TECHNICAL REPORT ON THE

SEHULEA PROPERTY

NORMANBY ISLAND, MILNE BAY PROVINCE

PAPUA NEW GUINEA

LOCATION

BLOCK A, CENTERED NEAR

Latitude: 10° 00'00"S

Longitude: 151° 09'30''E

BLOCK B, CENTERED NEAR

Latitude: 10° 08'30"S

Longitude: 151° 07'00"E

PROPERTY

EL 1069 (30km^2)

PREPARED FOR

New Guinea Gold Corporation
429-470 Granville Street
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PREPARED BY

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DATED

September 10, 2002

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1. SUMMARY

1.1 Property Description, Location and Accessibility

The Sehulea property, consisting of Exploration Licence 1069 (EL 1069), covers about 30km^2 in the eastern part of Normanby Island, in Milne Bay Province, Papua New Guinea (PNG). The tenement is divided into two separate blocks, situated on the northern and southern coasts. Normanby Island lies approximately 65km northeast of the mainland town and provincial capital at Alotau. The licence is centred at 10°03'S latitude and 151°08'E longitude on the Duau 1:100,000 topographic sheet. Access is good for PNG with an airstrip, with twice weekly scheduled service, within a few kilometres of Wieoko. Barge and boat access is available for equipment and supplies. Bulldozer tracks lead from the shore to a number of the drill sites, and hunting trails provide access to other areas. The property has local relief of 600m.

1.2 Property Ownership

The Sehulea Exploration Licence (EL 1069), covering 145 sq km, was originally granted to Swan Resources. Macmin NL purchased the property on the 31 October 1995. Renewal and licence area reductions have resulted in the present 30km^2 tenement for which a renewal (due January 5th 2002) is lodged and in progress. New Guinea Gold Corporation (NGG), subject to shareholder and regulator approval, is presently acquiring 75% interest in the Sehulea property from Macmin.

Hunter Exploration PNG (Hunter) joint ventured the Sehulea in 1996 and hold the remaining 25%.

1.3 Property Geology and Mineralisation (Figure 1)

The Sehulea property is situated in the "Misima Corridor" at the western end of the Woodlark Basin seafloor-spreading centre (Figure 1). Extensional deformation ahead of the westward propagating rift system caused young tectonothermal features on Normanby Island. Exhumation of Papuan Peninsula basement rocks of Cretaceous age has resulted in formation of the Pervost Metamorphic Dome, a core complex. Metamorphic rocks are overlain by mollase type sedimentary rocks and/or Quaternary to Recent volcanic rocks. Uplift and tensional tectonics has resulted in detachment faulting, half-graben type basins, peralkaline volcanism, hydrothermal activity and associated epithermal mineralization.

At the Weioko prospect gold mineralization is associated with steeply dipping, cross cutting, rift faults or dome bounding faults called decollement zones. Low grade, disseminated gold mineralization is associated with silicification and argillic alteration of porous sedimentary rocks, and higher-grade veins cut both metamorphic basement and overlying sedimentary rocks.

The Gwamogwamo prospect, a copper/gold system, is centred on gossans derived from massive and disseminated sulphides within amphibolitic volcanic rocks.

Gold deposit types targeted in the Sehulea area include:

- Hot spring deposits marked by present activity that has silicified recent beach sediments;
- Decollement zone mineralization precipitated from channelled epithermal solutions;
- Stockwork quartz veins cutting basement metamorphic rocks and/or overlying sedimentary rocks;
- Mesothermal quartz veins cutting basement metamorphic rocks;
- Massive to high sulphide lenses in metamorphic rocks (e.g. Gwamogwamo prospect); and

- Supergene enrichment of the above deposit types in the near surface environment.

1.4 Status of Past Exploration and Exploration Concept

Exploration interest in the Sehulea property area dates to the early 1970's with the development of the nearby large Misima gold deposit. Prospecting Authorities (PAs—now known as Exploration Licences) covered most of the islands within the "Misima Corridor". The PAs were explored by conducting regional silt sampling, prospecting, reconnaissance geological mapping and airborne surveys. Rock float sampling in the Sehulea area resulted in over a hundred samples with >1 g/t Au with a number of samples >10 g/t Au (high of 363 g/t Au), and resulted in grid soil sampling of an 18 sq km area centred on the Weioko prospect. The soil survey resulted in large areas with >100ppm As and >80ppb Au. The Weioko prospect was defined by a strong, open-ended, gold-in-soil anomaly (>700ppb Au) covering an area of 350m by 250m. Previous explorer (Esso/City Resources) located the presence of bedrock gold mineralization by hand trenching within the soil anomaly. Three of their trenches returned 156m at 2.43g/t Au; 72m at 2.34g/t Au; and 60m at 1.20g/t Au. A six-hole reconnaissance diamond drilling program (totalling 869.7m) tested the apparent north-trending strike of the contact between the cover and basement rocks with five holes and the sixth hole tested for a possible southern extension. Hole WED 003 graded 0.75g/t Au from 0 to 117.5m and included 27.7m grading 2.07g/t Au and 17.1g/t Ag with a section from 30.7m to 32.2m grading 19.90g/t Au. WED 001 graded 0.53g/t Au from 0 to 114.8m; WED 002 graded 0.44g/t from 0 to 150.0m: and WED 005 graded 1.35g/t Au for the top 27.7m. A second program of four holes tested for east and west extensions of the mineralization with less encouragement, but encountered long anomalous sections like: 47.2m to 86.0m at 0.37g/t Au in hole WED 007; 37.9m to 52.9m at 0.40g/t Au in hole WED 008; and 78.4m to 124.8m at 0.36g/t Au in hole WED 009.

Macmin and Hunter carried out additional trenching with a diamond saw used to cut channels for sampling. Channel sampling results included: 164m of 3.96g/t Au (inc. 16m of 20.03g/t Au); 28m of 5.19g/t Au, 26m of 5.70g/t Au; 20m of 2.69g/t Au; 16m of 2.67g/t Au; and 12m of 3.02g/t Au. The trench results encouraged completion of 29 RC holes that confirmed mineralization over a strike length of 600m and down dip in a 100m test. Mineralization remains open along the north and south trend and down dip. The RC drilling contained many assay intervals grading between 1 and 3 g/t Au, but results comparable to those in the trenches were not encountered. Previous drilling suggested that higher-grade sections may plunge along the mineralised contact in zones that parallel drill sections or that there could be surface gold enrichment. An IP survey was completed to check for possible continuations of the mineralised system, and showed that Weioko mineralization could extend over a further kilometre to the south and that another mineralised system may occur near Lataona Hill.

The Gwamogwamo massive sulphide prospect has been tested with trenching and 16 RC holes totalling 680m with the best RC intersection in hole GW007 grading 0.61 g/t Au and 1.34% copper from 7m to 16m. Trench 2 contained a 10m interval grading 2.02% copper and 3.32 g/t Au.

1.5. Conclusions and Recommendations

In the Weioko area, previous exploration suggests that decollement zones between basement and overlying sedimentary and volcanic rocks, and recent tensional, northerly trending graben structures may be controls for epithermal mineralising solutions. Supergene enrichment of gold in tropical environments is common and has resulted in many economic concentrations.

The Weioko area could host economic precious metal deposits in structural zones, porous units encountered along mineralising structures or in surface environments affected by tropical weathering and supergene enrichment. The three types of deposits present exploration targets that warrant further drill testing and should be considered with other geotechnical data when selecting drill sites.

A Stage 1 program of geochemical and geological follow-up of surface targets is estimated to cost CDN$70,000 and is adequate to satisfy minimum exploration requirements.

A Stage 2, 1,000 metre drill program, is estimated to cost CDN$150,000 and should be used to further test the dip and strike extensions of the Weioko prospect.

Total cost of Stages 1 and 2 is CDN$220,000.

1.6 Opinion that the Property is of Sufficient Merit to Justify Work Recommended

In the opinion of the writers, the Sehulea property is of sufficient merit to justify the recommended work programs.

2. INTRODUCTION AND TERMS OF REFERENCE

2.1 Terms of Reference and Purpose

The writers were retained by NGG to review and compile new and historical exploration data, appraise the exploration potential, and make recommendations for further work on the Sehulea property. The data was compiled in the form of a technical report.

This technical report has been prepared in compliance with the requirements of National Instrument 43-101 and Form 43-101 F1 and is intended to be used as a support document to be filed with the British Columbia Securities Commission and TXS Venture Exchange.

2.2 Source of Information and Data

The management of NGG have been involved in exploration of the Sehulea tenement area since the early 1980's, and now control all property files since Esso's 1982 work. These files are kept in Macmin's Gold Coast office and are the basis for this report. Dr. David Lindley gained personal knowledge of the property geology during fieldwork from 1996 to 1998. Dr. Peter Christopher has examined several PNG properties, and made a brief visit to the Gwamogwamo prospect with Dr. Lindley in 1996 while examining the adjacent Normanby Property for NGG.

2.3 Field Involvement of the Qualified Person

This report is based on extensive property files reviewed in Macmin's Gold Coast, Queensland, Australia office between August 1st and 7th 2002 by Dr. Peter A. Christopher, P.Eng. It is also based on a property examination by Dr. Christopher on April 15th 1996 with Dr. David Lindley. Dr. David Lindley supervised exploration of the Sehulea property from 1996 to February 1998 in his position as Chief Geologist PNG for Macmin, and visited both the Normanby and Sehulea properties on several occasions. Dr. Lindley has published several papers covering aspects of the geology and mineral deposits of PNG. Dr. Lindley worked extensively in PNG from 1977 until February 1998, and during that time visited most of the major metal mines in PNG.

3. DISCLAIMER

The writers have included a property title and ownership section as required by NI 43-101. The ownership information was obtained from documents in the property files and reviewed with Macmin personnel. The data is believed to be accurate, however ownership is a legal matter and should be confirmed by NGG legal counsel.

4. PROPERTY DESCRIPTION AND LOCATION

4.1 Location (Figures 1 and 2)

The Sehulea exploration licence (EL 1069) occupies an area of 30 km^2 that lies in the eastern part of Normanby Island, in Milne Bay Province. The tenement is divided into two separate sections, situated on the northern and southern coasts (Figure 2). Normanby Island lies approximately 65km northeast of the provincial capital at Alotau on the mainland (Figure 1). The licence is centred at 10°03'S latitude and 151°08'E longitude on the Duau 1:100,000 topographic sheet. Bulldozer tracks lead from the shore to a number of the drill sites, and hunting trails provide access to other areas. The property has local relief of 600m.

