered a thin massive sulphide interval on the hangingwall side of the post-

mineralisation dolerite sill in the equivalent of the Brooklands ore position (Table 3). 10BTDD021 tested a geophysical response to the north of Bentley but did not encounter any significant mineralisation. Additional drilling is planned for 2011/12.

Table 3: Bentley Drilling Results

HOLE ID	MGA94 EAST	MGA94 NORTH	Dip/Azi(mag)	DEPTH FROM (m)	INTERVAL (m)	Cu wt%	Pb wt%	Zn wt%	Ag g/t	Au g/t	True Width (m)	Sulphide Style	Lens	HOLE ID
10BTDD020	320988	6847846	62/6 3.5	429.9	0.9	0.1	0.1	25.1	141	2.0	0.6	massive	Brooklands	10BTDD020

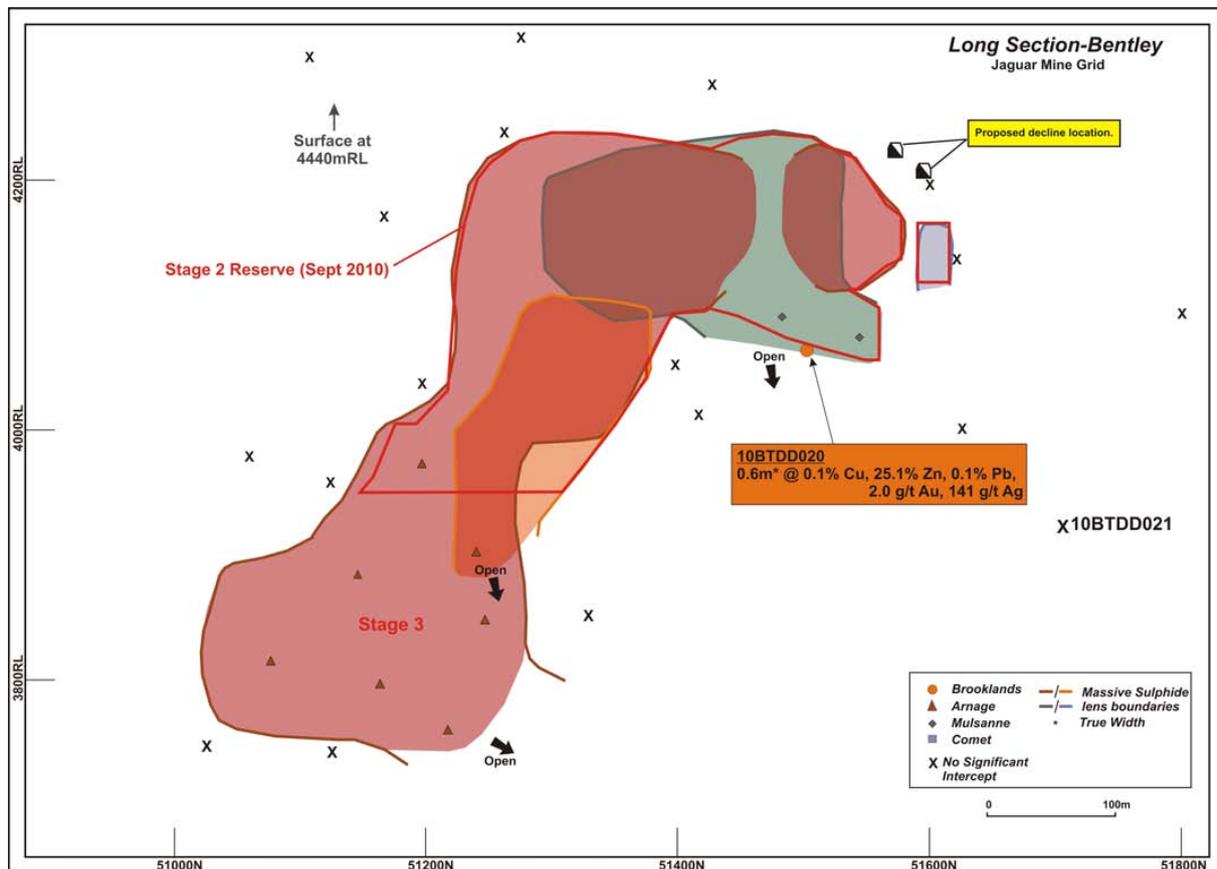


Figure 1: Bentley Long Section

JAGUAR PROJECT EXPLORATION ACTIVITIES

Teutonic Bore Diamond Drilling

Diamond drilling at the Teutonic Bore prospect recommenced during the quarter with the aim of following up on significant alteration mineralisation encountered below the defined mineral resource during earlier phases of drilling. Two holes were completed during the quarter (10TBDD001-2), both of

which intersected zones of moderate to intense hydrothermal silica-sericite alteration and minor sulphide mineralisation considered to be equivalent to the Teutonic Bore ore position. The programme is ongoing, and down-hole electromagnetic (DHEM) will be completed on several of the holes as required (Figure 2).

