TECTONIC

Fast Facts

Cap Structure	NOV 09
Issued Shares	362Mil
Market Cap	A$21.7Mil
Cash + Investments	$5.4Mil

Directors

Hamish Bohannan	Chairman
Steve Norregaard	Managing Dir.
Joe Totaro	Non-Exec Dir.
Andrew Czerw	Executive Dir.
Tony Martin	Non-Exec Dir.

Company Highlights

- Substantial resource inventory
- New recent gold discoveries
- Aggressive exploration
- Proven Management
- Fully Funded through to BFS

PRP Resource Base

Resource tonnes	~	10.5Mt
Gold ounces	~	750,000
Silver Ounces	~	9.8Mil
Copper metal	~	85,000t
Lead metal	~	123,000t
Zinc metal	~	74,000t

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PHILLIPS RIVER PROJECT- GEOCHEMICAL EXPLORATION SUCCESS, NEW DISCOVERY AT RAILWAY

Highlights

- Anomaly significantly larger than Trilogy footprint discovered with two parallel zones measuring 1400m in length and up to 200m in width
- Updated geochemical approach yields instant results
- Railway prospect shows excellent geochemical signature with gold, copper, lead and zinc anomalism
- Drilling to commence upon approvals being granted

The Company is pleased to announce immediate success from geochemical exploration carried out at the Railway prospect, 4km north of the Trilogy Deposit.

Revising our sampling technique verified by the ability to use the existing Trilogy deposit to determine its effectiveness in providing greater definition has proved invaluable in accurately delineating the Railway anomaly.

Railway, the first geochemical anomaly to be revisited, has identified two parallel zones measuring 1400m long and up to 200m wide. This compares more than favorably with the Trilogy anomaly, which using similar techniques showing a 300 to 400m wide footprint, coincident with the actual orebody strike length.

BACKGROUND

During the term of the Tectonic/Homestake Kundip Joint Venture in the mid 1990's, extensive widely spaced geochemical sampling of the entire tenement package was undertaken by Homestake. The initial geochemical program utilised less selective sample collection methods and a different assay methodology. These techniques produced a host of geochemical anomalies however they were not discrete, rather broad low order anomalies.

Some of these anomalies were tested resulting in the discovery of the Trilogy resource .

GEOCHEMICAL TESTING- TODAY

The Company set about examining the efficacy of the previous techniques and the anomalism created as a result. It was determined that a more selective geochemical approach would be better able to target these broad zones so that drill testing is far more precise and low order anomalies can be discounted.

Orientation sampling was carried out to determine what soil horizon and size fraction would provide the best result. Adopting the optimal technique a test baseline was sampled at 40m spacing over the Trilogy deposit (Fig 1).

