

28th April, 2008

## **ACTIVITIES REPORT - MARCH QUARTER 2008**

### **Highlights**

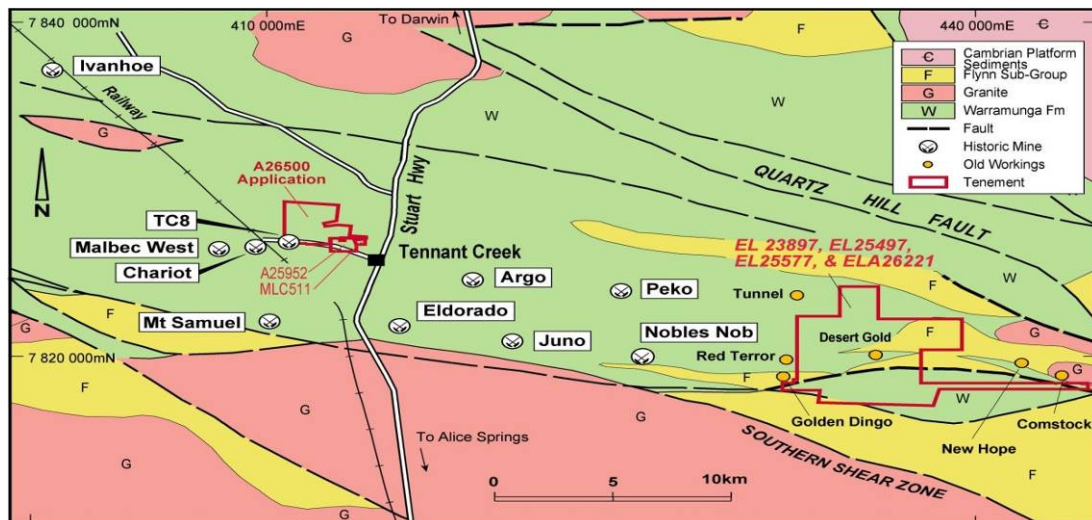
- Truscott engaged Australian Contract Mining Pty Ltd to commence a planned diamond drilling program of eight holes at the Westminster project on the 14<sup>th</sup> January 2008.
- After early confirmation of relationships between geophysical information and structural elements in the field an extended program of ten holes totalling 2,828 metres of drilling was concluded on the 16<sup>th</sup> March 2008.
- The drilling program was designed to provide structural information and to follow up on historical high grade intersections. The existence of a complex shear zone 1.4 kilometres in length has been confirmed.
- All holes drilled have intersected zones of massive or disseminated magnetite, hematite with chlorite and carbonate alteration within the wider shear envelope and these zones are traditionally associated with gold and copper mineralisation in the Tennant Creek Goldfield.
- The shear which runs the full east west extent along MLC511 and A25952 is expected to have localised subsidiary elements that encompass zones in which preferential gold and copper enrichment has occurred.
- Initial structural analysis indicate a series of inner talc and ironstone zones that are contained within outer chlorite alteration zones that are themselves contained within an east west shear corridor. A number of the inner talc ironstone zones are large enough in scale to host significant Tennant Creek style ore systems.
- During the quarter Truscott was invited by the Northern Territory Government to participate in a delegation to Beijing on the 10<sup>th</sup> May 2008 to present investment opportunities to a number of Chinese companies.
- The raising of the additional \$600,000 to provide for an acceleration of exploration work programs on the company's expanded Tennant Creek Projects was completed.



During its third full quarter of operations since listing on ASX, Truscott Mining Corporation (ASX code: TRM) has implemented its plan to accelerate exploration of projects in the Tennant Creek Mining Field, Northern Territory.

Emphasis has been on advancement of the Tennant Creek properties, where targets sought are high grade gold-copper deposits typical of the region. (Figure 1)

The emphasis has been on a systematic exploration effort that will prove effective in describing the subsidiary structural settings that host high grade mineralised zones. The characteristics of the ore systems within the field determine that it is advisable to have a high level of definition of structural controls when planning to drill for mineralised zones.