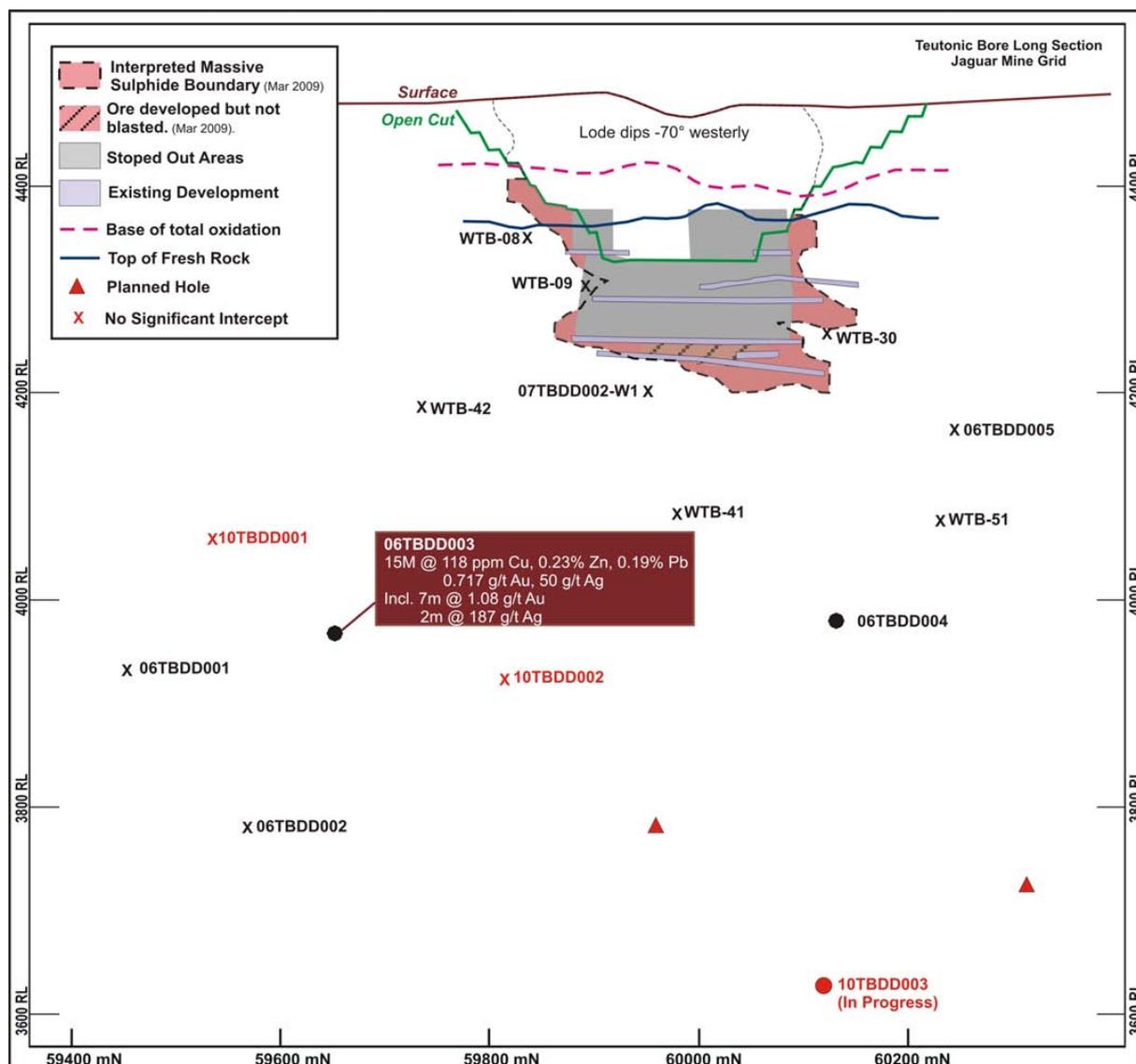


Figure 2 : Teutonic Bore Long Section

JAGUAR PROJECT EXPLORATION ACTIVITIES

St Barbara Tenement Acquisition

The Company has acquired additional tenure contiguous with the existing Jaguar Project from St Barbara Limited (St Barbara) for a consideration of \$1.7 million. The combined tenure now covers ~50km of the prospective host stratigraphy within which the existing mines and other base metal occurrences are known to occur (Figure 3).

The new tenure includes the Gravel Pit and WTB45 prospects located north of Teutonic Bore from which historical shallow drilling identified anomalous base metals (including 0.4% Zn, 0.17% Cu and 0.14% Pb) over 4 km of strike. Deeper reverse circulation and diamond drilling returned individual sample results up to 1.9% Cu, 12.3% Zn and 0.4% Pb associated with semi-massive and disseminated sulphides. These results are comparable to the shallow drilling response over the Bentley deposit.

As part of the purchase agreement, St Barbara will retain the right to explore for and exploit gold resources on specified tenements for a period of 5 years, or in the case of E37/789 for a period of 7 years. St Barbara may extend this right for an additional 2 years on individual tenements in the event that St Barbara makes a significant gold discovery.

Jaguar Nickel Sulphide JV (IGO Earning 70% Nickel Rights)

Independence Group NL (IGO) has entered into a JV with Jabiru whereby IGO may earn a 70% interest in the Jaguar Project Nickel

Rights by expenditure of \$3 million over 6 years including a minimum of \$220,000 within the first 12 months.

IGO has commenced a substantial Moving Loop EM survey targeting 3 main areas. To date 336 stations for 30.6 line km have been completed, which is about 22% of the planned programme. The Moving loop EM survey work completed has been over the Snowy's South target area (south-west of Bentley). No significant conductors have been located so far. Regional reconnaissance has also been done to refine the area planned to be tested by surface geochemical sampling.

