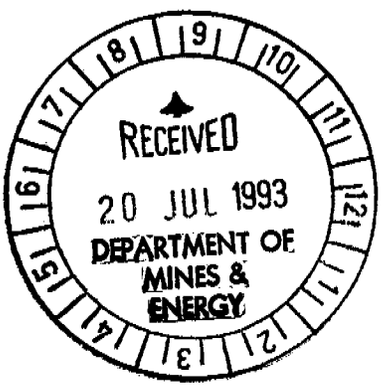
FINAL REPORT

ON

MAUD CREEK EXPLORATION LICENCE

EL 6172

EL 6198



TRESCABE PTY LTD

W.A. JETTNER
April 1993

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LIST OF ILLUSTRATIONS

1. INTRODUCTION

1.1 GENERAL

This report outlines the exploration undertaken by **Trescabe Pty Ltd** on **ELs 6172** and **6198** in 1988 - 1990 and **RM Biddlecombe and Trescabe Pty Ltd** in 1991 and 1992.

Targets sought in this area were gold and/or gold rich basemetal deposits hosted by brecciated and silicified shear zones in or around the **Maud Dolerite.**

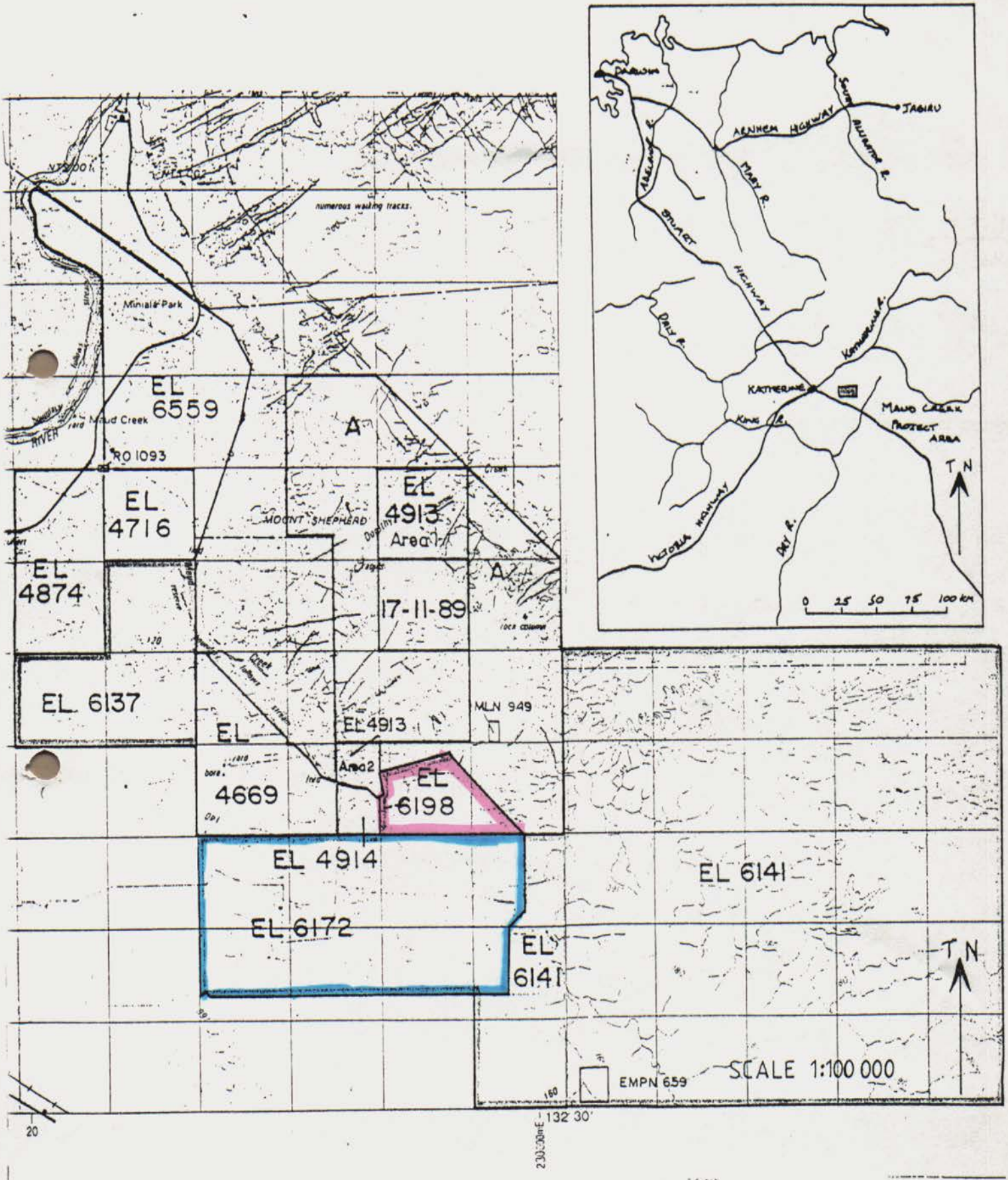
Whilst the Joint Venture partners located four (4) such shear zones, several of which had elevated gold soil geochemistry, it was decided not to proceed with further exploration due to their low level of anomalism when viewed in the context of the poor soil cover in these areas.

1.2 LOCATION AND ACCESS

Exploration Licences 6172 and **6198** were located 17 km to the east of Katherine along the Katherine (Nitmilik) Gorge road and 8km south of the Maud Creek Station Homestead, and surrounded the old Maud Creek Goldfield to the east and south.

Access to this area from Katherine was on the Gorge Road thence via Maud Creek Station boundary firebreaks and internal roads.

FIG 1: PROJECT AREA LOCATION MAP



2. GEOLOGY

2.1 GENERAL GEOLOGY

In general the Project Area contains a variety of rock types of greatly varying ages from the Early Proterozoic Tollis Formation through to the Mesozoic Mullamen Beds as well as their associated younger derivatives.

Rocks of the Tollis Formation occupy a transitional position in the stratigraphic succession since they separate a period of geosynclinal development which culminated in the Top End Orogeny between 1870 and 1780 MY ago and the later period of platform sedimentation.

These rocks were refolded and metamorphosed to lower greenschist facies during the Maud Creek Event, a local tectonic phase of folding and intrusion of irregular mafic bodies of the Maud Dolerite and granitic rocks of the Yeuralba Granite.

The Plum Tree Volcanics form the bulk of the Edith River Group. The unit consists of felsic lava and ignimbrite, minor mafic volcanic rocks and clastic sediments. Isotopic age determinations on the volcanics and their associated intrusives have yielded ages of 1862 and 1863 MY, (Page et al ,1086).

The Kombolgie Formation unconformably overlies the Plum Tree Volcanics in this area and consists of enormous volumes of arenite derived from a northeastern source which were laid down by braided rivers over vast areas in the form of fan deposits.

Two periods of extrusive volcanism occurred during this period of sedimentation and these have been named the McAdden's Creek and Henwood Creek Volcanic Members.

Post Kombolgie magmatic activity took the form of emplacement of northeasterly trending dolerite dykes, mainly along open joints and faults.

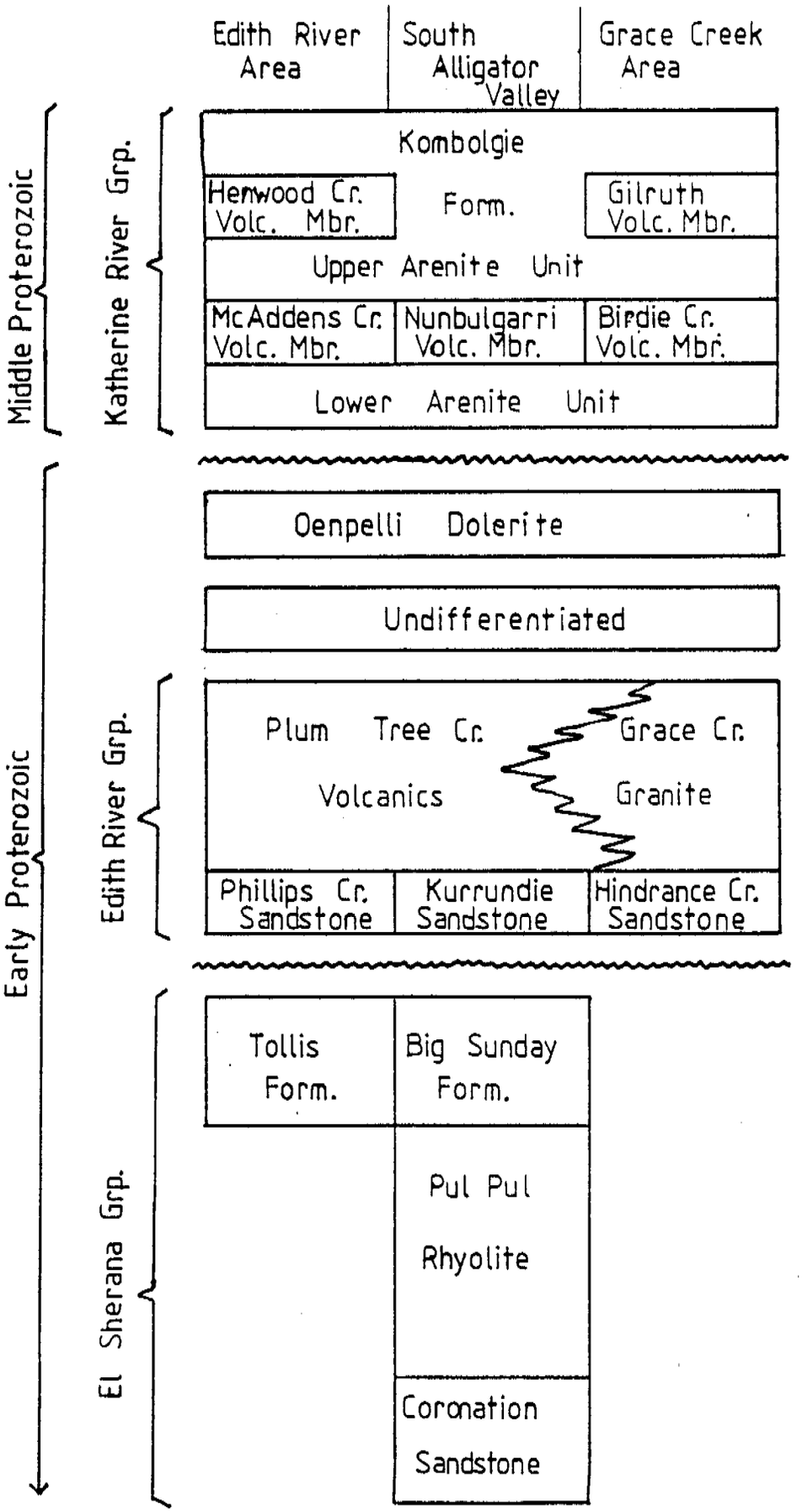


FIG1: DIAGRAMMATIC STRATIGRAPHY OF THE KATHERINE AREA (after Needham et al,1985)

2.2 REGIONAL GEOLOGY

The geological structure of the Project Area is dominated by a south plunging anticline called the "Seventeen Mile Anticline".

At its southern extremity where it plunges beneath the flat lying alluvium of the Katherine Plains, the geology is dominated by the intrusive Maud Dolerite. This rock unit has given rise to the small economic gold deposit of the Maud Creek Goldfield. Here the gold is found in hematite rich open pore space fillings in joints contained within the Maud Dolerite.

It has been within and adjacent to this unit that the majority of current exploration has been concentrated.

To the northwest of the goldfield within EL 6137, a graben type structure has been deliniated by exploration by CSR. This structure has has intensive exploration conducted upon it by CSR with negligible positive results to date.

The outcropping rocks of the Seventeen Mile Anticline are predominantly composed of the Early Proterozoic Plum Tree Volcanics. Along the core of the anticline outcrops of the underlying Tollis Formation occur. Near the southern extremity of the anticline the core is covered by the Middle Proterozoic Kombolgie Formation which is ringed by the various intrusives of the Maud Dolerite and the Dorothy Basalt Member.

The Dorothy Basalt Member is confined to a number of distinct outcrops in the Carpentaria Valley.

In a regional context, at the closure of the anticline the Maud Dolerite has intruded both the basal part of the Plum Tree Volcanics and the basal unit of the Tollis Formation.

2.3 ECONOMIC GEOLOGY

The mining history of the rocks that surround and form part of the Project Area can be primarily confined to three known areas, these are:

1) The Maud Creek Goldfield
2) The Carpentaria Copper Mine
3) Mount Gates.

Whilst none of these occur within the Project Area they illustrate the types of mineralisation found in the region and are therefore briefly described below:

1) The Maud Creek Goldfield

The Maud Creek Goldfield consists of quartz hematite lodes in fractures in the Maud Dolerite. These lodes extend for +400m with two distinct lode directions, ie northeast-southwest and northwest-southeast.

The lodes attain a maximum thickness of one metre and contain a gold-copper association.

The Maud Dolerite at this location is largely unaltered except along the walls of the lodes where extensive alteration has taken place, probably at the time of emplacement of the high sulphide bearing fluids. These fluids were emplaced along cold fractures developed during the Cambrian.

The Maud Creek Goldfield was mined during the years 1890/92 and 1933.