Westminster & Ewan Edward Project Areas - Interpreted Geology

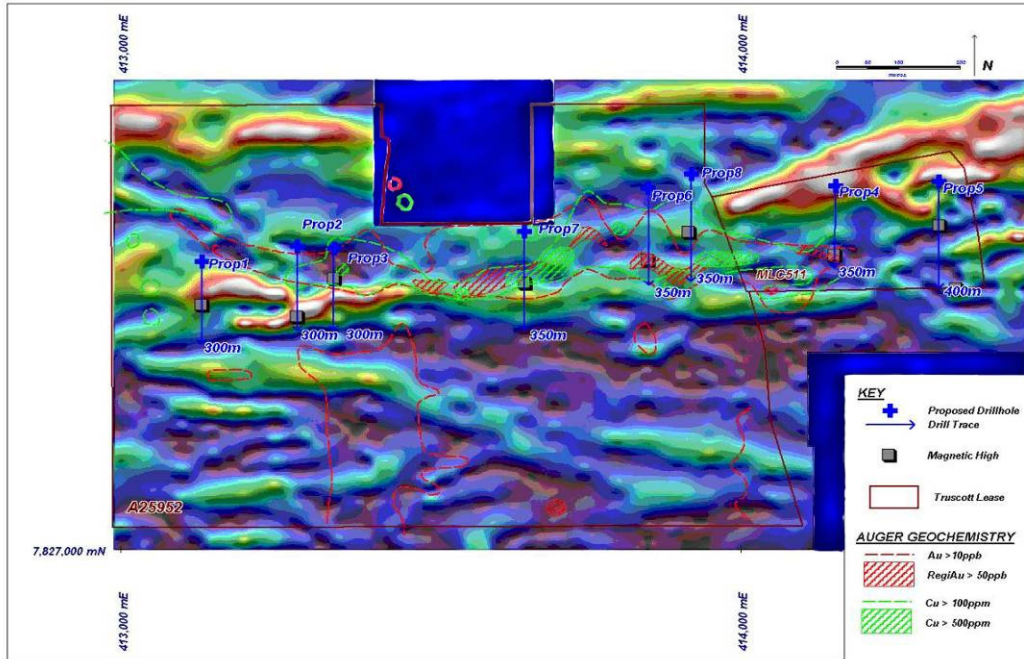
Figure 1

**Westminster Project (Truscott 100%)**  
(MLC511, A25952, A26500, A26588)

Truscott's Westminster project area located just west of the Tennant Creek Township in the centre of the Tennant Creek Goldfield now encompasses an area of 5.96 km<sup>2</sup>. Initial exploration activity is being concentrated over more than 1.4 kilometres strike length of mineralised ironstone outcrop and subcrop containing historical shallow high grade gold workings.

Truscott has now commissioned the AAPA (Aboriginal Areas Protection Authority) to commence clearances for the balance of the Westminster Project area (A26500 & A26558), completion being expected within the current quarter.

In the previous quarter, Truscott engaged Daishsat Pty Ltd to complete a 50m x 25m gravity survey, utilising a Scintrex CG-5 digital gravity meter and a Leica GPS unit to produce real time kinematic locations. The ground based survey covered all of the area within MLC 511 and A25952. Data processing by Southern Geoscience Consultants (Figure 2) provided further understanding of the relationships between geological units within the tenure.



**Gravity & Geochemistry Drill Targets, Westminster Project**

**Figure 2**

Advances in the geological understanding of the area have followed the compilation of a detailed database of previous, geological information, and historical drill results. Additional geochemical sampling and ground magnetic and ground gravity survey results have also been added to the database.

The recently collected, more detailed geophysical datasets has allowed interpretation of significant additional structural and anomaly detail, considered to be important in orebody targeting.

Following the integration of the historical information and the newly acquired data for the Westminster project an initial eight holes diamond drill program was planned and latter extended to ten holes for a total of 2,828 metres drilled.

