

MCS's 245; 246; 247; 248; 249

**EASTERN HARTS RANGE REGION, N.T., STRADDLING
NORTHEAST EDGE - ALICE SPRINGS SF 53-14
NORTHWEST EDGE - ILLOGWA CREEK SF 53-15**

ANNUAL REPORT 30 January 2013 to 29 January 2014 INMINERALS PTY LTD

REPORT COMPILED BY:

Inminerals Pty Ltd

28 March 2014

REGULATION 126 Statement

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TABLE OF CONTENTS

SUMMARY	page 3
INTRODUCTION	page 3
LOCATION AND ACCESS	page 3
GEOLOGY	page 4
GARNET MINERALOGY	page 5
PREVIOUS TEST WORK	page 5
MINERAL CLAIMS LOCALITY DIAGRAM	page 6
CURRENT	page 8

SUMMARY

On the 20th September 2004 MCS's 245 – 249 were granted to Chambigne Resources Pty Ltd, Corporate Developments Pty Ltd and Mr. John Bengier, a joint venture of the parties on EL7914. Chambigne Resources Pty Ltd later bought out the interests of Corporate Developments and Bengier. Inminerals Pty Ltd subsequently bought out the interest of Chambigne Resources Pty Ltd in these Mineral Claims and now owns a 100%.

EL7914 was dominated by the Irindina Gneiss and its various compositionally heterogeneous members, subunits and enclaves. The gneiss proper, and the Riddock Amphibolite Member, are both garnetiferous, and comprise the source of garnets in the EL and mineral claims. Garnets from the Irindina Gneiss are principally almandine-pyrope solid solutions, with minor grossular and spessartine components.

These garnets are harder than almandine-rich garnets from other localities in Australia and overseas, and occur in relatively large detrital grains, in economic concentrations in various alluvial and other detrital deposits. The mineral claims area is quite viable as part of a major garnet sand operation planned by Inminerals Pty Ltd in the Harts Range area.

INTRODUCTION

LOCATION AND ACCESS

The mineral claims are approximately 240km northeast of Alice Springs, on the eastern edge of the Harts Range area, to the south of the Plenty Highway. The then EL comprised 70 blocks and encompassed 225km²; the mineral claims comprise a total of 139.62ha.

Access to the north is via the Plenty Highway; travel 29km east past the Harts Range Police Station, turn south on crossing Entire Creek and pass through a gate; head south past Valley Bore towards Inkamulla Bore, but turn west onto the track to Spriggs Creek Bore; turn south and head towards New Lizzie Bore; this track runs parallel to, and crosses the feeder creeks to Lizzie Creek.

Access to the south is via the Arltunga Tourist Road [The Gardens Road]; follow this road to Ambalindum Station; pass Ambalindum and then head east, cross the Hale River, and head towards the Plenty Highway signpost [but not towards Claraville Station]; at the signpost, head ENE through a gate and follow the road to Brumby Bore; continue east and then take the next north fork to reach the southern parts of Lizzie Creek.

GEOLOGY

The regional geology of the then EL and area relative to the mineral claims is adequately summarised in the map commentary accompanying the Arltunga-Harts Range N.T. 1:100,000 Geological Special map [Shaw, Stewart & Rickard, 1984, Australian Government Publishing Service]; there was no equivalent in print for the Quartz Geological map at the time of the work being done to this area by owner/managers of these tenements prior to Inminerals Pty Ltd purchase, however the compilation notes appear as BMR Record 23, 1982, [Shaw *et al.*].

Apart from small localised patches of Cainozoic cover and a minor [and questionable] inlier of Bruna Gneiss near the eastern protrusion of the then EL, at 23°14'20", the exposed rocks over the entire EL comprise the Irindina Gneiss, its two named subunits - the Stanovos Gneiss Member and the Riddock Amphibolite Member - and several unnamed subunits. The Irindina Gneiss is Proterozoic, and occurs midway up the Harts Range Group, the so called Division Two sequence of Shaw *et al.*, 1984.

The Irindina Gneiss proper is a fairly schistose garnet-biotite-quartz-plagioclase gneiss which is quite heterogeneous in both grain size and the relative proportions of the dominant minerals. Additionally, there are extreme compositional enclaves on various scales within the Gneiss, giving rise on the one hand to near monomineralic assemblages of each of the dominant minerals, and to "new" pelitic assemblages which may contain sillimanite, cordierite and/or gedrite, or corundum and/or kornepupine on the other. There are a number of thin [0.2 to 2m] localised bands or lenses of calc silicate rocks throughout the unit, similar to a more massive outcrop of this type outside the northeastern part of the EL, but these are essentially non-garnetiferous and volumetrically insignificant. Most of the Irindina Gneiss proper is garnetiferous, with garnets ranging in size from 0.5mm to 12mm, [but locally to 28cm *sic*]; the garnet on average comprises around 15 mode% of the rock volume.

