

ACTIVITIES REPORT - SEPTEMBER QUARTER 2009

Summary

- Truscott continued with the systematic assessment and development of the primary exploration Project areas; Westminster, Lyall, Hera, and Olympus (Figure 1) in the Tennant Creek Mineral Field.
- The final review of the Westminster Project was completed prior to the initiation of the resource delineation drilling program, now scheduled for commencement mid November 2009.
- First pass recognisance ground work was undertaken at the Explorer Project, within the remote Northern Territory, northwest of Kununurra.
- An interim fund raising of \$550,000 was initiated to facilitate early start up of resource delineation drilling at Westminster whilst options for larger scale capital inputs to support a comprehensive drill out are being advanced.

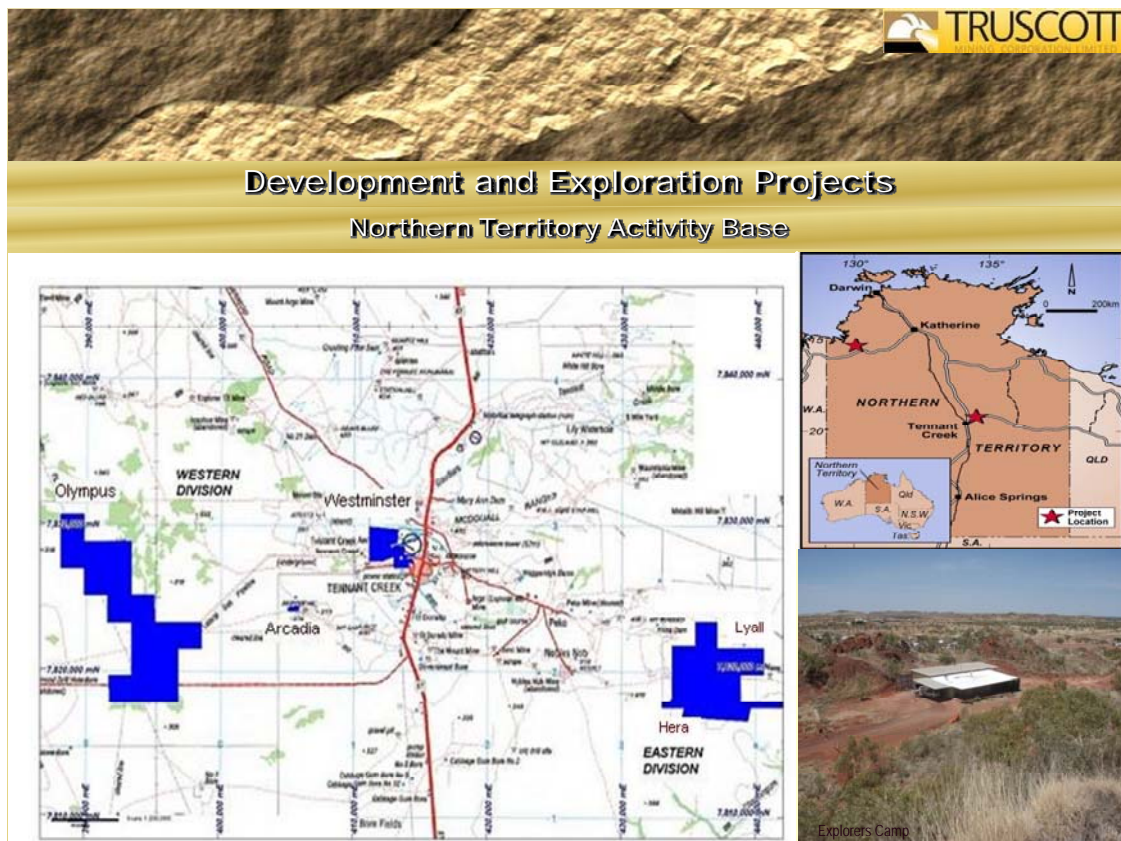


Figure 1. Exploration Activity Centres- Northern Territory



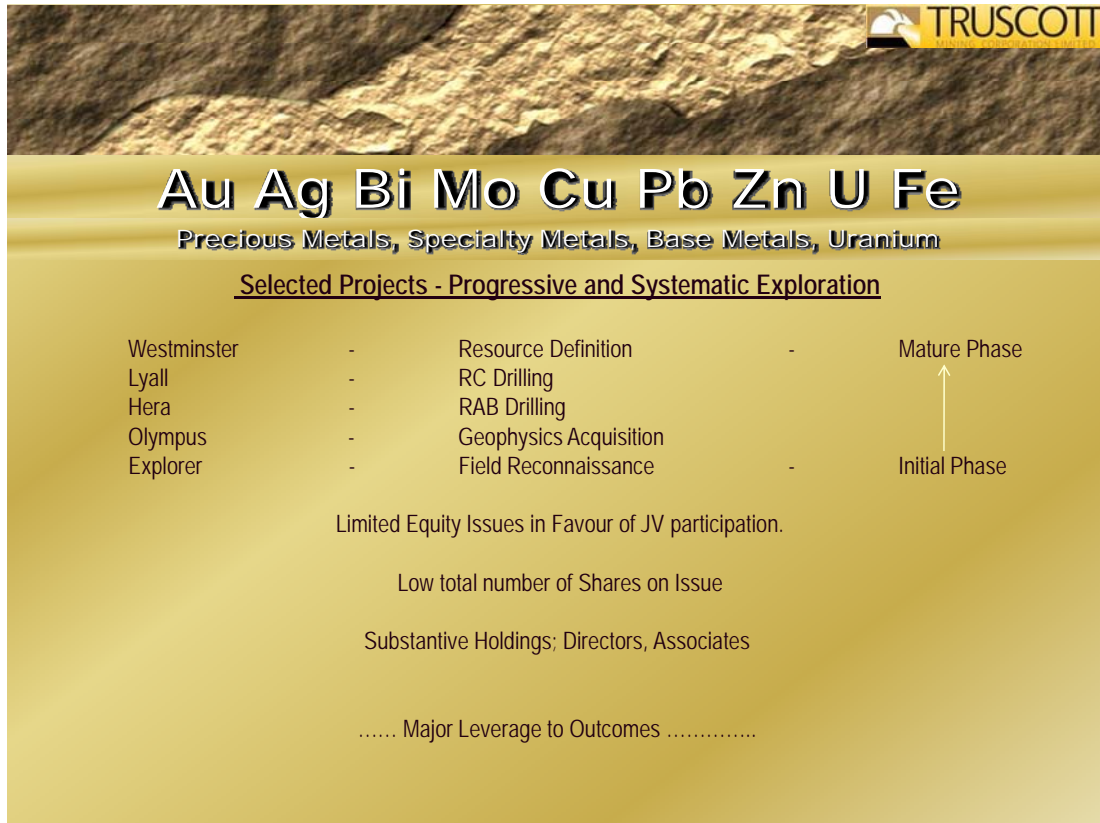


Figure 2. Summary of Project Development Status

Truscott is currently seeking to minimise the issue of additional equity in favour of JV participation as a means of maintaining the company shareholders’ position of being the most highly leveraged to exploration success in the Tennant Creek gold field (Figure 2).

TENNANT CREEK GEOSYNCLINE – Lower Proterozoic

Poly-Metallic (Au, Ag, Mo, Bi, Co, Cu, Pb, Zn, U, Fe) Systems

Strategic Tenement Holdings

For logistical reasons the company is focusing its exploration effort in a 25km radius of the Tennant Creek Township. Within the area of focus two underground operations, Peko and Juno stand out, with past and present publicly reported inferred and indicated resource tonnages for each deposit in excess of 3 million tonnes.

The application of the company’s structural modelling has enabled identified primary targets that exhibit congruent structural settings to major deposits in the Tennant Creek Mineral Field. These targets fall at the intersections of the axis of major anticline and syncline folds and interaction with shearing corridors.

Westminster Project

(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 and now encompasses an area of 5.96 km². The project covers an area that 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 historical mining leases along a line of strike. The project covers more than 1.4 kilometres strike length of mineralised ironstone outcrop and sub-crop containing these historical shallow high grade gold workings. The project site is extremely favourably located with all major service connections and the local airport located within 500 metres.

The plunge direction for the mineralisation at Westminster has been determined using detailed structural analysis and three dimensional modelling (Figure 3) of the mineralised shoots.