The Moving Loop EM survey will be ongoing in FY11 Q2, and is planned to be completed either in the coming quarter or the following one. Geochemical sampling is planned to be done in FY11 Q2.

Jaguar Project Future Exploration Programme

Diamond drilling at the Teutonic Bore prospect will continue until the proposed programme is completed in late FY11 Q2.

Aircore drilling is planned to commence during October with the aim of generating and firming up a new round of targets south of the Jaguar mine prior to further diamond drilling.

A review and integration of the historical St Barbara tenure exploration data will be undertaken. A project review will then be undertaken to ensure that the highest priority targets are tested first.



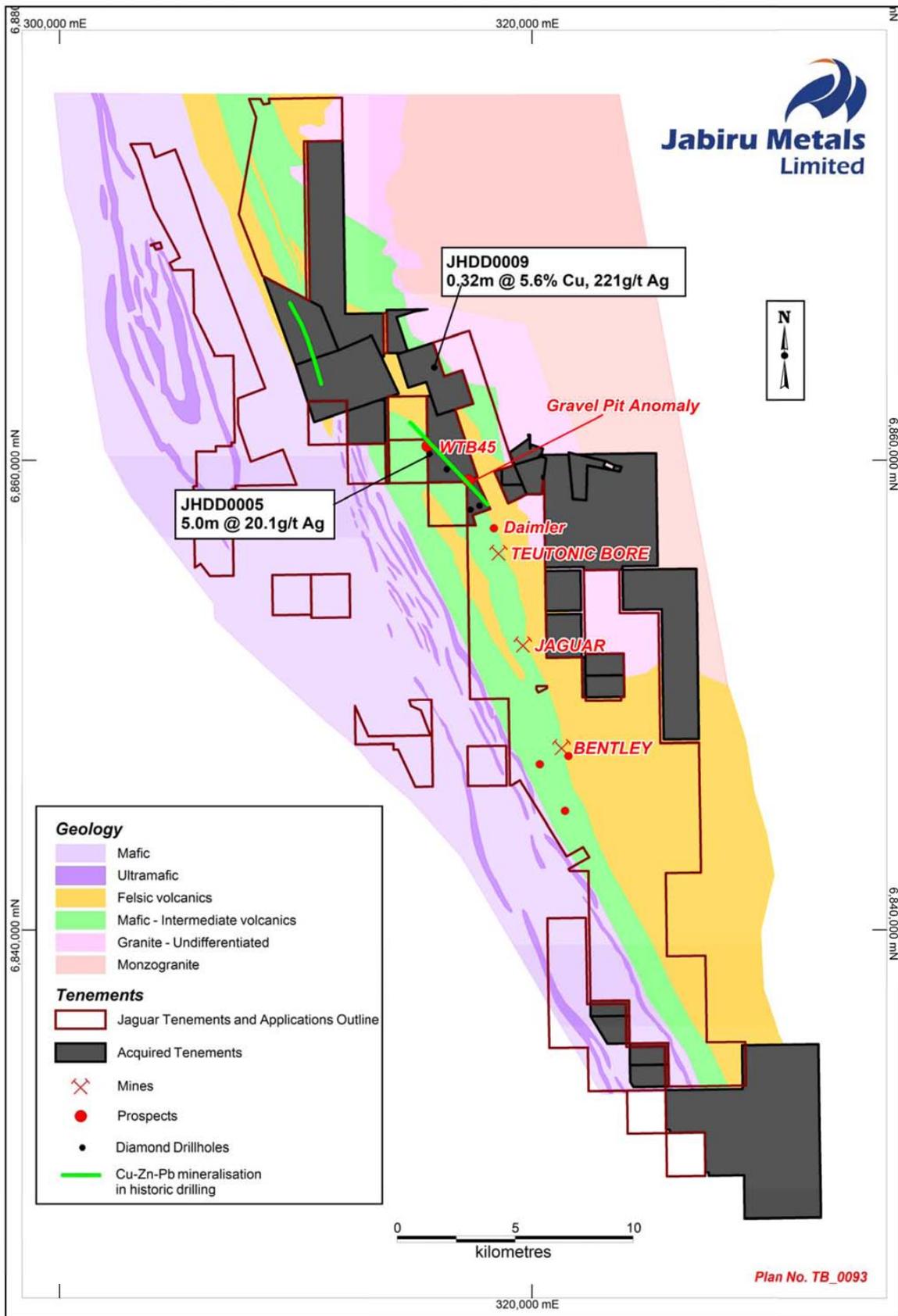


Figure 3 Jaguar Project Tenement Map

STOCKMAN PROJECT

Diamond drilling of the Currawong and Wilga deposits for the purpose of gathering additional samples for metallurgical testwork was completed during the period (Figure 4).

This work is aimed at improving project economics through refinement of the

conceptual processing flow sheet. The programme should be completed in FY11 Q3.

Environmental site monitoring and community consultation is ongoing.

