

# Quarterly Report

for the three months ending 31st March 2007



07029311

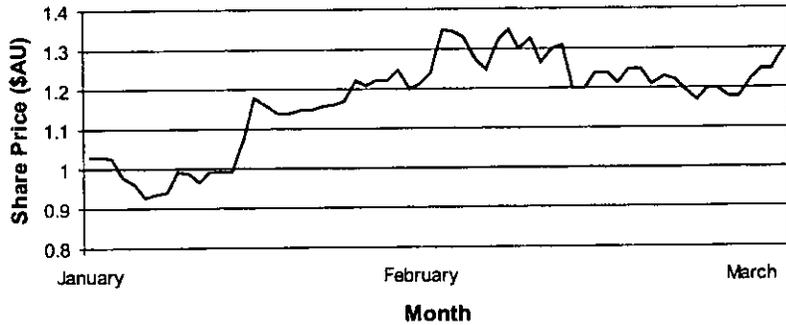
Level 9, 37 St. George's Terrace, Perth, WA 6000  
G.P.O. Box 2567, Perth, WA 6001  
Tel: (08) 9225 5544 Fax: (08) 9225 5533

RECEIVED  
2007 MAY 10 A 5:47  
OFFICE OF INTERNATIONAL  
CORPORATE FINANCE

CRK Share Price - 1<sup>st</sup> Jan to 31<sup>st</sup> Mar 07

SUPPL

ASX Code CRK  
US: OTC Ticker Symbol CKGDY  
Berlin Code OBF



## Drilling Highlights for 3<sup>rd</sup> Quarter (end 31<sup>st</sup> March 2007)

### Parrot Feathers Drilling Highlights:

PFRC305	6 metres @ 3.79g/t Au
PFRC306	7 metres @ 10.79g/t Au including 2 metres @ 28.29g/t
PFRC308	3 metres @ 8.58g/t Au
PFRC310	5 metres @ 9.14g/t Au
PFRC315	8 metres @ 3.39g/t Au
PFRC316	4 metres @ 3.36g/t Au
PFRC322	7 metres @ 5.13g/t Au including 1 metre @ 21.59g/t

### New Discovery Drilling Highlights:

SRR62	15 metres @ 3.2g/t Au
SRR71	60 metres @ 2.98g/t Au
SRR73	21 metres @ 1.85g/t Au
SRR79	11 metres @ 2.53g/t Au
SRR81	12 metres @ 2.43g/t Au

PROCESSED

MAY 15 2007

THOMSON  
FINANCIAL

Current Carrick Gold Total Resource: 31.6M tonnes for 3M gold ounces

Diamond Drill programme completed with results pending.

*Handwritten signature: JW 5/10*



## Executive Summary

### Lindsays Project

#### **Central Structure (Parrot Feathers)**

Results from drilling along the Central Structure and New Discovery Prospect (Refer: Figure 1) have shown significant gold mineralisation to occur over a strike distance of 1.3 kilometres.

To date, the high grade mineralisation has been followed from north to south through existing minor old workings (Neves Prospect East) along the margin of a granite stock. The higher grade mineralisation has been shown to exist in the granite and is associated with quartz veining similar in style and geology to the Eastern Structure (Refer: Figure 1). On the Eastern Structure at Parrot Feathers for example felsic volcanic rocks and a black shale unit wrap or fold around a dolerite host rock. This geology appears to be replicated north of the granite margin and Neves Prospect on the Central Structure and the mineralisation is believed to continue north and south of the current drilling programme. Results of significant drill intersections (>0.5g/t) can be found in a previous Carrick Gold ASX announcement dated 23<sup>rd</sup> April 2007).

#### **Eastern Structure (Parrot Feathers)**

Two diamond drill holes LD008 and LD009 collared 90 metres apart have been completed at Parrot Feathers (Refer: Figure 2). The holes were designed to intersect hanging wall mineralisation to the Parrot Feathers lode from 100 to 150 metres and the strike extent of the Parrot Feathers lode intersected in diamond drill hole LD001 at approximately 350 metres. Significant mineralisation and alteration has been logged in core. However, assay results are pending.

Representative sections of the Parrot Feathers Eastern Structure are shown in Figure 3.

#### **Halfway Hill Nickel Project: E27/318**

An EM geophysical survey designed to show the extension of a north-south corridor previously identified was completed on exploration tenement E27/318 (Refer: Figure 1), which is situated adjacent to the Black Swan Nickel Mine.