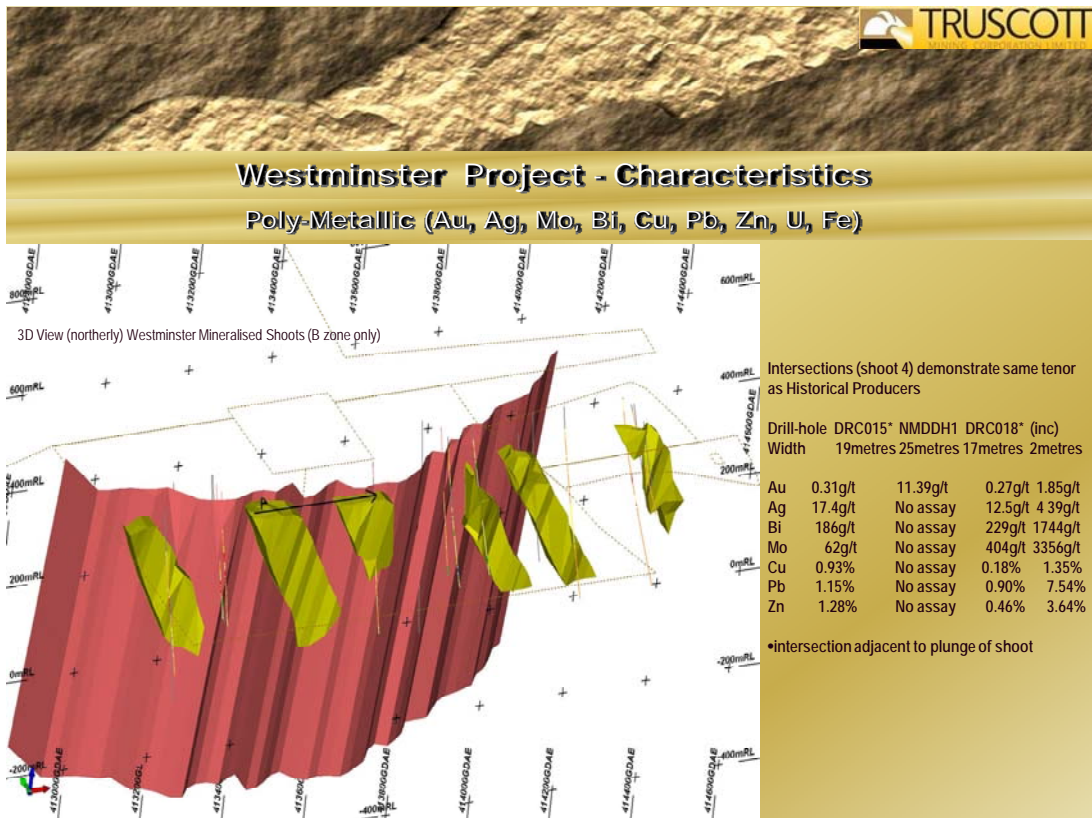


Figure 3. 3D View (northerly) Westminster Mineralised Shoots (B zone only) (Interpreted mineralised shoots in yellow solids, Porphyry sediment contact brown surface)

Mineral Shoots

The transform section (Figure 4) is an orthogonal view to the direction of plunge that shows the full length of the mineralised zone.

The upper Zone A of the mineralised array was recovered by artisan miners between the 1930’s -1960’s.

The middle Zone B is intersected by historical drilling as well as Truscott's more recent drilling. Valuable mineralisations have been intersected over a down plunge distance of approximately 200 metres. It is clearly evident on the transform section that approximately 100 metres of down plunge length remains untested between the defined mineralisation and surface.

The next round of drilling will target extensions to the known mineralisation and will be orientated to the plunge direction (060° - 240°) as indicated on the plan of Figure 4.

