

EL 24013
ANNUAL REPORT
for Period
May 23, 2004 to May 24, 2005

1:250,000 map sheet: SE53-14 Tennant Creek

Licensee: Red Metal Limited

Greg McKay
Red Metal Limited
20 June 2005

TENEMENT REPORT INDEX

HOLDER / OPERATOR:	Red Metal Limited
TENEMENT:	EL 24013
REPORTING PERIOD:	May 23, 2004 to May 24, 2005
AUTHOR:	Greg McKay
STATE:	NT
LATITUDE:	134° 39' to 134° 43'
LONGITUDE:	-19° 37' to -19° 43'
1:250,000 SHEET:	Tennant Creek SE53-14
1:100,000 SHEET:	Gosse River 5858
MINERAL PROVINCE:	Tennant Creek Inlier
COMMODITIES:	Cu Au
KEYWORDS:	Gravity survey

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List of Digital Files

EL 24013 Annual Report 2005.pdf (This report)
EL 24013 Gravity Data.txt

SUMMARY

EL 24013 was acquired to investigate intense magnetic anomalies within the Palaeoproterozoic basement rocks with potential for ironstone associated gold-copper-bismuth mineralisation.

The work carried out on EL 24013 during the first 12 months included a gravity survey comprising 406 stations at 100m intervals on 400-800m spaced lines.

Further work is warranted on the EL to drill test the combined magnetic/gravity anomalies.

1.0 INTRODUCTION

This report summarises exploration activities undertaken over Exploration Licence 24013 for the first 12 months of tenure to May 23, 2005.

2.0 LOCATION AND LAND USE

EL 24013 is located 46km northeast of Tennant Creek. Access is via unsealed roads and tracks within a pastoral lease. The tenement area has generally low relief, with the dominant historical and current land use being cattle grazing.

3.0 TENEMENT STATUS

EL 24013 was granted to Red Metal Limited on May 24, 2004 for a period of six years.

Details of EL 24013 are shown in Table 1. Location of the tenement is shown in Figure 1.

Table 1 - Tenement Details

TENEMENT	HOLDER	GRANTED	EXPIRY	Sub Blocks	AREA
EL 24013	Red Metal Limited	May 24, 2004	May 23, 2010	24	780 km ²

3.0 TENEMENT GEOLOGY

The tenement covers an area of thin Cainozoic cover overlying Middle Cambrian Gum Ridge Formation (chert, limestone, calcimudstone). Palaeoproterozoic basement units are considered to be the source of the magnetic and gravity anomalies and the potential host to ironstone associated gold-copper-bismuth mineralisation.

4.0 HISTORICAL EXPLORATION

Licence	Years	Company	Reports
EL 4248	1983-89	Ashton Mining	CR1985-0006, CR1986-0075
EL 4254	1983-89	Aberfoyle Resources / Aust Diamond Exploration	CR1985-0039, CR1986-0070
EL 6034	1988-89	Giants Reef Exploration	CR1989-0745

5.0 CURRENT EXPLORATION PROGRAM

The work carried out on EL 24013 during the first 12 months included a review of geophysical data and a detailed ground gravity survey comprising 406 stations at 100m intervals on 400-800m spaced lines.

Red Metal is processing the gravity data and propose to drill test the targets defined on the survey areas. It is initially proposed to drill one RC hole totalling 250m to test the anomalies.

6.0 CONCLUSIONS

EL 24013 was acquired to investigate intense airborne magnetic features. A gravity survey was conducted to provide focus for drillhole targetting. If a drill rig can be secured, drilling will commence in late 2005 or early 2006.

7.0 References/Bibliography

Donnellan, R S., *et al*, 1999 Tennant Creek SE 53-14 Geological Map and Explanatory Notes. *Northern Territory Geological Survey*