A 585 metre diamond hole was drilled at Halfway Hill and cased to allow for further EM surveys. The core has been cut and the results are pending.



## **Metallurgy**

Metallurgy test work has been carried out by Amdel Metallurgical Laboratory in Kalgoorlie (Amdel Met Kal) on Carrick chip samples during the quarter. Test work was completed on selected composite samples from percussion drill chips at Parrot Feathers and the Trial Pit using the following nomenclature:

- PF - Parrot Feathers
- TP - Trial Pit
- RC - Ore stockpile Rock Chips
- HG - High Grade
- LG - Low Grade
- W - Waste

Rock Chips were selected from ore stockpiles surrounding the Trial Pit.

Results from the leaching and grinding of the selected samples displayed in Tables A & B.

Some difficulties were encountered for the recovery of gold in the high grade samples from the Trial Pit. It was agreed that finer grinding was required and a second composite sample was tested using updated parameters which were 500 ppm cyanide instead of 300ppm; finer grinding with 90% passing 75 microns instead of 150 microns; addition of oxygen; and 48 hours leaching instead of 24 hours.

The second test returned a recovery of 90.8% which is considered very good for a high head grade of 5.23g/t (Refer: Table C).

## **Heap Leaching**

Large rock chips collected from the Trial Pit ore stockpiles returned a high head grade of 2.94g/t which was considered high for heap leaching, leading to high CN consumption and low gold extraction. However, a second composite sample from low grade percussion chip samples was collected for testing with a head grade of 0.59g/t. The extraction of gold from this heap leaching exercise was considered very high at 93.2 % (Refer: Table D).

## **Carrick Takeover Bid**

During the quarter, Carrick Gold Limited made a bid for Shannon Resources Limited. This takeover is proceeding and is approaching completion. Carrick's bid for Shannon Resources will have no effect on Carrick's current exploration programmes and activities.

## **Carrick Gold Tenements**

Auger drilling was done over several tenements during the quarter which has identified further nickel and gold anomalies which will be the focus of future drill programmes.

All Carrick's tenements are in good standing and expenditure requirements have been met.