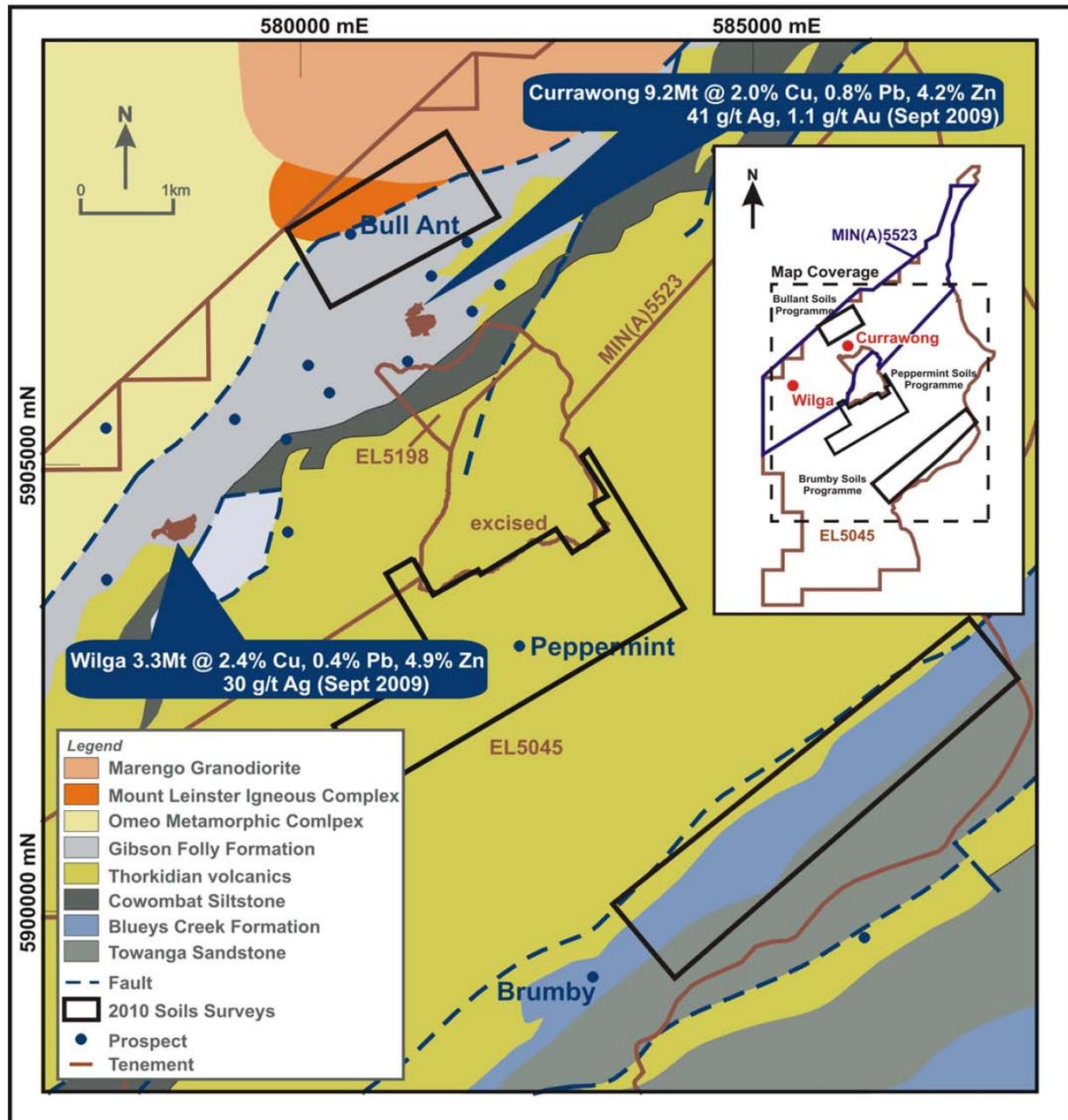


Figure 4: Stockman Location Plan

STOCKMAN PROJECT

Stockman Project Exploration Activities

Soil and rock chip sampling programmes continued across the Brumby, Peppermint and Bullant prospects with the aim of firming up targets for future drill testing (Figure 4).

A review of the existing base metal resource model is underway aimed at refining high grade metal domains for each of the principal commodities. Upon completion of this process in the December Quarter, this will be utilised to further refine the project economics through improved metallurgical modelling and mine scheduling.

Stockman Native Title

In early October, 2010 Jabiru and the Gunai/Kurnai Native Title Claim Group reached an 'in principle' agreement in relation to Native Title over the Stockman Project area and agreed and lodged a consent determination with the National Native Title Tribunal (NNTT). The NNTT has subsequently given its consent to the grant of MLA 5523

which in turn allows for the Mining Licence Application to be processed by the Victorian Department of Primary Industries.

OTHER EXPLORATION

Twin Peaks Project Exploration Activities

A soil sampling programme over the interval between the Southern Flyer and Mulga Flats prospects identified anomalous copper results (+100ppm) over ~0.3km of strike around the Southern Flyer prospect and anomalous zinc results over 3.5km of strike from Breakaway Hills to Tranquillity Heights (Figure 5).

A programme of nine reverse circulation drill holes was completed with the aim of testing a series of geophysical electro magnetic targets in the same area. Results were returned of a similar tenor to historical drilling results in the same area (Table 4) with copper values to 0.19% over 5m and zinc values to 0.37% over 2m. The results are under review and the drilling will be reconciled with the existing geophysical data prior to further work.