4.2 Property Title and Ownership (Figure 3)

The Sehulea exploration licence (EL 1069), covering 145 sq km, was originally granted to Shaw Resources. Macmin NL purchased the property on the 31 October 1995. Renewal and licence area reductions have resulted in the present 30km^2 tenement for which a renewal (due 5/1/02) is lodged and in progress.

New Guinea Gold Corporation (NGG), subject to shareholder and regulatory approval, is presently acquiring 75% interest in the Sehulea property from Macmin.

Hunter Exploration PNG joint ventured the Sehulea project with Macmin between May 1996 and 1998 and earned 25% interest. Swan Resources (now Rhodes Mining) hold a 2% gross royalty on any mineral production from the licence.

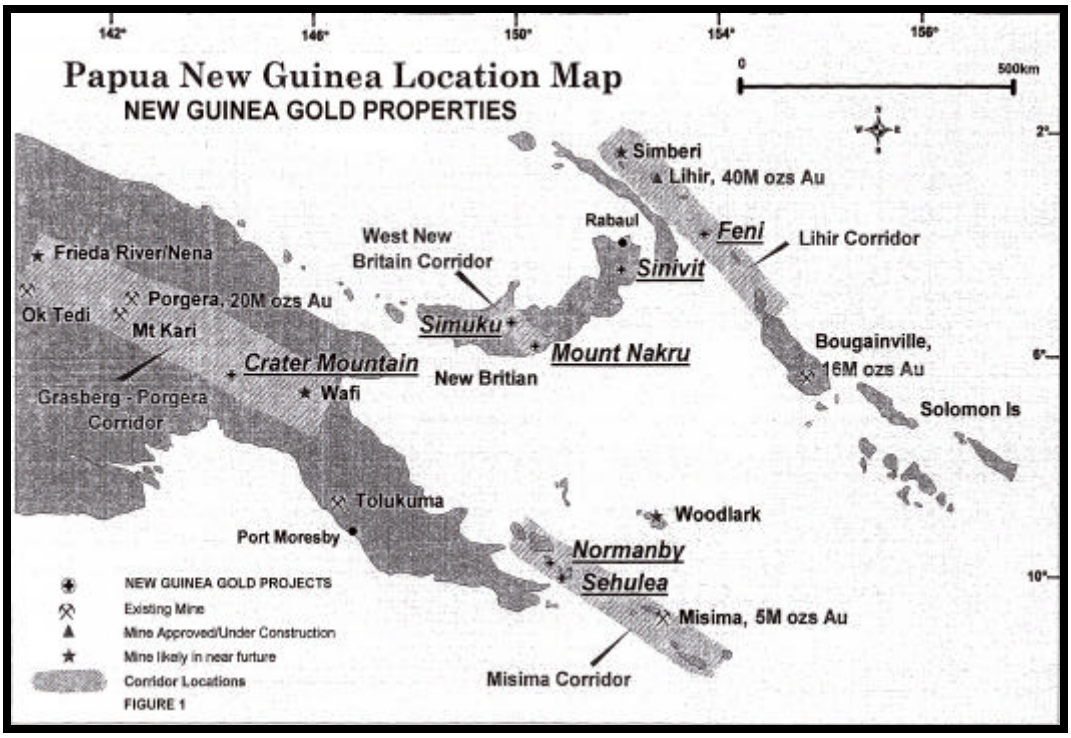

Figure 1. Location of PNG gold properties of New Guinea Gold.

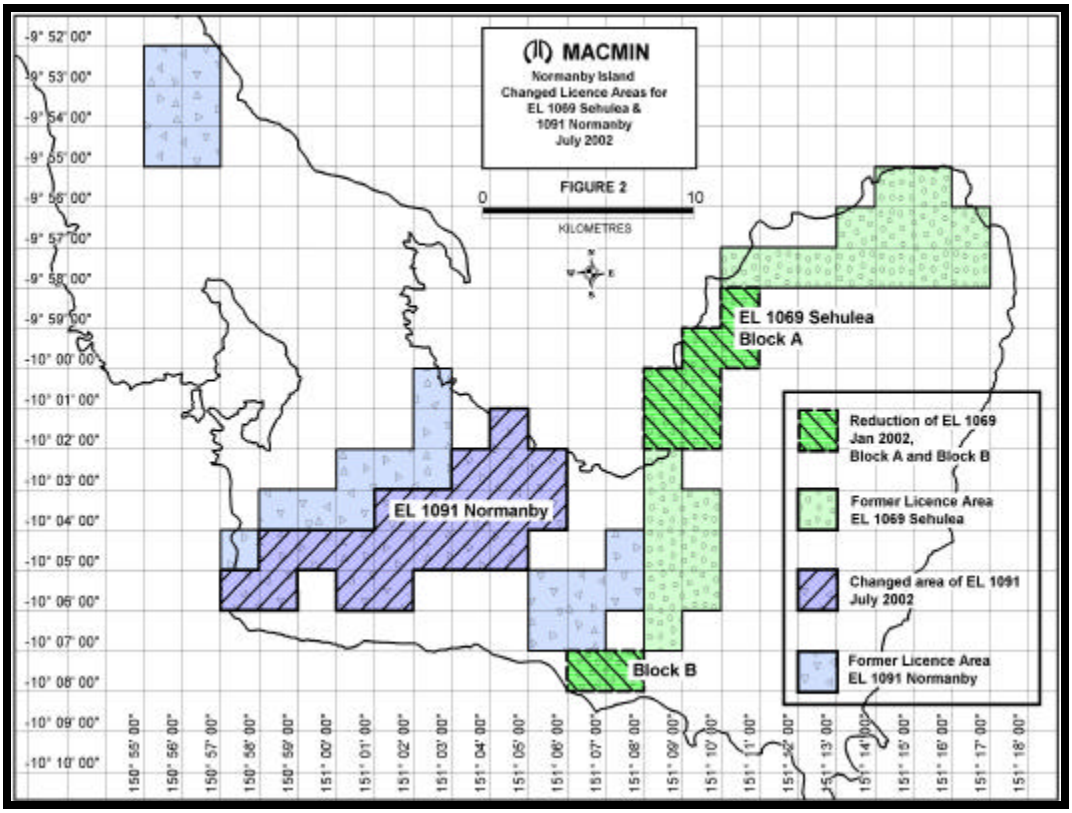

Figure 2. Plan of New Guinea Gold's Sehulea tenements on Normanby Island, PNG.

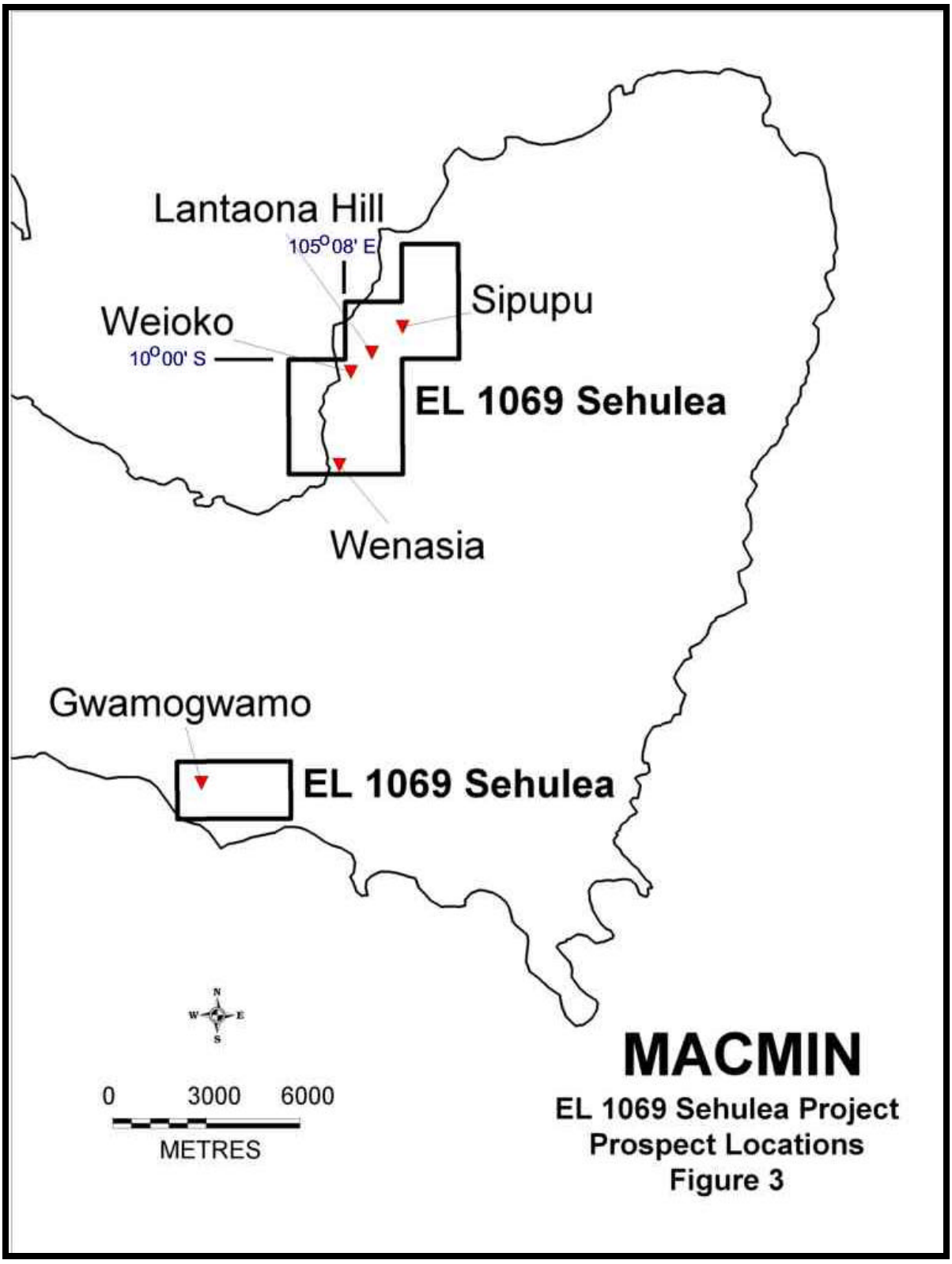

Figure 3. Prospect Locations, Sehulea project.

Subject to any agreement made under Section 17 of the PNG Mines Act, the State reserves the right to elect at any time, prior to the commencement of mining, to make a single purchase up to 30% equitable interest in any mining discovery arising from this licence, at a price pro rata to the accumulated exploration expenditures and then to contribute to further exploration and development in relation to the lease on a pro rata basis, unless otherwise agreed. Macmin estimates that CDN$1,045,974 has been spent on EL 1069.

