Composite Assays RC Drilling

Redcliffe Project – Leonora WA

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Highlights

- Pacrim has received assays of 5 metre composite samples from the Golden Terrace South gold resource area that include;
  - 46 metres @ 2.74g/t
  - 20 metres @ 3.47g/t, inc
  - 5 metres @ 13.50g/t gold
- Twelve RC holes drilled were aimed at testing a reviewed interpretation of gold mineralised zones.
- The recognition of the potential for an additional zone of supergene grade enhancement of the steep dipping mineralised structures has the potential to add considerable near surface ounces to the existing resource estimation.
- Integration of the final, single metre split assays into the database will enable reinterpretation of mineralisation outlines.
- Three RC holes were also drilled to test previous RAB at the Nambi Nickel prospect with 5 metre composite samples results showing a broad zone of 65 metres down-hole averaging 0.48% nickel.

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INTRODUCTION

Pacrim's prime operating focus has been identifying an inventory of gold resources at the Redcliffe Project. The Company is investigating the alternative of accelerating development of the Golden Terrace South gold resource and is carrying out scoping studies and associated test work including further RC drilling.

Compilation of regional nickel data from previous drilling has indicated substantial nickel prospectivity within the Redcliffe Project. Interpretation of magnetics shows a major regional trend of prospective ultramafic rocks with over 20 kilometres strike within Pacrim's tenements.

Golden Terrace South – Gold Resource

The current resource estimate for Golden Terrace South (as announced in July 2008) is 416,000 tonnes @ 3.3g/t gold, for 44,000 ounces (Indicated & Inferred). Subsequent drilling (detailed in the June Quarterly report) has demonstrated that the mineralised zone continues significantly at depth and to the south and remains open in those directions. The upper zones of the Golden Terrace South resource are relatively near surface, highly weathered, supergene in nature, and potentially amenable to open pit mining.

A re-interpretation of the mineralised zones is being undertaken to include drilling information not available at the time of the existing resource estimation. Additional geological and geochemical information has been reviewed and suggests the possibility of a substantial additional supergene zone being present that has the potential to expand the current resource.

The recent RC drilling programme consisting of 12 holes for 726 metres was aimed at firming up information on the re-interpretation and on critical areas of the resource. These include high metal content zones and areas with the potential to add near surface ounces.

Golden Terrace South RC 5m Composite Assays Significant intercepts (+20g.m)

HOLE	EAST	NORTH	AZ/DIP	FROM	TO	INTERCEPT G/T GOLD
GTRC136	357521	6838460	270/-60	35	71	36m@ 1.16
GTRC138	357516	6838440	270/-60	20	30	10m@ 2.50
GTRC138				40	65	25m@ 1.41
GTRC140	357513	6838400	270/-60	20	40	20m@ 1.92
GTRC142	357519	6838360	270/-60	25	71	46m@ 2.74
GTRC144	357500	6838300	270/-60	30	50	20m@ 3.47
GTRC144				40	45	inc 5m@ 13.50
GTRC144				60	80	20m@ 1.31
GTRC145	357540	6838240	270/-60	55	100	45m@ 1.52

Co-ordinates in GDA94 Zone51. Analysis by KalAssay by fire assay.

The re-interpretation will also seek to separately identify higher grade gold zones for possible trucking and toll treating, with the lower grade material to be considered for low cost, on site treatment (such as heap leach).

Samples of selected mineralised intervals submitted to an umpire laboratory showed reasonable correlation with previous fire assay results. Leaching tests on pulverized samples from the above the transition zone gave recoveries ranging from 90 to 100 per cent.

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Nambi Nickel Prospect

Compilation of regional nickel data from previous drilling and interpretation of magnetics shows a major regional trend of prospective ultramafic rocks with over 20 kilometres strike in Pacrim's Redcliffe tenements.

Pacrim's previous RAB drilling on a single traverse across the Nambi Nickel prospect highlighted indicated significant nickel potential, yielding results including 12 metres @ 0.86% Ni, which included 6 metres @ 1.02% nickel.

Three RC drill holes were drilled across the traverse confirming a 75 metre wide zone of elevated nickel (+1000ppm) in ultramafic lithologies. Results form 5 metre composite samples include a 65 metre down-hole intercept averaging 4.8% nickel. Petrological examination of selected RC drill chips is currently being undertaken.

(Hole details, NBRC093, Coords 359820E, 6850170N, Dip/Az 270/-60 from 10m to 75m, 65m @ 4.8% nickel. Co-ordinates in GDA94 Zone51. Analysis by KalAssay by ICP using 4 acid digest.)

BACKGROUND

Pacrim's 100% owned Redcliffe Project is located in the north eastern Goldfields of Western Australia, 10-90km from Leonora. The Project covers approximately 65 kilometres of strike length of the Mertondale Shear Zone along with parallel and associated structures. An estimated 400,000 ounces of gold has been produced from the Mertondale Shear Zone from historic mines and pits that operated in the 1980s and 1990s. These include the shallow Nambi and Redcliffe pits that produced in excess of 90,000 ounces from within the Pacrim project tenements.

The Company's Redcliffe Gold Project exploration led to the initial resource estimate of 151,000 ounces of gold, (consisting of an Indicated Resource of 385,000 tonnes @ 3.42g/t and an Inferred Resource of 1,678,000 tonnes @ 2.0g/t), with the Board confident of increasing the figure through further exploration.

The resources are headed by the Golden Terrace South deposit, which totals 44,000 ounces of gold (consisting of an Indicated Resource of 113,000 tonnes @ 3.7g/t and an Inferred Resource of 302,000 tonnes @ 3.2g/t) which is based entirely on Pacrim drilling since discovery where no past mining has been carried out.

RC drilling has previously returned intercepts of 24m @ 12g/t and 9m @ 15g/t gold from the weathered zone. Deeper RC drilling has returned intercepts including 23m @ 4.23g/t and 25m @ 3.97g/t gold in the primary zone indicating considerable depth potential.

The identification of nickel sulphide potential over a 20km strike length trend of ultramafics considerably enhances the exploration scope of the Redcliffe Project.

Rodney Foster (BSc Geology)

Managing Director

The information in this report, as it relates to Exploration Results and Resource Estimates, is based on information compiled and/or reviewed by Rodney Foster who is a Member of The Australasian Institute of Mining and Metallurgy. Rodney Foster is the Managing Director of the Company. He 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 and Ore Reserves". Rodney Foster consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.