The mining that occurred during these periods was of a shallow and cursory nature and according to the records, failed because of a lack of suitable milling and recovery machinery, rather than a lack of available ore.

2) Carpentaria Copper Mine.

The Carpentaria Copper Mine is a rather optimistic name given to five small open cuts located in the Carpentaria Valley.

The mineralisation consists of secondary copper minerals in sheared basic lava and tuff.

There is no record of production from this area.

3) Mount Gates.

Mount Gates is located along the border of the Katherine Gorge National Park and consists of a small area of workings (<1 Ha) located in the major dolerite sill of a swarm of sills intruding rocks of the Tollis Formation along the eastern limb of the Seventeen Mile Anticline.

According to the old records, gold was located in a number of floaters which when dollied, gave a grade of 1 oz to the pound of stone. Subsequent mining activity in the area was directed to finding the source of this ore, which was located and mined in a small way.

No record of production is known.

4) Others

There are numerous shallow prospecting pits on copper-stained out crops located throughout the area. The majority of these are of little value in this exploration program, in that they are located in the Plum Tree Volcanics which exhibit common secondary copper showings with no economic value.

3 GEOLOGICAL INVESTIGATIONS

3.1 Previous Investigations

A summary of previous investigations in the area is provided below:

1892	JV Parkes
1912	WG Woolnough "Report on the Geology of Maud Creek"
1937	VM Cottle "The Maud Creek Mining Centre - Pine Creek District"
1969	MR Daly "Report on Visit to A[illegible] Katherine Area"
1971	"Western Nuclear Prospectus"
1973	Magnum Exploration "Annual Repor[illegible] EL 147"
1987	CSR Ltd "Annual Repor[illegible] ELs 4669, 4874, 4913, 4914 and
1988	Placer Exploration Ltd "Report for relinquised portions of ELs 4669, 4874, 4913, 4914 and 4916"

JV Parkes and WG Woolnough concentrated their work on the Maud Creek Goldfields and Mt Gates areas. VM Cottles work was done during the AGGSNA program in the Northern Territory and was concentrated on the Maud Creek Golfield.

MR Daly's work was on the prominent breccias that trend northeast-southwest on EL 6137.

Western Nuclear's work was concentrated on the Carpentaria Copper programs and they did basic exploration that delineated a number of potential targets throughout the entire area.

CSR's annual report in 1987 was directed at two areas - the Chessman Prospect and Nipper's Knob. The Chessman Prospect is adjacent to Trecabe's EL 6137 and Nipper's Knob is an extension to the north of the Carpentaria Copper Mine.

Placer Exploration's report covered the relinquished portions of CSR's holdings and provided an valuable database for Trescabe to draw on. It was also extremely valuable for the petrographic work on the volcanics of the area and enables positive identification of some of the various rocks that have been named dolerite and diorite in the past.

3.2 INVESTIGATIONS ON ELs 6172 and 6198 IN YEAR 1

EL 6172 .

Geochemical stream sediment sampling throughout the exploration licence outlined only one anomaly.

Four Soil Grids were located within the EL and these are outlined below:

Grid 2.

This Grid is located along the northern boundary of EL 6172 to the west of the main station firebreak. The soil samples are 2.5kg -5mm A Hrizon samples taken on a 50m x 50m grid spacing. The baseline is located along 000T with traverses at 090T.

The results of this Grid were initially very positive with two areas of anomalism being located.

Grid 7.

This Grid is located immediately to the east of Grid 2 and along the northern boundary of EL 6172. Sample type, spacing and orientation are the same as for Grid 2.

This Grid returned slightly anomalous soil values with few truly anomalous values.

In the light of the results returned from Grid 2 the area was disappointing.

Grid 4.

Grid 4 was located in the centre of EL 6172. A Grid of 300m x 400m was positioned to cover a low hill which was surrounded by low order anomalous stream sediment samples.

The Grid was aligned along 000T/090T compass points on a 100m(N/S) x 50m(E/W) spacing. The sampling outlined a 100m+ long soil anomaly.

Grid 5.

Grid 5 was located over several old copper prospecting pits. It consisted of 25 samples taken from a 50m x 50m grid aligned along 000T/090T.

This Grid outlined an anomalous zone some 250m long.

EL 6198

Stream sediment sampling (5kg BLEG) located no anomalies within EL 6198 and there were 2 small Soil Grids located within the EL.

Grid 3.

This Grid was located along the western boundary of the EL and contained 62 sample sites on 50m x 50m centres aligned along 000T/090T.

The Grid returned an anomalous zone at its northern end.

Grid 6.

Grid 6 was located across a dolerite/greywacke contact that contains abundant microfractures. There were 9 samples taken from the Grid and these returned no anomalous results.

FIG 9 : EL 6198

Maud Creek N.T.

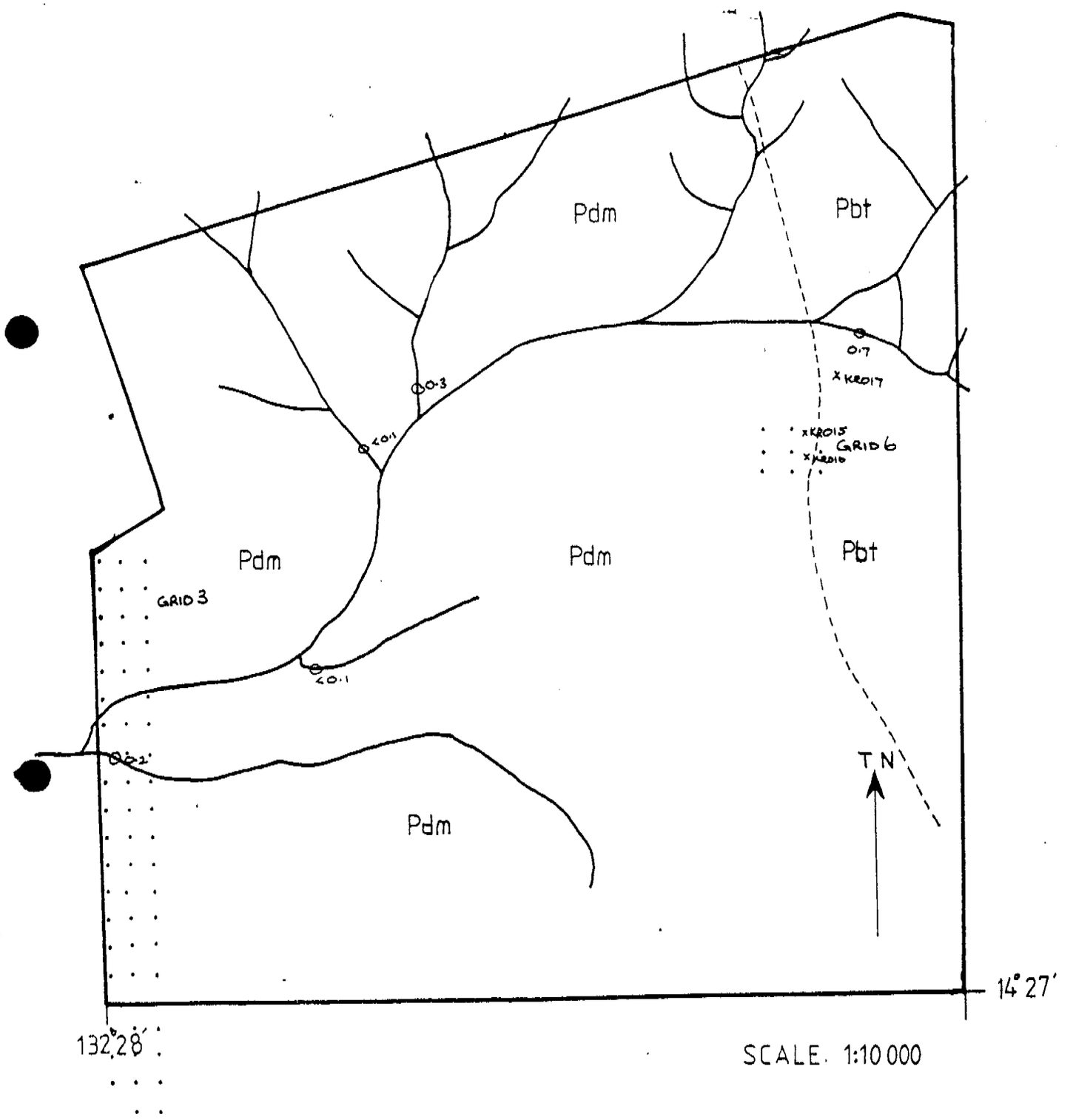
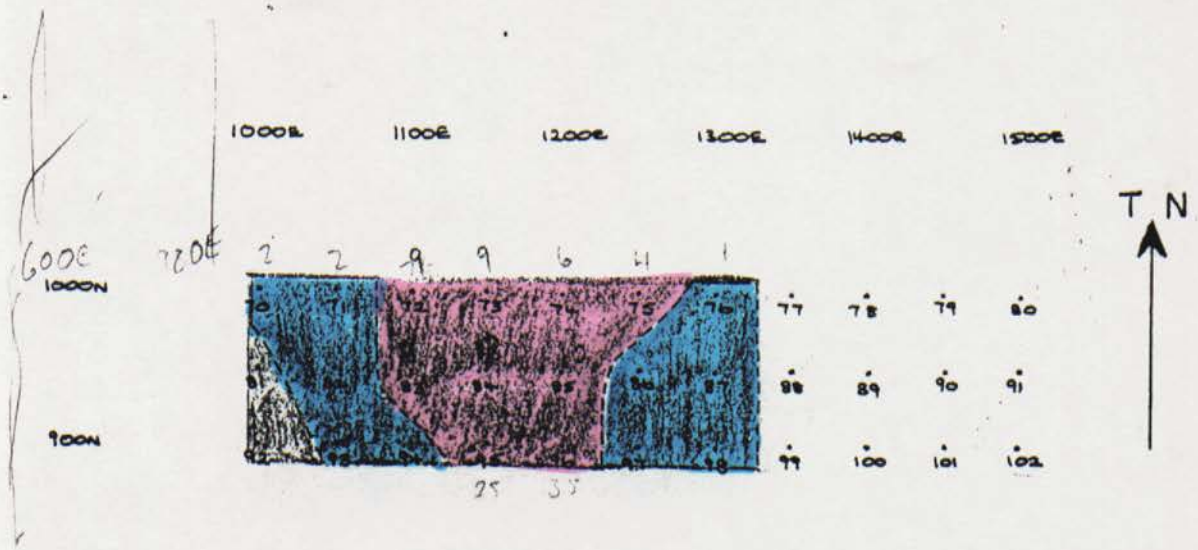


FIG 11 : GRID No.2

EL 6172

Maud Creek N.T.



Scale 1:5000

FIG 12 : GRID No. 3
EL 6198

Maud Creek N.T.

