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RESOURCE STATEMENT – YANDERA OCTOBER 2008

The October 2008 Yandera Resource Statement reports the copper-molybdenum Mineral Resources for the Yandera deposit located 95 km south-west of the coastal town of Madang, Papua New Guinea.

The resource model is based on the geological database as at 20 July, 2008. The geological interpretation was based on the 2007 model and updated by Golder Associates (Golder). Digital geology modelling, block model construction and grade estimation were undertaken by Stephen Godfrey of Golder Associates using Golder proprietary and Vulcan™ software.

The geological interpretation was based on data from 175 Diamond Drill holes totalling 56,968 m, containing 18,538 logged and assayed intervals. The geological model extends 6000 m along strike south- east to north-west and covers the average 1000 m width of the mineralisation.

Sample data was composited to five metres and flagged by geological and weathering domains defined in the geological interpretation. Ordinary Kriging was used to estimate grades within the geological domains. Resources were estimated separately for copper, molybdenum, gold and silver mineralisation in the deposit. Re was calculated for using a Mo:Re regression for all block containing a Mo estimate.

The Resource estimate has been classified based on data density, data quality, confidence in the geological interpretation and estimation. Material has been classified Indicated where drilling is on a nominal 50 m x 50 m spacing. Material drilled systematically outside this are has been classified Inferred. No mineralisation has been classified measured.

Figure 1 illustrates the extent of the resource with reference to the drill holes. It also shows the resource classification and reporting areas.

Figure 2 shows the model in cross section illustrating the geological domaining applied.

Table 1: Domains

Domain	Weathering	Zone
1	Fresh	Marginal
2	Fresh	Cu 2000ppm plus
3	Fresh	Breccia/Structural
5	Mixed	Mixed
6	Oxide	Oxide

Tables 2 to 16 detail the tonnes and grade for each area by domain and classification at a range of copper equivalent cut-offs. Copper equivalent values have been calculated as (Cu + (10 x Mo)) and are expressed in percent. As fewer samples were available for the Au and Ag estimation, and the Re has been calculated by regression the classification of these variables is currently inferred. Only blocks with estimates for all elements have been reported.

The changes to the resource are the result of a combination of factors including additional drilling, revised domain interpretations and a revised estimation plan.