5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES AND INFRASTRUCTURE

5.1 Accessibility

Access to the island is by twice weekly, twenty-five minute duration, Milne Bay Air (Twin Otter) RPT flights from Alotau to grass airstrips at Sehulea or Esa'ala (Miadeba). Alternative access is possible by helicopter (ex Port Moresby) or coastal vessels. Barge and boat services can be used for transporting equipment and supplies. Helicopters are generally not necessary, but are available for special or emergency situations.

Bulldozer tracks lead from the shore to a number of the drill sites, and hunting trails provide access to other areas. The property has local relief of 600m.

5.2 Physiography

The Sehulea property is situated at the eastern end of Normanby Island. The Sehulea area is deeply dissected and is dominated by north-south trending ridges and valleys. The property has moderate to steep topography with elevation in Block A ranging from about 480m to sea level and elevations in Block B from 600m to sea level. The Malaha River valley is east of Block A and the Ibuwar River extends southerly from Weioko Bay through Block A.

5.3 Climate

Diurnal temperature range from 20 to 33°C with cooler temperatures at higher elevations. A monsoon or wet season, from May to October, is associated with the SE trade winds which make water transportation more difficult. Rainfall varies from about 4.0-10.0m of rain/year. The heavy rainfall has resulted in tropical rainforest over most of the property. The property is mainly primary rainforest with secondary overgrowth in areas of shifting gardens. Coconut plantations occupy some of the better agricultural land along the coast.

5.4 Local Resources and Infrastructure

Supplies and services are available at Alotau and the local settlement can supply labourers for exploration purposes. Fishing is the main industry with hunting along walking trails into the island interior. Local gardeners and fishermen provide a source of fresh food for exploration camps. Road building equipment and drilling equipment can be barged to the island shore and moved along exploration tracks to the prospects. PNG has a mining industry with a number of skilled workers. Locals have been trained to assist with exploration and mining activities.

Access and surface rights must be obtained from local owners, and compensation paid for damages. There is an abundant, natural water supply, but a small, possibly hydro, plant must be established to supply power.

6. HISTORY

Prior to the 1980's, small-scale alluvial gold workings were present on Normanby Island but production was minimal. Minor alluvial platinum was reported to be obtained with the gold. Limited exploration for base metals, chromite and magnetite was carried out by Australian Anglo American Ltd, CRA Exploration, Pickands Mather, Planet Metals Ltd and others.

Esso PNG Inc. started systematic gold exploration in 1982 when PA469 covered the entire D'Entrecasteaux Island group. Reconnaissance geological and geochemical methods were used to reduce PA469 to a series of smaller tenements. Esso conducted an effective reconnaissance program over PA-555-Sehulea in late 1986. Stream sediment and float sampling detected eight decollement-related gold prospects (McNeil, 1995).

The licence was joint-ventured to United Gold Pty Ltd (later City Resources Ltd) and full control taken in December 1986 with Esso's withdrawal from mineral exploration and sale of mineral assets. Title was transferred to Milne Bay Mining Pty Ltd in March 1997 and joint ventured to City Resources (Asia) Ltd. PA555 was amalgamated with part of PA537 in 1989 and became PA935. PA935 was included in a package joint ventured to Ingold Holdings Pty Ltd (INCO) in 1989. PA935 was relinquished by the Ingold/City JV in 1992.

The original PA555, covering 145km^2, was granted to Swan Resources Ltd on 6 January 1994 for two years. Macmin N.L. arranged to purchase the tenement from Swan Resources in September 1995, with the arrangement effective upon renewal and reduction (to 101km^2) of the licence in January 1996. The licence was renewed for a further 2 years on the 6th January 1998 and again in January 2000. In January 2002 the area was reduced to 9 sub-blocks in two sections (Figure 2).

Rock float sampling in the Sehulea area resulted in over a hundred samples with >1g/t Au with a number of samples >10g/t Au (high of 363 g/t Au), and resulted in grid soil sampling of an 18 sq km area centred on the Weioko prospect. The soil survey resulted in large areas with >100ppm As and >80ppb Au. The Weioko prospect was defined by a strong, open-ended, gold-in-soil anomaly (>700ppb Au) covering an area of 350m by 250m. Previous explorer (Esso/City Resources) located the presence of bedrock gold mineralization by hand trenching within the soil anomaly. Three of their trenches returned 156m at 2.43g/t Au; 72m at 2.34g/t Au; and 60m at 1.20g/t Au. A six hole reconnaissance diamond drilling program (totalling 869.7m), completed in July/August 1987, tested the apparent north-trending strike of the contact between the cover and basement rocks with five holes and the sixth hole tested for a possible southern extension with the best results in Table 1, below:

A second program of four holes, completed in September/October 1987, tested for east and west extensions of the mineralization with less encouragement, but encountered long anomalous sections like: 47.2m to 86.0m at 0.37g/t Au in hole WED 007; 37.9m to 52.9m at 0.40g/t Au in hole WED 008; and 78.4m to 124.8m at 0.36g/t Au in hole WED 009.

TABLE 1. Best gold results from reconnaissance diamond drilling of Weioko prospect.

Hole	From/To(m)	Metres	Au g/t	Ag g/t
WED001	0.0 – 114.8	114.8	0.53	
WED002	0.0 – 150.0	150.0	0.44	
WED003	0.0 – 117.5	117.5	0.75	
Inc	**15.7 – 43.4**	27.7	2.07	17.1
Inc		10.5	4.34	36.4
WED005	0.0 – 27.7	27.7	1.35	
Inc	0.0 – 20.2	20.2	1.67	6.0

By 1995, trenching, reverse circulation (RC) or diamond drilling (DD) had been used to test the Wenasia, Weioko, Lataona and Sipupu prospects (Figure 3). Work in 1996 involved drilling, geological mapping and trenching on several prospects. RC drilling was completed at Gwamogwamo (9 holes totaling 377m), Wenasia (four holes totalling 213.0m on Martin's and Peter's zones), Lataona Hill (2 holes totalling 132.0m), and Weioko (23 holes totalling 1404.0m). Bulldozer trenching was carried out at Gwamogwamo with 12 trenches totalling 1,975m completed, and at Wenasia were several trenches were dug, at proposed sites, prior to locating RC drill holes. Geological mapping at 1:2,000 scale was conducted in the Lomitawa, Lataona, Weioko, Wenasia and Gwamogwamo area and at 1:500 scale in the vicinity of trenches at Weioko and Gwamogwamo.

Exploration of the Gui prospect during 1997 included 5 RC holes totalling 321 meters, construction of access roads, mapping of trenches and drill access roads, 82 rock chip samples, geological reconnaissance, 24 reconnaissance silt samples, 24 pan concentrate samples and 36 rock samples to the north and east of the Gui prospect. Limited success resulted in relinquishing of the Gui prospect area in 2002. In 1997 holes GRC010 to GRC016, totalling 303m were drilled to test the Gwamogwamo prospect. By 1997, the Gwamogwamo prospect had been tested by 16 RC holes totalling 680m with hole GRC001 (50m) on the adjacent Normanby property (EL1091).

In 1998 work on the Sehulea property included an IP and CSAMT surveys which were conducted to determine if the Weioko mineralised system continued to the south, and to determine if other possible mineralised zones occur within the large areas of anomalous gold and arsenic in soils. A total of 14.75 km of IP and 3.6 km of CSAMT were surveyed. The IP survey was successful in suggesting possible northerly and southerly extensions of the Weioko mineralisation, and suggested another possible mineralised system near Lataona Hill. CSAMT produced resistivity values >1000 ohm-m between 39062N and 39262N on line 9300E and between 39412N and 39487N on line 9500E.

Limited work was conducted on the Sehulea property in order to complete minimum assessment requirements, and assess areas for reduction of the tenement. In January 2002, the Sehulea property was reduced to 30 square km.

7. GEOLOGICAL SETTING

7.1 Regional Geology (Figure 4)

The Sehulea property is situated within the New Guinea Orogen (Figure 4) that is composed of variably deformed sedimentary, metamorphic and igneous rocks, and includes a foreland thrust belt, island arcs, and intervening small ocean basins. In the Papuan Peninsula, D'Entrecasteaux Islands, and Louisiade Archipelago, the Papauan Plateau, a rifted fragment of the Palaeozoic Queensland Plateau, forms unexposed basement to the orogen (Rogerson et al., 1987).

Normanby Island, part of the D'Entrecasteaux Island Group, is part of a near-linear chain in the Solomon Sea off the ENE tip of the Papuan Peninsula. The D'Entrecasteaux Islands are at the western end of the Woodlark Basin rift system, an active crustal extensional feature that developed around 5 Ma ago in response to subduction and plate rotation along an irregular boundary between the Pacific and Indo-Australian plates (Benes et al., 1994). The Woodlark Basin is opening at about 7 cm/yr and propagating westerly at about 12 cm/yr (Binns and Scott, 1987). Crustal expansion has created domal structures in high-grade metamorphic basement rocks. The metamorphic rock domes, called core complexes, formed within ophiolitic assemblages in the Cretaceous Papuan Fold Belt. The westward migration of the Woodlark Basin appears to have been preceded by calc-alkaline magmatism and emplacement of basic and intermediate intrusive and volcanic rocks into and unconformably over the ophiolites and greenstone assemblage. Recent magmatism within the D'Entrecasteaux Islands is indicated by hot spring activity within active extensional structural zones. The D'Entrecasteaux Islands are considered by Adshead (1997) to be a modern analogue of Misima Island about 3.2-4.0 Ma at the time of gold deposition at the Umuna deposit.

7.2 Property Geology (Figure 5)

Goodenough, Fergusson and Normanby Islands have domed and broadly folded basements of Cretaceous metamorphic rocks (core complexes) consisting mainly of amphibolite facies, with lesser greenschist facies rocks. The Provost Dome dominates the geology of the eastern part of Normanby Island. The dome axis trends NNE and is paralleled by a number of fault-controlled drainages. Ultramafic and associated gabbroic rocks of Cretaceous or older age are in fault contact with the metamorphic rocks in several areas and are thought to represent overthrust sheets of sea-floor volcanic rocks (Figure 5).

The dome margins are marked by large, often curvilinear faults that locally form decollement structures. Quaternary volcanism has occurred adjacent to the faulted dome margins and hot spring activity is associated with some of the rift structures.

Epithermal mineralization is structurally controlled and can be related to either shallowly dipping dome bounding faults or younger steeply dipping rift zones. Mineralisation often occurs near the intersection of two types of faults. The Weioko, Wenasia, Sipupu and Lataona Hill prospects are located on the margin of the Provost Metamorphic Dome and are centred on the contact, a possible decollement zone, between the metamorphic basement and overlying "mollase" type sediments and/or volcanics. The Gwamogwamo prospect is located within greenstone facies rocks of the metamorphic dome.

