

ACTIVITIES REPORT, DECEMBER QUARTER 2008

- **Focus on Advanced Project Acquisition**
 - **Local Indonesian Presence Established**
 - **\$2.55 Million Cash at 31 December 2008**
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GTI has continued its focus on identification of advanced projects which may provide significant opportunities for future growth of the Company. Much of the emphasis during the reporting period has been on reviewing near-production projects in Indonesia, a country which is benefitting from recent renewed interest by international mining companies.

Exploration has also continued on the current portfolio of Western Australian projects, but at a reduced level. A number of tenement applications have been withdrawn and rental refunds received, to allow the Company to reduce its exposure to “grass-roots” plays.

The Company’s current cash position reflects the prudent expenditure strategies adopted by the Board since listing on the ASX and is reviewed on a regular basis.

Project Generation

During 2008, GTI broadened its network of contacts in order to identify mineral opportunities suitable for participation and growth of the Company. As the global financial crisis has continued to deepen, the number and type of projects being offered has improved significantly and GTI considers it is well positioned to take advantage of this trend.

Numerous opportunities have been considered and reviewed by the team during the quarter. These have included a range of commodities in countries worldwide, with an emphasis on advanced coal and gold projects particularly in Indonesia. A new Mining Law, passed in December 2008, and an increased return to Indonesia by a number of major international mining companies during the past year, attest to an improved exploration, investment and mining environment in that country.

The Company has recently established a presence in Indonesia through a local consulting group, giving access to an expanded network of contacts within the mining sector and a Jakarta base from which to operate. This development builds on contacts and visits made during the year to both Indonesia and Singapore, including project evaluations.

Yangibana (Uranium - Rare Earths, GTI 100%)

Detailed review of the encouraging results from gossan sampling reported last quarter is continuing. Values up to maximum of **19.44% TREO** (total rare earth oxides) were recorded from the Yangibana North prospect, confirming and upgrading historical results from previous explorers

Fifty six samples from the main gossan zones at four prospects within the project, 260km northeast of Carnarvon in Western Australia, averaged **2.84% TREO, 2,234ppm Pb (lead)** and **1,811ppm Zn** (zinc). The gossans are developed at surface over a series of interpreted carbonatite dykes developed within granitic basement.

GTI's consulting geologist is evaluating trends in distribution of the suite of rare earths elements in the gossan samples, to determine the higher grade/higher value target areas for priority follow-up. A similar study is being conducted on results from previous wide-spaced RC drilling carried out in the 1980's, to establish potential zoning patterns.

A Programme of Work for drilling of targets on E09/1043 has been approved by the Department of Minerals and Petroleum (DMP), but the necessary heritage surveys have yet to be conducted. The planned drilling programme is being re-evaluated, as part of the detailed assessment of sample results by the Company's consulting geologist.

Annual Mineral Exploration and Partial Surrender reports have been completed and submitted to DMP.

Tambourah (Gold - Base Metals, GTI 90%)

During the reporting period, re-evaluation of the historical shallow high-grade gold workings in the western part of the project area was commenced. Further review of structural controls and relationship to the Tambourah Dome granitic intrusion will be undertaken, and targets generated from this work will be subject to future field validation.

Detailed up follow-up mapping by GTI's consulting geologist last quarter concluded that the source of soil anomalies over the project area east of the old workings was restricted to narrow, thin quartz veins of limited extent and lacking any associated significant alteration.

Cambridge Creek (Uranium, GTI 100%)

GTI's Cambridge Creek project area lies within the Gascoyne Complex of high grade metasedimentary rocks, orthogneiss and granitoids near the western margin of the Capricorn Orogen, about 180 kilometres southeast from Exmouth. During October 2008, the title of the main tenement E08/1561 was transferred to the Company.

Uranium mineralisation in intrusive pegmatite deposits and shear hosted hydrothermal and unconformity-style deposits are being targeted within the project area. An annual Mineral Exploration Report on exploration activities during 2007- 2008 was completed and submitted to the Department of Minerals and Petroleum during the quarter.

Fieldwork planned for the December quarter, comprising validation and ground location of geophysical and remote sensing targets, was deferred and will now be carried out in the forthcoming 2009 field season.

Bali Hi – Pinnacles (Uranium–Copper-Gold, GTI 90-100%)

No further field exploration was carried out during the period. Mineral exploration reports were compiled and submitted to the WA Department of Minerals and Petroleum, in compliance with statutory requirements. The Pinnacles exploration licence application was withdrawn in November, as part of the Company's reduction of "grass-roots" projects.

A compulsory partial surrender of half the Bali Hi exploration licence area was registered during the reporting period, with the main areas of known mineralisation retained in the remaining two blocks.

Conical Hill (Uranium, GTI 100%)

Calcrete-hosted uranium mineralisation within palaeochannels is the main target at the Conical Hill project. Gold and base metal potential has also been recognised by GSWA, although only lightly explored by previous companies.

A number of target areas and zones of potential calcrete development have been identified for ground follow-up, from reviews of airborne radiometric and magnetic surveys and remote sensing data. No field work was carried out during the quarter.

Transfer of the title of E69/2119 to GTI was registered in October, 2008.

Silver King (Silver-Base Metals, GTI 100%)

The historic high grade Silver King/Silver Star/Rainbow mines lie within the Company's exploration licence application, about 30 kilometres northwest from GTI's Cambridge Creek property and close to the Great Northern Highway. Production from these mines has been recorded as 38,927oz silver and 3,440t of lead concentrate averaging 61.1% Pb, from 1901 – 1953. Significant gold and copper values have also been reported by previous explorers from within this project area.

Evaluation of existing technical data is continuing, in preparation for field exploration work once title is granted.

Yelbeni & Bonnie Rock (Uranium, GTI 100%)

The exploration licence applications for both these projects were withdrawn as part of the Company's move towards more advanced opportunities. Rental refunds have been received from the Department of Minerals and Petroleum.

**Murray McDonald
Executive Chairman**

***Competent Person:** The contents of this report that relate to geology and exploration results are based on information compiled by consulting geologist Ian Cowden of Iana Pty Ltd, who is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist and a Member of the Australian Institute of Geoscientists. He has sufficient experience relevant to the styles 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. Ian Cowden consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.*