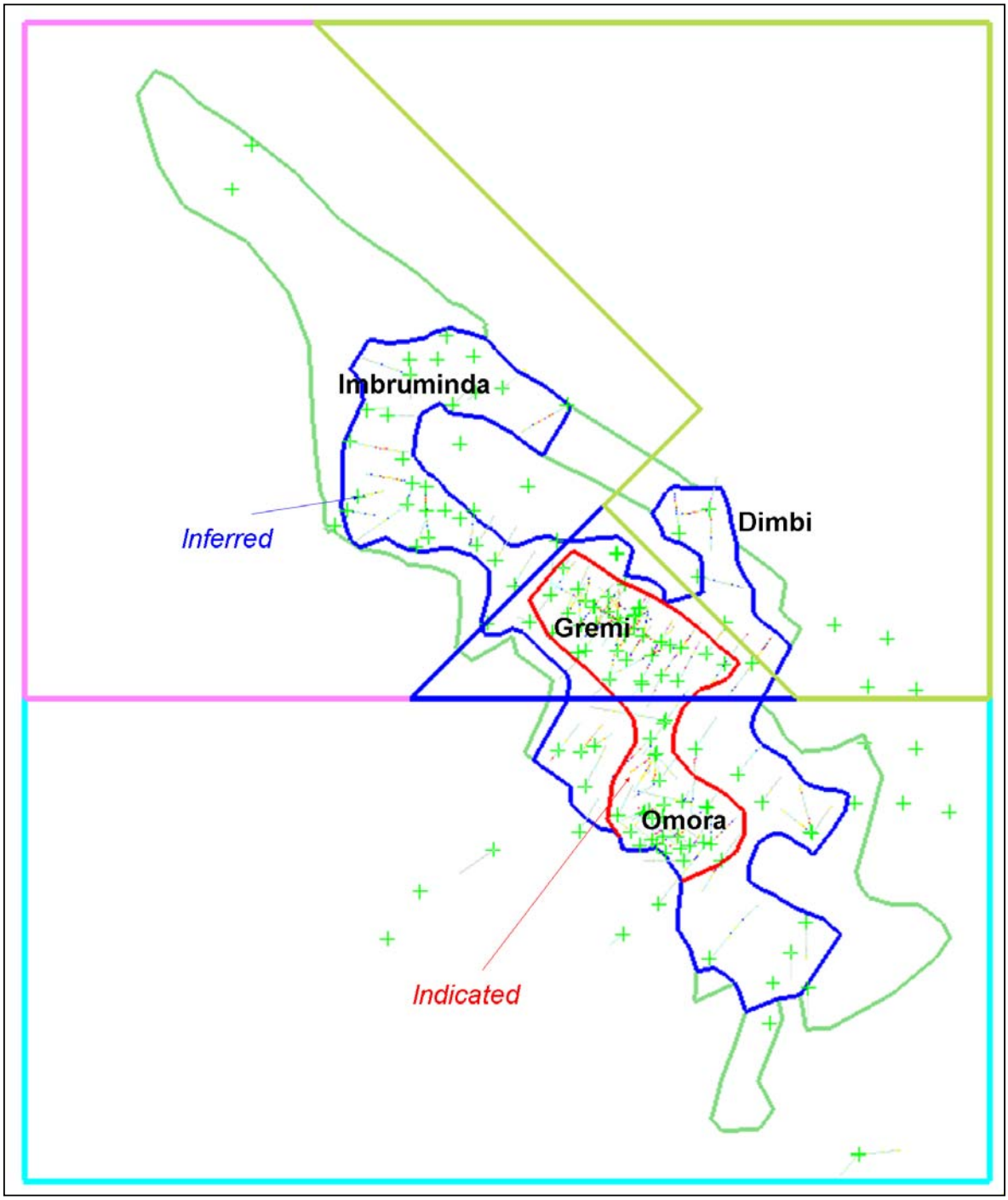

Figure 1: Yandera Resource 2008

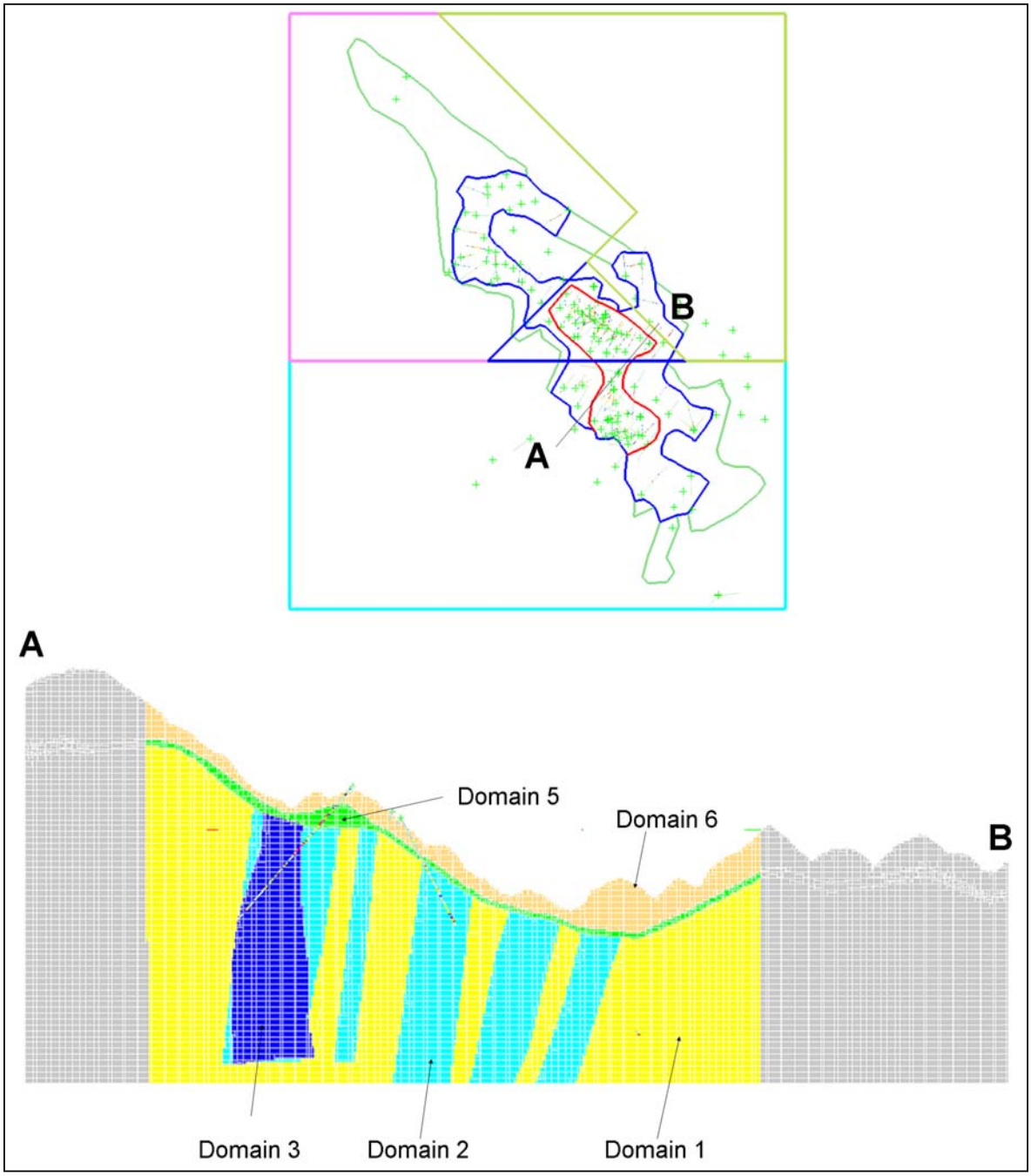

Figure 2: Yandera Resource 2008 - Cross Section

Table 2: Global Resource – 0.2% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	48.0	0.26	1,392	125	-	-	-	-
	Proximal*	331.4	0.39	2,835	107	-	-	-	-
	Breccia**	57.1	0.43	3,188	109	-	-	-	-
	Mixed	40.0	0.45	3,458	107	-	-	-	-
	Oxide	50.7	0.35	2,875	58	-	-	-	-
Total	**Indicated**	**527.1**	**0.38**	**2,793**	**104**	-	-	-	-
Inferred	Marginal	131.1	0.25	1,420	104	179.1	0.06	0.82	0.08
	Proximal	489.7	0.35	2,701	77	821.0	0.07	1.30	0.07
	Breccia	62.0	0.39	3,115	77	119.1	0.09	1.73	0.08
	Mixed	26.1	0.39	3,166	73	66.1	0.08	1.94	0.08
	Oxide	57.5	0.30	2,129	89	108.2	0.09	1.76	0.07
Total	**Inferred**	**766.4**	**0.33**	**2,488**	**82**	**1293.5**	**0.08**	**1.35**	**0.07**

Table 3: Gremi Resource - 0.2% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	24.6	0.26	1,290	135	-	-	-	-
	Proximal*	234.4	0.40	2,848	120	-	-	-	-
	Breccia**	18.9	0.45	3,218	127	-	-	-	-
	Mixed	19.3	0.49	3,618	128	-	-	-	-