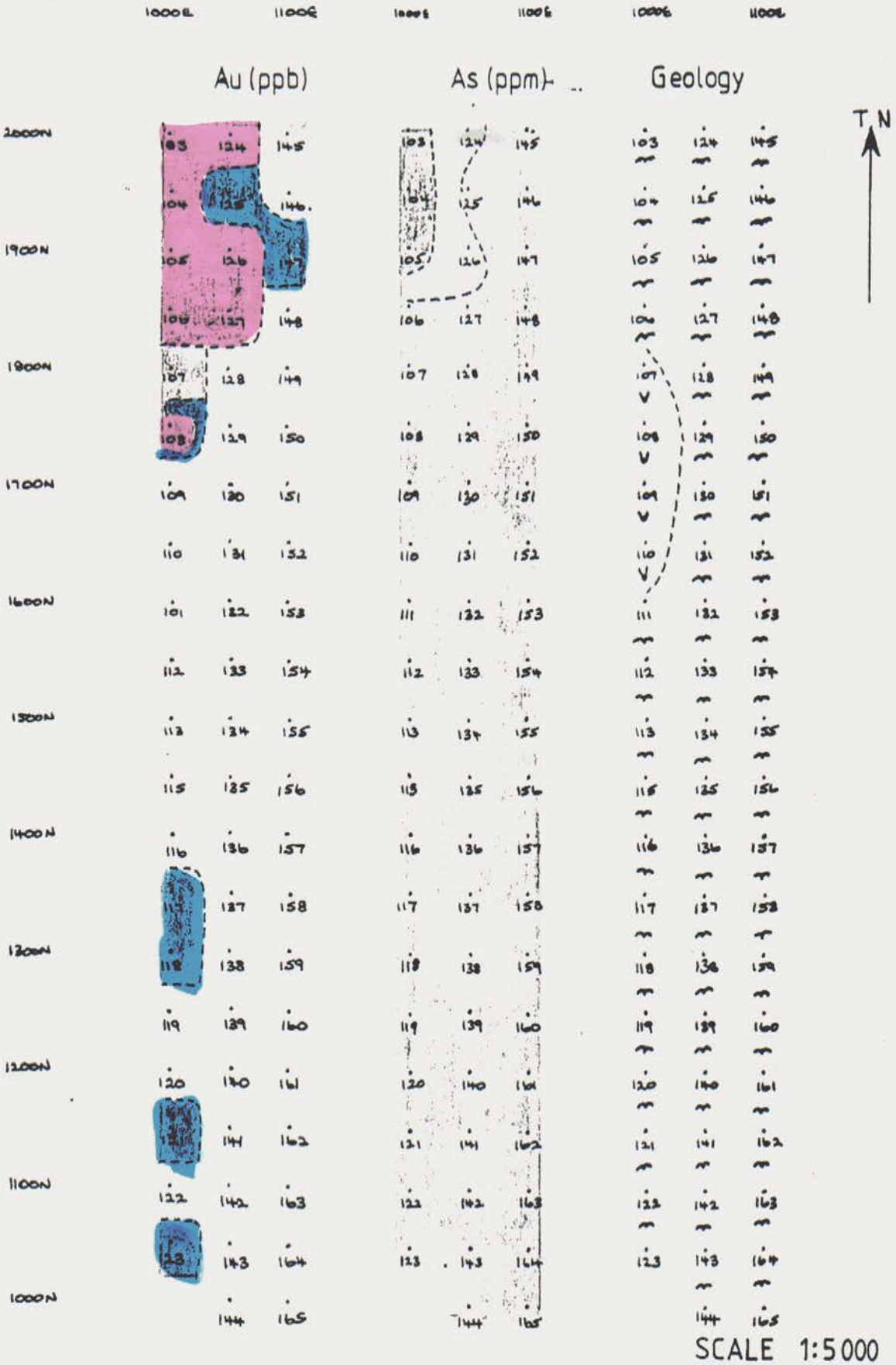
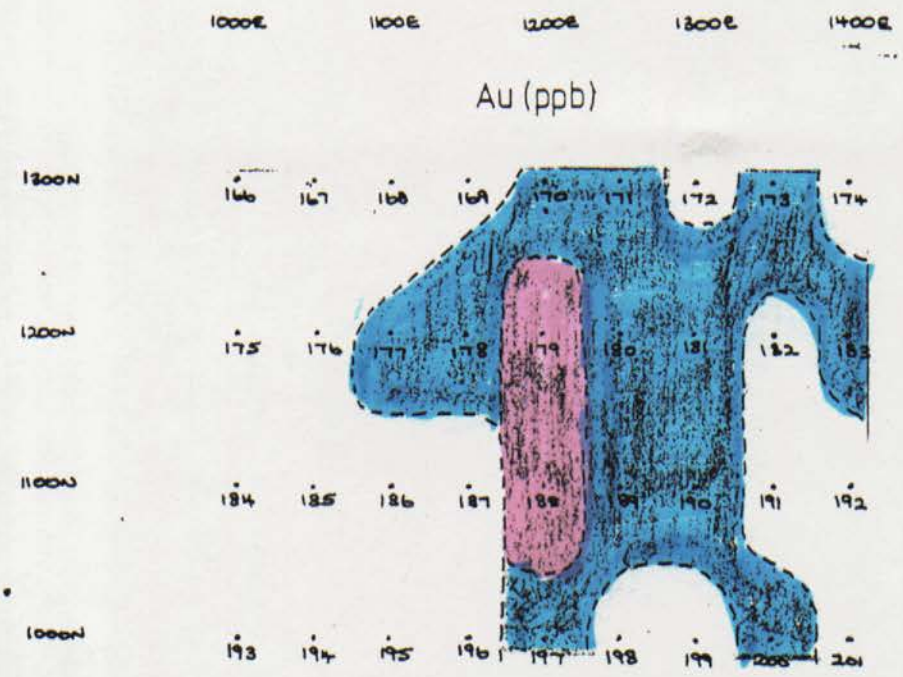
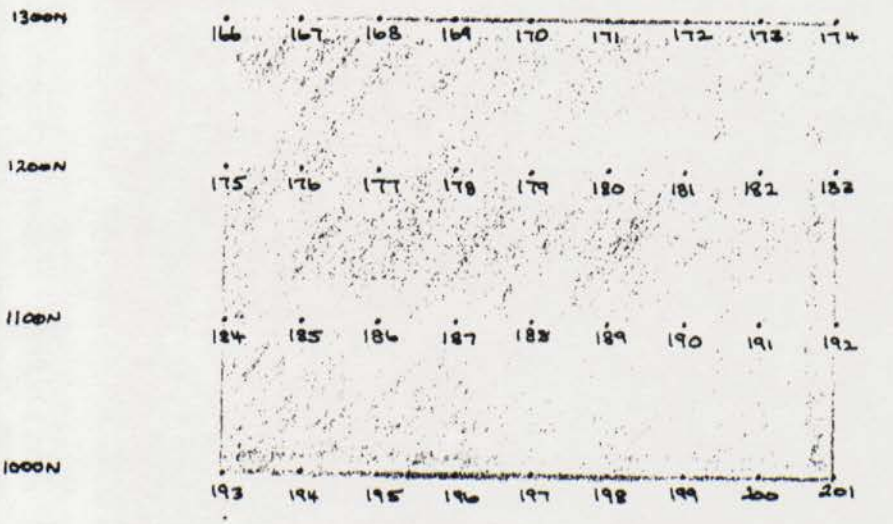


FIG 13 GRID No.4

EL 6172

Maud Creek N.T.





Scale 1:5 000

FIG 14 : GRID No. 5

EL 6172

Maud Creek N.T.

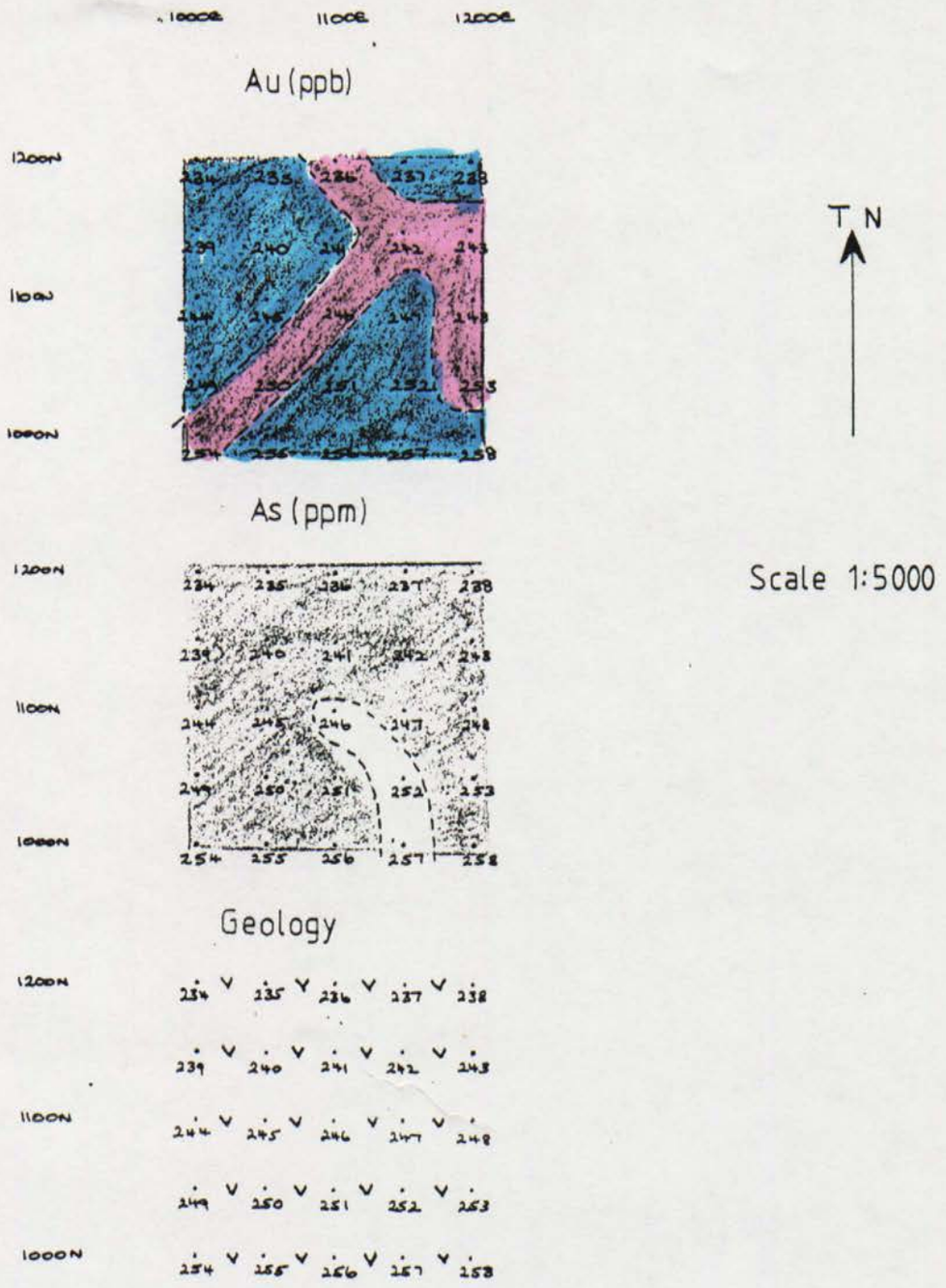


FIG 15: GRID No.6

EL 6198

Maud Creek N.T.

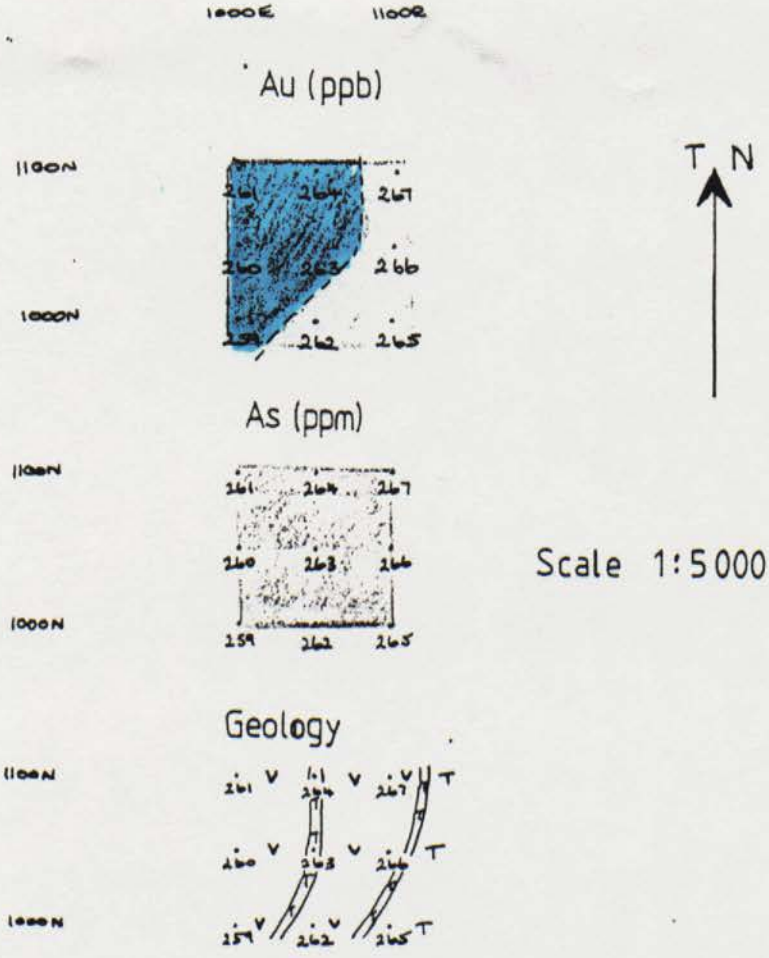


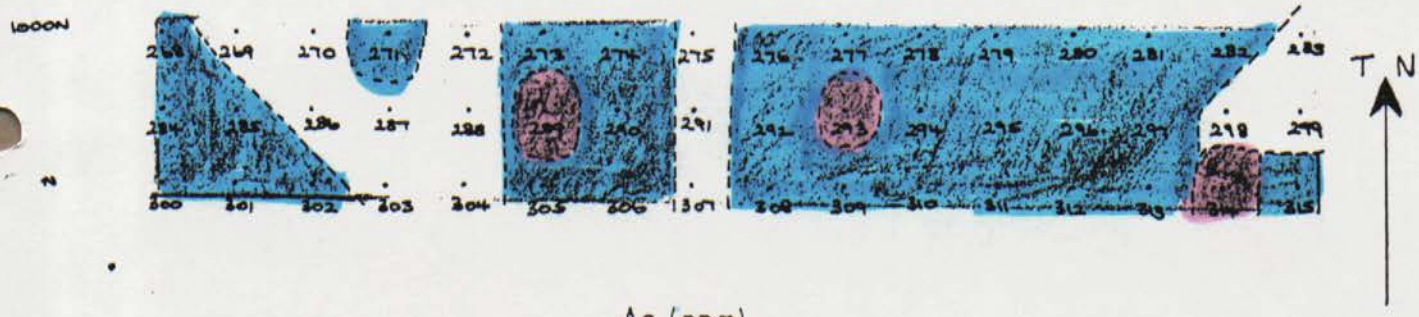
FIG 16 : GRID No. 7

EL 6172

Maud Creek N.T.