Figure 1: Carrick Gold's Lindsays Project and Halfway Hill Location Map

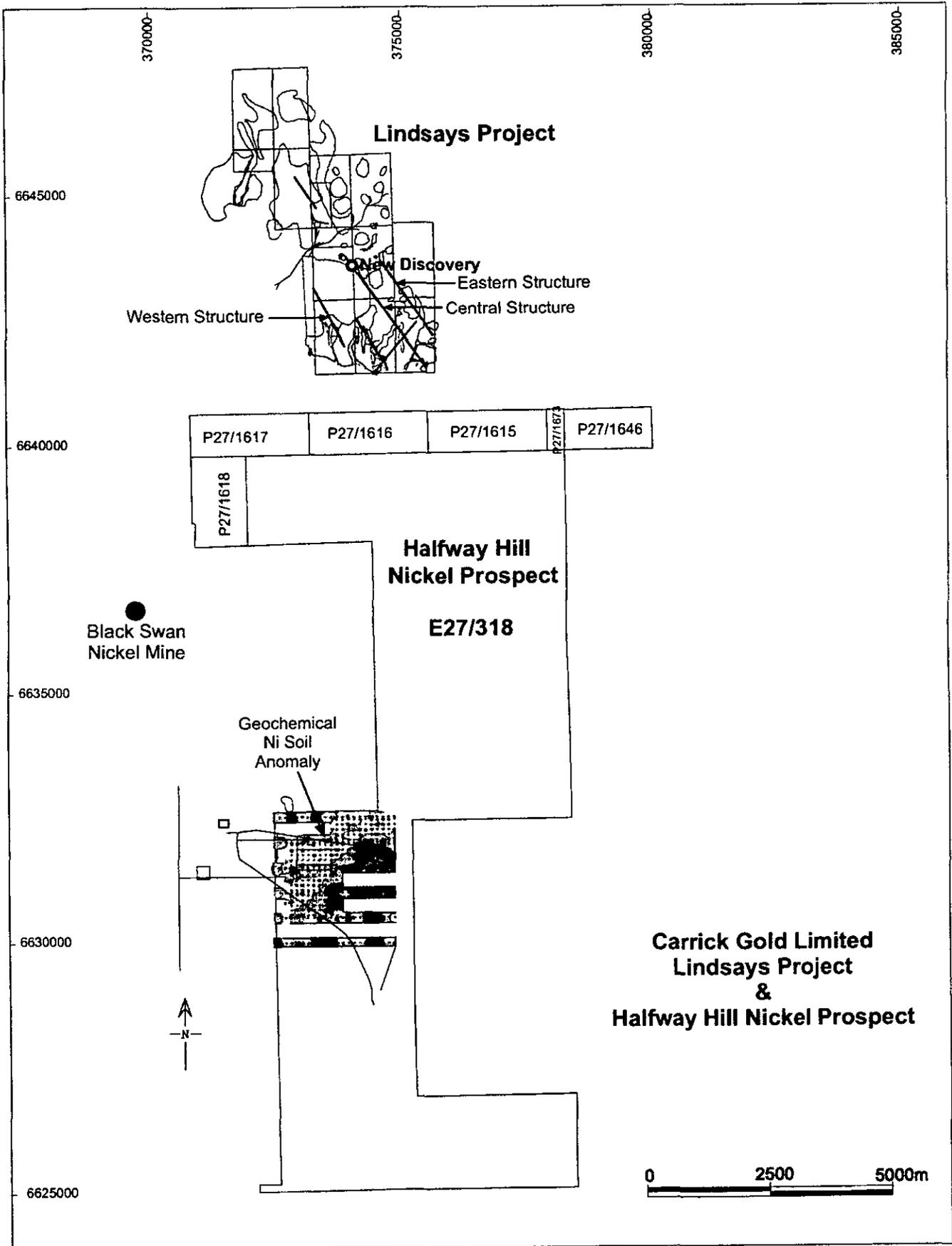