	Oxide	30.6	0.37	2,938	76	-	-	-	-
Total	**Indicated**	**327.8**	**0.40**	**2,807**	**118**	-	-	-	-
Inferred	Marginal	15.9	0.27	1,345	135	40.5	0.04	0.74	0.08
	Proximal	119.1	0.32	2,345	88	353.5	0.07	1.17	0.07
	Breccia	1.6	0.29	2,282	64	20.5	0.09	1.47	0.07
	Mixed	1.2	0.29	2,004	91	20.5	0.09	1.53	0.07
	Oxide	3.6	0.27	1,818	93	34.2	0.11	1.70	0.06
Total	**Inferred**	**141.4**	**0.31**	**2,215**	**93**	**469.2**	**0.07**	**1.20**	**0.07**

Table 4: Omora Resource - 0.2% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	23.4	0.26	1,498	115	-	-	-	-
	Proximal*	91.3	0.36	2,801	79	-	-	-	-
	Breccia**	37.8	0.42	3,175	102	-	-	-	-
	Mixed	20.7	0.42	3,308	88	-	-	-	-
	Oxide	20.0	0.31	2,785	31	-	-	-	-
Total	**Indicated**	**193.1**	**0.36**	**2,769**	**84**	-	-	-	-
Inferred	Marginal	25.1	0.23	1,703	62	48.4	0.03	1.19	0.09
	Proximal	169.6	0.30	2,475	52	260.8	0.05	1.62	0.08
	Breccia	39.7	0.33	2,688	56	77.6	0.08	1.77	0.09
	Mixed	7.0	0.50	4,529	45	27.7	0.05	2.82	0.09
	Oxide	15.6	0.33	2,933	41	35.6	0.05	2.65	0.08
Total	**Inferred**	**257.0**	**0.30**	**2,516**	**53**	**450.1**	**0.05**	**1.76**	**0.08**