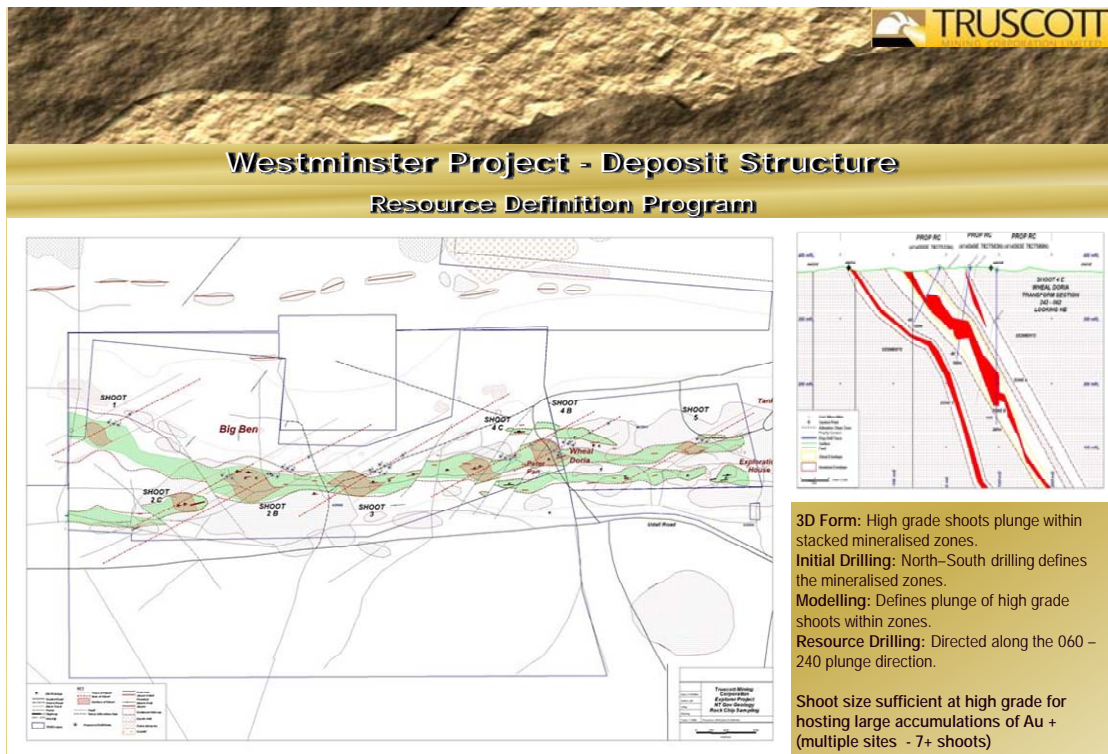


Figure 4. Plan showing Mineralised Shoots, Westminster Project

During the September quarter a final on ground review of the Westminster Project was undertaken and the collar positions for the first phase infill drilling program located as indicated in Figure 4. Drilling which is now scheduled for mid November will be initiated in the better defined near surface zones of poly-metallic mineralisation and then stepped out to drill the deeper zones down plunge. Typically the field exhibits strong mineral zoning with a transition to higher gold grades below copper and base metal zones.

Lyll & Hera Projects

(Truscott: EL23897 (90%), EL25497, EL25577, EL26122 (all 100%))

The Lyll and Hera Projects are located 20 kilometres east of the Tennant Creek Township.

The gravity image (Figure 5) shows the interpreted location of the anticlinal fold axis associated with the Lyll and Hera projects.

Mapping at Lyll identified an ironstone outcrop pattern with a central zone of alteration over a length of greater than a kilometre. The geometry and structure mapped at Lyll are consistent with a zone of dilation.

Ground reconnaissance at Hera has confirmed that the target zone is under substantial coluvium and target definition will therefore be significantly dependent upon the success of geochemical and remote sensing work programs.