Table 4 : Twin Peaks Drilling Results

HOLE ID	Prospect	MGA94 EAST	MGA94 NORTH	Dip/Azi (mag)	DEPTH FROM (m)	INTERVAL (m)	Cu ppm	Pb ppm	Zn ppm	Ag g/t	Au g/t	Sulphide Style
10TPRC002	Tranquillity Heights	405579	6976675	-60/110	80	5	1945	631	391	0.9	-	veinlets
10TPRC003	Breakaway Hills	404329	6975228	-60/135	141	2	661	107	1960	-	-	disseminated
					147	6	629	141	3399	0.7	-	disseminated
					160	2	416	46	3667	-	-	disseminated
10TPRC004	Southern Flyer	403160	6974292	-60/310	162	24	202	210	2284	0.7	-	disseminated



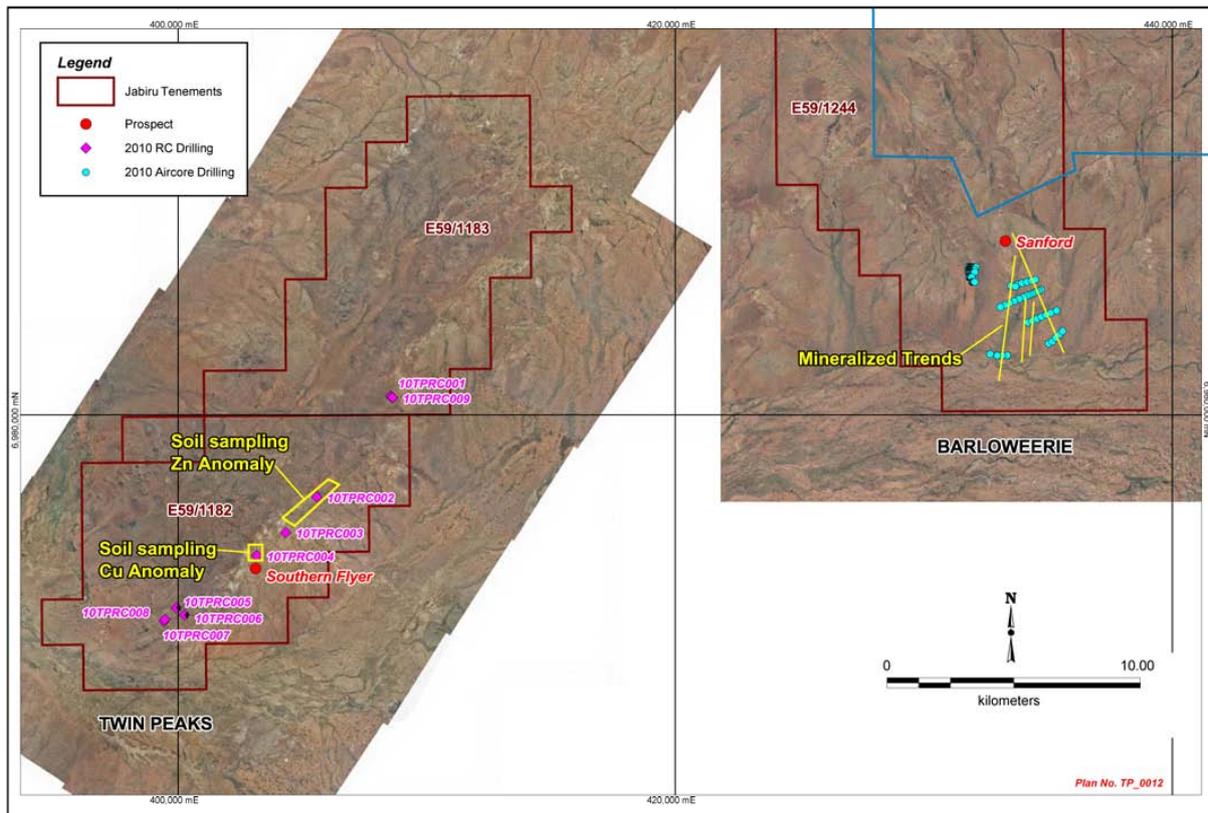


Figure 5: Twin Peaks Location Plan

Assay results for the first pass aircore (AC) drilling at Barloweerie (E59/1244) completed in the June Quarter has highlighted several strike extensive zones of multi element anomalism beneath thick alluvial cover along strike and south of the historic Sanford silver–lead-zinc-gold prospect. Maximum assay results returned are 469ppb Au and 1012ppm

Cu along with significantly elevated zinc, arsenic, bismuth, and lead results. Drill coverage on 500m to 1000m spaced lines and 100m to 200m spaced holes, is currently too broad to adequately define the mineralized corridors and planning for additional infill AC drilling is underway.

NQ diameter diamond core holes logged and sampled at nominal 1 metre intervals adjusted to geological boundaries (min. 0.3m, max. 1.5m). Half core samples cut and dispatched to Genalysis Laboratory in Perth. Entire samples were crushed with ~1.2kg of sample pulverised and subsampled. Analysis for Cu, Pb, Zn, Fe was by 4-acid digest with AAS finish (0.01% d.l.); Ag was by 4 acid digest with MS finish (0.2g/t d.l.); Au was by 50 gramme fire assay with AAS finish (0.01g/t d.l.). Certified precious and base metal standards plus blanks were also submitted for analysis. Geological boundary of massive sulphide used to define massive sulphide intervals, and lower cut-off grade of 1.0% Cu was used to define reported stringer intervals.

Reverse circulation drill holes were logged and sampled at 1 metre intervals for mineralized zones and sampled at 3m for un mineralized zones. All samples were riffle split and dispatched to Genalysis Laboratory in Perth. Whole samples were crushed, pulverised & subsampled. Analysis for Ag, As, Ba, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, k, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sn,, Sr, Te, Ti, V, W, Zn, was by 4-acid digest with Inductively Coupled Plasma Optical Emission Spectrometry finish. Au was by 50 gramme fire assay with AAS finish (0.01g/t d.l.). Certified precious and base metal standards were also submitted for analysis.

