

CHATREE DISTRICT GOLD JOINT VENTURE

Thai Goldfields (25%) and joint venture (JV) partner, Tigers Realm Minerals (75%), hold five (5) key gold exploration titles (now the subject of re-application) covering an area of 42km² within the world-class Chatree epithermal gold district in central Thailand. The title rights, which are held by associated company Thai Global Ventures Co Ltd (TGV), are located near the Chatree Gold Mine owned by ASX listed Kingsgate Consolidated (market capitalisation AUD1.0 billion). In 2010 the Chatree Gold Mine produced its 1,000,000th ounce of gold.

In February 2011 TGV announced a maiden resource of 102,000 ozs of gold and 965,000 ozs of silver at its DEK Resource located 2km west of Kingsgate's Chatree Gold Mine.

The TGV titles expired in August 2011 and re-applications for the exploration rights were lodged before and on expiry of the titles. Under a Ministerial policy guidance note in 2007 parties re-applying for exploration rights are given preferential rights.

OVERVIEW

The JV exploration rights are located on the eastern edge of the Tertiary Chao Phraya Basin in gently undulating farmland 280 km north of Bangkok and straddle the borders of Phetchabun and Phichit Provinces.

Significant exploration programs by Thai Goldfields and its JV partners since 2001 resulted in confirmation of important gold and silver mineralisation at the DEK prospect, located 2km west of the Chatree Gold Mine.

In all, three (3) significant prospects, DEK, Central Ridge and Gift, plus a number of untested targets, were defined from previous work programs which included 24,500 metres of drilling.

TRM completed a 47-hole drilling campaign in June 2010 on the DEK, Central Ridge and Gift prospects as part of a \$2M sole-funding commitment to Thai Goldfields. The program included 3,586 metres of reverse circulation (RC) drilling and 1,299 metres of diamond drilling (DDH).

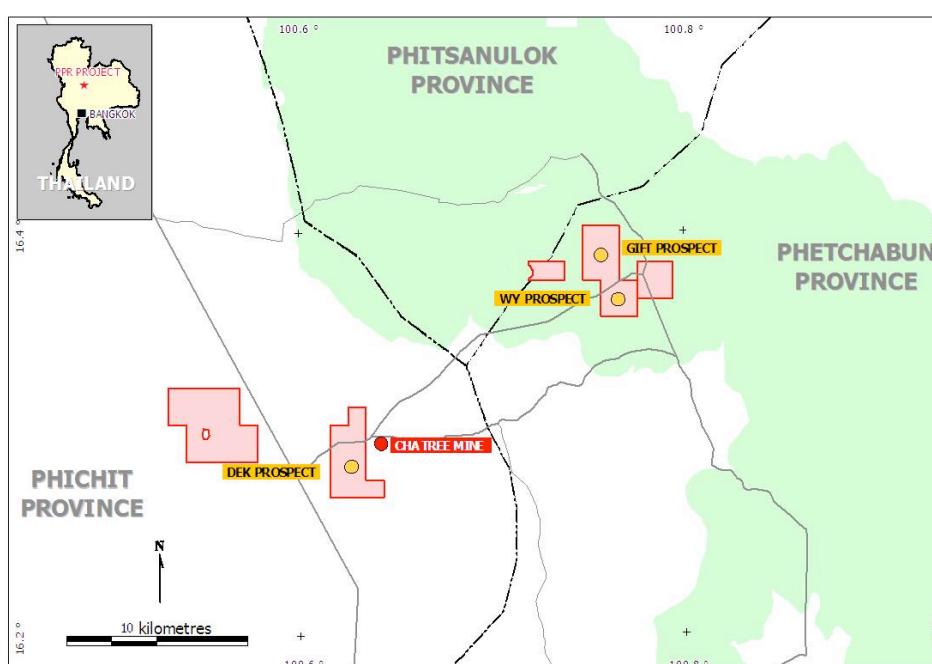


Fig. 1: Project location plan showing primary prospects. Khao Phanom Pha is the westernmost title.

Epithermal vein systems carrying ore-grade gold mineralisation are known to exist on the Central Ridge and Gift prospects (Wang Yai titles) which are located 15-20km NNE of the Chatree Gold Mine.

Several shallow high-grade gold drill intersections require follow-up drilling and a number of targets require first-pass drill-testing; other areas remain under-explored. All targets delineated to date offer potential to host important gold and silver mineralisation.