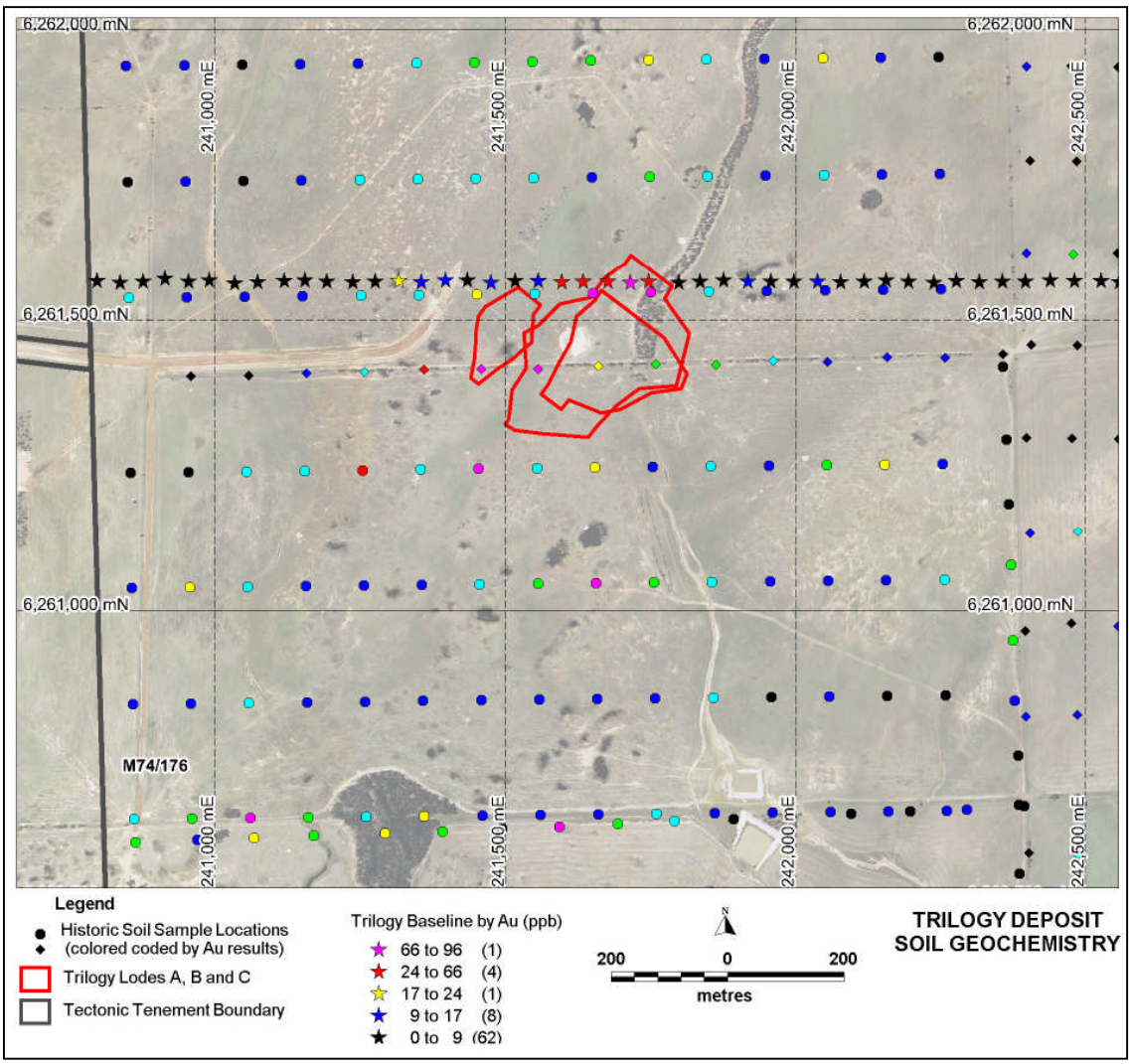

Fig 1. Location Plan of the Geochemical Baseline in Relation to the Trilogy Deposit.

The area had previously been sampled with Trilogy only showing broad anomalism with no pronounced geochemical high.

From the baseline study the results yielded a far more pronounced anomaly over the Trilogy deposit (Fig 1). The samples just over the known Trilogy resource carried gold values up to 10 times the background level (highest value was 96ppb Au).

A baseline study was also completed over the Railway prospect which is also located in Proterozoic terrain. Encouraging results were achieved with gold values (up to 98ppb Au) comparable to that of the Trilogy gold response. This work demonstrated the technique as appropriate and follow-up geochemical sampling continued at the Railway prospect with immediate success.