Table 5: Imbruminda Resource - 0.2% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	-	-	-	-	-	-	-	-
	Proximal*	-	-	-	-	-	-	-	-
	Breccia**	-	-	-	-	-	-	-	-
	Mixed	-	-	-	-	-	-	-	-
	Oxide	-	-	-	-	-	-	-	-
Total	**Indicated**	-	**-**	**-**	-	-	-	-	-
Inferred	Marginal	74.1	0.25	1,250	123	74.1	0.08	0.58	0.07
	Proximal	169.7	0.40	3,073	91	169.7	0.10	1.10	0.06
	Breccia	20.6	0.52	4,010	118	20.6	0.14	1.83	0.07
	Mixed	16.9	0.35	2,643	86	16.9	0.10	0.99	0.06
	Oxide	33.5	0.30	1,834	118	33.5	0.13	1.00	0.07
Total	**Inferred**	**314.8**	**0.36**	**2,550**	**103**	**314.8**	**0.10**	**1.01**	**0.07**

Table 6: Dimbi Resource - 0.2% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	0.1	0.21	1,541	59	-	-	-	-
	Proximal*	5.7	0.32	2,846	37	-	-	-	-
	Breccia**	0.3	0.32	2,994	21	-	-	-	-
	Mixed	-	-	-	-	-	-	-	-
	Oxide	0.1	0.23	1,754	54	-	-	-	-
Total	**Indicated**	**6.2**	**0.32**	**2,820**	**37**	-	-	-	-
Inferred	Marginal	16.0	0.23	1,839	45	16.0	0.07	1.02	0.04
	Proximal	31.3	0.42	3,263	90	37.0	0.13	1.32	0.06
	Breccia	0.2	0.24	2,155	27	0.5	0.06	0.90	0.03
	Mixed	1.0	0.42	3,929	30	1.0	0.18	1.85	0.04
	Oxide	4.8	0.22	1,802	43	5.0	0.09	0.96	0.04
Total	**Inferred**	**53.2**	**0.34**	**2,712**	**71**	**59.4**	**0.11**	**1.21**	**0.05**

Table 7: Global Resource - 0.25% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re^+ ppm
Indicated	Marginal	18.7	0.33	1,540	180	-	-	-	-
	Proximal*	275.2	0.42	3,046	119	-	-	-	-
	Breccia**	49.0	0.46	3,415	120	-	-	-	-
	Mixed	32.1	0.51	3,873	123	-	-	-	-
	Oxide	35.5	0.40	3,305	68	-	-	-	-
Total	**Indicated**	**410.5**	**0.43**	**3,109**	118	-	-	-	-
Inferred	Marginal	43.1	0.30	1,474	148	61.7	0.06	0.84	0.09
	Proximal	374.4	0.38	2,971	87	649.6	0.08	1.36	0.07
	Breccia	46.7	0.44	3,527	89	95.7	0.10	1.81	0.08
	Mixed	22.6	0.41	3,374	77	54.7	0.08	2.03	0.08
	Oxide	32.5	0.36	2,403	124	68.0	0.10	1.99	0.08
Total	**Inferred**	**519.3**	**0.38**	**2,879**	**94**	**929.8**	**0.08**	**1.46**	**0.08**

Table 8: Gremi Resource - 0.25% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re^+ ppm
Indicated	Marginal	9.3	0.34	1,321	204	-	-	-	-
	Proximal*	200.3	0.43	3,034	131	-	-	-	-
	Breccia**	16.2	0.49	3,459	140	-	-	-	-
	Mixed	16.4	0.54	3,955	142	-	-	-	-
	Oxide	22.2	0.43	3,384	88	-	-	-	-
Total	**Indicated**	**264.4**	**0.44**	**3,086**	**131**	-	-	-	-
Inferred	Marginal	7.3	0.33	1,374	189	16.6	0.03	0.72	0.10
	Proximal	89.5	0.35	2,536	101	289.8	0.08	1.22	0.07
	Breccia	1.2	0.31	2,455	69	17.4	0.10	1.50	0.08
	Mixed	0.6	0.36	2,313	127	17.0	0.10	1.64	0.08
	Oxide	1.7	0.33	2,111	123	23.9	0.13	1.85	0.06
Total	**Inferred**	**100.3**	**0.35**	**2,441**	**107**	**364.6**	**0.08**	**1.27**	**0.07**