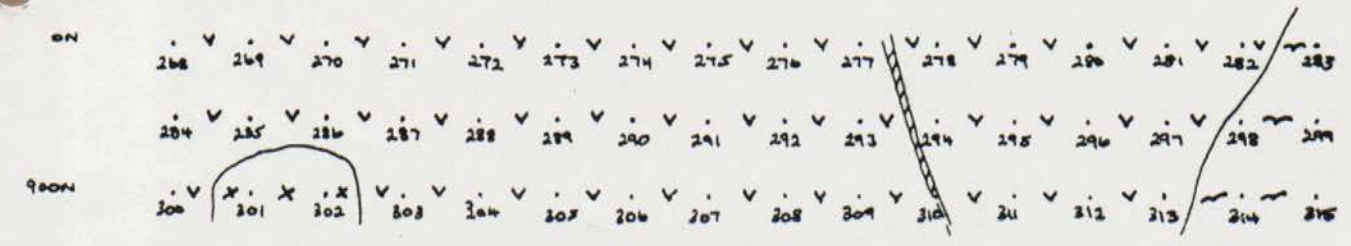
15000E 16000E 17000E 18000E 19000E 20000E 21000E 22000E 23000E

Au (ppb)



As (ppm)

Geology



SCALE 1:5 000

6. EXPENDITURE IN YEAR 1 (1988/89)

EL 6137	$10,000
EL 6141	28,000
EL 6172	8,000
EL 6198	2,000
TOTAL	$48,000

As previously mentioned, we have treated all four exploration licences as one project area. This has resulted in no differentiation between the specific licences for the purposes of expenditure calculations.

ASSAYS

Australian Assay Labs	$8,894.50
Classic Comlabs	334.80
TOTAL	$9,229.30

ADMINISTRATION

Administration @ 25%	$12,000.00

HELICOPTER HIRE

Mataranka Helicopters (2 hrs @ $280)	$560.00

PERSONNEL

Geologist - 26 days @ $200/day	$5,200.00
Prospector - 18 days @ $200/day	3,600.00
Field Assts - 33 days @ $100/day	3,300.00
TOTAL	$12,100.00

SUPPLIES

Geological Supplies	$1,280.00
Camp Supplies	1,825.00
Fuel and Oils	950.00
TOTAL	$4,055.00

VEHICLES

36 vehicle days @ $100/day	$3,600.00
TOTAL EXPENDITURE	$41,544.30

As can be seen from the above we are below our total expenditure commitment by $6,455.70. Consequently, we have applied for a variation of expenditure covenant to rectify this situation.

Laboratories Group

REPORT: PC 13609 Page 1 of 1

Sample	Au	Au(R)	
Y1	0.01	0.01	OLD YAM CREEK.
Y2	<0.01	<0.01	
KR001	<0.01	<0.01	
KR002	<0.01	<0.01	
KR003	<0.01	<0.01	
KR004	<0.01	<0.01	
KR005	<0.01	<0.01	
KR006	<0.01	<0.01	
KR007	<0.01	<0.01	

Data in ppm unless otherwise stated.

Laboratories Group

REPORT : PC 013963

Sample	Au	Au(R)
KR 009	0.01	
KR 010	0.03	
KR 011	<0.01	
KR 012	<0.01	<0.01
KR 013	0.06	
KR 014	0.41	0.38
KR 015	0.02	
KR 016	<0.01	
KR 017	0.04	0.04
KR 018	<0.01	
KR 019	<0.01	
KR 020	0.06	
KR 021	0.77	0.83

Data in ppm unless otherwise stated.

Laboratories Group

REPORT: PC 13194 Page 1 of 1

Sample	AuCN*	As
KB001	1.1	5
KB002	2.4	9
KB003	22.1	10
KB004	0.3	<2
KB005	1.2	3
KB006	0.2	6
KB007	0.9	3
KB008	<0.1	10
KB009	1.2	5
KB010	0.2	3
KB011	<0.1	<2
KB012	0.5	<2
KB013	0.4	4
KB014	0.7	5
KB015	0.8	11
KB016	1.2	16
KB017	0.3	21
KB018	<0.1	27
KB019	<0.1	3
KB020	1.3	10
KB021	0.4	5

Data in ppm unless otherwise stated. * see units on flysheet

ANALYSIS REPORT

Assay Laboratories Group

REPORT : PC 013962

Sample	Au*	As
KB 022	<0.1	4
KB 023	2.5	I/S
KB 024	13.9	I/S
KB 025	0.1	2
KB 026	1.2	3
KB 027	0.1	<2
KB 028	0.1	<2
KB 029	<0.1	<2
KB 030	0.2	19
KB 031	<0.1	11
KB 032	0.3	9
KB 033	<0.1	3
KB 034	0.8	4
KB 035	<0.1	16

Data in ppm unless otherwise stated * see unit on fly sheet.

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ANALYSIS

SAMPLE MARK	Au ppb
KBO 35	0.12
KBO 36	0.28
KBO 37	0.21
KBO 38	0.08
KBO 39	0.14
KBO 40	0.10
KBO 41	0.25
KBO 42	0.15
KBO 43	0.08
KBO 44	0.30
KBO 45	0.11
KBO 46	0.10

METHOD : BLEG2

ANALYSIS REPORT

Assay Laboratories Group

REPORT : PC 019541

Sample	AuCN*	As
DR 01	<0.1	34
DR 02	1.40	190
DR 03	<0.1	19
KB 047	<0.1	11
KB 048	0.2	2
KB 049	0.7	22
KB 050	0.8	17
KB 051	1.50	11
KB 052	0.4	63
KB 053	0.7	14
KB 054	1.90	9
KB 055	0.5	45
KS 01	52.5	—
KS 02	6.00	—
KS 03	<0.1	—
KS 04	3.10	—
KS 05	<0.1	—
KS 06	1.00	—
KS 07	<0.1	—
KS 08	<0.1	—
KS 09	<0.1	—
KS 10	<0.1	—
KS 11	3.70	—
KS 12	<0.1	—
KS 13	<0.1	—

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT : PC 019541

Sample	AuCN*	As
KS 14	<0.1	—
KS 15	2.30	—
KS 16	1.00	—
KS 17	2.70	—
KS 18	5.30	—
KS 19	1.60	—
KS 20	0.8	—
KS 21	1.60	—
KS 22	0.2	—
KS 23	16.2	—
KS 24	5.60	—
KS 25	6.90	—
KS 26	2.90	—
KS 27	0.4	—
KS 28	0.5	—
KS 29	0.2	—
KS 30	9.50	—
KS 31	<0.1	—
KS 32	<0.1	—
KS 33	0.9	—
KS 34	2.10	—
KS 35	0.9	—
KS 36	0.5	—
KS 37	0.2	—
KS 38	12.6	—

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT : PC 019541

Sample	AuCN*	As
KS 39	0.5	—
KS 40	0.1	—
KS 41	0.2	—
KS 42	1.60	—
KS 43	0.6	—
KS 44	<0.1	—
KS 45	0.2	—
KS 46	0.9	—
KS 47	0.8	—
KS 48	0.3	—
KS 49	0.2	—
KS 50	<0.1	—
KS 51	<0.1	—
KS 52	1.10	—
KS 53	1.10	—
KS 54	<0.1	—
KS 55	<0.1	—
KS 56	1.00	—
KS 57	<0.1	—
KS 58	1.50	—
KS 59	Sample not received.	
KS 60	110	—
KS 61	1.20	—
KS 62	0.2	—

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT : PC 019810

Sample	AuCN*	As
S 70	2.80	32
S 71	2.10	33
S 72	9.00	76
S 73	9.30	64
S 74	6.90	53
S [redacted]	4.60	29
S 7	1.30	8
S 77	0.7	4
S 78	0.7	3
S 79	0.3	5
S 80	0.6	7
S 81	6.10	20
S 82	3.60	31
S 83	8.50	49
S 84	18.7	73
S [redacted]	10.9	60
S 86	4.70	36
S 87	1.60	11
S 88	0.4	5
S 89	<0.1	<2
S 90	<0.1	2
S 91	0.7	4
S 92	8.20	19
S 93	4.70	20
S 94	3.30	30

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Laboratories Group

REPORT : FC 019810

Sample	AuCN*	As
KS 95	25.5	72
KS 96	35.0	66
KS 97	3.50	35
KS 98	4.20	15
KS 99	<0.1	<2
KS 100	0.3	<2
KS 101	<0.1	3
KS 102	<0.1	3

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Australian Assay Laboratories Group

REPORT : PC 019854

Sample	AuCN*	As
KS 103	49.3	53
KS 104	39.2	78
KS 105	28.5	53
KS 106	22.1	24
KS 107	4.0	14
KS [illegible]8	9.4	7
KS 109	<0.1	3
KS 110	0.1	3
KS 111	0.3	3
KS 112	<0.1	4
KS 115	0.2	5
KS 116	0.5	13
KS 117	1.2	16
KS 118	1.3	16
KS [illegible]19	<0.1	11
KS 120	<0.1	12
KS 121	1.0	24
KS 122	0.7	10
KS 123	1.0	16
KS 124	9.6	27
KS 125	2.9	11
KS 126	7.3	34
KS 127	26.7	24
KS 128	0.5	3
KS 129	<0.1	3

Data in ppm unless otherwise stated * see unit on fly sheet.

Sample	AuCN*	As
KS 130	<0.1	3
KS 131	<0.1	2
KS 132	0.2	2
KS 133	<0.1	8
KS 134	0.4	5
KS 136	<0.1	4
KS 137	<0.1	3
KS 138	<0.1	5
KS 139	<0.1	3
KS 140	<0.1	7
KS 141	<0.1	6
KS 142	<0.1	18
KS 143	0.4	8
KS 144	<0.1	12
KS 145	0.9	6
KS 146	0.6	4
KS 147	1.2	6
KS 148	0.2	3
KS 149	0.1	2
KS 150	<0.1	3
KS 151	<0.1	3
KS 152	<0.1	2
KS 153	<0.1	2
KS 154	<0.1	6
KS 155	0.3	4

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT #: PC 019854

Sample	AuCN*	As
KS 156	<0.1	3
KS 157	<0.1	2
KS 158	<0.1	2
KS 159	<0.1	2
KS 160	<0.1	3
KS 161	<0.1	3
KS 162	0.3	6
KS 163	<0.1	17
KS 164	<0.1	3
KS 165	<0.1	9
KS 166	<0.1	7
KS 167	<0.1	7
KS 168	<0.1	7
KS 169	<0.1	14
KS 170	2.8	19
KS 171	2.0	21
KS 172	<0.1	17
KS 173	1.3	8
KS 174	0.2	7
KS 175	<0.1	8
KS 176	0.7	8
KS 177	2.8	7
KS 178	4.5	11
KS 179	8.2	8
KS 180	1.5	10

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT ; FC 019854

Sample	AuCN*	As
KS 181	3.9	12
KS 182	0.9	11
KS 183	1.0	10
KS 184	0.2	3
KS 185	0.6	15
KS 186	0.3	6
KS 187	0.2	4
KS 188	6.7	7
KS 189	3.8	4
KS 190	1.8	7
KS 191	0.6	9
KS 192	0.3	11
KS 193	0.8	8
KS 194	0.2	8
KS 195	0.1	10
KS 196	<0.1	9
KS 197	1.3	11
KS 198	0.1	12
KS 199	0.2	26
KS 200	1.1	23
KS 201	0.4	12

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Laboratories Group

REPORT : PC 019888 .

Sample	AuCN*	As
KS 202	0.9	12
KS 203	3.00	14
KS 204	<0.1	16
KS 205	0.9	18
KS 206	2.10	13
KS 207	0.8	9
KS 208	0.7	15
KS 209	2.30	12
KS 210	1.00	20
KS 211	<0.1	19
KS 212	<0.1	22
KS 213	1.00	22
KS 214	1.60	17
KS 215	1.80	16
KS 216	0.9	15
KS 217	1.10	16
KS 218	0.5	17
KS 219	0.2	17
KS 220	0.8	25
KS 221	3.80	26
KS 222	1.00	28
KS 223	5.90	17
KS 224	25.4	8
KS 225	3.70	7
KS 226	0.5	13

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT r PC 019888

Sample	AuCN*	As
KS 227	0.1	24
KS 228	0.1	31
KS 229	2.00	25
KS 230	2.80	16
KS 231	7.60	19
KS 232	8.70	23
KS 233	3.10	10
KS 234	2.00	250
KS 235	2.10	160
KS 236	6.50	390
KS 237	2.80	400
KS 238	2.30	490
KS 239	2.60	260
KS 240	2.60	80
KS 241	2.00	100
KS 242	8.30	165
KS 243	8.10	160
KS 244	2.90	150
KS 245	2.80	85
KS 246	7.30	70
KS 247	2.70	90
KS 248	5.80	210
KS 249	2.10	190
KS 250	6.90	330
KS 251	2.60	100

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Laboratories Group

REPORT : PC 019888 Page 3 of 5

Sample	AuCN*	As
KS 252	1.80	73
KS 253	8.70	230
KS 254	6.00	290
KS 255	2.70	150
KS 256	1.60	75
KS 257	1.40	57
KS 258	1.40	120
KS 259	1.80	20
KS 260	1.10	16
KS 261	1.30	14
KS 262	0.3	16
KS 263	1.60	16
KS 264	1.00	12
KS 265	0.6	17
KS 266	0.5	13
KS 267	0.8	19
KS 268	1.00	18
KS 269	0.7	20
KS 270	0.5	22
KS 271	1.10	36
KS 272	0.8	32
KS 273	2.70	63
KS 274	1.30	50
KS 275	0.8	170
KS 276	Sample not received.	

