

25 February 2008

Asia Iron Group Level 1 66 Kings Park Road WEST PERTH WA 6005

Attention: Phillip Davidson cc. Jessica Sackman

Dear Phillip

## RE: LOCATION OF DARWINIA MASONII (DRF) ASSOCIATED WITH PHASE 1 DRILL PADS - EXTENSION HILL

Coffey Environments was commissioned by Asia Iron/Mt Gibson Mining to undertake a targeted Declared Rare Flora (DRF) survey for *Darwinia masonii* (DRF) on Extension Hill, Mt Gibson. The survey was conducted on the 6 and 7 followed by 12 to 15 February 2008 by Pierre-Louis de Kock, a botanist from Coffey Environments and field assistant Richard Smetana. The aim of the survey was to locate *Darwinia masonii* (DRF) plants on Extension Hill in areas proposed for Phase 1 Drilling as outlined in drawing number ehm-01-035.dgn.

The targeted DRF survey conducted by Coffey Environments was consistent for the EPA's guidelines for conducting a Level 1 survey (Appendix 2 EPA Guidance Statement 51), as stated within the Environmental Protection Agency's (EPA) guidelines for flora surveys and outlined in Guidance Statement No.51 Terrestrial Flora and Vegetation Surveys for Environmental Impact Assessment in Western Australia (EPA, 2004a). The methodology employed also complied with Coffey Environments interpretation of the DEC's botanical survey guidelines for conducting targeted flora surveys for mining based impacts on banded ironstone formations of the Yilgarn Craton.

One hundred and seventy six *Darwinia masonii* (DRF) plants were recorded on Extension Hill during the February surveys. Some of the recordings were recounts of previously recorded populations, however some of the recordings were new records of *Darwinina masonii* (DRF).

Locations of *Darwinia masonii* (DRF) were recorded using a hand held Global Positioning System, the number, height and plant's health were also recorded (Attachments: Table 1).

Coffey Environments believes that the Phase 1 drilling program should be modified in light of the recordings and any impact on the DRF *Darwinia masonii* should be avoided until such time that all approvals are in place.

If you have any further inquiries please do not hesitate to contact either myself or Shaun Grein on 96462 7900.

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MGM-2005-004\_002\_pldk

For and on behalf of Coffey Environments Pty Ltd

Eck

Pierre-Louis de Kock Environmental Scientist (botany) Martine Scheltma Principal

Malie Solet

cc. Jessica Sackman - Mt Gibson Mining

Attachments:

Table 1: Recordings of Darwinia masonii (DRF) on Extension Hill

Table 1: Recordings of Darwinia masonii (DRF) on Extension Hill

Plant location ID and number	Health	Location	Height
D1 - 1	Healthy	515673 — 6727712	< 0.5
D2 - 2	Healthy	515685 — 6727714	< 1.5
D3 - 3	Healthy	515690 6727717	< 1
D4 - 1	Healthy	515768 – 6728178	< 1.5
D5 - 1	Healthy	515756 – 6728174	< 1
D6 - 1	Healthy	515405 — 6728507	< 1
D7 - 3	Healthy	515340 – 6728481	< 2
D8 - 3	Healthy	515312 – 6728466	< 0.5
D9 - 17	Healthy	515305 – 6728459	< 1.5
D10 - 1	Healthy	515341 – 6728490	< 1.5
D11 - 2	Stressed	515367 – 6728524	< 2
D12 - 19	Healthy	515329 — 6728513	< 1.5
D13 - 11	Healthy	515298 – 6728522	< 2
D14 - 11	Healthy	515289 – 6728514	< 2
D15 - 3	Stressed	515281 – 6728522	< 1
D16 - 1	Stressed	515296 - 6728529	< 1.5
	ID and number  D1 - 1  D2 - 2  D3 - 3  D4 - 1  D5 - 1  D6 - 1  D7 - 3  D8 - 3  D9 - 17  D10 - 1  D11 - 2  D12 - 19  D13 - 11  D14 - 11  D15 - 3	ID and number         Healthy           D1 - 1         Healthy           D2 - 2         Healthy           D3 - 3         Healthy           D4 - 1         Healthy           D5 - 1         Healthy           D6 - 1         Healthy           D7 - 3         Healthy           D8 - 3         Healthy           D9 - 17         Healthy           D10 - 1         Healthy           D11 - 2         Stressed           D12 - 19         Healthy           D13 - 11         Healthy           D14 - 11         Healthy           D15 - 3         Stressed	Dand number   D1 - 1

	D17 - 3	Healthy	515317 — 6728539	< 2
	D18 - 11	Healthy	515390 — 6728570	< 2
Opportunistic	D19 - 31	Healthy	515376 - 6728389	< 2
	D20 - 32	Healthy	515339 — 6728433	< 2
	D21 - 13	Healthy	515362 – 6728606	< 2
	D22 - 2	Stressed	515406 – 6728550	< 2
	D23 - 5	Healthy	515423 – 6728490	< 1.5
	D24 -	-	519310 - 6725113	-
Total	176			