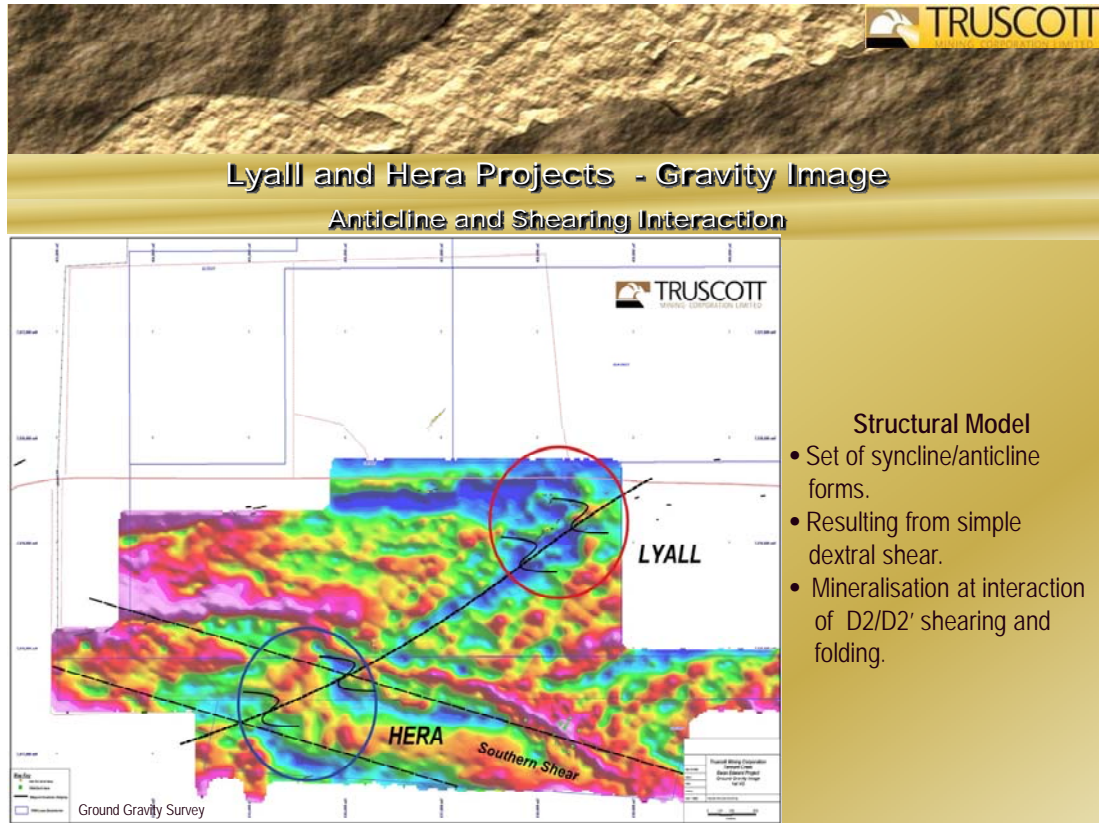


Figure 5. Detailed Ground Gravity Image at Lyall & Hera Projects

During the June quarter Rotary Air Blast (RAB) drilling was completed at Lyall to confirm geological concepts and to assist in the planning for a deeper RC drilling program to follow. Fifty four (54) holes were drilled for a total of 2118 metres.

The drill grid for the program is shown on the gravity image (Figure 6). A cross section along drill line A-A (top inset) shows an extensive iron oxide unit that is developed within the axis of an interpreted anticline.

The iron oxide unit returned highly anomalous bismuth and copper (maximum values 3m @ 634g/t Bi, 46g/t Cu) on the northern limb of the anticline. The mineralisation remains open to the west.

Mineralisation throughout the field is commonly zoned with bismuth and copper enrichment occurring above significant concentrations of gold mineralisation.

During the September quarter a further thirty eight holes were drilled for a total of 2393 metres of RAB drilling at Lyall and Hera. The analysis of the results has not yet been completed.