Air core drill holes logged and sampled at 1 metre intervals for mineralized zones and sampled at 4m for un mineralized zones. All samples were collected via a scoop and dispatched to Genalysis Laboratory in Perth. Whole samples were crushed, pulverised & subsampled. Analysis for Ag, As, Bi, Cu, Ni, Pb, Sb, Zn, was by Aqua Regia digest with Flame Atomic Absorption Spectrometry (AAS) finish. Au was by an Aqua Regia Digest and Graphite Furnace Atomic Absorption Spectrometry (ETA) finish Certified precious and base metal standards were also submitted for analysis.

CORPORATE

Cash and Debt

The cash and cash equivalents balance at 30 September 2010 was \$35.8 million.

At 30 September 2010 interest bearing liabilities were \$4.1 million, bank debt was nil,

and the outstanding balance of the prepaid silver hedge was 681,403 ounces. The interest bearing liabilities are comprised of equipment lease finance contracts.

Table 5: Jabiru Hedgebook as at 30-Sep-10

	Unit	FY2011		FY2012		Total
		H1	H2	H1	H2	
Metal Positions						
Copper						
US\$ sold forward contracts	tonnes	1,500	2,500	850	-	4,850
Average Price	US\$/t	6,862	6,612	6,636	-	6,693
Zinc						
US\$ sold forward contracts	tonnes	2,150	3,875	3,100	2,375	11,500
Average Price	US\$/t	2,118	2,102	2,040	1,961	2,059
Silver						
US\$ silver forward contracts	oz	145,035	187,209	195,893	153,266	681,403
Average Price	US\$/oz	19.51	19.54	19.54	19.54	19.53
Currency (A\$:US\$)						
A\$ call/US\$ put options						
US\$	US\$	9,000,000	21,000,000	11,500,000	8,000,000	49,500,000
Weighted average	A\$:US\$	0.947	0.941	0.907	0.907	0.928
A\$:US\$ rate	A\$:US\$					
A\$ Collars						
Bought A\$ call options	US\$	5,000,000	7,000,000	9,500,000	10,000,000	31,500,000
Sold \$A put options	US\$	4,000,000	5,000,000	9,500,000	10,000,000	28,500,000
Bought A\$ call strike	A\$:US\$	0.887	0.872	0.905	0.915	0.898
Sold \$A put strike	A\$:US\$	0.734	0.693	0.736	0.773	0.740
A\$ forward contracts						
US\$	US\$	5,000,000	3,000,000	1,000,000	2,000,000	11,000,000
Weighted average	A\$:US\$	0.880	0.867	0.856	0.841	0.867

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Neil Martin who is a member of the Australian Institute of Geoscientists and is a full-time employee of the Company. Mr Martin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources & Ore Reserves'. Mr Martin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Ore Reserves and Production Results are based on information compiled by Scott Donaldson who is a member of the Australian Institute of Mining & Metallurgy and is a full-time employee of the Company. Mr Donaldson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources & Ore Reserves'. Mr Donaldson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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BENTLEY ORE RESERVE – September 2010

Ore Reserve Estimation Parameters

	The Ore Reserve was estimated using an incremental nett smelter return (NSR) diluted cut off of A\$90/tonne for HMS feed and A\$ 143/tonne for massive direct feed estimated on a 'free of bills' (FOB) basis at the 'mine gate' and has taken into account commercial factors relating to:
Net Smelter Return	<ul style="list-style-type: none"> ▪ Metal price; ▪ Foreign exchange; ▪ Treatment and refining charges; ▪ Transport costs; ▪ Royalties, and ▪ Process recoveries
NSR Metal Values	The metal prices used in estimating the NSR value were US\$ 7,500 per tonne of copper metal, US\$ 2,200 per tonne of zinc metal, US\$ 1,200 per ounce of gold and US\$17.10 per ounce of silver.
Foreign Exchange Rate	USD = 0.79 AUD
Minimum Mining widths	2m
Stope dilution	0.5m in both hanging wall and foot wall
Site costs	Based upon current Jaguar Mine operating costs
Metallurgical performance	As per table 4 in main document, based upon full testing regime assuming the use of the Jaguar concentrator
Further work	JML is currently drilling further holes into the Bentley deposit to extend the resource down-dip and along strike. Further metallurgical test work is scheduled to be carried out on the samples gained.

JAGUAR ORE RESERVE – July 2010

Ore Reserve Estimation Parameters

	The Ore Reserve was estimated using an incremental nett smelter return (NSR) cut off of A\$ 64/tonne and a full NSR of \$140/tonne estimated on a 'free of bills' (FOB) basis at the 'mine gate' and has taken into account commercial factors relating to:
Net Smelter Return	<ul style="list-style-type: none"> ▪ Metal price; ▪ Foreign exchange; ▪ Treatment and refining charges; ▪ Transport costs; ▪ Royalties, and ▪ Process recoveries ▪ The fact that a large portion of the reserve is already fully developed
NSR Metal Values	The metal prices used in estimating the NSR value were US\$7,500 per tonne of copper metal, US\$ 2,200 per tonne of zinc metal, and US\$17.10 per ounce of silver. Gold credits were not considered for Jaguar copper concentrates.
Minimum Mining widths	Ore drives reduced to 3m where ore body < 2m width
Stope dilution	0.5m in both hanging wall and foot wall except for specific areas where a graphitic shear causes dilution to be increased to 1m in the hanging wall of the hanging wall stopes
Site costs	Based upon current Jaguar Mine operating costs
Metallurgical performance	As per table 4 in main document, based upon performance of project to date.
Mining Methods	Variable but based upon modified up-hole benching retreat
Pillars & ground support	Rib pillars assumed to be 1:1 profile, full height, ground support based upon current practise. Footwall stope sizes do not allow for pillars due to the relatively short strike extent. Regional crown/sill pillars have been allowed at 40 m vertical intervals.