The above mentioned calc-silicates grade compositionally into a more massive para-amphibolite unit, the Riddock Amphibolite Member, in the southern part of the EL. This contains massive amphibolite "lenses", but for the most part is compositionally banded on a variety of scales with intercalated para-amphibolites, calc-silicates and pelitic assemblages. Most of the pelitic subunits of this member are garnetiferous, as are some of the para-amphibolites.

The Irindina Gneiss and its subunits have been metamorphosed a number of times; the relict highest-grade assemblages represent the uppermost amphibolite facies, and locally, lowermost granulite facies. Compositionally, the protoliths comprised a sequence of silicic to intermediate pyroclastics, altered during diagenesis, with local deposition of chemically derived calcareous/magnesian carbonate components added to the detrital silicates; the massive amphibolites were probably basaltic. The Gneiss is the principal sources for the detrital and alluvial garnet accumulations throughout both the 1:100,000 map sheets referenced in this report.

GARNET MINERALOGY

Garnet compositions from a number of random samples collected from the Irindina Gneiss proper in the northern portions of the EL were analysed on a 4-spectrometer Jeol 8800 Superprobe at the Centre for Microscopy & Microanalysis, University of Queensland, using a ZAF correction algorithm. The data were deconvoluted for the constraints of garnet stoichiometry using MINFORM, a proprietary computer program written by S.K. Dobos. On average, the garnet grains are relatively unzoned, and have the following molar composition expressed as percentages:

Almandine	56.2
Pyrope	38.8
Grossular	3.0
Spessartine	1.5
Andradite	0.5

This composition is representative of the garnet derived from the pelitic gneisses, but will probably not apply to those from the Riddock Amphibolite Member, which is currently unsampled. In detrital grains, garnet is quite fresh, and most grains contain one or more inclusions, predominantly of biotite and quartz.

The hardness of detrital garnet grains from the Stones Bore area was tested on a Leitz Miniload microhardness tester in the Department of Mining & Metallurgical Engineering, University of Queensland. Although **these** samples were collected some 21km from the northwestern edge of the EL, they were derived from the Irindina Gneiss, have similar compositions, and are expected to have the same hardness range as those from within the EL and mineral claims. The results indicate a range of Knoop hardnesses from 1600 to 2000 Kg/mm², making these garnet resources quite viable.