Table 9: Omora Resource - 0.25% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	9.3	0.33	1,757	156	-	-	-	-
	Proximal*	70.6	0.40	3,078	91	-	-	-	-
	Breccia**	32.5	0.45	3,396	111	-	-	-	-
	Mixed	15.7	0.48	3,787	102	-	-	-	-
	Oxide	13.3	0.35	3,176	34	-	-	-	-
	Indicated	**141.5**	**0.41**	**3,152**	**96**	-	-	-	-
Inferred	Marginal	5.5	0.28	1,983	86	14.8	0.04	1.33	0.10
	Proximal	113.0	0.34	2,769	60	183.6	0.05	1.76	0.09
	Breccia	26.1	0.38	3,119	66	58.6	0.08	1.91	0.09
	Mixed	6.4	0.52	4,742	46	22.1	0.06	3.01	0.09
	Oxide	11.1	0.38	3,378	42	24.4	0.06	2.79	0.08
	Inferred	**162.1**	**0.35**	**2,918**	**60**	**303.6**	**0.06**	**1.94**	**0.09**

Table 10: Imbruminda Resource - 0.25% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	-	-	-	-	-	-	-	-
	Proximal*	-	-	-	-	-	-	-	-
	Breccia**	-	-	-	-	-	-	-	-
	Mixed	-	-	-	-	-	-	-	-
	Oxide	-	-	-	-	-	-	-	-
Total	**Indicated**	-	**-**	**-**	-	-	-	-	-
Inferred	Marginal	27.9	0.29	1,327	159	27.9	0.08	0.61	0.09
	Proximal	147.1	0.42	3,280	97	147.1	0.10	1.12	0.06
	Breccia	19.4	0.54	4,141	122	19.4	0.14	1.82	0.07
	Mixed	14.7	0.37	2,773	91	14.7	0.10	1.03	0.06
	Oxide	19.1	0.36	1,872	174	19.1	0.14	1.20	0.09
Total	**Inferred**	**228.3**	**0.41**	**2,964**	**113**	**228.3**	**0.10**	**1.12**	**0.07**

Table 11: Dimbi Resource - 0.25% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	0.0	0.25	1,867	63	-	-	-	-
	Proximal*	4.3	0.35	3,116	39	-	-	-	-
	Breccia**	0.3	0.33	3,106	21	-	-	-	-
	Mixed	-	-	-	-	-	-	-	-
	Oxide	0.0	0.26	2,019	57	-	-	-	-
Total	**Indicated**	**4.6**	**0.35**	**3,107**	**38**	-	-	-	-
Inferred	Marginal	2.4	0.27	2,319	42	2.4	0.06	1.31	0.04
	Proximal	24.9	0.47	3,634	103	29.2	0.14	1.45	0.06
	Breccia	0.0	0.30	2,688	28	0.3	0.06	0.93	0.03
	Mixed	0.9	0.44	4,111	32	0.9	0.19	1.92	0.04
	Oxide	0.5	0.26	2,144	47	0.6	0.08	0.81	0.04
Total	**Inferred**	**28.7**	**0.45**	**3,509**	**95**	**33.4**	**0.13**	**1.44**	**0.06**

Table 12: Global Resource - 0.3% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	9.5	0.39	1,569	238	-	-	-	-
	Proximal*	214.1	0.47	3,300	137	-	-	-	-
	Breccia**	39.7	0.51	3,707	135	-	-	-	-
	Mixed	25.9	0.57	4,281	138	-	-	-	-
	Oxide	25.4	0.45	3,713	77	-	-	-	-
Total	**Indicated**	**314.5**	**0.48**	**3,413**	**135**	-	-	-	-
Inferred	Marginal	12.0	0.36	1,401	223	21.5	0.05	0.87	0.12
	Proximal	267.0	0.43	3,285	100	481.1	0.08	1.43	0.08
	Breccia	35.7	0.49	3,940	100	75.4	0.10	1.90	0.09
	Mixed	17.8	0.45	3,700	82	43.8	0.09	2.18	0.08
	Oxide	19.3	0.43	2,677	160	44.6	0.11	2.15	0.08
Total	**Inferred**	**351.9**	**0.43**	**3,275**	**106**	**666.4**	**0.09**	**1.56**	**0.08**