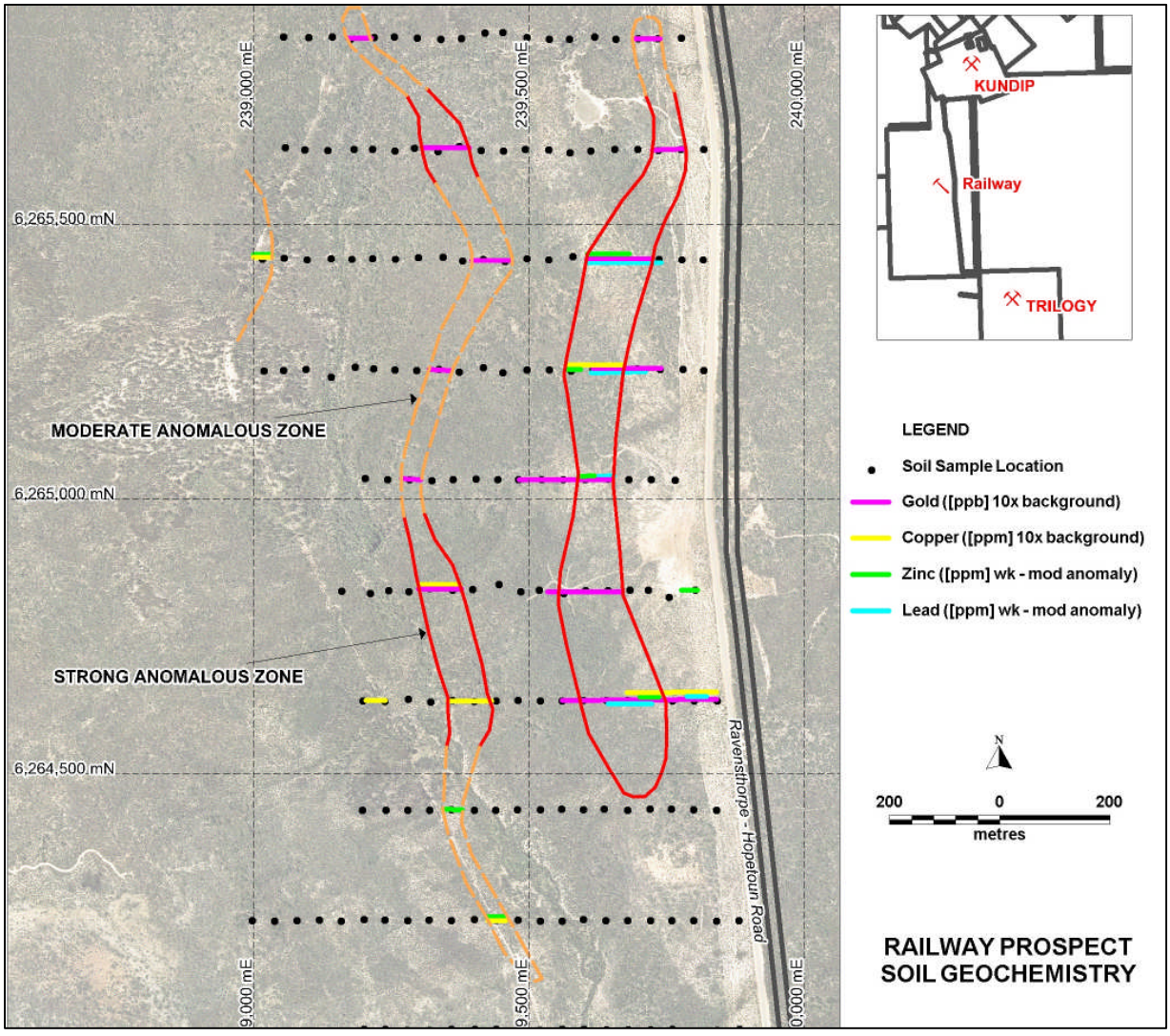

Fig 2. Location Plan of the Railway Prospect Geochemical Signature.

Samples on a 200m line spacing and 40m interval were collected, dried, sieved and then assayed for gold, silver, copper, lead, zinc, arsenic, sulfur, iron and calcium (Fig 2). Values up to 169ppb Au and 127ppm Cu and significantly higher than background levels (median 3ppb Au, 5ppm Cu) were returned, as summarized below. These results have outlined two parallel multi-element structures measuring 1400m in length and 200m in width.

Sample ID	Au_ppb	Cu_ppm	Pb_ppm	Zn_ppm	Ag_ppm	As_ppm	S_ppm	Fe_ppm	Ca_ppm	GDA_E	GDA_N
S1117	66	21	8	2.5	0.25	28	300	28,000	74,500	239,604	6,264,833
S1118	73	11	8	2.5	0.25	14	50	28,000	86,100	239,564	6,264,828
S1123	28	55	8	2.5	0.25	3	50	10,100	50	239,362	6,264,834
S1124	16	78	15	2.5	0.25	4	100	12,000	800	239,320	6,264,837
S1134	11	127	16	2.5	0.25	12	200	28,000	700	239,617	6,265,235
S1154	32	7	28	7	0.25	16	50	28,000	6,200	239,659	6,265,434
S1240	169	37	17	6	0.25	8	300	26,000	44,800	239,721	6,264,634
S1241	86	34	25	5	0.25	8	300	26,600	32,000	239,680	6,264,634
S1242	36	16	18	2.5	0.25	6	300	18,700	5,200	239,641	6,264,634
SB1080	98	11	10	2	0.25	13	300	34,800	16,000	239,644	6,265,037
SB1104	40	10	5	3	0.25	2.5	100	15,500	2,000	239,335	6,265,631

Notes:

1. All assays determined by aqua-regia digest with an ICP-MS and ICP-AES finish by SGS Australia

Table 1: Railway Prospect Soil Gold and Copper Best Results

The results have confirmed the technique was successful in further defining existing areas of anomalism in Proterozoic rocks on the Company's tenements.

This target will now be subject to immediate drill testing upon approvals being granted.

Managing Director Steve Norregaard said "This new technique has immediately identified a significant target that may prove to ultimately host an orebody. Its scale and definition provides for a huge degree of optimism. It's a first class anomaly."

Furthermore, wide spaced historical sampling around Trilogy shows irregular anomalism in both gold and base metals over several kilometres of strike length to the north and south of the deposit. Based on the success of the new geochemical technique at Railway the Company will carry out an extensive geochemical program around the Trilogy deposit and at a number of other prospects where there is potential to discover extensions to, or repeats of the Trilogy mineralisation during the forthcoming period.

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-ENDS-

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Bruce Armstrong who is a Member of the Australasian Institute of Geoscientists. Mr Armstrong is a full time employee of Tectonic, and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2004 edition of the JORC Code. Mr Armstrong has given his consent to the inclusion in the report of the matters based on the information in the form and context in which it appears. "This release may contain forward–looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements."