

ACTIVITIES REPORT SEPTEMBER QUARTER 2009

- **Joint Venture – Artemis Resources Limited**
 - **Placement – 3 Million Shares at 10 cents**
 - **Indonesian Subsidiary Incorporated – PT GTRI Mining**
 - **Cash at Bank 2.082 Million**
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JOINT VENTURE

During the quarter, GTI Resources Ltd (GTI) reached agreement with Artemis Resources Limited (ASX code: ARV) to enter into a joint venture over the Company's Cambridge Creek, Yangibana and Bali Hi Projects ("Projects")

The key terms of the agreement, which are subject to the successful completion of due diligence by ARV, are as follows:

- A non refundable cash deposit (received) of \$50,000 to allow ARV a 30 day exclusivity period;
- On the completion of due diligence within 30 days, and ARV's election to proceed with the joint venture, further consideration will be immediately payable by ARV to acquire a 70% interest in the Projects as follows:
 - A further cash payment of \$100,000; and
 - The issue of 3 million fully paid ordinary shares in ARV to GTI (to be held under voluntary escrow for 12 months);
- ARV will meet all first year minimum expenditure commitments in relation to the Projects (totaling \$205,000) to maintain their 70% interest in the Projects;
- GTI will have a free carry interest until the commencement of any bankable feasibility study, at which time GTI may elect to contribute based on the percentage interest in the joint venture held by GTI at that time.

SHARE PLACEMENT

During the quarter the Company announced the successful completion of a share placement to a sophisticated investor to provide additional working capital to further strengthen the Company's financial position and to target new opportunities.

The placement, comprising 3 million ordinary shares at an issue price of 10 cents each, was made to J & I Resources Pty Ltd.

Post placement, the Company has approximately 38.0 million ordinary shares on issue.

INDONESIA

The Company continues to review projects in Indonesia and a number of other overseas countries.

Projects under review for potential acquisition include coal, gold, laterite nickel and a range of other commodities. Site visits were conducted, including evaluation of several operating mines.

GTI is continuing to enlarge its network of contacts in Indonesia and elsewhere in order to identify a lead project suitable for participation and growth of the company. A subsidiary has been incorporated in Indonesia to facilitate this process.

WESTERN AUSTRALIAN PROJECTS

Planning of field exploration continued for the recently granted Silver King project, near Nanutarra in the Ashburton region.

Joint venture discussions were completed on Yangibana, Cambridge Creek and Bali Hi projects. No field work was carried out on GTI's Western Australian tenure during the period.

Murray McDonald
Executive Chairman