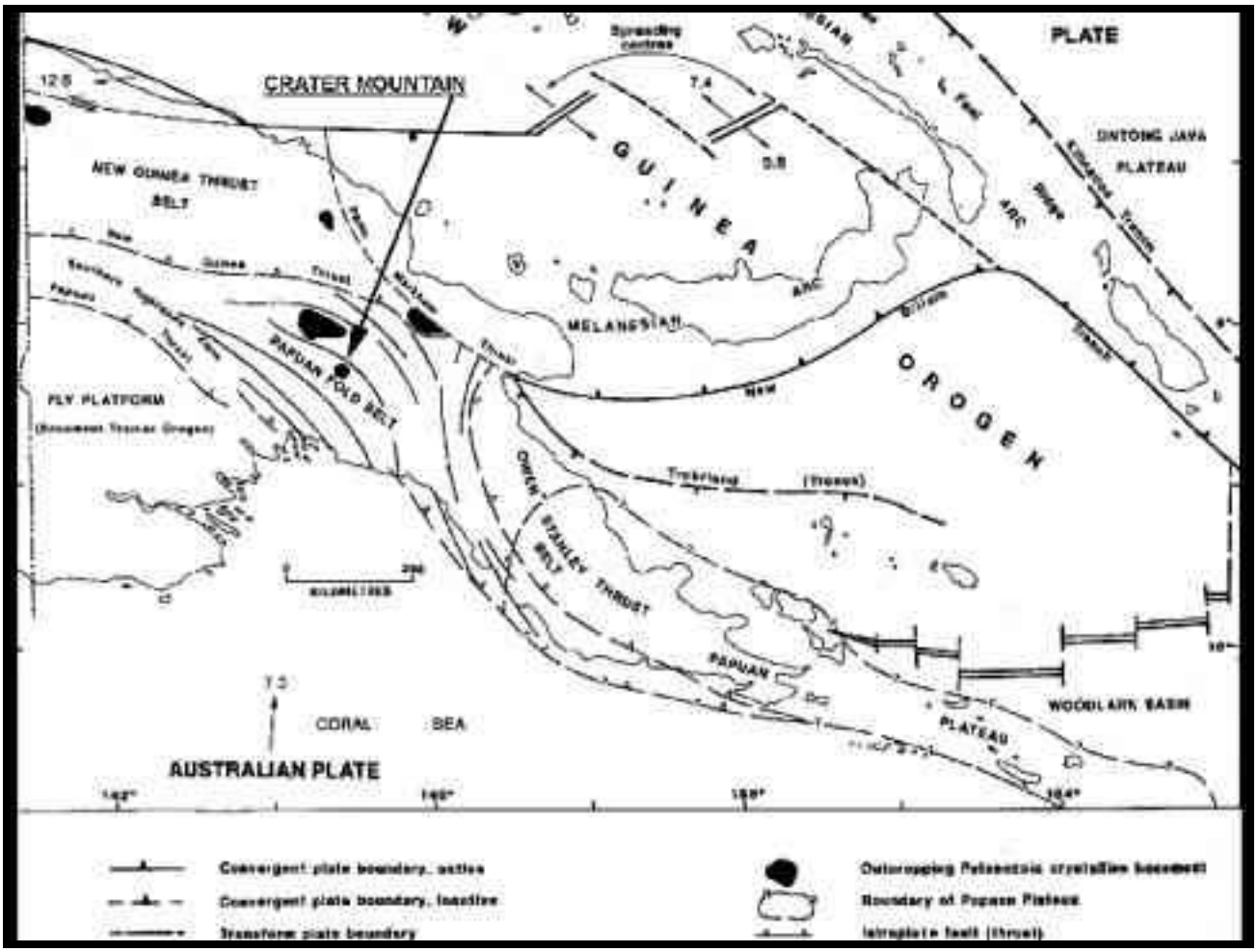

Figure 4. Basic tectonostructural subdivisions of PNG.
(After Rogerson et al., 1987.)

Metamorphic rocks consist predominantly of greenschists and gneisses with lesser amphibolite and rare marble (First, 1987). Volcanic rocks, outcropping near Sehulea village, are probably related to dioritic intrusive rocks observed as clasts in Weioko conglomerates and dykes or plugs intersected in drillholes WED004 and WED005. Sediments onlap metamorphic rocks and are composed predominately of poorly sorted polymiictic conglomerates and rare fluvial sandstone. Beach sand deposits occur near coastal areas and some have been silicified.

8. DEPOSIT TYPES

Strongly anomalous gold and arsenic values are found in stream sediment samples, pan concentrate samples, rock float samples. Broad soil anomalies and gold mineralization may be derived from:

1. Hot spring activity that has silicified recent beach sediments;
2. Epithermal solutions moving along decollement zones;
3. Stockwork quartz veins that cut basement metamorphic rocks and/or overlying sedimentary rocks;
4. Mesothermal quartz veins cutting basement metamorphic rocks;

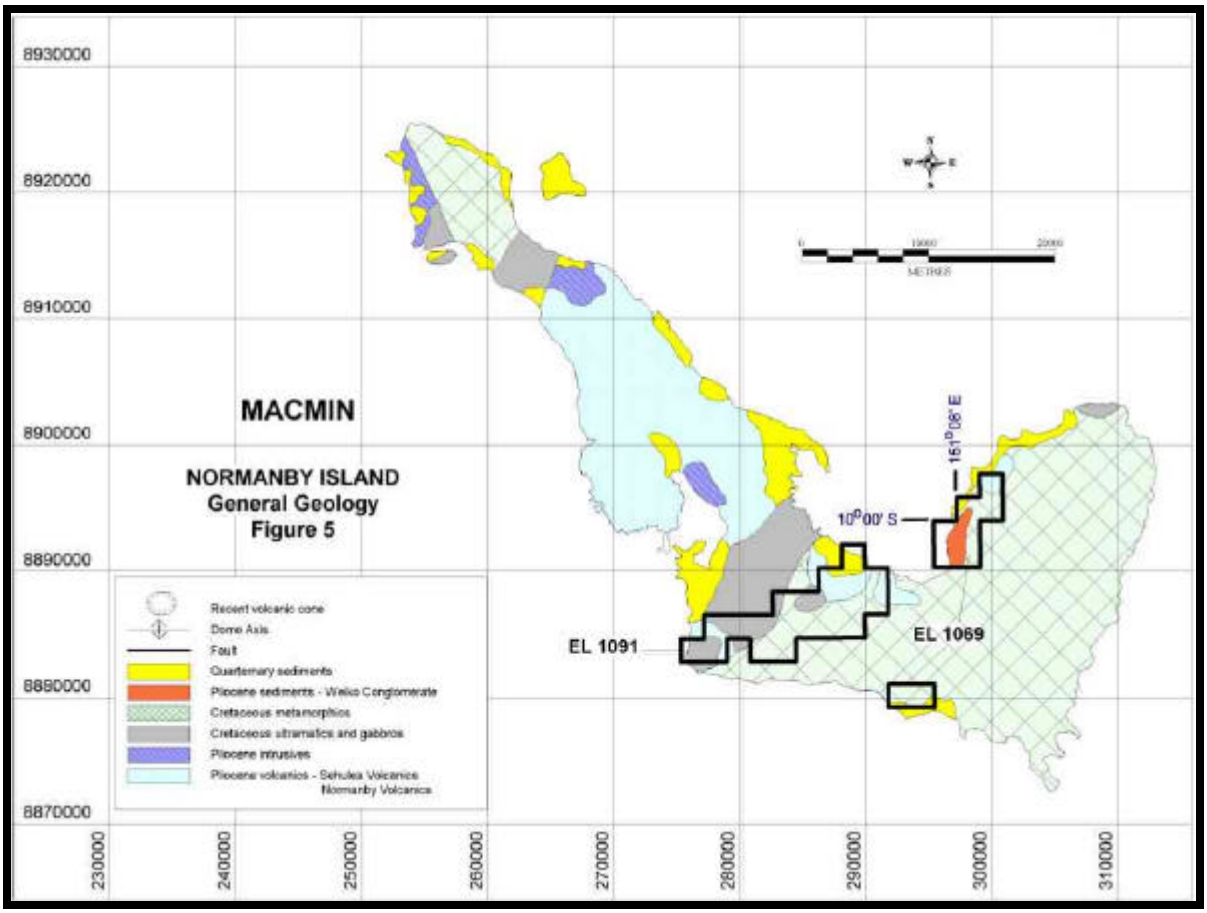

Figure 5. General geology of Normanby and Sehulea tenement areas, PNG.

5. High to massive sulphide lenses in metamorphic rocks (eg. Gwamogwamo prospect); and
6. Supergene enrichment of the above deposit types in the near surface environment.

9. MINERALISATION

Mineralization in the Sehulea project area occurs as massive sulphide lenses and quartz-sulphide veins at Gwamogwamo, and structurally controlled epithermal vein and silica flooded mineralised zones at Weioko, Lataona Hill, Wenasia and Sipupu prospects.

At the Gwamogwamo prospect, mineralization is a polymetallic (Fe-Cu-Zn-Pb-Au) massive sulphide. Mineralization types include:

1. Quartz-sulphide veins margined by disseminated sulphides;
2. Massive sulphide, consisting mainly of pyrite with variable chalcopyrite, malachite, bornite and chalcocite, with interstitial silica;
3. Massive magnetite-silica with traces of chalcopyrite;
4. Blebs or porphyroblasts of chalcopyrite-pyrite.

The mineralization is considered to be correlative with Besshi-type or black smoker type mineralization that forms at spreading centres.

At Weioko and associated prospects mineralization occurs as epithermal veins and silicification with moderate to strong argillic alteration. Sulphides (mainly pyrite) occurs in hydrothermal breccia in both matrix and fragments. In the matrix, sulphides occur as disseminations and as veinlets. The best results from the first six diamond drill holes along the contact between cover and basement rocks included: hole WED 003 graded 0.75g/t Au from 0 to 117.5m and included 27.7m grading 2.07g/t Au and 17.1g/t Ag with a section from 30.7m to 32.2m grading 19.90g/t Au; WED 001 graded 0.53g/t Au from 0 to 114.8m; WED 002 graded 0.44g/t from 0 to 150.0m; and WED 005 graded 1.35g/t Au for the top 27.7m. A second program of four holes tested for east and west extensions of the mineralization with less encouragement, but encountered long anomalous sections (Table 2) like: 47.2m to 86.0m at 0.37g/t Au in hole WED 007; 37.9m to 52.9m at 0.40g/t Au in hole WED 008; and 78.4m to 124.8m at 0.36g/t Au in hole WED 009. RC holes contained several long intervals with > 1.0 g/t Au (Table 3).