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT # PC 019888

Sample	AuCN*	As
KS 277	1.80	120
KS 278	1.60	I/S
KS 279	3.40	38
KS 280	3.30	54
KS 281	4.90	58
KS 282	1.40	64
KS 283	0.6	44
KS 284	1.40	18
KS 285	1.30	16
KS 286	0.3	20
KS 287	0.4	18
KS 288	0.9	47
KS 289	6.90	80
KS 290	1.80	46
KS 291	0.8	50
KS 292	1.50	48
KS 293	6.30	210
KS 294	1.90	64
KS 295	2.40	67
KS 296	3.60	28
KS 297	1.90	57
KS 298	<0.1	33
KS 299	<0.1	43
KS 300	1.00	20
KS 301	1.10	23

Data in ppm unless otherwise stated * see unit on fly sheet.

ANALYSIS REPORT

Assay Laboratories Group

REPORT : PC 019888 Page 5 of 5

Sample	AuCN*	As
KS 302	2.40	18
KS 303	0.5	30
KS 304	0.2	13
KS 305	1.00	24
KS 306	1.20	53
KS 307	<0.1	55
KS 308	1.10	82
KS 309	4.50	54
KS 310	3.10	150
KS 311	1.60	28
KS 312	1.30	34
KS 313	4.90	58
KS 314	5.40	44
KS 315	2.90	50

Data in ppm unless otherwise stated * see unit on fly sheet.

3.3 INVESTIGATIONS ON ELs 6172 AND 6198 IN YEAR 2.

EL 6172

Grid 4

Soil Grid 4 was infilled around an anomaly with successful results.

At this location we have a direct correlation between the gold in bedrock and the gold soil values. An old prospecting pit partially covered under a fence line yeilded quartz that assayed 3.2 ppm Au, whilst the surrounding soil anomaly reached peaks of 9.8 ppb Au and 8.2 ppb Au directly along strike from the pit.

Grid 9

Soil Grid 9 was constructed immediately to the east of Grid 2 and continued for another 600m along the northern boundary of EL 6172.

An anomaly was located at the 850E line and this one runs parallel to the one located between 1100E and 1200E in Soil Grid 2.

Grid 2

The area to the south of Placer's Western Shear Prospect was explored by Placer without the consent of the owners ie Trescabe, and the results after censoring were handed to us and included in the annual report for Year 2 and this report.

In order to check the results that were handed to us we ran a traverse near one of the Placer lines our line 850N and their line 8700N.

Soil samples done by Placer were via Fire Assay whereas our results were achieved using the BLEG technique. The Placer results consistantly came out about half of the tenor of our results.

The area immediately to the south of the Western Shear Prospect was auger drilled and sampled. This is the large white space in the middle of the map shown to us and subsequently included in this report.

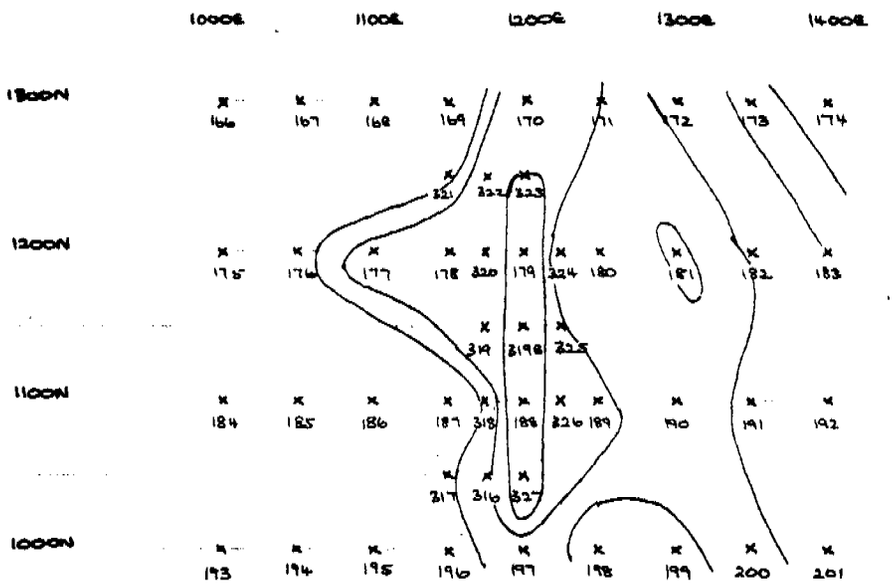
Geophysics in the form of groundmagnetometer work and induced polarisation were also done on this area. We received the results of the magnetometer work and one of the dipole lengths of the IP work. These results are also included in this report. There are no details of the type of equipment used.

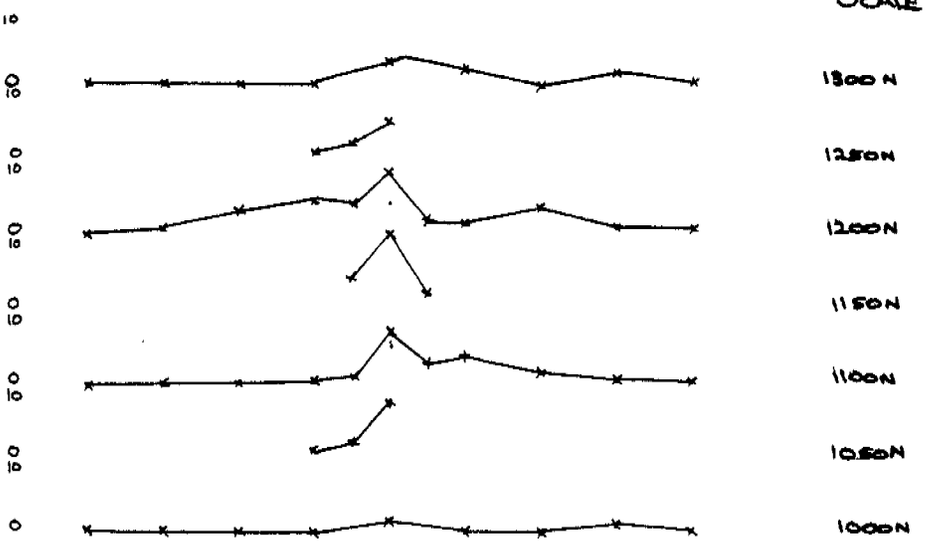
Fig 11

GRID No 4

EL 6172

Au SOIL GEOCHEMISTRY





SCALE 1:5000

Fig 12

GRID No 4

EL 6172

GEOLOGY

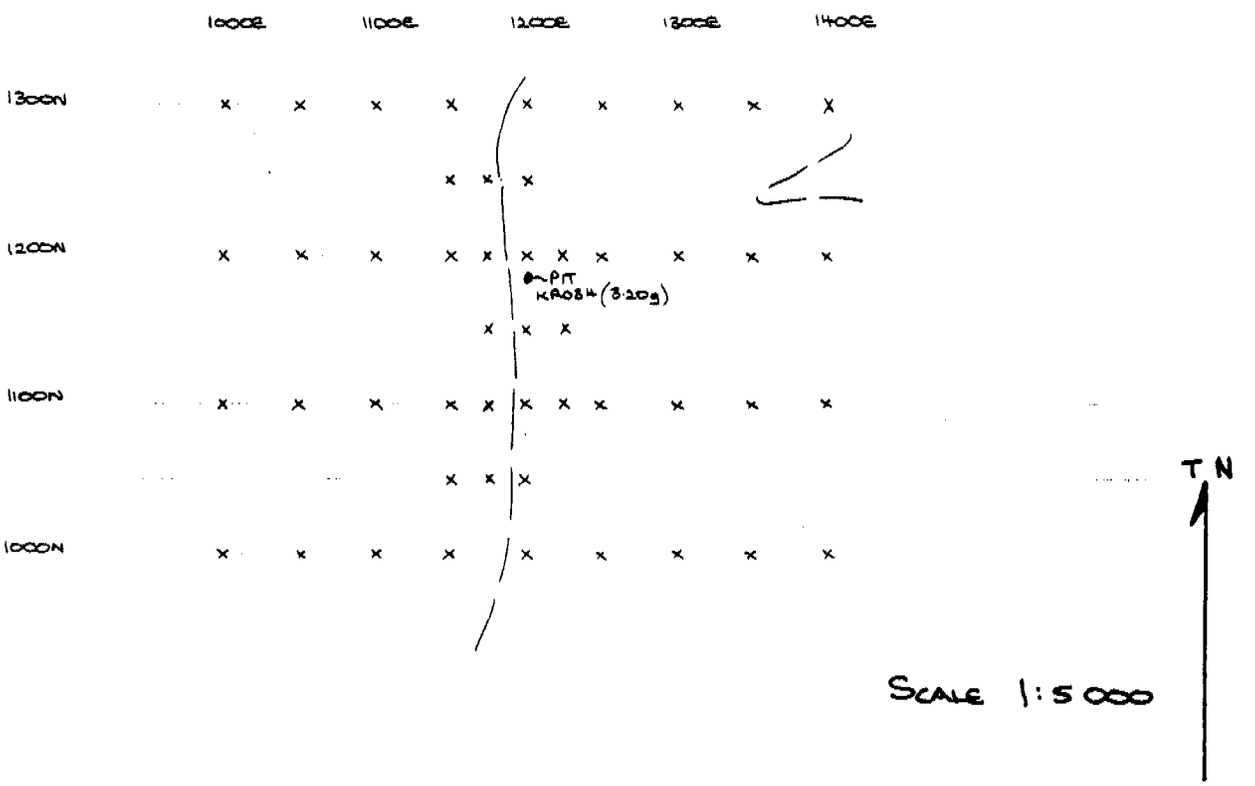
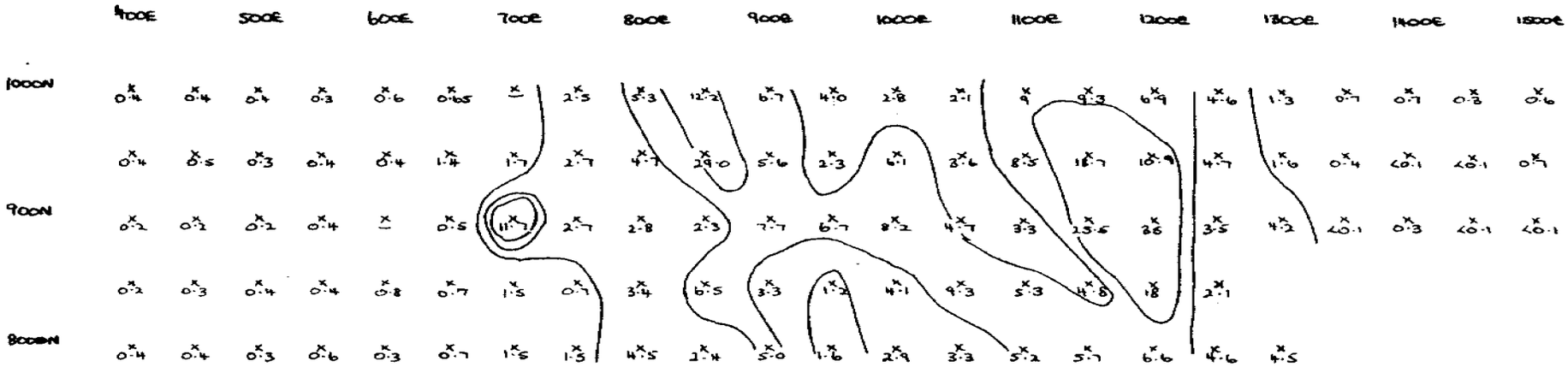