Figure 2: New Discovery Drill Location Plan

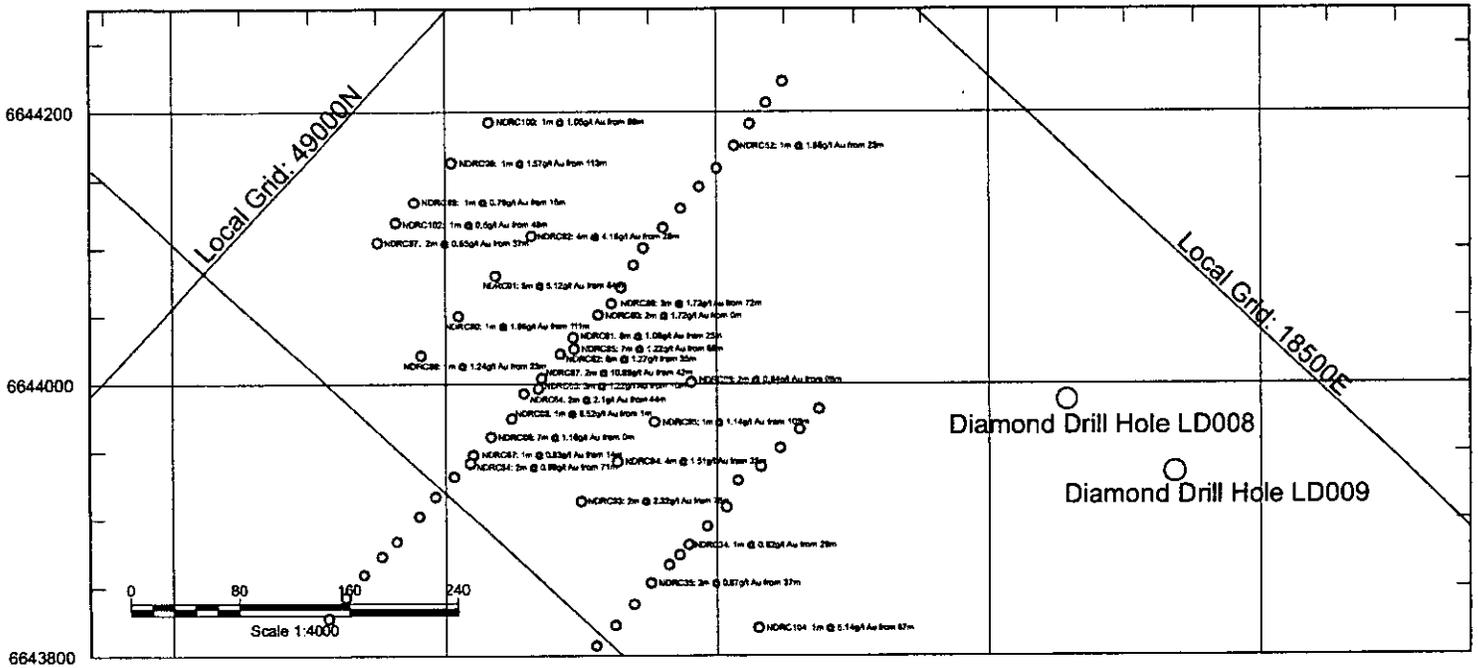
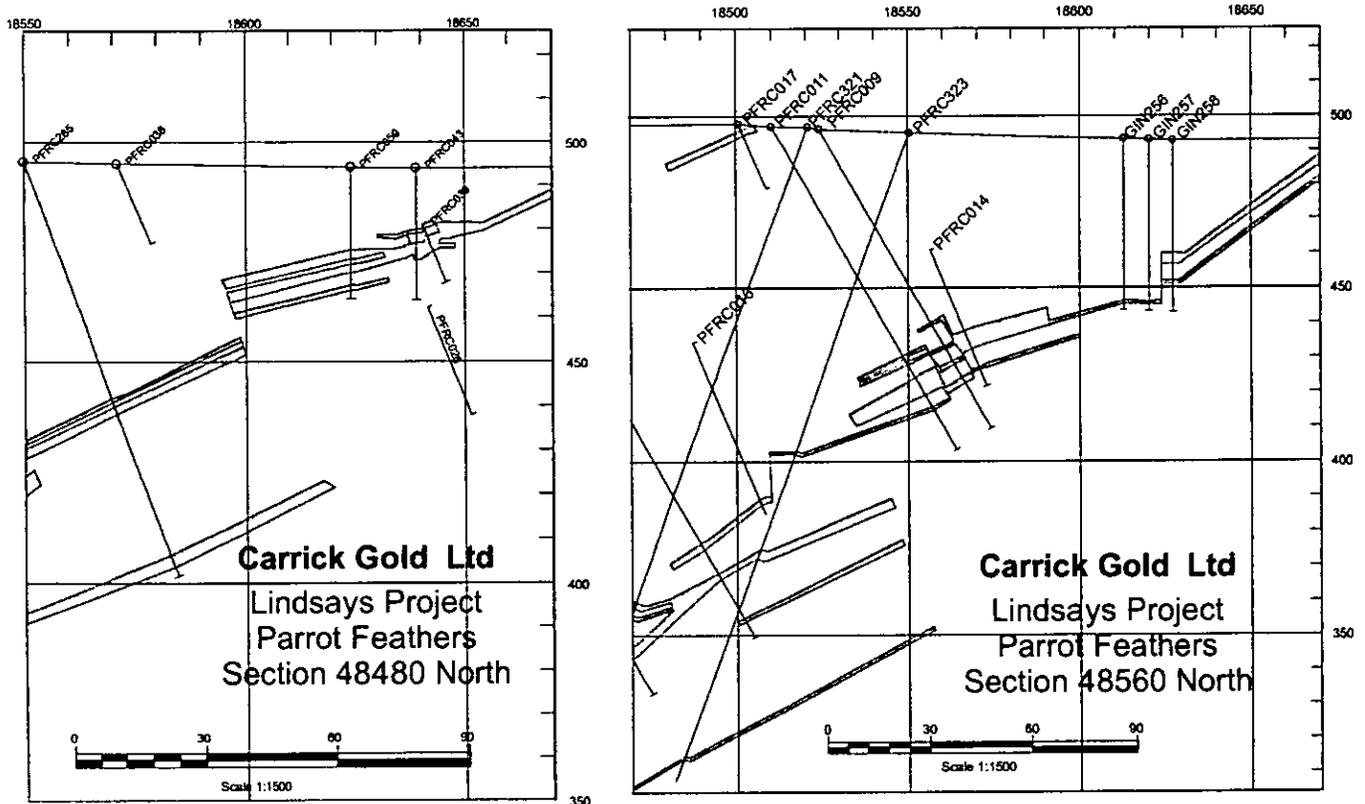