STOCKMAN PROJECT MINERAL RESOURCES AS AT 1 JULY 2010

Mineralisation Type	Classification	Tonnes	Cu %	Zn %	Pb %	Ag g/t	Au g/t
Currawong Resource (September 2009)							
Massive	Indicated	8,269,000	2.0	4.3	0.8	42	1.1
Massive	Inferred	475,000	2.0	4.7	0.9	41	1.2
Stringer	Indicated	283,000	2.3	2.5	0.2	21	0.8
Stringer	Inferred	146,000	1.4	1.2	0.4	23	1.1
Total Currawong Underground Resource		9,173,000	2.0	4.2	0.8	41	1.1
Wilga Resource (September 2009)							
Massive	Indicated	2,302,000	2.6	6.2	0.5	35	-
Massive	Inferred	10,000	1.5	6.9	0.7	40	-
Stringer	Indicated	529,000	2.3	3.0	0.3	23	-
Stringer	Inferred	487,000	1.8	0.8	0.1	14	-
Total Wilga Underground Resource		3,328,000	2.4	4.9	0.4	30	-
Currawong & Wilga Resource							
Massive & Stringer	Indicated	11,383,000	2.1	4.6	0.7	39	-
Massive & Stringer	Inferred	1,118,000	1.8	2.6	0.5	27	-
Total Stockman Resource		12,501,000	2.1	4.4	0.7	38	-