Fig 13 Grid No 9. EL 6172 Au Soil Geochemistry



Scale 1:5000

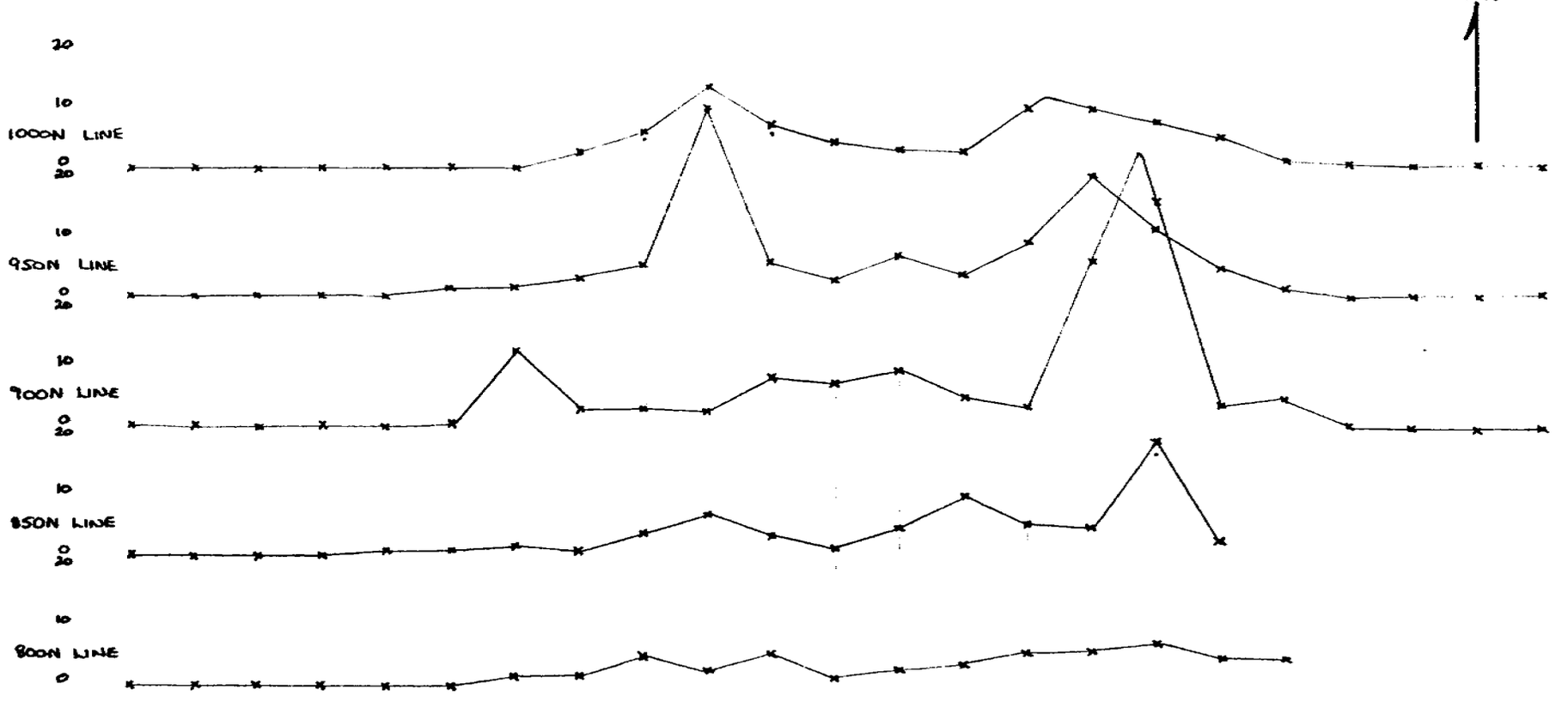
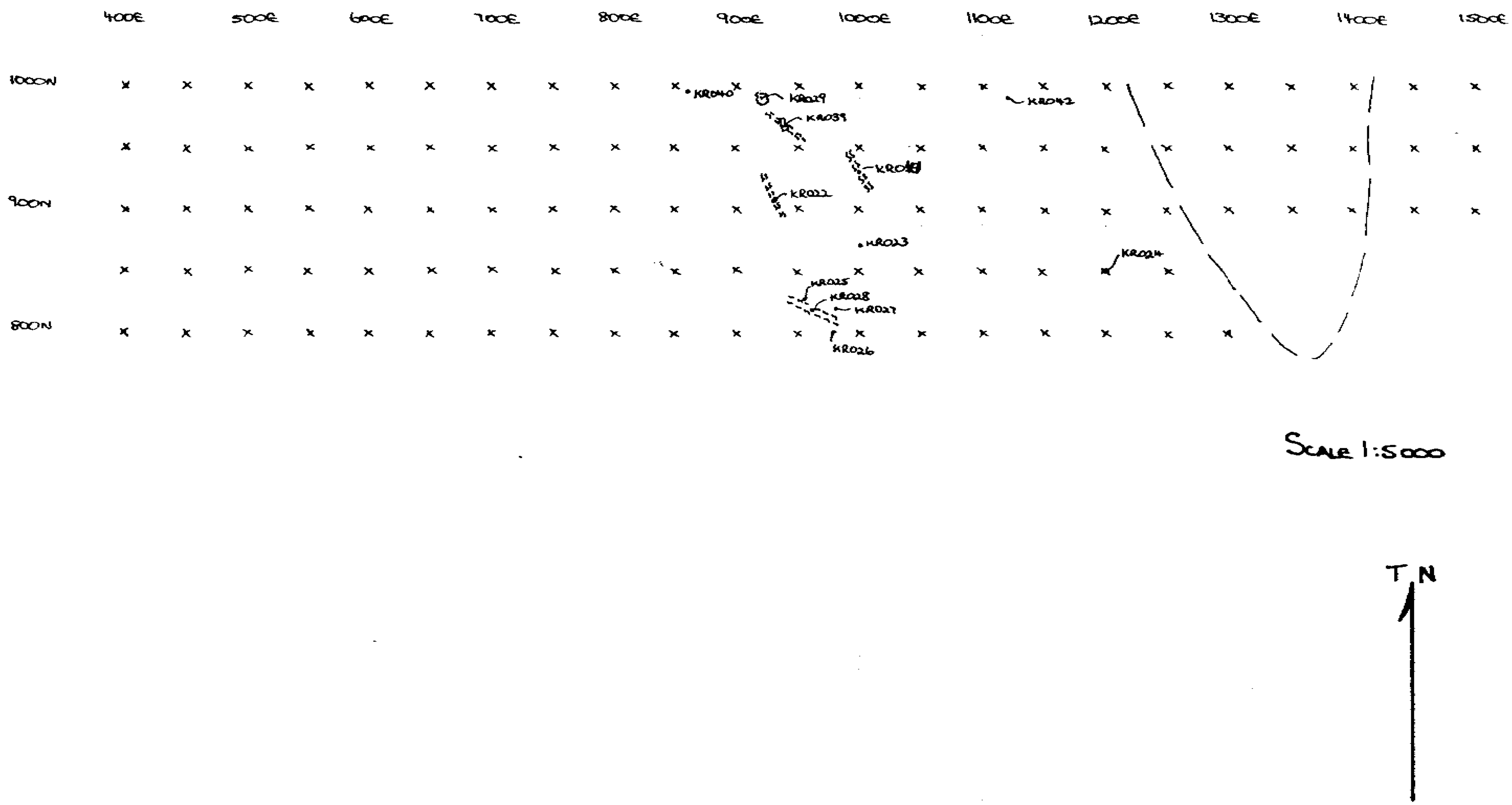


Fig 14

Grid No 9 EL 6172 Geology

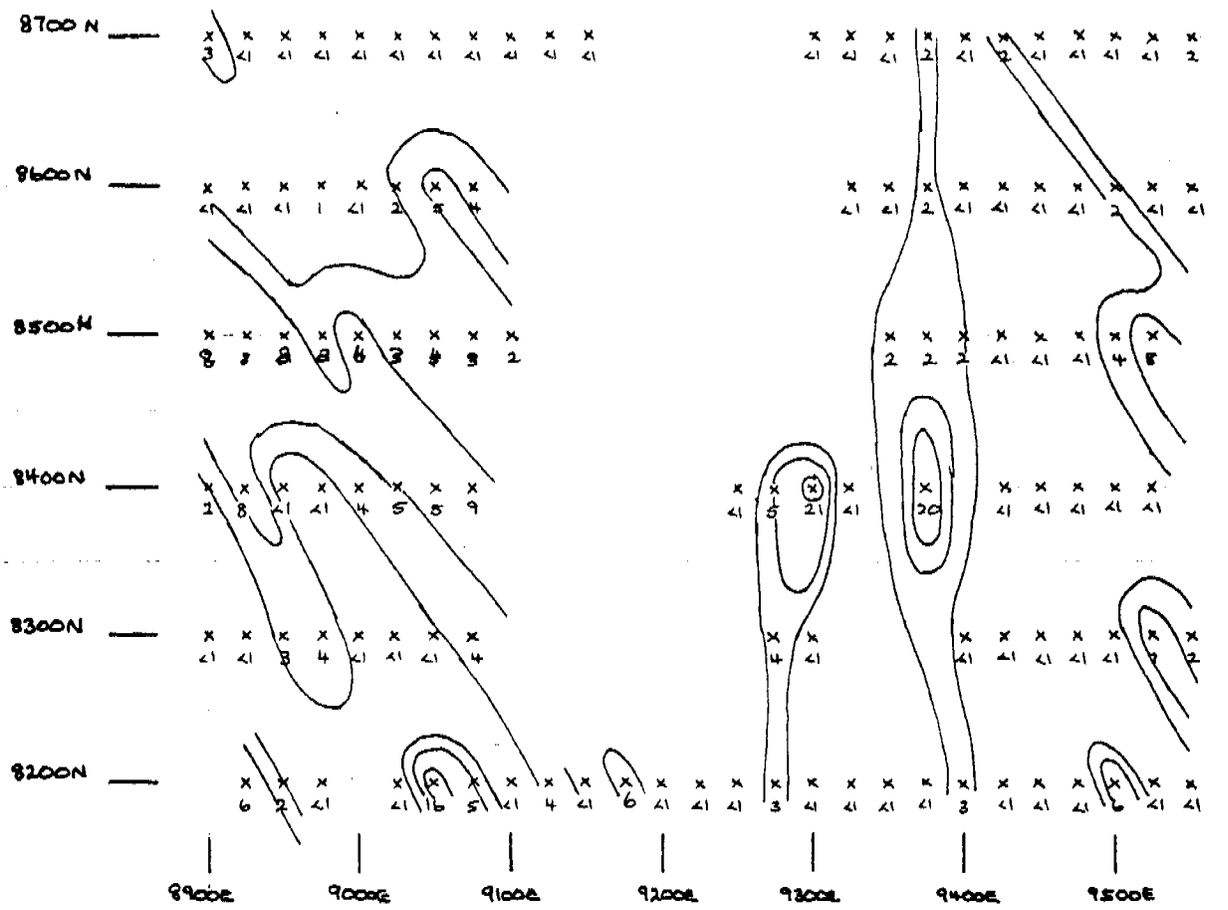


Scale 1:5000

Fig 15 GRID No 8

EL 6172

GOLD SOIL GEOCHEMISTRY



Au (ppb)

- 0-2
- 2-5
- 5-10
- >10

SCALE 1:5000

(after Stephenson)