Figure 3: Parrot Feathers Eastern Structure Representative Sections





**Table A**  
Concentration and Leaching summary

Sample ID	Calc head grade g/t	Knelson Conc in % (#)	Leachable Gold in % ##	CN Cons kg/t ###	Lime Cons kg/t	Comment
High grade PFHG	32.5	7.8	93.2	0.60	10.7	High level of gold found in gravity concentrate residue after leach indicates presence of native gold that was not detected under the microscope. This also explains discrepancies in head grade assays.
Low grade PFLG	1.04	7.3	91.2	0.70	10.6	Good recovery for a low grade sample. Cyanide consumption is acceptable.
Waste PFW	0.33	7.1	69.3	0.40	10.9	Poor repetitiveness in grade assay.
High grade TPHG	4.60	7.3	78.5	0.69	10.7	Low recovery. It may indicate that finer milling is required.
Low grade TPLG	0.95	6.7	80.1	0.57	10.5	High recovery for a low grade sample
Waste TPW	0.11	5.7	43.5	0.41	10.9	Poor repetitiveness in grade assay. Recovery is acceptable due to very low grade and low consumption of cyanide.
High grade RCHG	22.10	6.7	92.9	0.64	10.7	High recovery at such very high grade
Low grade RCLG	0.18	5.8	67.0	0.56	10.6	Good recovery for such low head grade
Waste RCW	0.10	6.3	76.0	0.55	10.8	Poor repetitiveness in grade assay, but recovery is acceptable for a low grade sample.

# : There was no evidence of gold in solid form (little nuggets or native). The concentrate was leached using agitation and high level of concentration of Cyanide. Consequently Leachable gold contains the Knelson concentrate product.

##: Includes gold recovered in Knelson concentrator

###: Cyanide consumption to maintain 300 ppm in solution.



TABLE B  
Grinding establishment summary

All samples were fed at -3.35mm

Sample ID	% passing 150um ^	% passing 106um ^	Revolutions	Comment
High grade PFHG	94.0	80.0	1,100	Easy to mill soft material
Low grade PFLG	94.1	85.6	900	Easy to mill soft material
Waste PFW	99.0	95.0	2,000	Medium hard material. Required 1,000 rev to achieve 73% passing 150um, 1,250 for 86% passing 150um and jumped to nearly 95% passing 150um at 1,500 revs
High grade TPHG	93.7	83.9	900	Easy to mill soft material
Low grade TPLG	91.3	81.3	1,000	Easy to mill soft material
Waste TPW	94.0	84.0	2,000	Hard material. 1,750 revs required to achieved 84.0% passing 150um
High grade RCHG	95.6	84.4	2,500	Hard material. 2,200 revs required to achieved 90.5% passing 150um
Low grade RCLG	94.5	82.8	2,300	Hard material. 2,170 revs required to achieved 89.6% passing 150um
Waste RCW	95.0	85.0	2,000	Hard material. 75% passing 150um at 1,500 revs

TABLE C

# TPHG COMPOSITE

Sample ID	Weight (g)
TPHG 01	3059.0
TPHG 02	2949.4
TPHG 03	3022.2
TPHG 04	3680.7
TPHG 05	3732.2
TPHG 06	3828.6
TPHG 07	2876.3
-	-
-	-
<b>Total Comp Wt</b>	<b>23148.4</b>

Individual samples combined to make a composite called TPHG.  
 Samples crushed to 100% - 3.35mm and blended in a rotary splitter before splitting into 1000g charges for a grind establishment with 90% passing of 75um.  
 Each 1000g ground charge passed through 3" Knelson concentrator.

SG = 2.79

## GRAVITY SEPARATION

3 x 1000g ground charges passed through a 3" KNELSON concentrator.

SAMPLE	Con Wt	Tail Wt	total	% CON	% TAIL	total
TPHG COMP	136.9	2863.1	3000.0	4.6	95.4	100.0
	g	g	g	%	%	

## GRAVITY CON LEACH

	Solid Wt	Soln Vol	Solid Assay	Soln Assay	Solid Au	Soln Au	Total	Calc Head
TPHG COMP G-CON	136.9	136.9	5.33	84.0	730	11500	12229	1.67
	g	ml	ppm	ppm	mg	mg	mg	g/t

Gravity con sample leached (B/R) for 48 hours @ 50 % solids (tap water), pH 10 and CN value of 1000ppm

## GRAVITY TAIL LEACH

	Solid Wt	Soln Vol	Solid Assay	Soln Assay	Solid Au	Soln Au	Total	Calc Head	Assay Head
TPHG COMP G-TAIL	1492.4	1538.4	0.33	1.51	485	2588	3073	4.59	NA
	g	ml	ppm	ppm	mg	mg	mg	g/t	g/t

Refer gravity tail leach for kinetics.

