

April 2007

INFORMATION MEMORANDUM

FOR THE SALE OF

1. The Yerilla Chrysoprase Mine, (Mining Leases ML31/104 and ML 31/112) (“Tenements”)
2. 46 Tonnes of Drummed Chrysoprase of varying grades to be sold in ONE Parcel
3. Approximately 70 Tonnes of Stockpiled Magnesite to be sold in ONE Parcel

IN THE

EASTERN GOLDFIELDS OF WESTERN AUSTRALIA

Prepared on behalf of Bellmount Holdings Pty. Ltd (ACN *082 955 235*)

Trading as

CHRYSOPRASE MINES OF AUSTRALIA

DISCLAIMER

This Information Memorandum has been prepared by Bellmount Holdings Pty. Ltd to the best of its ability and knowledge. **HOWEVER**, Bellmount Holdings Pty. Ltd, its officers and agents, make no representation, express or implied and accepts no responsibility as to the accuracy of the material herein. Any intending purchaser must make its own due diligence investigations and rely entirely thereon in making any decision to acquire the Tenements, the Chrysoprase or the Magnesite

SUMMARY

This document provides preliminary information to prospective purchasers regarding the Yerilla Chrysoprase Mine, drummed Chrysoprase and on-site stockpiled Magnesite. The mine is accessible through most of the year by a major graded gravel road from Kalgoorlie, Western Australia. It is located approximately 160 kms North of Kalgoorlie, 13 kms South of the Yerilla Homestead and at the corner of the Kookynie-Yarri Rd and the Cranky Jack Rd.

Bellmount Holdings Pty Ltd is seeking offers for sale for the sale of the Tenements, the drummed Chrysoprase and the on-site stockpiled Magnesite either in one total parcel, or, (as separate parcels), each of the Tenements, the drummed Chrysoprase or the stockpiled Magnesite. Offers for any of the stock of Chrysoprase and/or Magnesite in less than ONE parcel are unlikely to be acceptable.

The Tenements

It is considered that the Tenements have potential for mining a variety of distinct types of minerals

- (a) **Chrysoprase**
- (b) **Chalcedony plate;**
- (c) **Lateritic Nickel and Cobalt;**
- (d) **Manganese Cobalt;**
- (e) **Nickeliferous Magnesite;**
- (f) **Manganese** (as an industrial mineral);
- (g) **Rare earths; and**
- (h) **Mineral Specimens** (museum & decorative and architectural purposes) ranging in size from a few grams to 30 tonnes

Drummed Chrysoprase

A total of 182 drums of varying grades of Chrysoprase and chalcedony plate estimated to weigh approximately 46 tonnes is available for sale in ONE PARCEL. Of this:

- 8 drums (approximately 2 tonnes) is considered to be good quality Chrysoprase much of which is suitable for jewellery manufacturing purposes;
- 20 drums (approximately 5 tonnes) is considered of quality suitable for manufacture of beads and carvings; and
- The balance of “run of mine” material is variously coloured chalcedony plate and lower quality Chrysoprase some of which would be suitable for lower quality beads and carving.

This parcel is available for inspection in Perth, Western Australia

On-site Stockpiled Magnesite

An estimated 70 tonnes of Magnesite of varying quality and colours is available for sale. This material is stockpiled on the Tenement site.

Inspection of Tenements, Chrysoprase and Magnesite

Any bona fide intending purchaser will be given supervised viewing access to the mine site, the drums of Chrysoprase (Perth) and on-site stockpiled Magnesite and accordingly should be prepared to have its own suitably qualified professional advisers available to report to it and on whose report and assessment it will rely.

Further information regarding rock types and more detailed descriptions including photographs is available for download from our website, www.australianjade.com.au.

TENEMENT INFORMATION AND HISTORY

The Yerrilla Chrysoprase Mine is contained on two Mining Leases, ML31/104 (the “Old Yerrilla Mine”) and ML31/112 (the “New Pit”) and has a long history of commercial mining.

The two Mining Leases (ML31/104 and ML31/112) are registered in the name of Bellmount Holdings Pty. Ltd and are unencumbered.