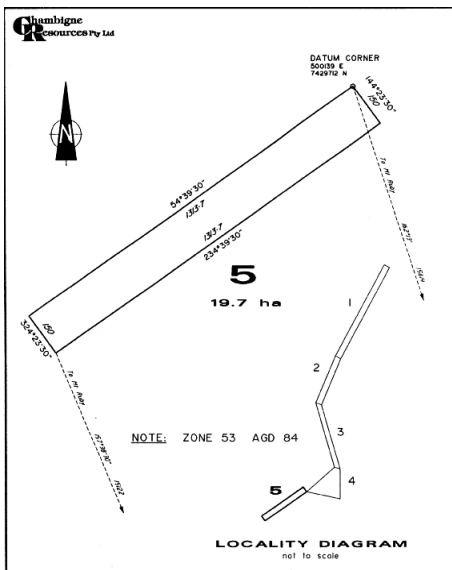
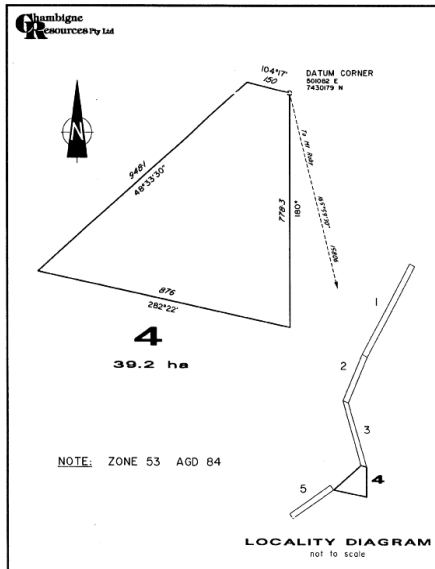
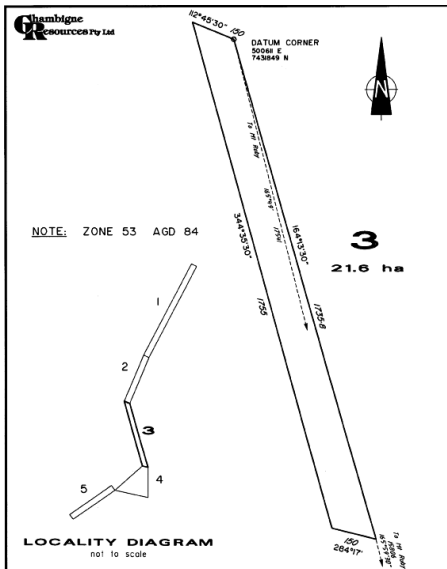
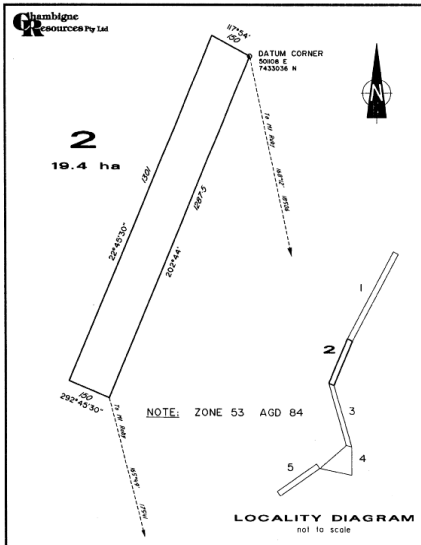
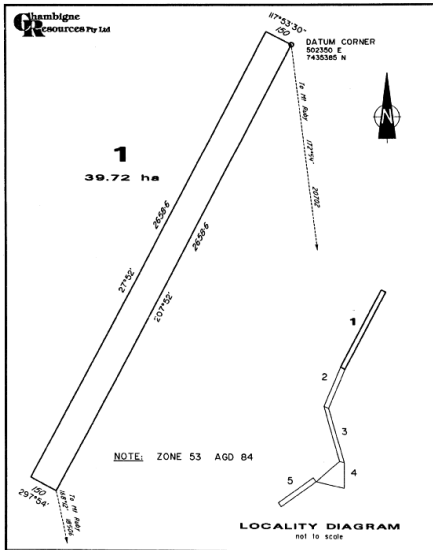
PREVIOUS TEST WORK

Lizzie Creek was the major alluvial target for garnet within the EL, and preliminary work was focused on 15 samples collected from the creek in the vicinity of Log Cabin Dam, New Lizzie Bore and Lizzie Bore. 5 samples of about 5 Kg each were collected from each of these sites.

The samples were logged, and at Readings Metallurgical Labs, Lismore N.S.W., a composite sample was prepared for each site from the blending of subsamples from each of the five samples collected at the three areas. These were subjected to bromoform sink/float separation, followed by grain count analysis of the dense fractions to yield a preliminary regional view of the grade and distribution of garnet resources in Lizzie Creek within the EL.

Lizzie Creek is rich in garnet; furthermore, a significant volume proportion occurs in coarser grains which are economically attractive. Consequently, these preliminary results merit further detailed work on garnet mineralogy, properties and resource calculation.

Mineral Claims MCS245 - 249



CURRENT

During the reporting period in relation to these mineral claims no exploration activities were carried out.

Whenever possible, on regional visits, we endeavour to ensure the integrity of the Mineral Claim pegs and clear vegetation where possible.

The previous owners were inclined to concentrate their efforts on the garnet component of the resource. Inminerals on the other hand place equal importance in the potential of the other minerals, many won as a consequence of garnet recovery.

The previous owners also performed a comprehensive engineering\feasibility study and several subsequent in-house modelled studies, all sufficient enough for Inminerals to proceed with acquisition. A fresh look should be applied to the project encompassing improvements in technology and Inminerals is about to perform engineering on the project (a small, short refresh) RE a modern approach to plant design and a price to construct.

At present Inminerals is endeavouring to achieve transfer of the 21st and last of the tenements into its name.

Inminerals is also readying itself for listing on a stock exchange or merger with a view to early mine production.

We will inform the Department prior to any anticipated field activity in this tenement.

R JOLLY

On behalf of
Inminerals Pty Ltd