TN

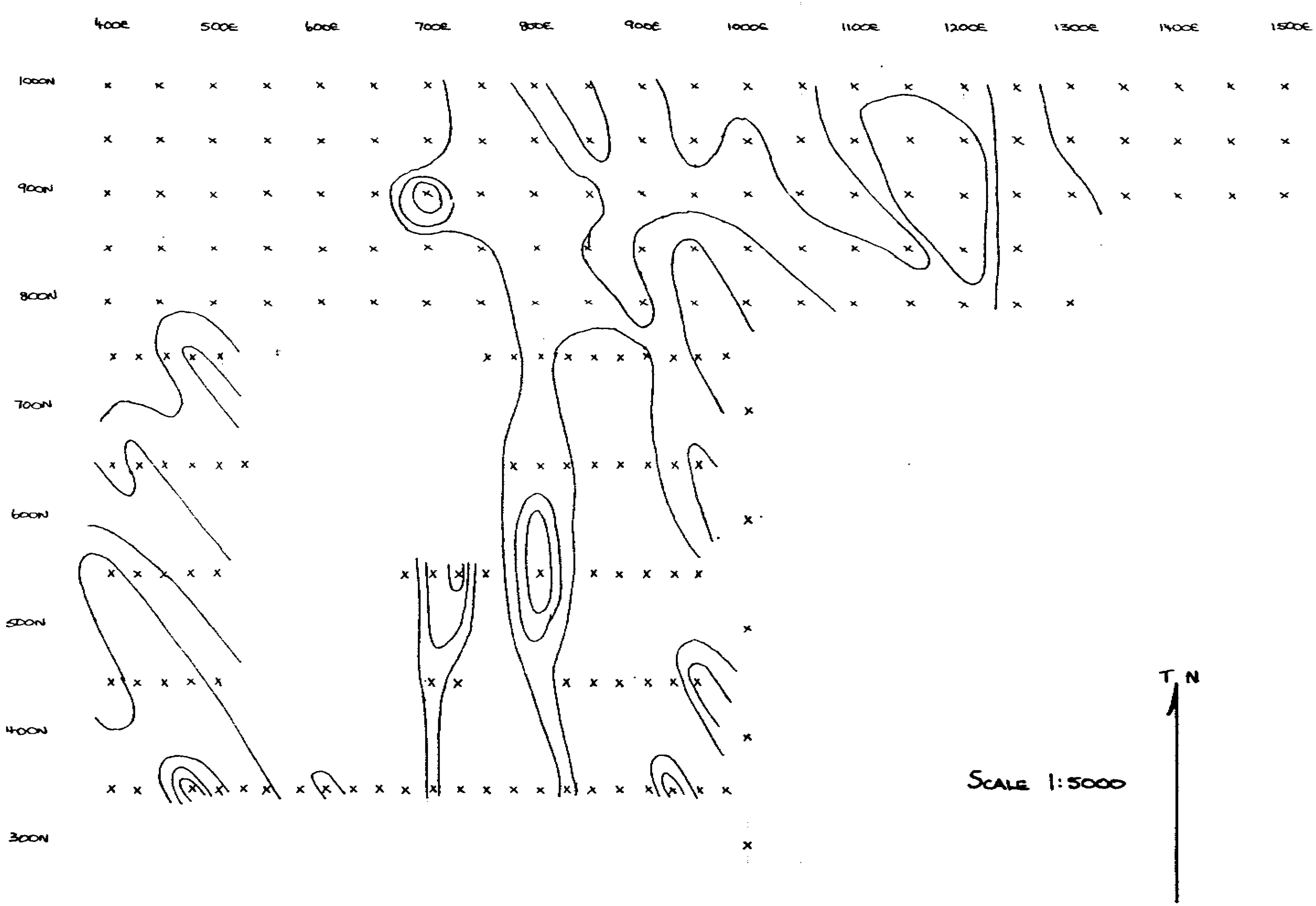
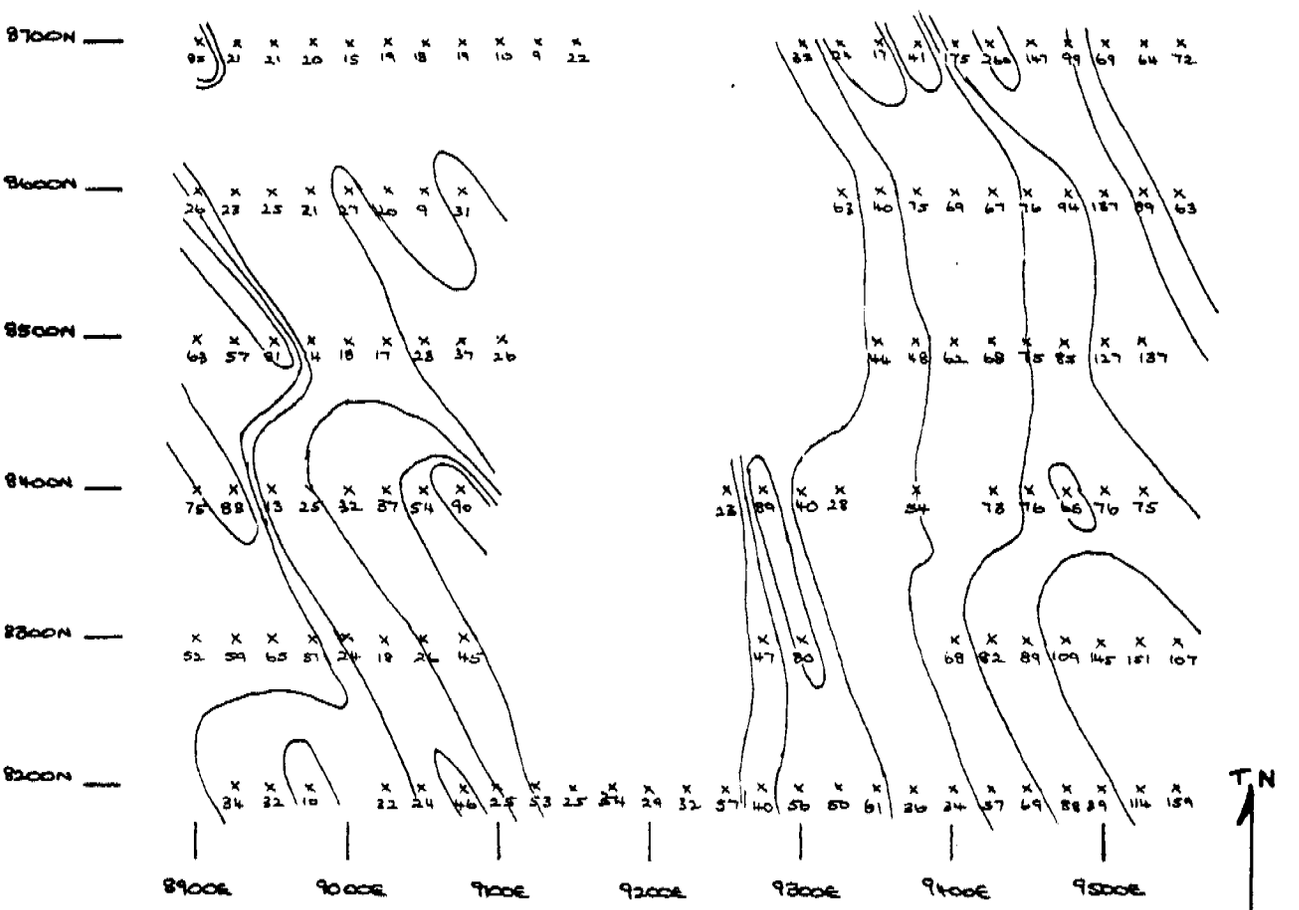


Fig 16 GRID NOS. 8&9 EL6172 GOLD SOIL GEOCHEMISTRY

Fig 17 GRID No 8

EL 6172

COPPER SOIL GEOCHEMISTRY



Cu (ppm)

- 0-25
- 25-50
- 50-75
- 75-100
- 100-200
- >200

SCALE 1:5000

(after Stephenson)

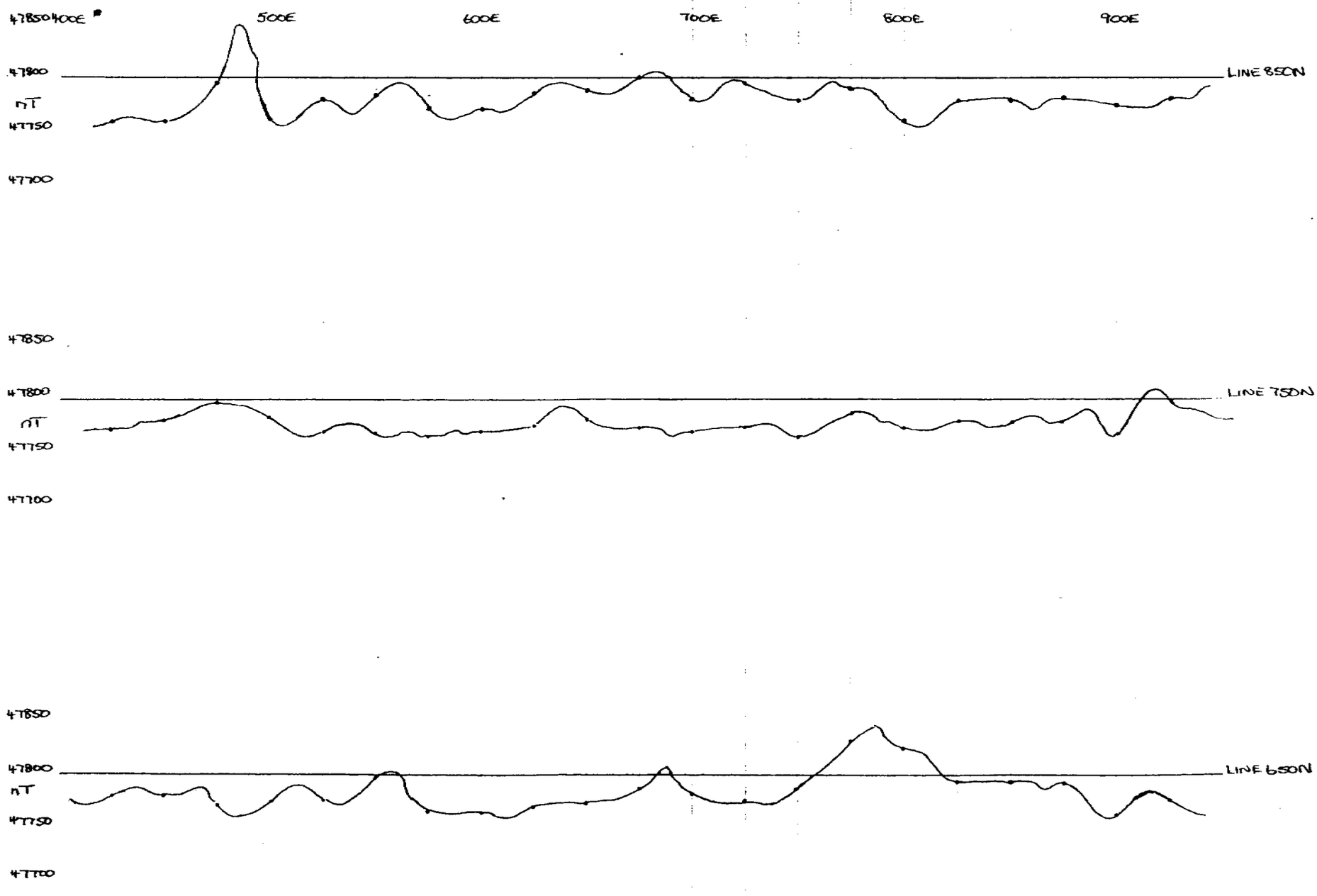


Fig 18A MAGNETIC LINE PROFILES (CORRECTED FOR DIURNAL VARN)

(after Stephenson)

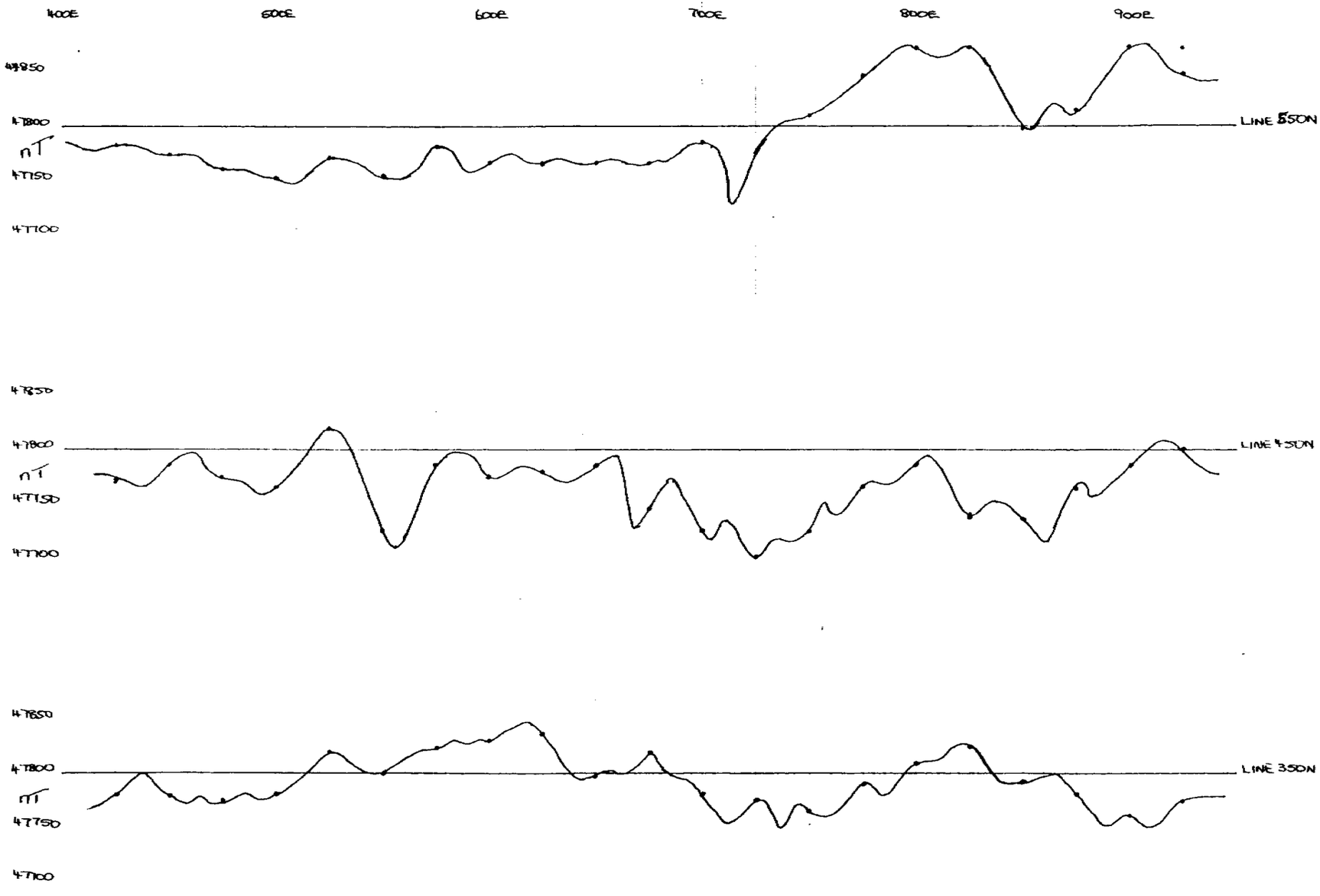


Fig 18B MAGNETIC LINE PROFILES (CORRECTED FOR DIURNAL VARN)

(after Stephenson)