TABLE 2. Gold grades from diamond drill holes at Weioko prospect.
(Historic, City Resources data; nominal ≥ 0.1 or 1.0 g/t Au cut off.)

Hole No.	From	To	Intercept Length (m)	Grade	
				Au (g/t)	Ag (g/t)
WED 001	0.00	114.80	114.80	0.53	ND
incl.	0.00	0.70	0.70	3.57	3
plus	15.80	17.30	1.50	1.47	2
plus	20.30	29.30	9.00	2.29	8
plus	65.40	66.80	1.40	1.14	4
WED 002	0.00	150.00	150.00	0.44	ND
incl.	4.70	6.50	1.80	1.18	3
plus	9.50	9.85	0.35	2.40	9
plus	27.50	29.00	1.50	1.51	8
plus	96.50	98.00	1.50	1.47	6
plus	102.50	104.00	1.50	1.06	4
plus	122.00	125.00	3.00	1.51	4
plus	132.50	134.00	1.50	1.00	4
WED 003	0.00	117.50	117.50	0.75	ND
incl.	27.70	29.20	1.50	1.03	7
plus	30.70	32.20	1.50	19.90	7
plus	33.70	38.10	4.40	3.28	77
plus	40.95	42.00	1.05	1.35	7
plus	63.70	65.20	1.50	1.40	4
plus	101.20	102.05	0.85	1.03	2
plus	104.00	105.50	1.50	1.13	<1
WED 004	0.00	27.50	27.50	0.37	ND
plus	50.40	56.00	5.60	0.24	ND
plus	89.00	90.50	1.50	0.21	9
incl.	89.00	89.10	0.10	1.61	12

TABLE 2 (continued)

WED 005	0.00	27.70	27.70	1.35	ND
incl.	2.10	4.70	2.60	1.80	10
plus	6.50	10.30	3.80	1.94	6
plus	11.90	17.45	5.55	2.93	6
plus	24.70	25.45	0.75	1.80	7
plus	36.70	80.10	43.40	0.29	ND
incl.	51.70	53.20	1.50	1.35	7
plus	57.80	59.40	1.60	3.28	3
plus	117.70	128.20	10.50	0.18	ND
WED 006	57.80	76.75	18.95	0.36	ND
WED 007	33.70	36.70	3.00	0.74	1
incl	33.70	35.20	1.50	1.15	2
plus	47.20	86.00	38.80	0.37	ND
incl.	69.70	71.20	1.50	1.32	2
plus	80.20	83.20	3.00	1.50	3
WED 008	37.90	52.90	15.00	0.40	<1
WED 009	78.40	124.80	46.40	0.36	ND
WED 010	No Significant Zones				

TABLE 3. Highlights of gold grades from RC and diamond drill holes at Weioko prospect.

Hole No. (WEH)	Interval	ASSAYS				End of Hole Depth
		Nominal 0.5 g/t Au Cut Off				
		Intercept Length	Grade (g/t Au)	Downhole Depth		
				From (m)	To (m)	
001	Entire Hole	20m	1.08	0	20	20m
	Incl.	10m	1.03	0	10	
	Plus	8m	1.32	12	20	
002	Entire Hole	58m	0.65	0	56	56m
	Incl.	16m	1.65	16	32	
003	Entire Hole	70m	0.65	0	70	70m
	Incl.	6m	1.9	30	36	
004	Entire Hole	60m	1.29	0	50	60m
	Incl.	46m	1.57	14	60	
005	Entire Hole	70m	1.29	0	70	70m
	Incl.	52m	1.72	10	62	
006	Entire Hole	48m	1.17	0	48	48m
	Incl.	18m	1.43	0	18	
	Plus	24m	1.20	20	44	
007	Entire Hole	60m	1.00	0	60	60m
	Incl.	2m	6.18	44	46	
	Plus	10m	1.18	50	60	
008	Entire Hole	70m	0.79	0	70	70m
	Incl.	10m	2.05	50	60	
009	Entire Hole	72m	0.64	0	72	72m
	Incl.	2m	4.27	36	38	
010	Entire Hole	72m	0.66	0	72	72m
	Incl.	32m	0.86	34	66	
011	Entire Hole	51m	0.87	0	51	51m
	Incl.	14m	1.80	24	38	

TABLE 3 (continued)

012	Entire Hole	72m	0.58	0	72	72m
	Incl.	14m	1.01	24	38	
013	Entire Hole	51m	0.51	0	51	51m
014	Entire Hole	72m	0.96	0	72	72m
	Incl.	14m	1.82	14	28	
	Plus	12m	1.33	60	72	
015	Most of Hole	36m	0.65	0	36	50m
	Incl.	10m	0.90	24	34	
016	Entire Hole	75m	0.63	0	75	75m
	Incl.	8m	2.00	42	50	
017	Some of Hole	20m	1.16	2	22	50m
	Incl.	6m	2.28	14	20	
018	Entire Hole	72m	0.55	0	72	72m
	Incl.	4m	2.58	56	60	
019	Entire Hole	72m	0.31	0	72	72m
	Incl.	6m	1.17	12	18	
020	Entire Hole	49m	0.76	0	49	49m
	Incl.	20m	1.42	0	20	
021	Most of Hole	58m	0.56	0	68	72m
	Incl.	14m	1.01	0	14	
022	Entire Hole	50m	0.51	0	50	50m
023	Entire Hole	70m	0.53	0	70	70m
	Incl.	18m	1.08	0	18	
024	Entire Hole	78m	0.45	0	78	78m
	Incl.	6m	1.26	8	14	
	Plus	4m	1.30	24	28	
025	Some of Hole	4m	1.54	5	9	34m
026	Entire Hole	26m	0.42	13	39	39m
027	Entire Hole	74m	0.57	10	84	84m
	Incl.	12m	1.12	22	34	
028	Most of Hole	99.6m	0.30	46	145.6	145.6m
029	Entire Hole	124.1m	0.42	23	147.1	147.1m
	Incl.	22.1m	1.17	23	45.1	

10. EXPLORATION BY MACMIN (FIGURES 6 TO 10)

Macmin and Hunter carried out additional trenching at the Weioko prospect (Figures 5a, 6 & 7) with a diamond saw used to cut channels for sampling. The main Weioko trench was resampled and yielded 164m grading 3.96 g/t Au that included 44m grading 8.69 g/t Au. Shorter trenches contained 12m at 8.07 g/t Au; 40m at 3.36 g/t Au; 26m at 5.70 g/t Au; and 28m at 5.19 g/t Au (inc 4m at 24.4 g/t Au).

The trench results encouraged completion of 29 RC/DD holes (1,765m RC/167m DD) that confirmed mineralisation over a strike length of 400m and a 210m vertical range. Mineralisation remains open along the north and south trend and down dip. The RC drilling contained many assay intervals grading between 1 and 3 g/t, but results comparable to those in the trenches were not encountered. The best results included: hole WEH005 graded 1.29 g/t Au from 0 to 70m with a section from 10m to 62m grading 1.66 g/t Au; WEH004 graded 1.29 g/t Au from 0 to 60m with a section from 14m to 60m grading 1.57 g/t Au; and WEH007 graded 1.00 g/t Au from the surface to 60m.

Drilling suggests that higher-grade sections may plunge along the mineralised contact in zones that parallel drill sections or that there could be surface gold enrichment. A reconnaissance IP survey was completed to check for possible continuations of the mineralised system. Several geochemical anomalies in gold (>80ppb) and arsenic (>100ppm) are coincident with these IP anomalies (Figure 5a). These surveys, consequently, show that Weioko mineralization could extend over a further kilometre to the south and that another mineralised system may occur near Lataona Hill (Figure 5a).

The Gwamogwamo massive sulphide prospect (Figures 8, 9 & 10) has been tested with trenching and RC drilling. The best RC intersection in hole GW007 grading 0.61 g/t Au and 1.74% copper from 7m to 16m, and tested below trench 2 that contained a 10m interval grading 2.02% copper and 3.32 g/t Au. Gwamogwamo drill intersection are summarized in Table 4. By 1997, the Gwamogwamo prospect had been tested by 16 RC holes totalling 680m with hole GRC001 (50m) on the adjacent Normanby property (EL1091).

TABLE 4. Summary of gold grades from RC holes at Gwamogwamo prospect.

Hole	Mineralised Interval	Lithology	Best Intersection Analysed	
GW001	0-3m 5-6m	Mica-chlorite-quartz-pyrite schist	1-2m	0.13 g/t Au, 0.01% Cu
GW002			Aprx. 20m	0.02 g/t Au, 0.02% Cu
GW003	10-13m	Pyritic chert and schist	10-12m	0.35 g/t Au, 0.37% Cu
GW004	21-23m	Pyritic chert	22-23m	0.40 g/t Au, 0.26% Cu
GW005	0-2m	Gossan	0-2m	0.05 g/t Au, 0.08% Cu
GW006	6-9m	Massive sulphides: Pyrite – (chalcopyrite-bornite-chalcocite?)	7-8m 8-9m 6-9m 14-17m	0.19 g/t Au, 4.0% Cu 1.33 g/t Au, 1.4% Cu 0.58 g/t Au, 2.12% Cu 0.55 g/t Au, 0.31% Cu
GW007	7-16m	As above	12-13m 7-16m	1.2 g/t Au, 2.88% Cu 0.61 g/t Au, 1.34% Cu
GW008	0-4m	Gossan	1-2m 0-4m	8.03 g/t Au, 0.28% Cu 4.38 g/t Au, 0.27% Cu
GW009			0-1m	0.03 g/t Au, 0.08% Cu
GW010	54-56m	Minor fragments of massive sulphide, disseminated pyrite in chert, chlorite schist.	55-56m	0.06 g/t Au, 0.25% Cu, 0.10% Zn
GW011	17-18m	Minor pyrite in chert interbedded with mica schist	17-18m	<0.02 g/t Au, 0.01% Cu, 0.02% Zn

TABLE 4 (continued)

GW012	25-27m 46-49m 58-60m	Chlorite – (epidote) schist with thin pyritic bands (5-10% pyrite) As Above As Above	25-26m	0.06 g/t Au, 0.03% Cu, 0.03% Zn
GW013	12-18m	Porphyroblastic chlorite-mica schist containing 5mm bands of disseminated pyrite	12-16m 16-18m	0.08 g/t Au, 0.20% Cu, 0.06% Zn <0.02 g/t Au, 0.06% Cu, 0.20% Zn
GW014	0-14m	Weathered chlorite-mica schist containing minor disseminated pyrite	0-1m	0.02 g/t Au, 0.01% Cu, 0.02% Zn
GW015	9-12m	Chlorite-epidote-mica schist with minor disseminated pyrite	9-12m	<0.02 g/t Au, 0.01% Cu, 0.02% Zn
GW016	9-12m		9-12m	0.02 g/t Au, 70.7 ppm Cu