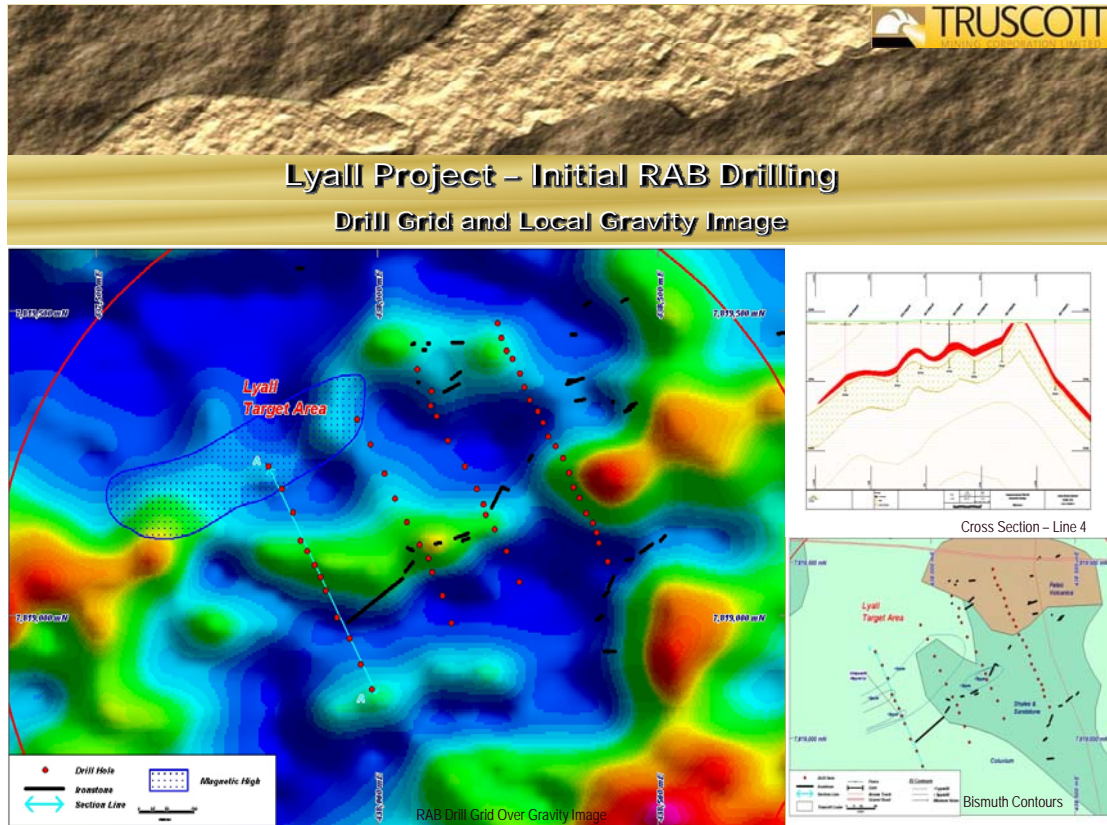


Figure 6. Confirmation of Mineralisation at the Lyall Project

Olympus

(Truscott – EL 27145 100%)

The Olympus Project is located 25km to the West of the Tennant Creek Township within Tenement EL 27145. The transfer of the tenement holding (100%) to Truscott is in process.

The target zone has been interpreted as an intersection between a syncline and the southern shear zone (Figure 7). Regional airborne magnetic data (bottom inset) and radiometric data identify the target zone.

Previous explorers completed vacuum RAB drilling in the general area that identified weak gold and copper anomalism (Figure 7).

During the September quarter site clearance work was completed over the zone of interest and an AAPA clearance certificate issued for future exploration and mining activities.

The tenement is now ready for the first phase of exploration work. A detailed ground based gravity survey is planned to cover the target area shown in the top inset of Figure 7. The gravity data will provide structural information that will be used to better target gold mineralisation developed in the area.