GRAVITY CON LEACH		GRAVITY TAIL LEACH		TOTAL		Calc Head	Assay Head
SOLID	730	SOLID	931	SOLN	4966	6.04	5.23
	mg		mg		mg	g/t	g/t

% Au Allocation	
LEACHABLE Au	90.8 %
TAIL Au	9.2 %
Total	100.0

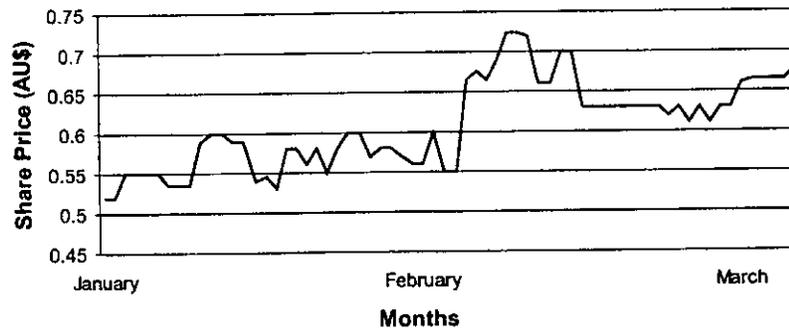
**TABLE D**

<b>HEAP LEACH ORE COMP</b>															
<b>Column Parameters</b>			<b>Head Assay</b>			<b>Au 1 Au 2</b>		<b>Au Avg</b>		<b>Au Calc Hd</b>		<b>Water Parameters</b>		<b>Ore Parameters</b>	
Init Col Wt (kg) = 45.76			Residue Assay			0.60 0.58		0.59 0.04		0.59		CN Value = 300ppm		Agglomerated with cement @ 6 kg/t	
Residue Wt (kg) = 45.76			Residue Assay			g/t g/t		g/t		g/t		pH Value = 9.5		Agglomerated with lime @ 10 kg/t	
Area = 0.016 m <sup>2</sup>			Tap water used												
DATE	Flow Rate		LOADED SOLUTION				NaCN CONSUMPTION		Au EXTRACTION		Elapsed Time Days				
	m <sup>3</sup> /min	l <sup>3</sup> /hr	Vol (l <sup>3</sup> )	pH	NaCN	Au ppm	Daily NaCN(kg/t)	Cumulative NaCN(kg/t)	Between Sampling	Cumulative mg		% calc recovery			
1-Feb	0.00	0.0	0	10.8	300	0.00	0	0	0	0	0.00	0.0	0		
5-Feb	2.5	0.15	14.59	13.2	50	0.703	0.08	0.08	10.26	10.26	0.22	38.2	4		
7-Feb	2.6	0.16	7.58	12.8	90	0.718	0.03	0.11	5.44	15.70	0.34	58.5	6		
9-Feb	2.6	0.16	7.53	12.8	80	0.350	0.04	0.15	2.63	18.33	0.40	68.3	8		
12-Feb	2.8	0.17	12.05	12.7	110	0.182	0.05	0.20	2.19	20.53	0.45	76.5	11		
14-Feb	2.6	0.16	7.62	12.48	150	0.086	0.02	0.23	0.66	21.18	0.46	78.9	13		
16-Feb	2.6	0.15	7.42	12.13	110	0.083	0.03	0.26	0.62	21.80	0.48	81.2	15		
19-Feb	0.7	0.04	2.91	10.05	60	0.122	0.02	0.27	0.36	22.16	0.48	82.5	18		
21-Feb	4.3	0.26	12.33	12.1	130	0.111	0.05	0.32	1.37	23.52	0.51	87.6	20		
23-Feb	4.4	0.27	12.73	12.15	180	0.05	0.03	0.35	0.64	24.16	0.53	90.0	22		
26-Feb	3.3	0.20	14.24	12.11	130	0.041	0.05	0.40	0.58	24.74	0.54	92.2	25		
28-Feb	3.6	0.21	10.26	12.54	130	0.026	0.04	0.44	0.27	25.01	0.55	93.2	27		
2-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	29		
5-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	32		
7-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	34		
9-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	36		
12-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	39		
14-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	41		
16-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	43		
19-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	46		
21-Mar	0.0	0.00					0.00	0.44	0.00	25.01	0.55	93.2	48		
23-Mar	0.0	0.00					WASH 1	0.44	0.00	25.01	0.55	93.2	50		
							WASH 2	0.44	0.00	25.01	0.55	93.2			
<b>Comments</b>											<b>COMP WEIGHTS</b>				
Solution through after ~12 - 24 hours of feeding.											WT (kg)				
% calculated recovery based upon calculated head equivalent to average head assay.											PFRCD - 320-170				
Line break between 16/2 and 19/2 and loaded solution volume below expected.											PFRCD - 320-171				
											PFRCD - 320-172				
											Total				
											82.34				