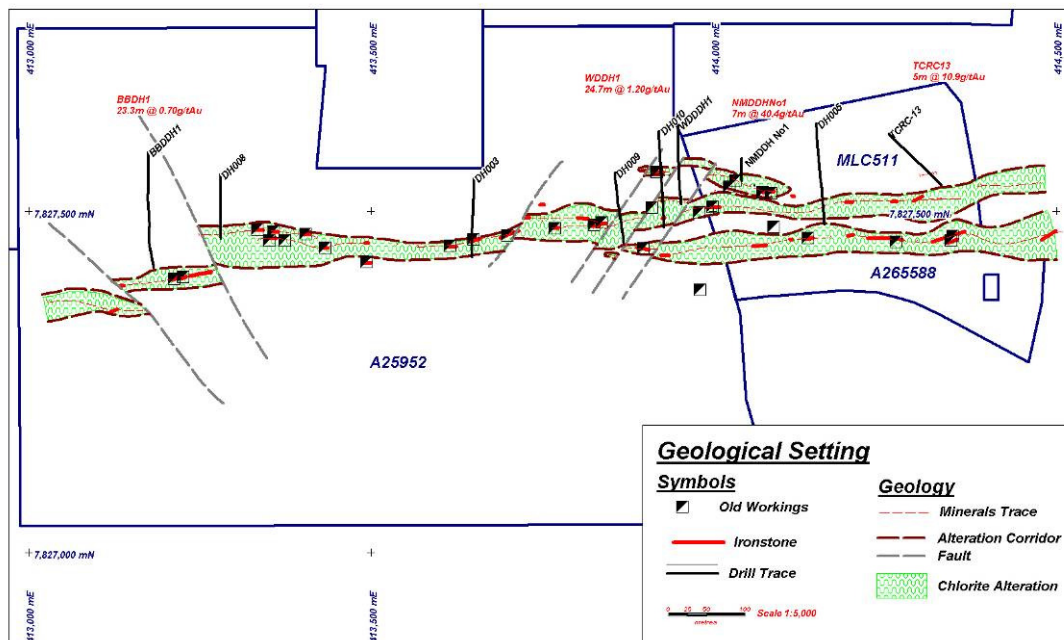
All holes drilled have intersected zones of massive or disseminated magnetite, hematite with chlorite and carbonate alteration within the wider shear envelope and these zones are traditionally associated with gold and copper mineralisation in the Tennant Creek Goldfield.

The core run shown in the photograph below from hole nine provides a view of one of the transitions evident within the alteration zones that are contained within a wider corridor exhibiting dextral shear character. The lighter carbonate alteration evident is indicative of zones located above or in the hanging wall of the more oxidised end members of the known Tennant Creek ore systems.

Due to the extension of the drilling program and the substantive delays being experienced across the industry with the turn-around time for assays, a full analytical and structural report is now not expected to be generated until after the close of April 2008.



During March and April 2008 a detailed surface and structural and mapping program was conducted to provide additional input to support three dimensional modelling of the shear systems and associated mineralisation.