'DEK' GOLD/SILVER RESOURCE (2KM WEST of CHATREE GOLD MINE)

The TRM program was directed at infill and extensional drilling on the high-grade 'DEK' veining system with the objective of establishing a resource. The DEK mineralisation lies within the Long Du (LD) title but is in very close proximity to land controlled by Kingsgate (Akara Mining) which also lies within our exploration title (see Fig. 2).

The DEK resource (2km west of the Chatree Gold Mine) is represented by a coherent body of epithermal vein-hosted gold/silver mineralisation defined by previous drilling over a 350 metre strike length. There is an expectation this mineralised trend continues to the NNE of the title.

The mineralised zone dips to the east; denial of access to drill on the Akara Mining controlled land did not permit TRM to optimally test this dipping zone. Notwithstanding this limitation, the latest program has achieved an important objective of quantifying a gold and silver resource within this high-grade zone on land controlled by the JV within our exploration title.

Hackman and Associates has calculated a maiden JORC compliant ***inferred resource*** as follows;

- **cut-off grade 0.4g/t Au;**

2,935,000 tonnes containing **102,000ozs gold** at 1.1g/t and **965,000ozs silver** at 10g/t. Extending the mineralised domains an acceptable distance east into the adjoining Akara land tenure indicates that a further 218KT containing **8,000ozs gold** at 1.2g/t may exist using the same cut-off grade.

AMC Consultants Pty Limited has calculated a ***recoverable resource*** (mineable) of 62,000/ozs gold and 440,000/ozs silver. The low mineable figures reflect the constraints to pit optimisation posed by Akara Mining's adjoining landholding and its denial of access.

Due to the close proximity of the DEK resource to Kingsgate's Chatree mill, an additional calculation was commissioned using a 0.3g/t gold cut-off grade which resulted as follows;

- **cut-off grade 0.3g/t Au** (adopted by Kingsgate for its Chatree Au resource calculation);

3,900,000 tonnes containing **112,000ozs gold** at a grade of 0.9g/t and **1,080,000ozs silver** at 9g/t. Extending the mineralised domains an acceptable distance east into the adjoining Akara land tenure indicates that a further 256KT containing **9,000ozs gold** at 1.1g/t may exist, using the same cut-off grade.

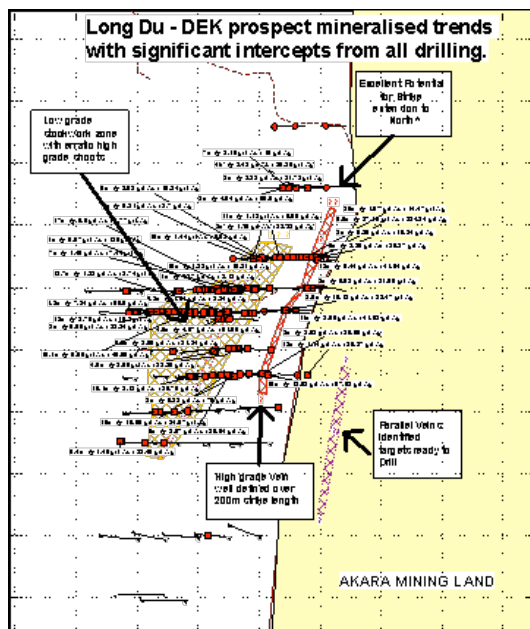


Fig. 2

Fig. 2: Previously drilled zones at DEK and stockworks prospects (yellow marking is Kingsgate controlled lands); note all of diagram lies within the JV title.

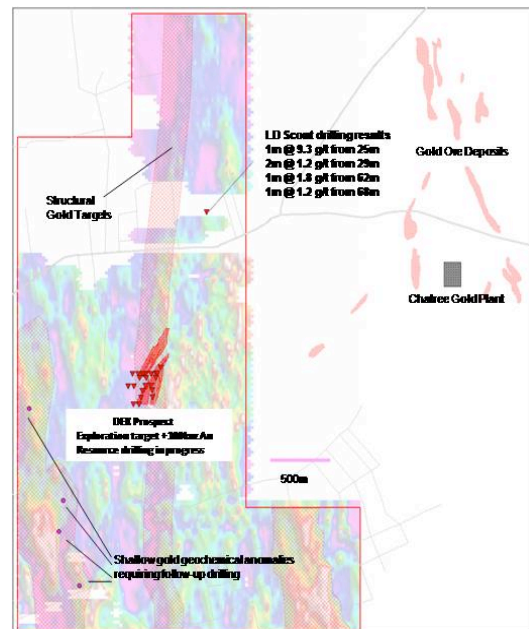


Fig. 3

Fig. 3: Long Du (LD) title showing location of DEK gold/silver resource and exploration targets over resistivity image.