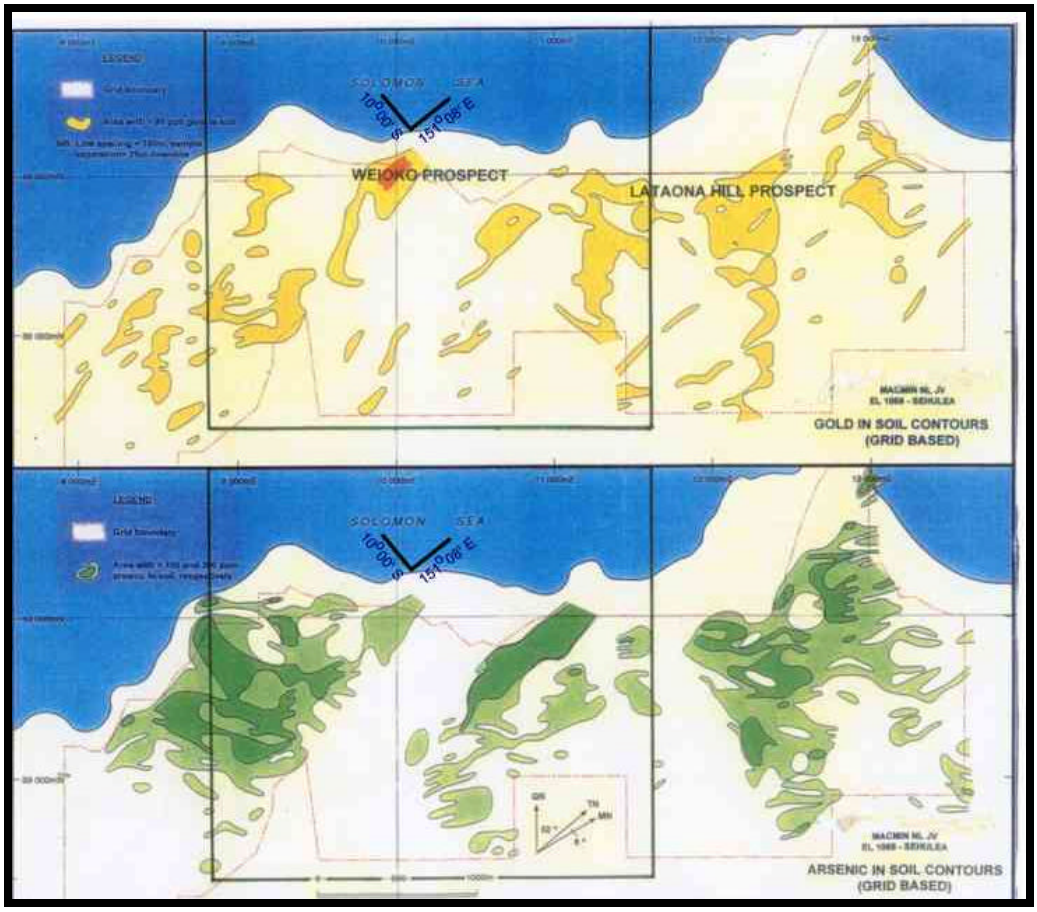

Figure 5a. Soil geochemistry around the Weioko-Lataona Hill prospects.
The area marked in red is the area covered by the IP survey.

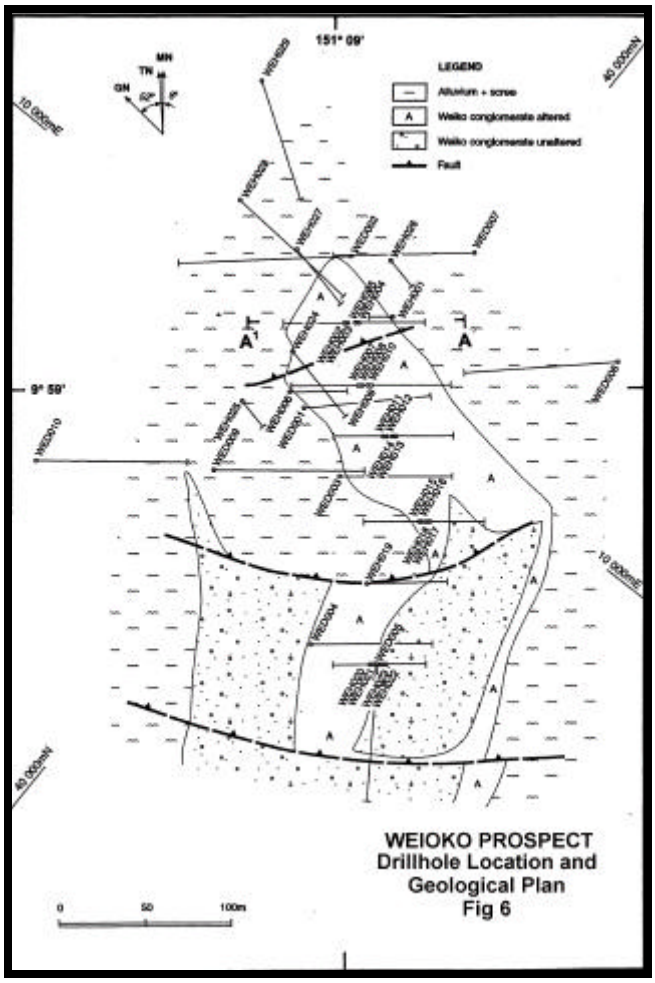

Figure 6. Geological plan and drill holes, Weioko prospect area.

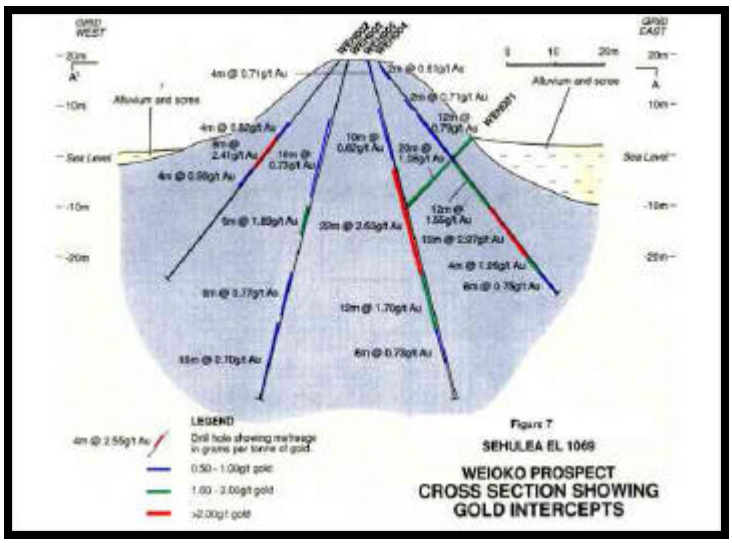

Figure 7. Cross-section A-A'. Weioko prospect
(Section is located in Figure 6; looking northerly.)

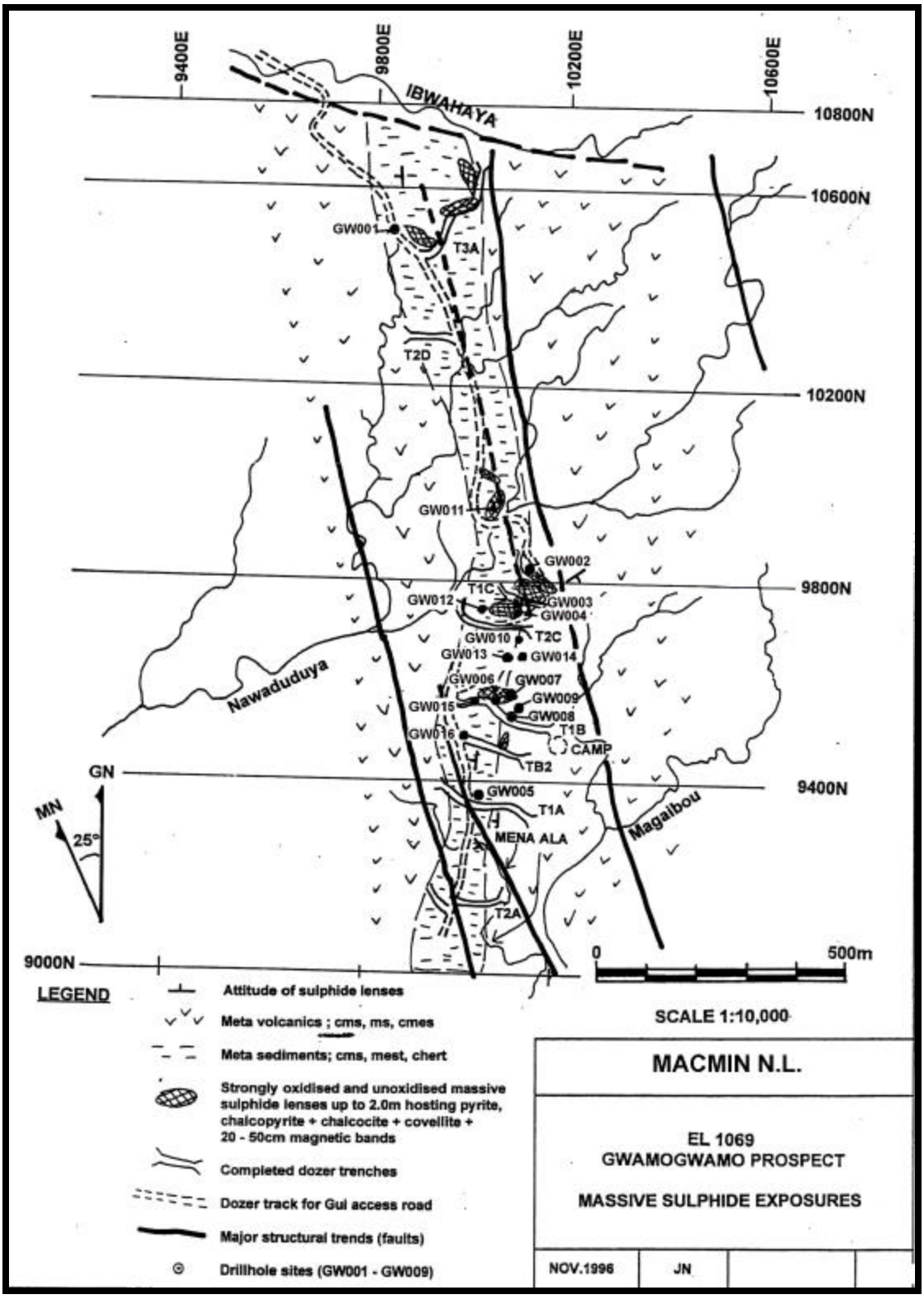

Figure 8. Gwamogwamo prospect, PNG.

