


**QUARTERLY REPORT  
FOR THE QUARTER  
ENDING 30 March 2009**

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**ASX Code: TTR**

**Highlights****1. PHILLIPS RIVER PROJECT****1.1 Trilogy**

- Metallurgical testwork progressed to near completion
- Pit optimisations completed
- Parameters for appropriate water storage and tailing storage facilities determined and provisional designs adopted and costed
- Preliminary scoping level capital cost estimates determined for the various processing options
- Power Study options considered with diesel/wind system being evaluated as a cost effective alternative

**1.2 Kundip**

- Field mapping/geochemical soil sampling ongoing
- Environmental Approvals granted for exploration drilling
- Pit optimisations carried out on all resources.
- Underground design and costing work completed
- Drill planning
- Lodgement of Applications to DMP for approval to toll mill surface stockpiles.

**2. RAV8 JOINT VENTURE**

- Desk top work progressing

**3. CORPORATE**

- Divestment of shareholdings in public companies commenced. Value of remaining stock at end of quarter estimated to be \$1.26million
- Cash Balance increased \$150K to \$920K at end of quarter.

## **1. PHILLIPS RIVER PROJECT**

(Tectonic Resources NL 100%)

The company is nearing the completion of a scoping study aimed at defining the broad project parameters for the Phillips River Project from which a more detailed definitive feasibility study will be progressed during the forthcoming 9 months.

The number of options contemplated during this scoping process has exceeded that initially contemplated as a result of fluctuations in commodity prices and the flow of metallurgical data as received from Trilogy testwork during the previous 5 months.

This work has delayed the release of the final results to the current quarter. Whilst time has been lost, the additional knowledge and understanding gained has been invaluable in defining a more robust outcome.

### **1.1 Trilogy: Cu, Pb, Zn, Au, Ag**

Work on the Trilogy deposit during the quarter comprised;

- Metallurgical testwork

Additional testwork on poly metallic sulphide material continues to indicate that copper metallurgical performance is relatively unaffected by ore type. Further to this Lead and zinc/lead bulk concentrates have been demonstrated to be able to be produced from the lead and zinc rich portions of the fresh poly metallic sulphide deposit.

Metallurgical tests have confirmed high cyanide extractions of gold and silver from the Au/Ag floatation concentrates produced from the oxide zone.

Metallurgical testwork has now focused on variability testing on confirming the applicability of the treatment regimes developed to date across most of the zones of the deposit i.e. variability testing.

The application of the knowledge gained through testwork to date to extracting more value from the refractory transitional poly metallic zone is under way.

- Mining parameters determined and optimisations undertaken

Various studies were completed during the quarter relating to major inputs into the mining study including geotechnical reviews of drill cores for the purposes of pit slope design. Various simulations were carried out utilising variable recovery parameters and commodity prices to determine optimal pit shapes for incorporation into the scoping study.

- Parameters for appropriate water storage and tailing storage facilities determined and provisional designs adopted and costed.

Engineering reports were completed to evaluate optimal configurations for water storage and tailings storage facilities for the project. Preliminary capital cost estimates were established.

- Preliminary scoping level capital cost estimates determined for processing options, utilising identified second hand plant.

An independent engineering group provided preliminary capital and operating cost estimates for a processing plant with an initial throughput capability of up to 800,000tpa of gold and copper ores.

- Power Study options considered with diesel wind system being evaluated as a cost effective alternative

Power costs have been identified as a principal cost driver for the project. The project location in relation to established electricity grids and surplus capacity renders the project an islanded power provider i.e. the project power demand must be satisfied by the entity requiring the power. Evaluations into various alternatives for power generation have been undertaken to establish to the lowest cost alternative.

Wind power, as a supplement to diesel generation, is seen as a potential opportunity to generate power at a low overall cost. Wind power is already an important component of regional power generation capability. (I.e. Hopetoun- 1.2MW wind diesel system, Esperance 5.6MW wind gas system, Albany 21.6 MW wind- SWIS grid connect).

A wind monitoring tower was installed adjacent to the proposed location of the processing plant to establish an overall wind profile from which accurate estimates of to what extent wind can be utilised as a power source. A 12 month data gathering period is contemplated to provide adequate confidence in estimating the viability of the resource.



*FIG 1- Wind Tower Erection- Trilogy*

## **1.2 Kundip Au-Cu**

Work undertaken at Kundip during the quarter included

- Regional soil sampling and mapping of various areas of interest aimed at expanding the gold and copper resource and knowledge base of the area.
- Environmental Approvals granted for exploration drilling

The company provided ongoing information to the Department of Minerals and Petroleum (DMP) and Department of Environment and Conservation (DEC) in order to facilitate approval for drilling programs currently under way.

- Pit optimisations carried out on all resources.

As part of the scoping study various pit optimisations were carried out on each of the resource areas to determine the most practical and most profitable outcomes.

- Underground design and costing work completed

Commensurate with the pit optimisation work, revisions on previous underground studies have been undertaken to ensure the integrity of designs is appropriate given resource revisions and new proposed pits. Work on revising cost assumptions has been undertaken based on new designs and appropriate escalation parameters.

- Lodgement of Application to DMP to allow Toll milling of surface stockpiles

The company has identified a readily available surface gold resource comprising stockpiled ore from mining of the Kaolin trial pit and various surface shaft collars and remnant leach pads on the mining tenements at Kundip. The size of the available resource, ranging from 10,000t to 30,000t, is highly grade dependent, with grades varying from potentially 4g/t down to 2g/t. These dumps have been determined as being viable should a treatment facility be readily available and able to treat the ore. Such a facility has been identified approximately 2kms north of the Kaolin pit.

The company has during the quarter successfully negotiated an agreement with the owner of the facility, carried out the appropriate engineering and environmental assessments and lodged the relevant applications to the Department of Mining and Petroleum (DMP) to allow mining and milling of these stockpiles to commence. At the time of writing approval had not yet been received.

This proposal provides a conduit to making an immediate return with minimal cash outlay.

## **2. RAV 8 NICKEL PROJECT**

(Tectonic Resources NL 100%, Mincor earning 80% upon expenditure of \$5 million in 3 years)

Mincor have continued evaluation of the project with desktop studies of geochemical data resulting from previously completed drilling being undertaken.

## **3. CORPORATE**

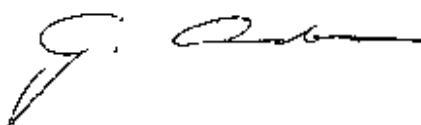
The company has commenced divestment of shares held in various public companies.

As at the end of the quarter the remaining interests were:

Silver Lake Resources-	1,666,667 shares (ASX:SLR)
ATWGold-	700,000 shares
	2,250,000 warrants exercisable at 0.79CAD

As at the end of the quarter the estimated aggregate value of these shares was \$1.26 million.

Yours faithfully



**Graham Anderson**  
**Company Secretary**