Encouraging results from earlier DEK prospect drilling programs include:

- 8.9m @ 10.18g/t Au & 82g/t Ag from 36m;
- 5.5m @ 27.16g/t Au & 224g/t Ag from 23.5m and
- 10.0m @ 6.06g/t Au & 49g/t Ag from 184m

Results from the TRM 2010 drilling program included;

- 10.20m @ 2.01 g/t Au from surface and
- 21.30m @ 1.85 g/t Au (including 6m @ 3.05 g/t Au from 57m)

Elsewhere, within the LD title, two RC scout holes were drilled approximately 1.2 kilometres north of the DEK resource to test a co-incident geophysical and bedrock gold geochemical anomaly. Interesting gold mineralisation (associated with quartz veining) was encountered, clearly indicating the potential for additional resources on this title (see Fig. 3).

Surface exploration over other parts of the 10km² title has identified several prospects and targets with potential to host gold mineralisation; high priority resistivity targets, several kilometres in length, remain to be tested.

The JV partners are presently awaiting renewal of the title.

WANG YAI TITLES (15-20km NNE of Chatree Gold Mine)

The Wang Yai title rights are located 15-20km NNE of the Chatree Gold Mine and cover 16km².

The rights host an epithermal system featuring a number of high quality targets, separate in character to the nearby Chatree system. Gold anomalism occurs over a strike length of 7km exhibiting, in places, superb colloform crustiform vein outcrops, typical of epithermal gold systems. Many selected surface samples within this system have assayed bonanza grades of between 1-3ozs/t gold, peaking at 10ozs/t gold and 150ozs/t silver combined.

Exploration by Phelps Dodge in the 1990's demonstrated the potential to host significant high-grade gold/silver resources. For example, a 36 metre section of trench returned an average 2.21g/t Au and one drill-hole returned a downhole intersection of 37 metres @ 4.38 g/t Au (inc. 8m @ 16.15g/t Au) from 16 metres. Phelps Dodge ceased all operations in Thailand in 1997/8 due to the Asian financial meltdown and the titles subsequently passed to Thai Goldfields.

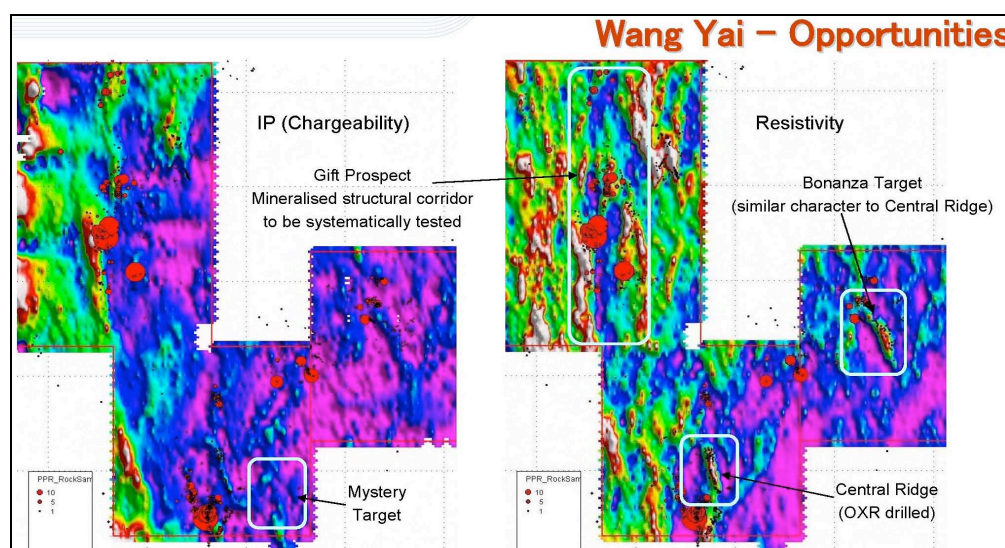


Fig. 4: Priority exploration targets in Wang Yai titles that remain to be systematically tested

Work by Thai Goldfields earlier this decade included mapping and geophysics, rockchip and soil sampling, trenching and RAB and RC drilling over a number of prospective areas. A highlight was a continuous mineralised section of trench assaying 2.05g/t Au over 66 metres (inc. 21m @ 4.9g/t Au) on PSV Prospect in 2001 (represented by 'Bonanza Target' in Fig.4) .

