



**CHAIRMAN'S ADDRESS  
ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TUESDAY, 26 NOVEMBER 2013 @ 8.30 WST**

Shareholders have been informed about the status of the Company's mining operations by a number of detailed Announcements over the past 7 months and I do not propose to revisit those Announcements. Suffice to say that the Board decided to place the Coyote Mine on care and maintenance in late April, 2013 due to the sudden fall in the price of gold and in the knowledge that the Muttley deposit was forecast to be exhausted by end June 2013.

I was appointed a director of the Company on 23 April, 2013 and Chairman on 6 July, 2013.

Since placing the Coyote Mine on care and maintenance the Company has been in a restructuring phase. Many redundancies have had to be made and, in order to preserve cash, the Company has been guided by a Committee of non-executive directors supported by a core professional staff. Every cost area has been closely examined and reductions made where possible. The monthly cost of care and maintenance has, as a result, been substantially reduced. Exhaustive cash flow forecasting has also been carried out and many discussions have been held with potential investors to raise funds for future development. The Company has been exploring various fund raising strategies and will continue to do so.

There has been a particular focus on future strategy and the immediate upshot of this work has been the decision to proceed with a new drilling program at the Company's Kavanagh deposit with the objective of determining if an economic case can be made for mining Kavanagh in the current circumstances. The cost of the drilling program is being financed from the final drawdown of the Sun Hung Kai International Bank [Brunei] Limited loan.

The results of that drilling, in conjunction with the gold price, will dictate whether or not it is economic to recommence mining at Kavanagh. This decision will not be made lightly and there has to be proof of a considerable resource, a firm mine plan and adequate funding before it is made.

As regards to the medium to long term, the Company's Groundrush deposit at Central Tanami remains the focal point and, after assessing the merits of mining at Kavanagh, renewed effort will be made to raise funds necessary to exploit Groundrush. The Board has resolved to issue frequent announcements updating the Company's operating status.

I would like to thank my fellow Directors, our Management team and personnel as well as our Shareholders for their continuing support during the year.

**Gerard McMahon**  
**Chairman**  
**26 November 2013**