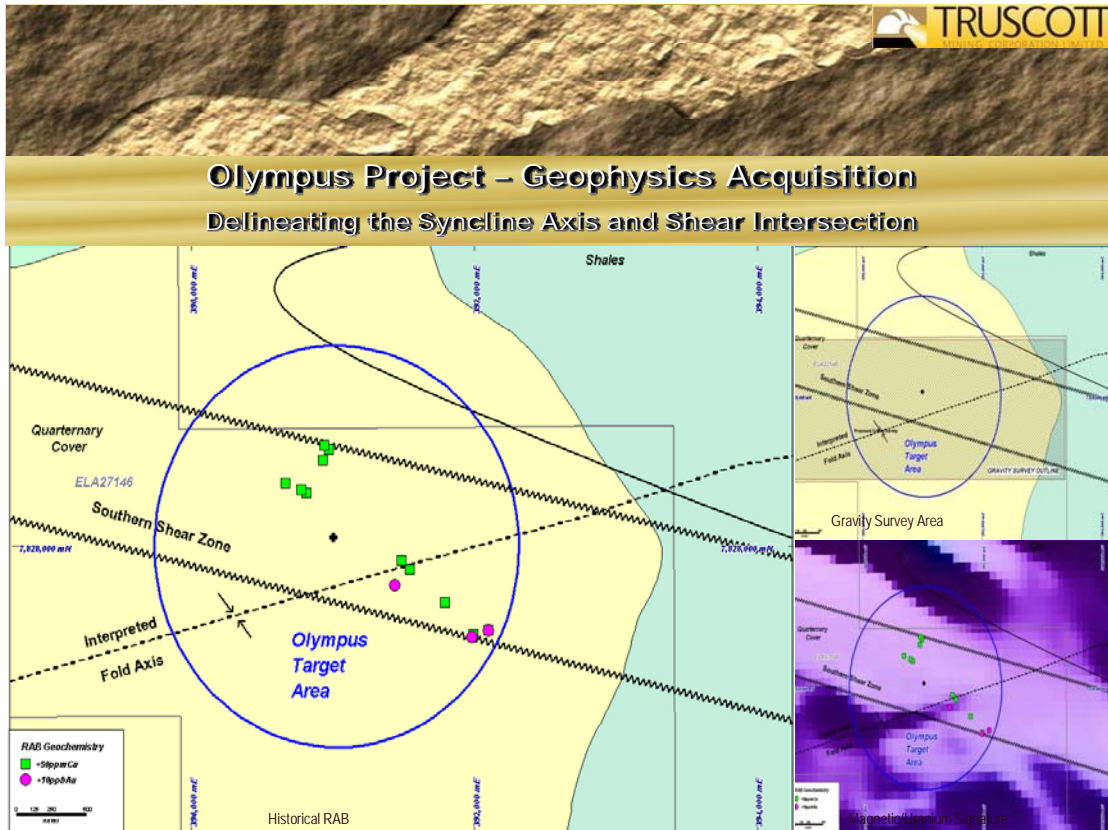


Figure 7 Ground Based Gravity Acquisition for the Olympus Project

Arcadia

(Truscott: MLC621, MLC622 all 100%)

Shallow historical gold workings associated with ironstones are located within granted mineral leases MLC621 and MLC622. These mining leases are considered to be as prospective as the other major projects, however Arcadia's ranking as a major exploration project is reduced due to access considerations.

PINE CREEK – HALLS CREEK GEOSYNCLINE – Lower Proterozoic

**Exploration Targets – Greenfields – multiple potential styles of mineralisation
– including Unconformity style Uranium**

Legune

Explorer Project

(Truscott: EL25881, EL26145 all 100%)

The Explorer Project (235.38 km²) comprises two Exploration Licences EL25881 and EL26145 and is located within the Halls Creek Mobile Belt, Northern Territory (Figure 8). The main tenement block is centred 60km north of the settlement of Newry, on the Victoria Highway that links Kununurra in Western Australia to Katherine in the Northern Territory.