# Quarterly Report

for the three months ending 31st March 2007

SHA Share Price - 1<sup>st</sup> Jan 07 to 31<sup>st</sup> Mar 07



## Highlights

- High grade gold results at Brilliant and Halfway Hill Prospects.

These high grade gold results with a lower cut-off of 0.5g/t Au and 1 metre of internal dilution are highlighted by the following intersections:

<b>SRRC62</b>	<b>15 metres @ 3.2g/t Au</b>
<b>SRRC71</b>	<b>60 metres @ 2.98g/t Au</b>
<b>SRRC73</b>	<b>21 metres @ 1.85g/t Au</b>
<b>SRRC79</b>	<b>11 metres @ 2.53g/t Au</b>
<b>SRRC81</b>	<b>12 metres @ 2.43g/t Au</b>

- Fourteen nickel sulphide targets have been identified for R.C. and Diamond Drilling.
- Bid by Carrick Gold Limited for Shannon Resources Limited.

## **Executive Summary**

During the quarter, Australian gold exploration company Shannon Resources Limited located approximately 90 kilometres north east of Kalgoorlie, Western Australia (Refer: Figure 1) completed a successful 36 hole R.C. drilling programme for 4245 metres.

Exploration by Shannon Resources is continuing to revisit the numerous targets generated by previous owners in this amazing mineralised area and to evaluate the areas where Prospectors have found gold nugget mineralisation. Such areas exist in four main north northwest corridors which exhibit intense shearing and faulting. Within these sheared corridors two exceptional gold targets have been located so far - at the Brilliant Prospect – a 4km long structure; and HalfWay Hill Prospect – a 5km long structure.

Very significant assay results and widths continue to be reported from the Brilliant Prospect and first pass results from HalfWay Hill are very encouraging (for assay results and drill locations see previous Shannon Resources ASX announcement dated 19<sup>th</sup> April 2007). Diamond drill hole SRD1 located at the Brilliant Prospect has returned spectacular quartz - sulphide mineralised core in strongly carbonated dolerite to a depth of approximately 130 vertical metres. Assay results for the half core are pending. Results and geology from percussion drilling indicates that oxidized mineralization occurs to a vertical depth of 70 metres.

Targets showing anomalous 4 metre gold results include the Dazzle Prospect and Discovery Hill Prospect (Refer: Figure 2) where the initial drilling programme is still continuing. Other significant targets still remain untested and the potential for gold mineralisation and the development of significant gold resources on the Shannon Resources tenements at Kurnalpi is really unparalleled at present in the Eastern Goldfields.

Evaluation of the nickel sulphide targets has identified Shannon's first priority for R.C. and diamond drilling. Exploration drilling will commence in April of this year (Refer: Figure 3 for location of drilling).

During the quarter, Carrick Gold Limited made a bid for all Shannon Resources shares. The takeover is proceeding and is approaching completion. Carrick's bid for Shannon Resources will have no effect on Shannon's current exploration programmes and activities.

All Shannon's tenements (Refer: Figure 4) are in good standing and expenditure requirements have been met.

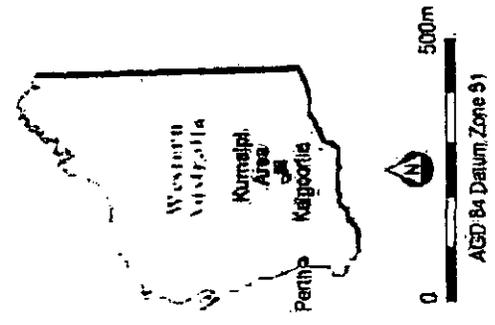


Shannon Resources Ltd  
**Proposed Exploration Drilling  
 Kurnalpi Nickel Project**