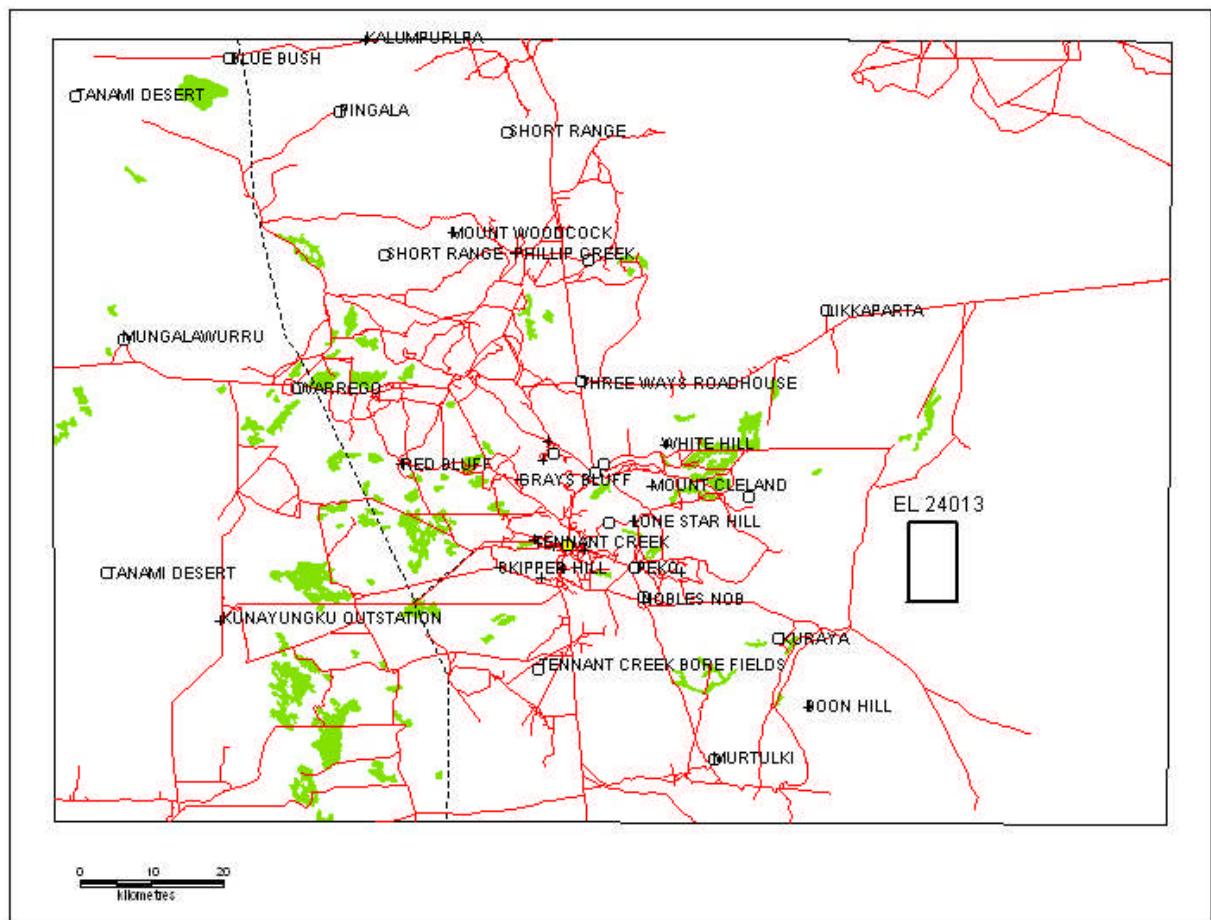


Figure 1
Location of EL 24013 on Tennant Creek sheet SE53-14

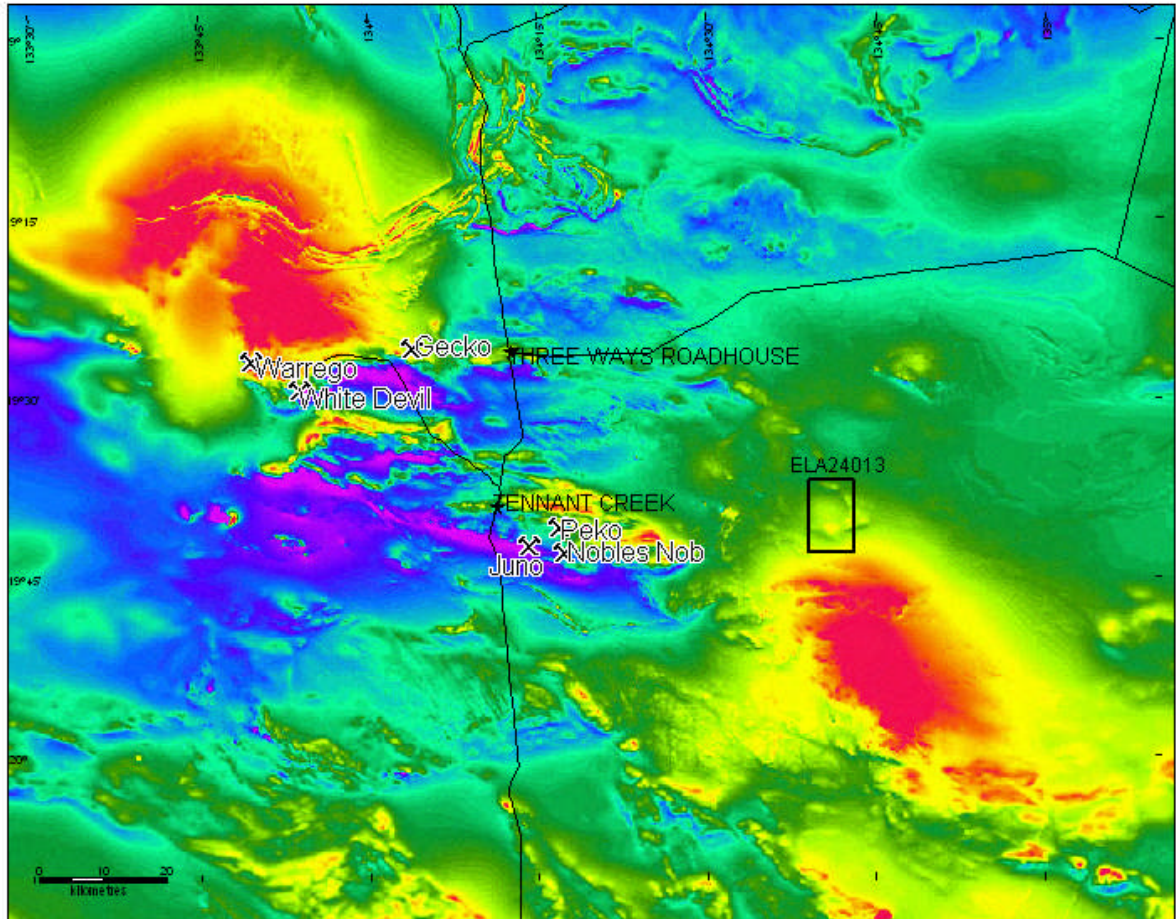