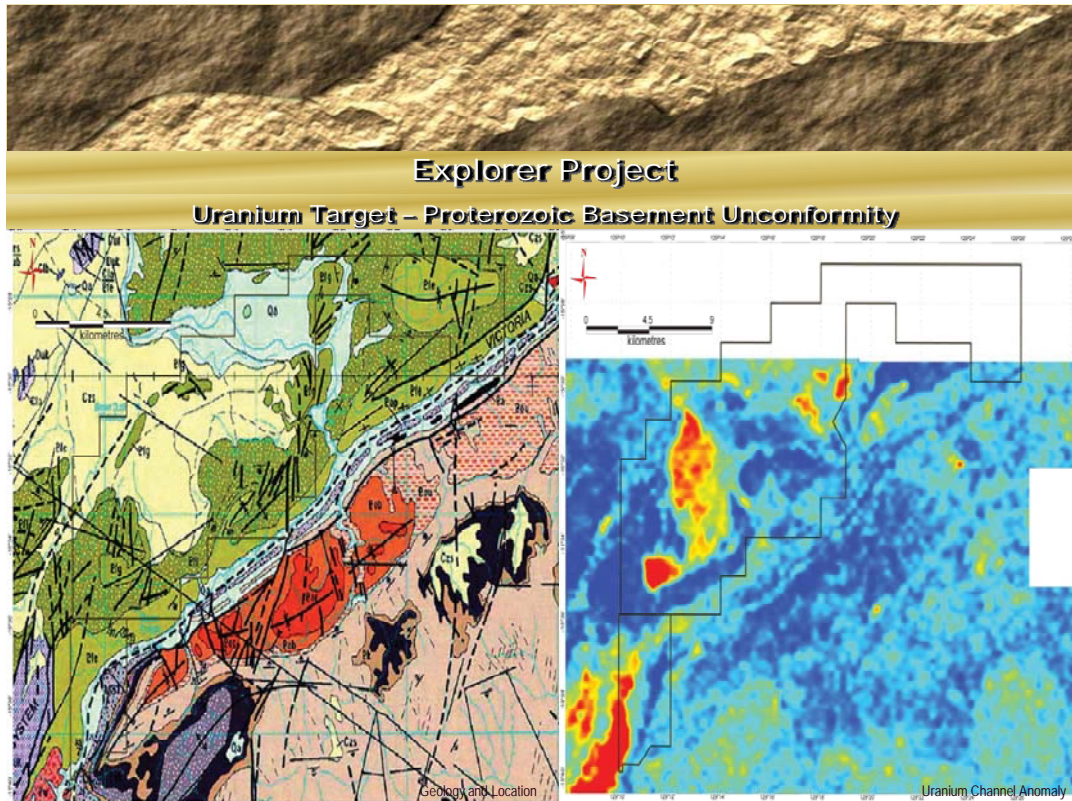


Figure 8 Explorer Project Location & Uranium Channel Anomaly

A review of radiometric data sets identified two areas elevated in Uranium, Thorium and Potassium response within the Explorer Group of tenements.

During the September quarter each anomalous area was tested and evaluated by a single line traverse of rock chip sampling (Figure 9). The sampling returned evaluated values for Uranium, Rare Earth Elements (REEs) and base metals. The better results included:

- 13.2ppmU, 55.1ppmTh, 1.30%K, 245ppmCe, 119ppmLa, 53.5ppmY, 19.4ppmCu, 14.9ppmPb 12ppmZn in EL25881
- 7.8ppmU, 30.5ppmTh, 3.69%K, 96.7ppmCe, 52.6ppmLa and 29.7ppmY 5.3ppmCu, 14.1ppmPb, 20ppmZn in EL26145

Further consideration is now being given to the geological setting and the potential source of geochemical values and the radiometric anomalism.

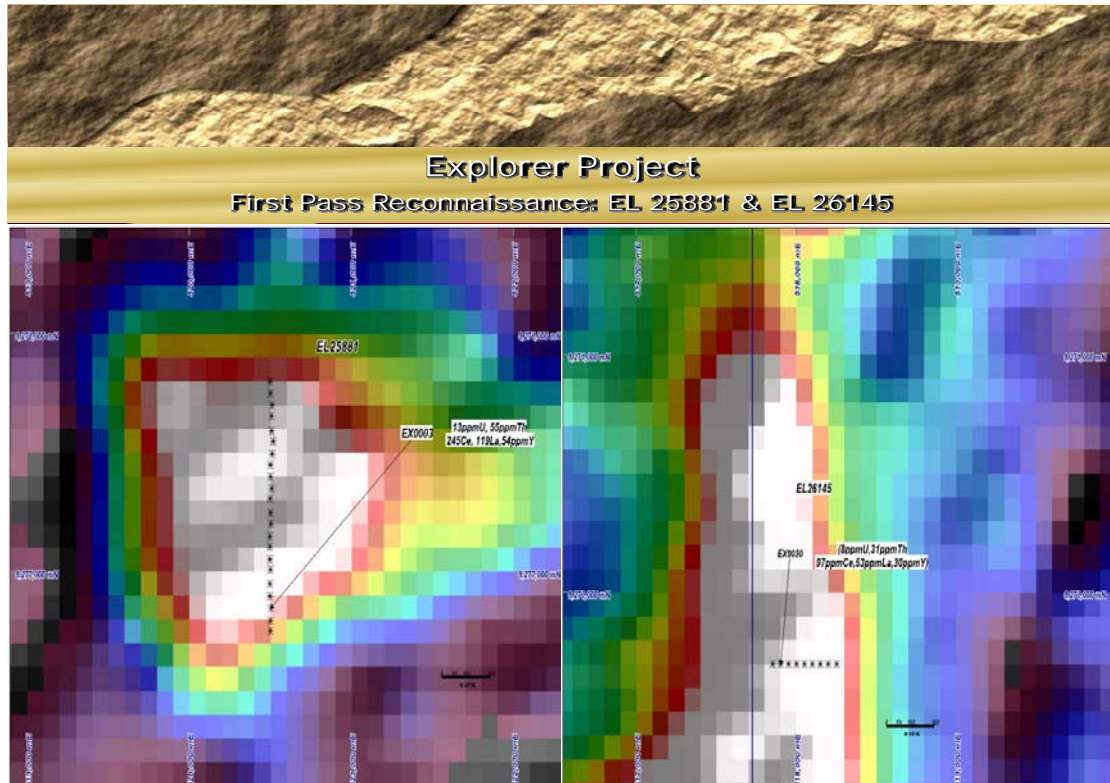


Figure 9 Rock Chip Sample Traverses EL 25881 & EL 26145

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, who is 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.*