Table 13: Gremi Resource - 0.3% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	4.9	0.40	1,250	271	-	-	-	-
	Proximal*	160.1	0.47	3,266	148	-	-	-	-
	Breccia**	13.9	0.52	3,678	154	-	-	-	-
	Mixed	14.1	0.58	4,262	155	-	-	-	-
	Oxide	16.8	0.47	3,782	96	-	-	-	-
Total	**Indicated**	**209.8**	**0.48**	**3,354**	**148**	-	-	-	-
Inferred	Marginal	3.2	0.39	1,282	267	8.1	0.03	0.70	0.13
	Proximal	61.1	0.39	2,722	120	221.2	0.08	1.29	0.08
	Breccia	0.7	0.35	2,720	73	14.5	0.10	1.53	0.08
	Mixed	0.3	0.44	2,675	177	14.4	0.11	1.74	0.09
	Oxide	1.0	0.38	2,586	124	17.8	0.14	1.93	0.06
Total	**Inferred**	**66.3**	**0.39**	**2,650**	**126**	**276.0**	**0.09**	**1.35**	**0.08**

Table 14: Omora Resource - 0.3% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	4.6	0.39	1,910	202	-	-	-	-
	Proximal*	51.0	0.45	3,399	106	-	-	-	-
	Breccia**	25.6	0.50	3,727	125	-	-	-	-
	Mixed	11.8	0.55	4,303	118	-	-	-	-
	Oxide	8.5	0.40	3,575	38	-	-	-	-
Total	**Indicated**	**101.5**	**0.46**	**3,534**	**111**	-	-	-	-
Inferred	Marginal	1.3	0.34	2,182	121	5.9	0.03	1.44	0.11
	Proximal	67.5	0.38	3,106	69	118.6	0.05	1.92	0.09
	Breccia	17.3	0.43	3,579	74	42.9	0.09	2.06	0.09
	Mixed	6.0	0.54	4,931	47	17.8	0.06	3.18	0.09
	Oxide	7.7	0.43	3,891	37	16.2	0.07	2.83	0.08
Total	**Inferred**	**99.9**	**0.40**	**3,345**	**66**	**201.4**	**0.06**	**2.12**	**0.09**

Table 15: Imbruminda Resource - 0.3% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	-	-	-	-	-	-	-	-
	Proximal*	-	-	-	-	-	-	-	-
	Breccia**	-	-	-	-	-	-	-	-
	Mixed	-	-	-	-	-	-	-	-
	Oxide	-	-	-	-	-	-	-	-
Total	**Indicated**	-	**-**	**-**	-	-	-	-	-
Inferred	Marginal	7.2	0.35	1,249	230	7.2	0.07	0.55	0.12
	Proximal	118.0	0.46	3,564	105	118.0	0.10	1.17	0.07
	Breccia	17.7	0.56	4,340	127	17.7	0.14	1.83	0.08
	Mixed	10.8	0.40	3,009	101	10.8	0.10	1.13	0.06
	Oxide	10.6	0.43	1,801	253	10.6	0.14	1.47	0.13
Total	**Inferred**	**164.3**	**0.46**	**3,396**	**122**	**164.3**	**0.11**	**1.23**	**0.07**

Table 16: Dimbi Resource - 0.3% CuEq cut off

Class	Material	MTonnes	CuEq %	Cu ppm	Mo ppm	MTonnes	Au g/t	Ag g/t	Re+ ppm
Indicated	Marginal	-	-	-	-	-	-	-	-
	Proximal*	2.9	0.39	3,471	39	-	-	-	-
	Breccia**	0.2	0.34	3,177	22	-	-	-	-
	Mixed	-	-	-	-	-	-	-	-
	Oxide	-	-	-	-	-	-	-	-
Total	**Indicated**	**3.2**	**0.38**	**3,450**	**38**	-	-	-	-
Inferred	Marginal	0.3	0.31	2,777	37	0.3	0.08	1.66	0.04
	Proximal	20.4	0.51	3,949	113	23.3	0.15	1.57	0.07
	Breccia	0.0	0.34	3,025	33	0.2	0.05	0.91	0.03
	Mixed	0.8	0.46	4,260	34	0.8	0.19	1.97	0.04
	Oxide	-	-	-	-	-	-	-	-
Total	**Inferred**	**21.5**	**0.50**	**3,943**	**109**	**24.7**	**0.15**	**1.58**	**0.06**

*nominal 2000ppm cu boundary **Breccia / structural domain +Re calculated from Mo:Re regression

Compliance with the JORC code assessment criteria

This mineral resource statement has been compiled in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

Stephen Godfrey is a member of the Australasian Institute of Mining. Stephen have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

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