STOCKMAN PROJECT - CURRAWONG & WILGA RESOURCES

Mineral Resource Estimate Parameters

Geological setting	Currawong and Wilga are V(H)MS style deposits, occurring as polymetallic (pyrite-sphalerite-chalcocopyrite) massive sulphide lenses within a volcano-sedimentary succession. Wilga is a single stratabound lens whereas Currawong comprises multiple stratabound lenses with a series of faults offsetting and stacking the lenses. Wilga has been mined previously but Currawong has not.
Drilling techniques	Principally diamond drilling with the exception of several RC precollars drilled by Denehurst and Austminex. None of the RC samples have been used in the resource estimates. The surface diamond drilling is a mixture of HQ, NQ and BQ core sizes, with BQ occurring only in the older WMC holes. The underground holes at Wilga were drilled LTK46 ($\varnothing = 35.6\text{mm}$)
Drillhole Spacing	Diamond drill coverage at Wilga is on a nominal 25x25m pattern and at Currawong is on a nominal 50mx25m pattern. Minimum hole spacing ~10m and maximum hole spacing ~70m. Some holes were twinned in the 2008 drilling campaign
Drillhole Collar Positions	Most historic drillhole collar positions were surveyed by licensed or company surveyors. The 2008 drillhole collar positions were located using RTK GPS equipment. All resource work has been conducted on local grids
Drillhole directional control	Dip and Azimuth readings – generally good quality surveys using downhole camera shots at about 30m intervals
Geometry of intercepts	Surface drilling intersects the massive sulphide lenses almost perpendicular to the lens orientation at both Currawong and Wilga. The underground fan drilling at Wilga has some intercepts that are almost dip parallel. Some sample bias will occur in the Wilga deposit due to this fan drilling orientation but most of the affected area has already been mined and is excluded from the resource estimate.
Sampling techniques	Mostly sawn half-core samples of NQ, BQ and LTK46, or quarter-core samples of HQ varying in length up to 1m in the massive sulphide and adjusted to geological boundaries. Some quarter-core NQ samples by Austminex where core was needed for metallurgical testwork. All massive sulphide intercepts have been sampled
Data spacing and distribution	The data spacing and distribution is more than sufficient to establish geological and grade continuity appropriate for the Mineral Resource estimation procedure and classification applied
Sample preparation and assaying	All samples were crushed and a sub-sample pulverised followed by three or four acid digest with AAS or ICP determination. All samples apart from the WMC samples were prepared and analysed at independent laboratories. The assay techniques are for total digestion of the sulphides and are considered appropriate for this type of mineralisation. Lower detection limits were to 0.01% for Cu, Pb, Zn and to 1ppm for Ag
Audits or reviews	The Stockman database was rigorously checked during a data compilation and validation stage in 2008. Routine quality assurance checks were run on the samples and assays from the 2008 drill program.
Sample compositing	1m downhole composites with length and density weighting, face sampling at Wilga was not used for grade interpolation in the 2009 model
Density	Many samples had measured densities using either water immersion or air pycnometer techniques. For those samples with no density measurement, a calculated density was applied to the sample. The assays for Cu, Pb, Zn and Fe were compared with the measured densities and a power regression curve developed for each deposit. Densities were used in the sample compositing
Quality Control procedures	In comparison with modern requirements, minimal quality control procedures were adopted by companies completing the drilling programs before Jabiru (eg. inclusion of only 17 field standards, 62 duplicates, 84 external laboratory checks in total). This shortfall was recognised by Jabiru and more rigorous check sampling programs were implemented. Quality control procedures in the 2008 drilling program by Jabiru included the insertion of standards, blanks, duplicates and cross-lab checks. The check samples allowed detection of low order sample contamination at the laboratory during the sample preparation stage and subsequent change in procedures for preparation of Jabiru samples (insertion of barren flushes between samples), along with a positive bias in Zn assays using the ICP/OES technique (up to 10% higher than anticipated Zn grades). This technique is under review currently with an alternate technique being tested at Genalysis, and may involve re-assaying all 2008 anomalous samples again for Zn. Other elements analysed are within acceptable limits. Results from duplicate sampling indicate that stringer zone Cu has poor repeatability. Repeatability is moderate to good for most other elements.
Drill sample recovery	Core sample recovery was good to excellent. Some lost core intervals have been recorded, particularly where structures such as faults or underground workings (Wilga) were intersected by the drilling. These intervals do not affect the resource estimate.
Geological logging and photography	Holes were logged and photographed by the various companies completing the drilling programs. Some core has been photographed both wet and dry. Geological logging is adequate for resource estimation.
Geological interpretation	Confidence in the geological interpretation for Wilga is high, with the mineralisation and geological setting being simple and the availability of underground drilling, mapping and plans confirming the interpretation. Currawong is more structurally complex and whilst confidence in the geological interpretation is good, there is room for improvement with more drilling and further data review required to firm up some of the finer detail. Both deposits have been modelled using the massive sulphide as the main geological constraint. The main factors controlling continuity at Currawong are a series of post-mineralisation faults which are interpreted as disrupting the lenses.
Dimensions	Currawong (Main Lens) is about 300m long, 240m wide (down-dip), up to 35m thick and located 100-300m below surface. Wilga is about 400m long, 220m wide (down-dip), up to 35m thick and located 50-150m below surface
Estimation and modelling techniques	Ordinary kriging was used for grade estimation utilising Surpac software. Search parameters were based on variogram models for each element. Grade estimation was constrained to the massive sulphide lens and stringer sulphide lens wireframes. At Wilga, high grade portions of the Cu and Zn mineralisation were dominated to reduce smearing of high grades throughout the lens. Bulk density cell values were interpolated as for the other elements. A 5m waste envelope for both deposits, using inverse-distance-squared grade estimation techniques and 1m composites, was applied to each block model. Grade estimation for Au at Wilga may not be reliable due to a paucity of Au assays in the historic sample data.
Block modelling	Currawong 10mX, 10mY, 10mZ cell size with subcelling to 1.25m in all directions. Wilga 5mX, 5mY, 5mZ cell size with subcelling to 1.25m in all directions. Wilga parent cell size smaller reflecting closer-spaced drilling in the underground region of the deposit
Moisture	Tonnages have been estimated using densities some of which were dry (those analysed at external laboratories) and others that contained natural moisture. The natural moisture of the Stockman massive sulphides is typically low (<0.5%).
Cut-off grades, top-cut grades	No cut-off grades have been applied to the massive sulphide but cut-off grades were applied to help delineate stringer mineralisation. These cut-off grades were 0.5% Cu or 2% Zn. Mild top-cut grades have been used (Currawong massive sulphide 10% Cu, 8% Pb, 240g/t Ag, 10g/t Au, no top-cut for Zn; Currawong stringer sulphide 7% Cu, 3% Pb, 12.5% Zn, 115g/t Ag, 10g/t Au; Wilga massive sulphide 26% Cu, 4% Pb, 31% Zn, 110g/t Ag, 2.6g/t Au; Wilga stringer sulphide 17% Cu, 3.5% Pb, 20% Zn, 120g/t Ag, 1.3g/t Au). A geological constraint (the massive sulphide zone) has been used as it is stable and will not vary over time, unlike cut-off grades. Mineralisation within the massive sulphide and stringer lenses has been reported.
Mining and metallurgical assumptions	No assumptions about mining method, minimum mining width or internal mining dilution have been made. Similarly, no assumptions about metallurgical treatment processes and parameters have been made
Previous mine production	Wilga has been mined previously and the mining volume has been removed from the resource estimate using the available void wireframes plus some wireframes prepared to excise volume considered to have also been mined out
Classification	Classification was based on sample density and confidence in the geometry of the lenses. Most of the massive sulphide in both deposits was classified as Indicated. Stringer sulphide was classified as indicated or inferred. Where the sample density was 50x50m or less the resource was classified as Indicated, where the spacing was greater than 50x50m the resource was classified as Inferred
Tenement and land tenure status	Currawong and Wilga are located within EL5045, a granted tenement held 100% by Jabiru. The exiting tenure was determined to not have triggered Native Title requirements. The existence of Native Title over any future Mining Lease is not yet determined. The tenement is located on crown land administered by the Department of Sustainability & Environment. The area is rugged and heavily forested with no significant heritage sites identified. No significant impediments are believed to exist
Audits or reviews	A mini review was completed on the Wilga block model by McDonald Speijers in 2009, some recommendations were made and no serious flaws detected. This review was initiated because the new block model for Wilga contained a lower Cu grade than previously modelled.
Further work	Further drilling is warranted at Currawong, to confirm the geometry and continuity of some of the smaller lenses, and at Wilga to reduce the sample spacing and confirm continuity up and down-dip.