- Peak Hole Geochemistry
- Copper > 800ppm
  - Copper > 200ppm
  - Nickel > 0.6%

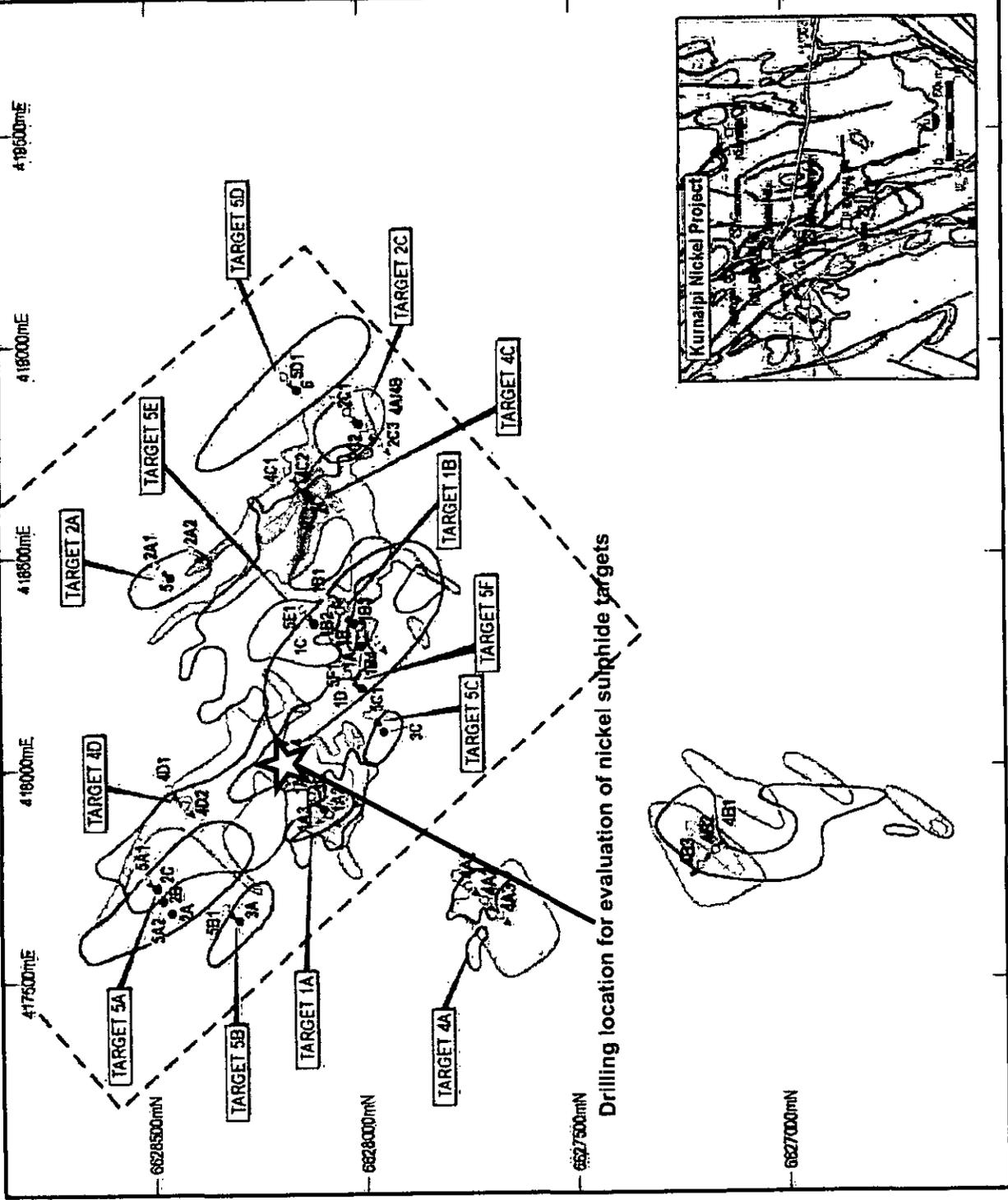
- Geophysics
- 5 ● EM anomaly with number
  - EM anomaly zone
  - Limit of 1988 TEM survey

- Proposed Drilling
- SA2 Vertical drill hole with number
  - TA1 Inclined drill hole with number



Prepared by Mackay Schmellmann Pty Ltd

Figure 3: Location of Diamond Hole for Evaluation of Nickel Sulphide Targets



Drilling location for evaluation of nickel sulphide targets