The leases are granted Mining Leases with a current Low Impact Mining Notice of Intent (NOI) in force. Any purchaser will need to put in place a new or modified NOI with the Western Australian Department of Industry and Resources (DOIR) before commencing full-scale mining.

A purchaser will also be required, prior to completion of any purchase contract, to lodge with DOIR their own environmental performance bonds to DOIR’s satisfaction.

CHRYSOPRASE

Traditionally as part of their culture, the various Asian nations have to differing degrees, sought green precious and semi-precious stones to the preference of the many other types of gems preferred by collectors of European origin. Jade has been and still is the most sought after of such materials. However ever increasing population and generally rising prosperity in Asia (particularly China) have lead to massive increases in consumer demand. With world jade supplies limited the inevitable price squeeze has occurred, pushing the price of jade to extraordinary heights.

This has brought considerable international buying pressure to bear on a product, which is essentially unique to Australia: CHRYSOPRASE.

Chrysoprase is the most valuable in the chalcedony group and has long been popular as an ornamental stone. The Greeks and Romans used it as material for signets and seals. In ancient Egypt, Chrysoprase was held in high esteem.

Although quite a different mineral, Chrysoprase has many physical similarities to jade, (particularly colour) and has been marketed as **“Australian Imperial Jade”** or **“Australian Jade”**.

A detailed description of Chrysoprase and its mineralogy is contained in articles appearing in the “Lapidary Journal” of January 1996 and June 1973 and of “The Australian Gemmologist” of May 1989.

No verifiable production history prior to Bellmount Holdings Pty Ltd acquiring the Tenements exists. For various reasons it is believed that

production may have been substantially understated. However anecdotally and from such records as do exist give rise to the belief that the combined output over the 12 years prior to that acquisition for the two pits and the various scratchings surrounding them, is between 1, 000 and 1, 500 tonnes of Chrysoprase of various grades. This production has purportedly realised a gross return of US\$60 million (or better) over that period. Yerilla is renowned internationally for the quantity and quality of material produced. See an article appearing in the February 1994 issue of "Lapidary Journal" entitled "The Greening of Australia".

Fortuitously, what is believed to be one of the most productive zones has been only partially worked (due to legal interventions stopping operations and not geological exhaustion causing a shut down).

The potential for Chrysoprase mining can be easily confirmed by a visual inspection of the pit walls where bands of Chrysoprase can be readily seen.

In addition to Chrysoprase, the Yerilla Tenements have a history of production and have the potential for the mining of a wide variety of ornamental stones and variously coloured chalcedony plate.

NICKEL/COBALT

Limited prospectivity exists for potential as a Nickel Sulphide resource, however there is considered to be strong potential for a lateritic nickel and a nickel bearing Magnesite resource.

Site observations have confirmed that the previous mining exercises have exploited only a small portion of the Chrysoprase bearing formations present on the tenements and have completely ignored the nickel/cobalt potential of the tenements

Independent geological investigations have shown that the leases represent a very prospective target for a nickel/cobalt resource and may indeed be the epicentre of the nickel and cobalt enrichment of surrounding areas. However, this potential is still to be confirmed by exploration drilling.

Horizontal channel samples of lateritic material taken from the Chrysoprase pit walls gave assayed results up to 1.4% Ni and 0.265% Co.

Assayed samples of nickeliferous Magnesite returned results up to 10.8% Ni and 20.8% Mg.

MAGNESITE

The Yerilla Tenements have a long history of Magnesite mining for the carving or ornamental markets. This material is often described in these markets as "**Citron**", "**Lemon Prase**" or "**Lime Prase**".

Site observations will show that there exists significant potential for recovery of highly silicious Magnesite of varying colour suitable for these markets.

Moreover, as far as is known, no attention has been paid to the Magnesite potential as an industrial mineral in its own right.

Limited exploration drilling in areas containing Magnesite has established the potential for massive beds of nickeliferous Magnesite in substantial quantities.

Potential exists for significant tonnage of material, which may well turn out to have commercial value as an industrial material.

Contact Information

All enquiries and expressions of interest may be directed in the first instance to enquiries@australianjade.com.au. Please provide full corporate and contact details including company name, representative name, addresses and telephone and fax numbers.