- **CENTRAL RIDGE PROSPECT**

In 2004/5 sole-funded work by former JV partner, Oxiana, resulted in the discovery of float and rockchip samples returning assays as high as a combined 323g/t Au, 4,880g/t Ag and >100g/t Au, 5,050g/t Ag in the Central Ridge area. The results demonstrate the potential for bonanza-grade ore shoots.

Later, drilling by Oxiana resulted in the discovery of a number of mineralised epithermal veins. Better results included;

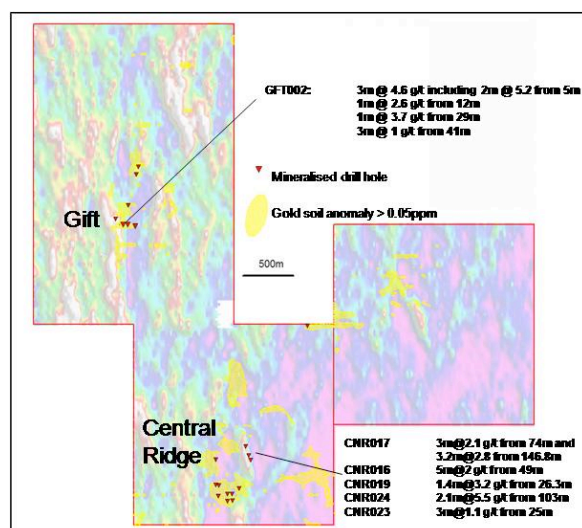
- 18m@8.7g/t Au & 95g/t Ag
- 11m@2.4g/t Au
- 7.3m@3.7g/t Au.

Drilling by TRM in 2010 intersected broad alteration zones and several intervals of gold mineralisation. Encouraging results included:

- CNR017: 3.0m @ 2.1 g/t Au from 74m and 3.2m @ 2.8 g/t Au from 146.8m
- CNR016: 5.0m @ 2.0 g/t Au from 49m
- CNR019: 1.4m @ 3.2 g/t Au from 26m
- CNR024: 2.1m @ 5.5 g/t Au from 103m.

Further drilling is required to test a suite of geological, geophysical and geochemical targets outlined by earlier surface exploration but undrilled in the latest program.

Fig. 5: Wang Yai titles showing prospects, gold soil anomalies and drill intercepts over resistivity image



- **GIFT PROSPECT**

Gift is another important prospect lying within the Wang Yai titles. The prospect comprises a large, 2.5km long, poorly tested, gold soil geochemical anomaly associated with numerous high-grade gold in rock samples including a number reporting bonanza grades, e.g. 224g/t Au, 105g/t Au and 93.9g/t Au.

Two fences of wide-spaced scout drilling were completed by TRM in 2010 and intersected encouraging gold mineralisation over a combined soil, rock and geophysical anomaly. Better intersections included the following:

- GFT002 3.0m @ 4.57ppm Au from 5m
- GFT009 2.0m @ 4.20ppm Au from 96m

In view of the latest results a substantial program of follow-up drilling is required to adequately test the entire 2.5 km-long strike length of geophysical and geochemical anomalies.

The JV partners are presently awaiting renewal of the titles.

KHAO PHANOM PHA (a former 'gold rush' area)

The 16km² Khao Phanom Pha exploration title is centred about 10km west of the Chatree Gold Mine and completely surrounds the small Khao Phanom Pha 'Gold Mine', a small high-grade gold mine owned and controlled by the local Council until recent times (assumption of operations by the Council was due to the many deaths and accidents which occurred in former times of illegal mining). The small gold mine is excised from the SPL exploration rights.

The title is considered prospective for intrusive related mineralisation, particularly in the area immediately to the east of the mine. Work in earlier times confirmed the primary nature of the gold being won, indicating it was developed in a distal skarn setting.

The JV partners are presently awaiting renewal of the title.