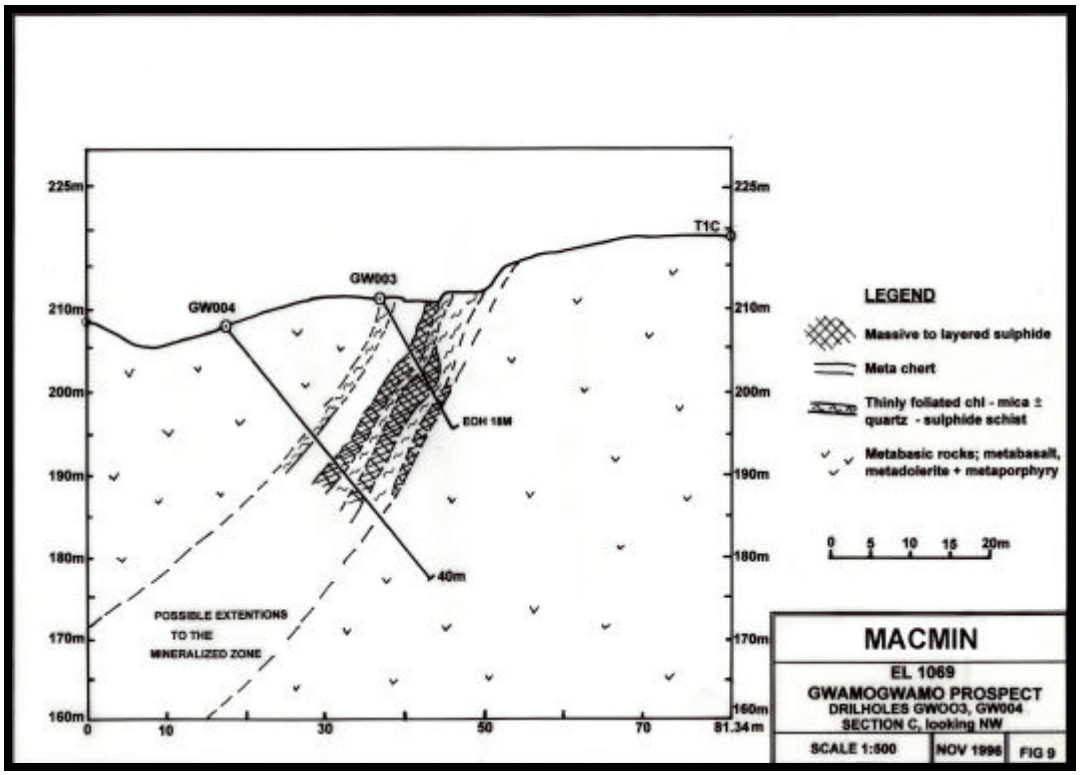

Figure 9. Cross-section of Gwamogwamo prospect.
(Section C is looking northwest; holes are near the centre of Figure 8.)

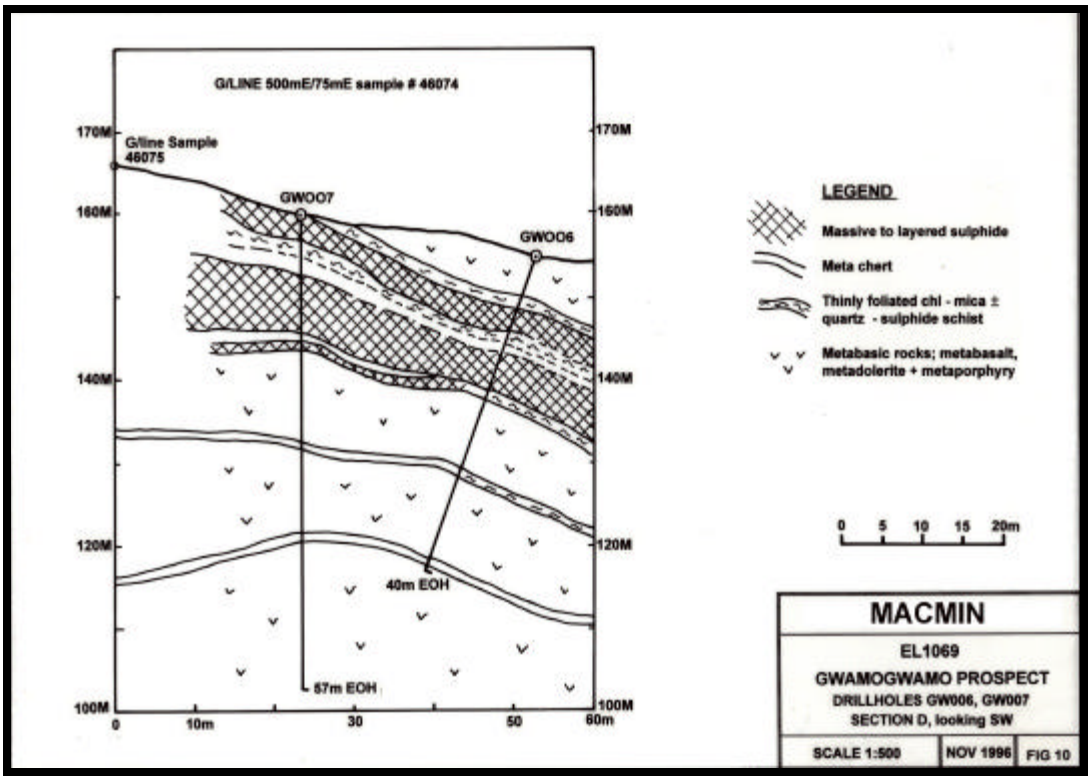

Figure 10. Cross-section D on Gwamogwamo prospect.
(Section is about 200 meters south of Figure 9; holes are located on Figure 8.)

Exploration of the Gui prospect during 1997 included 5 RC holes totalling 321 meters, construction of access roads, mapping of trenches and drill access roads, 82 rock chip samples, geological reconnaissance, 24 reconnaissance silt samples, 24 pan concentrate samples and 36 rock samples collected to the north and east of the Gui prospect. Limited success resulted in relinquishment of the Gui prospect area in 2002.

Two RC drill holes were completed at the Lataona Hill prospect in 1997, prior to the completion of the IP and CSAMT surveys, to test extensive gold- and arsenic-in-soil anomalies coincident with widespread clay alteration. Wide zones of alteration with sulphide veining were encountered in these holes, but assay results were generally weakly anomalous. The best intercept was 2m grading 5.4 g/t Au and 9 g/t Ag.

Peter's and Martin's prospects in the Wenasia group of anomalies to the south of Weioko prospect, were each tested with two shallow RC drill holes in 1997. Results were disappointing with a best intercept of 2m grading 3.3 g/t Au and 26 g/t Ag at Peter's prospect.

In 1998 work on the Sehulea property included an IP and CSAMT surveys conducted to determine if the Weioko mineralised system continued to the south, and to determine if other possible mineralised zones occur within the large areas of anomalous gold and arsenic in soils. A total of 14.75 km of IP and 3.6 km of CSAMT were surveyed. The IP survey was successful in suggesting possible northerly and southerly extensions of the Weioko mineralisation, and suggested another possible mineralised system near Lataona Hill. CSAMT produced resistivity values >1000 ohm-m between 39062 and 39262N on line 9300E and between 39412 and 39487 on line 9500E. Coincident IP and resistivity anomalies defined a 1,000m linear zone underlying the Weioko prospect and extending to the southwest of the prospect. These geophysical anomalies coincide with similarly elongated, previously defined gold- and arsenic-in-soil anomalies.

From 1999 to 2001, limited work was conducted on the Sehulea property in order to complete minimum assessment requirements, and assess areas for reduction of the tenement. In January 2002, the Sehulea property was reduced to 30 sq. km.

10.1 Results, Procedures and Parameters

The Sehulea project area has been systematically explored from early regional, geological, silt geochemical, pan concentrate and prospecting to later grid soil, geological and geophysical surveys. Trenching, RC and DD drilling were used to test several of the prospects, but large areas of anomalous arsenic and gold in soils remain as exploration targets. Trenching in the Weioko prospect area has yielded results up to 164m at 3.96 g/t Au with several shorter trenches also returning good values. About 60 drill holes, mainly short RC holes, have been completed on 6 of the prospects. Results comparable to those in the trenches have not been encountered, but previous diamond drilling by Esso/City Resources did intersect 1.5m at 19.9 g/t Au, and many holes in the Weioko area contain intervals grading between 1 and 3 g/t Au.

10.2 Interpretation of Exploration Information

Geochemical surveys, geological mapping, petrological studies, geophysical surveys and nearly 60 drill holes, mainly short RC holes, have indicated that a large gold system of possible economic significance may exist at Sehulea. Most drilling has been completed at the Weioko prospect where intense pervasive hydrothermal clay alteration underlies coincident gold and

arsenic soil anomalies. Numerous drill intersections indicate a mineralised body of at least 400m strike length and containing grades between 1 and 3 g/t Au over a vertical range of 210m. CSAMT and IP surveys completed since drilling at Weioko have defined anomalies coincident with gold and arsenic soil anomaly, extending southwest from the prospect for a distance of 1,000m.

10.3 Logistics of Investigation

EL 1069 has been explored by Macmin (PNG) Pty Limited and joint venture partner Hunter with the work supervised by company personnel. Contractors were used for geophysical surveys and drilling. Geophysical surveys were completed by Zonge Australia with supervision by Southern Geoscience Consultants Pty Ltd. Drilling at Sehulea was completed by United Pacific Drilling Pty Ltd of Madang, PNG. NGG is acquiring the Sehulea property from Macmin and both NGG and Macmin share the same professional personnel. Macmin and NGG management are qualified persons using criteria outlined in NI 43-101.

10.4 Data Reliability

Exploration of the Sehulea area has been conducted by Esso, City Resource, Ingold (Inco) and by Macmin personnel. Work conducted by the major companies support the Macmin exploration results. The writers have checked several Macmin/NGG PNG projects and found their work to be of good quality.

11. DRILLING

Several phases of drilling have been conducted on prospects within the Sehulea tenement. An initial six reconnaissance DD holes, totaling 869.7m, were drilled at the Weioko prospect by City Resources (PNG) Pty Limited in June/July 1987. This was followed by another four follow-up DD holes, totaling 706.4m, in September 1987. During 1996/1997 Macmin (PNG) Pty Limited completed 29 RC drill holes at Weioko, two with diamond holes, totalling 1,765m of RC and 167m of DD. Elsewhere in the tenement Macmin, during 1996/1997, completed a total of 27 RC holes, totaling 1,346m at Gwamogwamo, Peter's, Martin's, Lataona Hill and Gui prospects.