Alteration Corridor & Structural Elements, Westminister Project

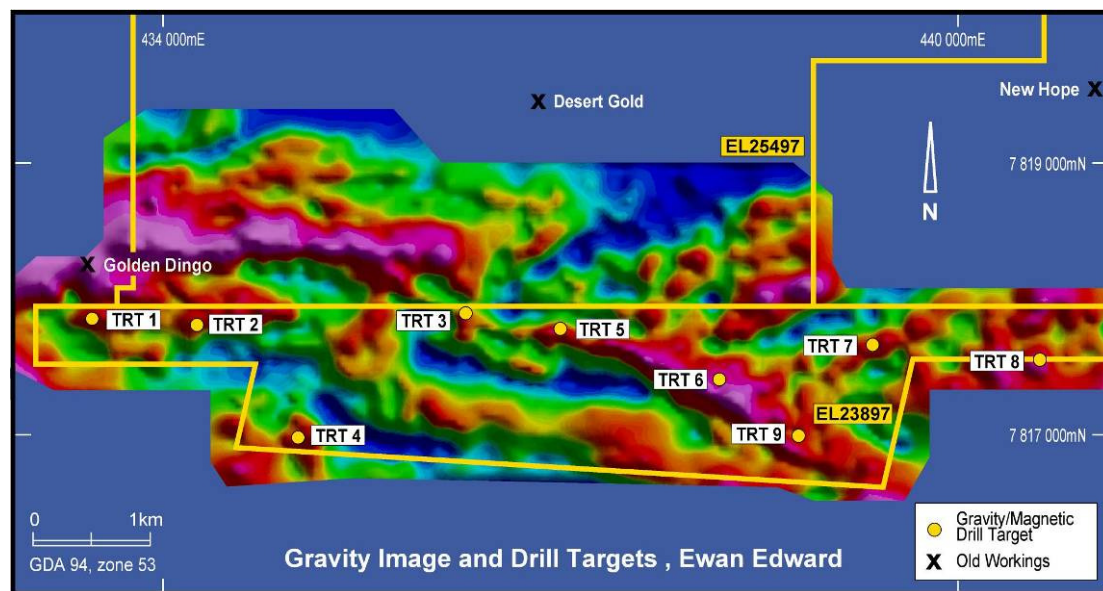
Figure 3

Initial findings from the structural analysis are summarised in figure three. A series of inner talc and ironstone zones are contained within outer chlorite alteration zones that are themselves contained within an east west shear corridor. A number of the inner talc ironstone zones are large enough in scale to host significant Tennant Creek style ore systems.

At this stage it is anticipated that second phase infill RC drilling will be initiated in the period June to July 2008.

**Ewan Edward Project (Truscott 90%-100%)**  
(EL23897 (90%), EL25497, EL25577, EL26122 (all 100%))

At Ewan Edward, ground magnetic and gravity surveys were completed during the last field session, providing both infill and extension of existing geophysical coverage. These surveys have resulted in better target definition of a number of coincident and overlapping magnetic and gravity anomalies associated with shearing, intrusive porphyries and ironstone (Figure 4).



Coincident Gravity/Magnetic Drill Targets, EL23897, Ewan Edward

Figure 4

Truscott planned to test a number of these priority targets in the December quarter by RC drilling. Delays due to rig availability and seasonal weather conditions resulted in only three RC holes being completed. No significant grades were returned for the drill intersections in these three holes.

It is anticipated that drilling to test higher priority targets at TRT1, TRT3 and, TRT9 will be restarted in the second quarter of the 2008 year. A cross correlation of the findings from the Westminster Project with respect to geophysical signatures is expected to enhance the effectiveness of targeting for all future drill programs.

At TRT3 (Explorer 199), adjacent to the boundary between EL23897 and EL25497, a previous explorer drilled one hole to test a magnetic target at 250m depth. The hole intersected a much shallower alteration zone with 35% haematite/magnetite ironstone and 30% chlorite over 4 metres width from 106m down hole, but no analyses were recorded.

Interpretation of the recent detailed and combined geophysical dataset shows that the anomaly centre is further south than previously believed and therefore not properly tested (TRT3, Figure 4).

Truscott's expanded Ewan Edward project now comprises four exploration licences (EL's) 25 kilometres east of Tennant Creek. It covers more than 7 kilometres strike length of an interpreted line of strongly mineralised lode. More than 2 million ounces of gold have been won from this regional lode zone at an exceptionally high average grade of 36g/t Au, including the Juno and Nobles Nob mines.

The clearance programme by the AAPA has now been completed for the areas of immediate interest within EL 25497, EL 25577 & EL 26122 and the company has received a clearance certificate.

A number of geophysical and structural targets have been identified within the new area, including the historic Desert Gold workings where a small amount of gold was produced in 1935-36 from haematitic ironstones at a very rich average grade of 40g/t Au.

**Arcadia Project (Truscott 100%)**  
(MLC621, 622)

No fieldwork was undertaken during the quarter.

**Gosse River Project (Truscott 100%)**  
(EL25374)

No significant field work undertaken during the quarter.

**Western Australian Project**

**Eastern Creek Project (Truscott 90%)**  
(E46/598)

No significant field work undertaken during the quarter.



**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 geologist Kevin Alexander, who is a Member of the Australasian Institute of Mining and Metallurgy, and 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. Kevin Alexander consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.*