Figure 2
EL 24013 on regional TMI image

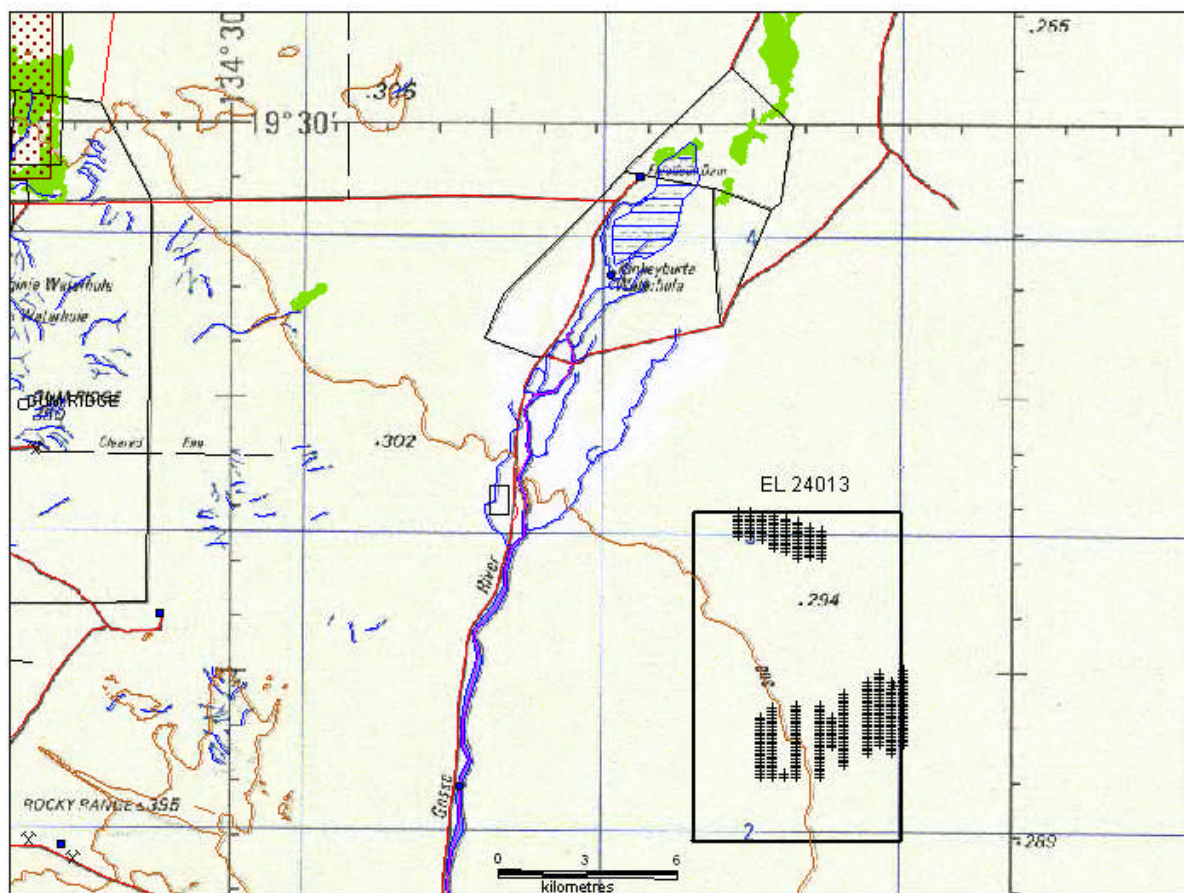


Figure 3
Gravity survey points