12. SAMPLING METHOD AND APPROACH

Samples were dried and shipped to Analabs in Lae, PNG for Cu, Pb, Zn, Ag, As and gold analysis. Base metals and silver were analysed by AAS methods and gold by fire assay and AAS finish.

13. SAMPLE PREPARATION, ANALYSIS AND SECURITY

RC samples from the Macmin (PNG) Pty Ltd drilling programme were collected at 1m intervals downhole. Each sample was kiln dried and weighed. Actual recoveries (recorded dry weight of each 1m drill interval) were compared with theoretical recoveries to ensure adequate and representative downhole sampling. Successive 1m intervals were combined using a clean riffle splitter, which sub-sampled ¼ portions of each 1m sample, to prepare samples for assay submission. Sample preparation, weighing of 1m returns to determine recoveries, and riffle-splitting of 2m composite samples for assay submission, were all completed under the supervision of the site geologist. Logging of representative chips retained from each 1m

sample, was completed on-site by a geologist. Representative chips, on a metre per metre basis, from each RC hole have been retained for future reference.

Drill core was logged and split, using a core saw, on-site. Half-core was sampled according to drill-runs to enable quantification of recoveries. A core storage area is at Weioko village, Normanby village.

Samples were sent to Analabs Pty Ltd, a division of Pilbara Laboratories (Nuigini) Pty Ltd, Lae, PNG, for gold assay (method 630 or 650) and Cu, Pb, Zn, Ag and As. Repeat and check analyses were routinely completed on a 1 in 10 to 1 in 15 basis. All high (>10,000ppm) copper analyses were repeat assayed.

14. DATA VERIFICATION

The writers have taken personal samples to verify data, and have reviewed analytical results which indicate regular reruns by the lab and checks of high or unusual results. Since erratic high values are encountered, large assay samples have been used. Geologist, Dr. David Lindley, a co-author of this report and a qualified person, supervised Macmin programs from 1996 to 1998, and has checked sample preparation, logging and security procedures. Dr. Peter Christopher checked massive sulphide mineralization at the Gwamogwamo prospect in 1996.

The Sehulea project area has previously been explored by Esso/City Resources and Ingold (Inco). Their work provides independent verification of significant gold values in trenches and drill holes on the Sehulea property.

15. ADJACENT PROPERTIES

The Sehulea property is situated in the “Misima Corridor”, a gold metallogenic province, that includes a number of islands that have similar geological settings, and mineral potential. Misma is a world-class, 5 million ounce gold deposit with significant gold deposits on Woodlark and Fergusson Islands and over twenty named gold occurrences on Normanby Island. The Normanby property, the subject of a separate report, is adjacent to the Sehulea property and is presently being acquired by NGG. Macmin has reported an indicated mineral resource of 200,000 ounces of gold (at a grade of 6.1 g/t Au) with a higher grade zone within 50m of the surface that contains 200,000 tonnes at 10.1 g/t Au. Previous small scale alluvial and/or hard-rock production has occurred on Normanby, Fergusson and Woodlark islands.

16. MINERAL PROCESSING AND METALLURGICAL TESTING

Preliminary metallurgical testwork completed on two surface samples from Weioko prospect by Macmin Ltd has indicated a high percentage (>90%) of gold and silver recovery by cyanide leaching.

17. MINERAL RESOURCES AND MINERAL RESERVE ESTIMATES

There are no mineral resources or mineral reserve estimates for the Sehulea property. The project is at an early exploration stage and has some significant drill intersections and trench results.

18. OTHER RELEVANT DATA AND INFORMATION

The writers are not aware of other relevant data that is material to the Sehulea property.

19. INTERPRETATION AND CONCLUSIONS

The Sehulea tenement (EL 1069) has been demonstrated by previous explorers to have excellent potential for developing a significant epithermal gold deposit at Weioko and has potential for Besshi type massive sulphides at the Gwamogwamo prospect. Several named occurrences have been identified but most of the previous work has been on the Weioko and Gwamogwamo prospects. The prospects have been tested by trenching, 10 DD and about 50 short RC holes, but strike and dip extensions of known mineralization remain as targets. IP and CSAMT suggest that the Weioko mineralization could extend over a kilometre south of the previously drilled zone. The suggested extension has areas with anomalous arsenic and gold in soils that warrant trenching, sampling and geological evaluation. If the trenching suggests targets, a stage two drilling program should be considered.

A second resistivity anomaly, situated in the Lataona Hill prospected area should be field checked and considered for trenching, and possible future drilling.

If the Normanby project progresses to the mining stage, then shipping higher grade, near surface mineralization at the Weioko prospect may become viable.

20. RECOMMENDATIONS FOR STAGE 1 AND STAGE 2 EXPLORATION

Recommendations for further exploration of the Sehulea tenement (EL 1069) are justified on the basis of past success. The writers recommend a two-stage program. The Stage 1 program is estimated to cost CDN$70,000 and will meet assessment requirements for Year 1 of the renewed EL 1069. The recommended Stage 2 program, a 1,000m drill program, is estimated to cost CDN$150,000. The Stage 2 drill program will satisfy minimum assessment requirements for Year 2 of EL 1069. Total cost of the Stage 1 and Stage 2 programs is CDN$220,000. Details follow below.

20.1 Cost Estimates Stage 1 Trenching, Sampling & Mapping

Stage 1: Trenching, Sampling, Mapping	**CDN$**
Mobilisation/Demobilisation	5,000
Camp Costs	5,000
Transportation:	
Airfares	5,000
Vehicle	4,000
Consulting and Geological Personnel	10,000
Labour	5,000
Board	3,000
Geochemical Costs	5,000
Expendables	3,000
Reporting	5,000
Management	10,000
Contingency	10,000
Stage 1 Cost Estimate	**CDN$70,000**

20.2 Cost Estimates for Stage 2 Diamond Drilling

Stage 2: Diamond Drilling	**CDN$**
Based on 1998 experience	
All in 1,000m program is estimated at CND$150/m	150,000
Stage 2 Cost Estimate	**CDN$150,000**

20.3 Total Cost Estimates for Stages 1 and 2

Total cost estimates for Stage 1 and Stage 2 is **CDN$220,000**.

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22. SIGNATURES, STAMPS AND DATE

Dated the 10th day of September 2002

Peter A. Christopher PhD, P.Eng.

Ian David Lindley, PhD.

23. CERTIFICATE OF AUTHOR DR. PETER A. CHRISTOPHER

I, Peter A. Christopher P.Eng., Ph.D., with business address at 3707 West 34th Avenue, Vancouver, British Columbia V6N 2K9, do hereby certify that:

1. I am the owner and manager of and provide geological and consulting services through my company:
   Peter Christopher & Associates Inc.,
   3707 West 34th Avenue,
   Vancouver, British Columbia, Canada V6N 2K9

2. I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.

3. I am a consulting geological engineer registered (#10474) with the Association of Professional Engineers and Geoscientists of British Columbia since 976, and a Fellow of the Geological Association of Canada.

4. I have been practicing my profession as a geologist for over 35 years and as a consulting geological engineer since June 1981. I have authorised over 200 qualifying engineering and exploration reports, and over 20 professional publications.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with professional association and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purposes of NI 43-101.

6. I am responsible for the preparation of the technical report titled "Technical Report on the Sehulea Property, Normanby Island, Milne Bay Province, Papua New Guinea, dated 10th September 2002" (the "Technical Report"). I visited PNG from March 7-19, 1996 and from February 26-28, 1998 and examined 5 NGG properties. I examined the Normanby property from March 15-18, 1996 and from February 26-28, 1998. I examined the Gwamogwamo prospect on the Sehulea property for about 2 hours on 15/4/1996, 1996. In 1996 and 1998, the Normanby property was adjacent to and west of the Sehulea property.

7. I have had prior involvement with the Sehulea property, and I reviewed extensive files on the property in Macmin's Gold Coast Office from August 1-5, 2002.

8. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.

9. I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

10. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

11. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication of the Technical Report by the stock exchange, regulatory authority, or the company, including electronic publication in the public company files on their websites accessible by the public.

Dated this 10th day of September 2002.

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Peter A. Christopher P.Eng. Ph.D.

24. CERTIFICATE OF AUTHOR DR. IAN DAVID LINDLEY

I, Dr. Ian David Lindley, with business address at PO Box 587, Yass, NSW, do hereby certify that:

1. I am a Consulting Geologist and member of the Royal Society of New South Wales (since 1974), Geological Society of Australia (since 1975), Linnean Society of New South Wales and the Australian Institute of Geoscientists.

2. I hold a Bachelor of Science (1977) and a Doctor of Philosophy (1982) from the University of New South Wales.

3. I have been practising my profession as a Geologist since 1977. I worked for CRA Exploration Pty Limited in 1977 and 1978. From 1981 to 1986 I was based in Lae then Rabaul, PNG as Senior Geologist with Esso Papua New Guinea Inc. In 1987 to June 1988, I was exploration manager, Rabaul area, for City Resources (PNG) Pty Limited. From June 1988 to May 1993, I worked as a consulting and contract geologist for BHP Minerals International, Ok Tedi Mining Limited, Niugini Limited, Melanesian Mining Pty Limited, Highlands Gold Limited and City Resources, and ran the 4th year course on depositional sedimentary environments as Visiting Senior Lecturer at the University of Papua New Guinea. From May 1993 through 1995, I worked on evaluation of the Mt. Sinivit project, PNG for Gold Mines of Niugini Holdings Pty Limited. From 1996 through February 1998, Chief geologist for Macmin (PNG) Pty Limited responsible for geological guidance of the Feni, Mt. Nakru, Mt. Sinivit, Simuku, and Normanby Island project which included the Normanby and Sehulea properties. From 1998 to the present I have been a Visiting Fellow at the Department of Geology, Australian National University and a consulting geologist. As a result of my education and over 20 years of exploration experience in PNG, I believe I am a qualified person for reporting on mineral properties in PNG.

4. I have assisted with the preparation of the technical report titled “Technical Report on the Sehulea Property, Normanby Island, Milne Bay Province, Papua New Guinea, dated 10th September 2002”. I provided in file geological guidance on the Sehulea project from 1996 to February 1998.

5. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.

6. I am independent of the issues applying all of the tests in section 1.5 of National Instrument 43-101.

7. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

8. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication of the Technical Report by the stock exchange, regulatory authority, or the company, including electronic publication in the public company files on their websites accessible by the public.

Dated this 10th day of September 2002.

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Ian David Lindley, Ph.D., M.A.I.G.