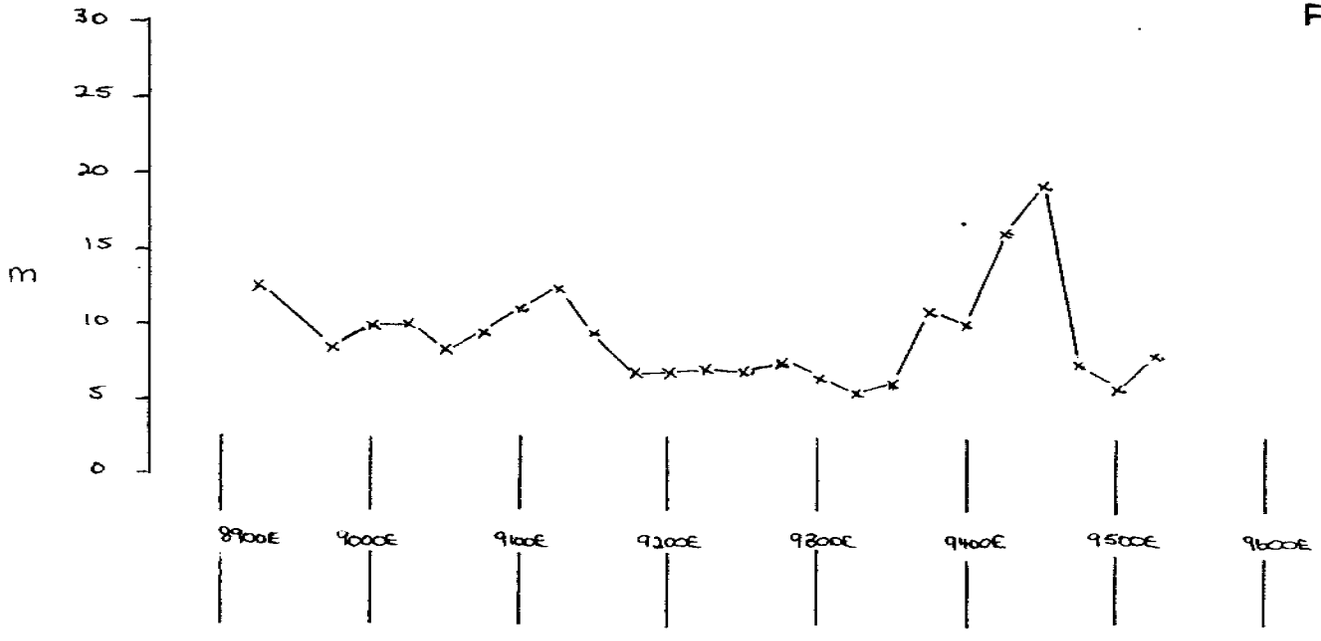
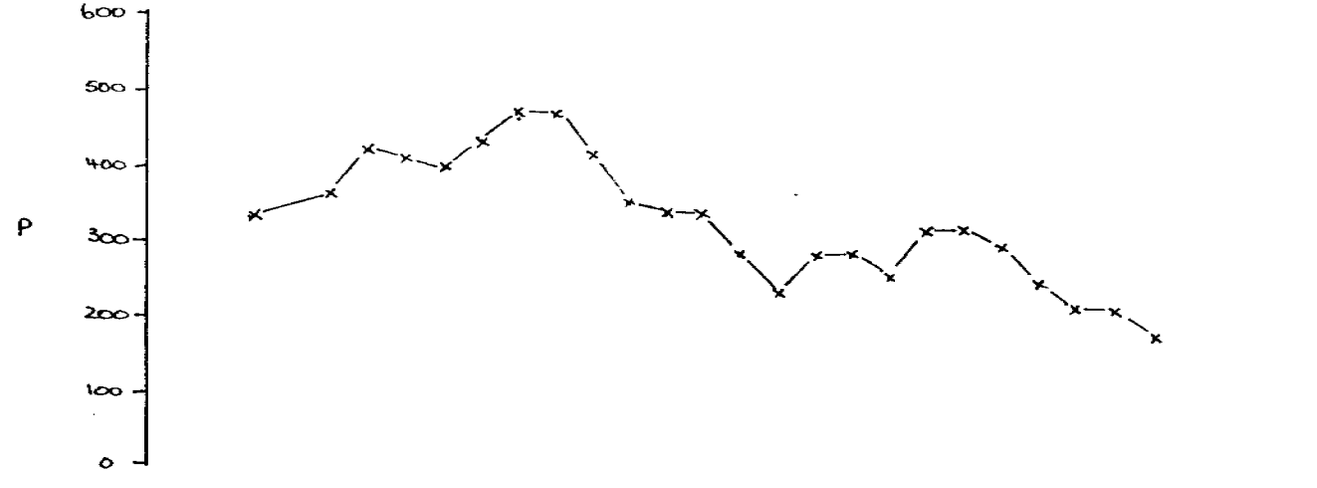


Fig 19 LINE 8700N

50m DIPOLE 4.0A

25/5/90

CHARGEBILITY



RESISTIVITY

(after Stephenson)

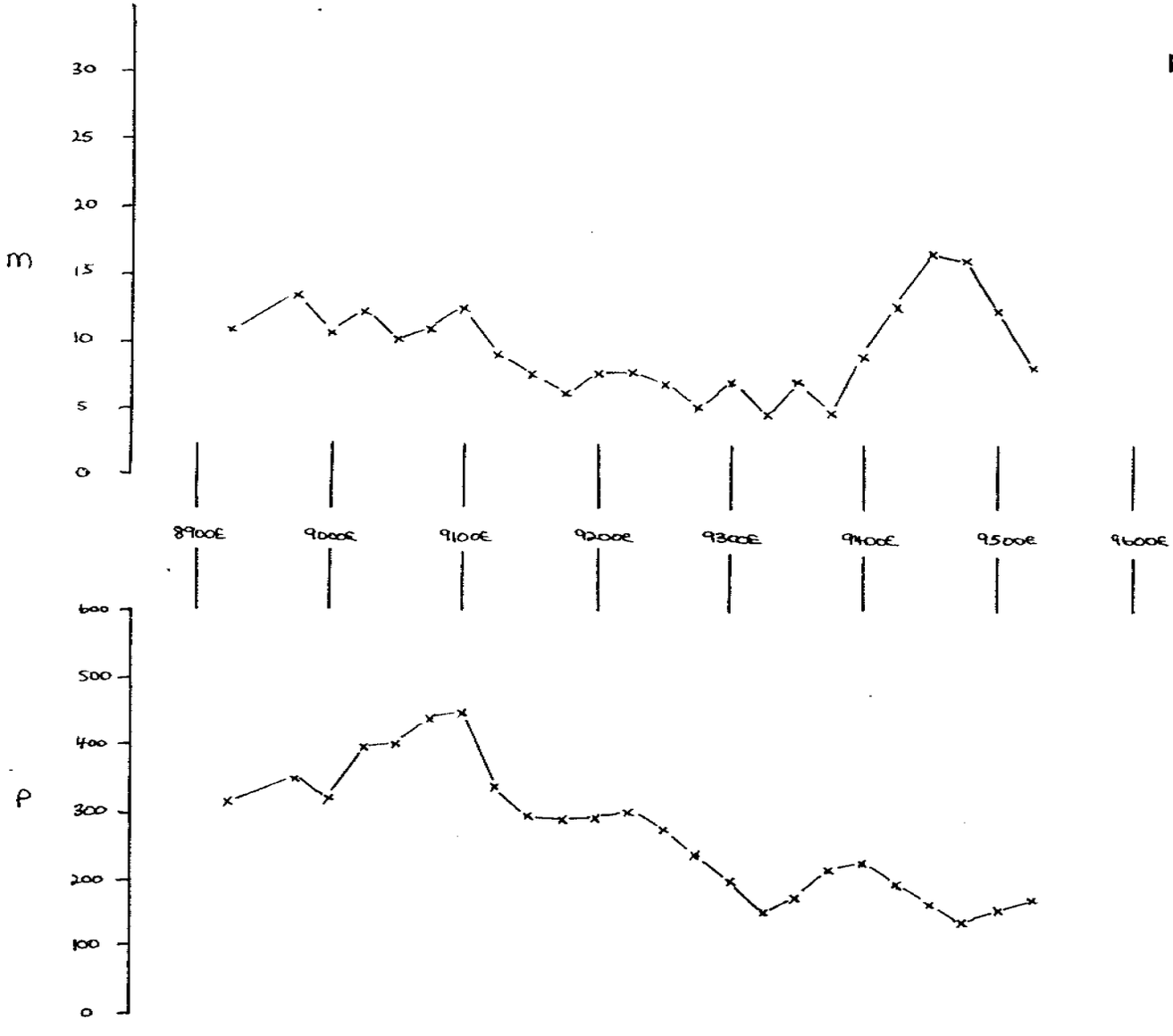


Fig 20 LINE 8600N

50m DIPOLE 4.0A

25/5/90

CHARGEBILITY

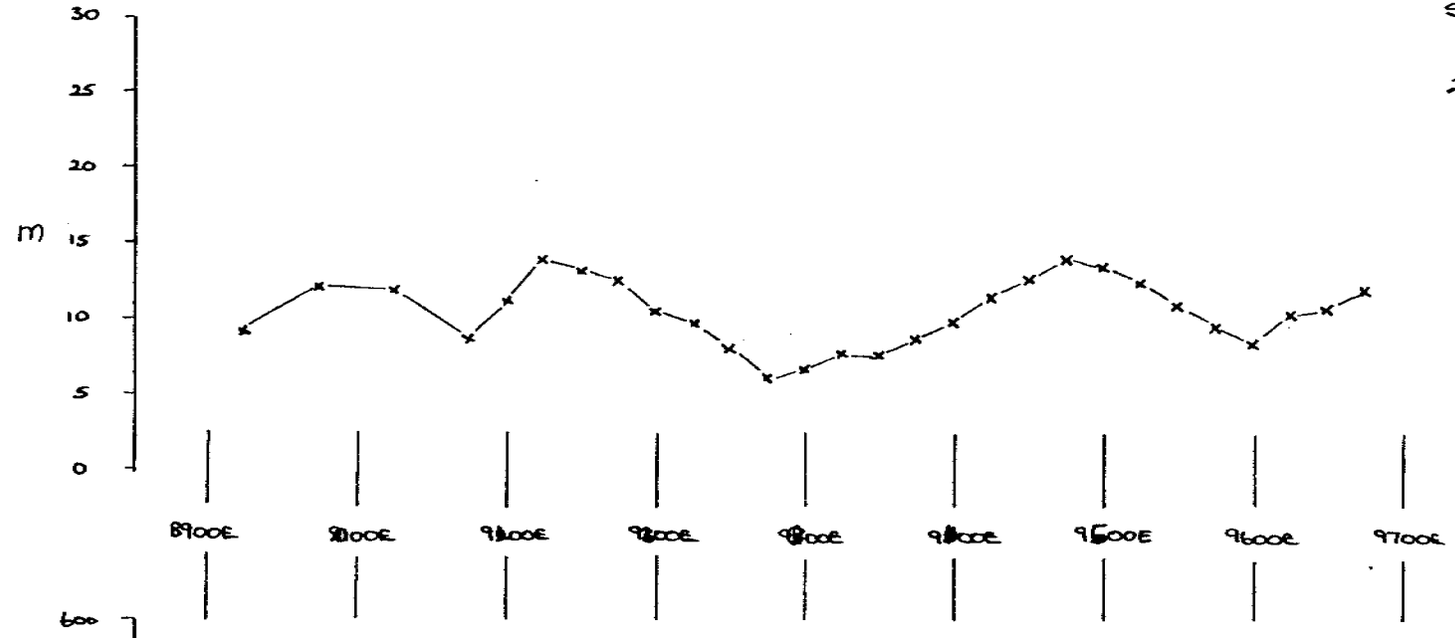
RESISTIVITY

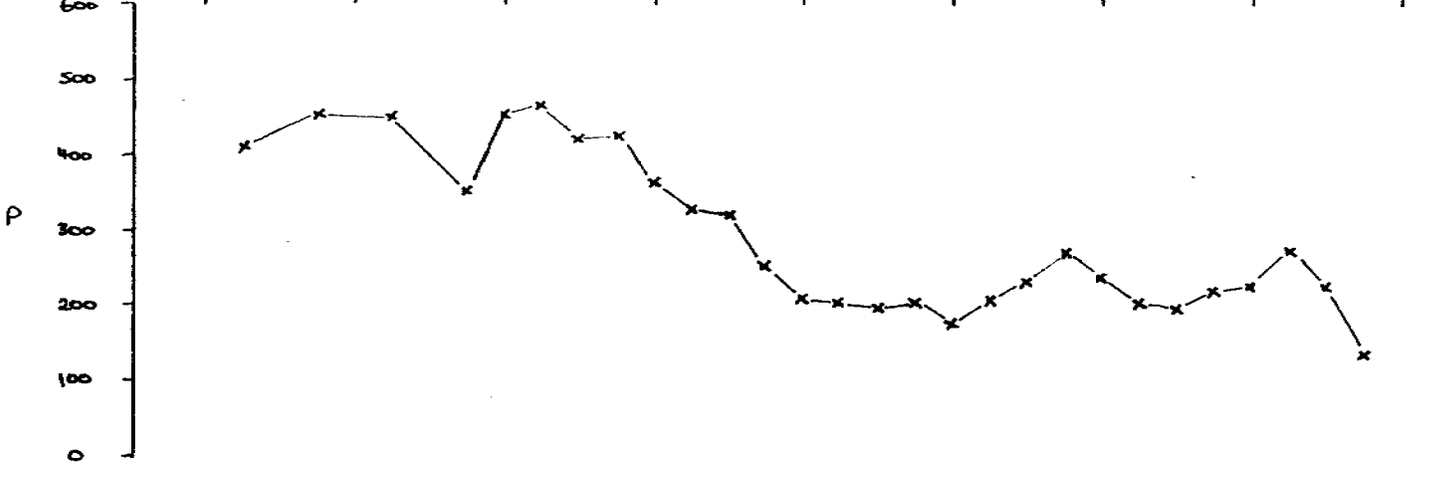
(after Stephenson)

Fig 21 LINE 8500N

50m DIPOLE 4.0A

25/5/90



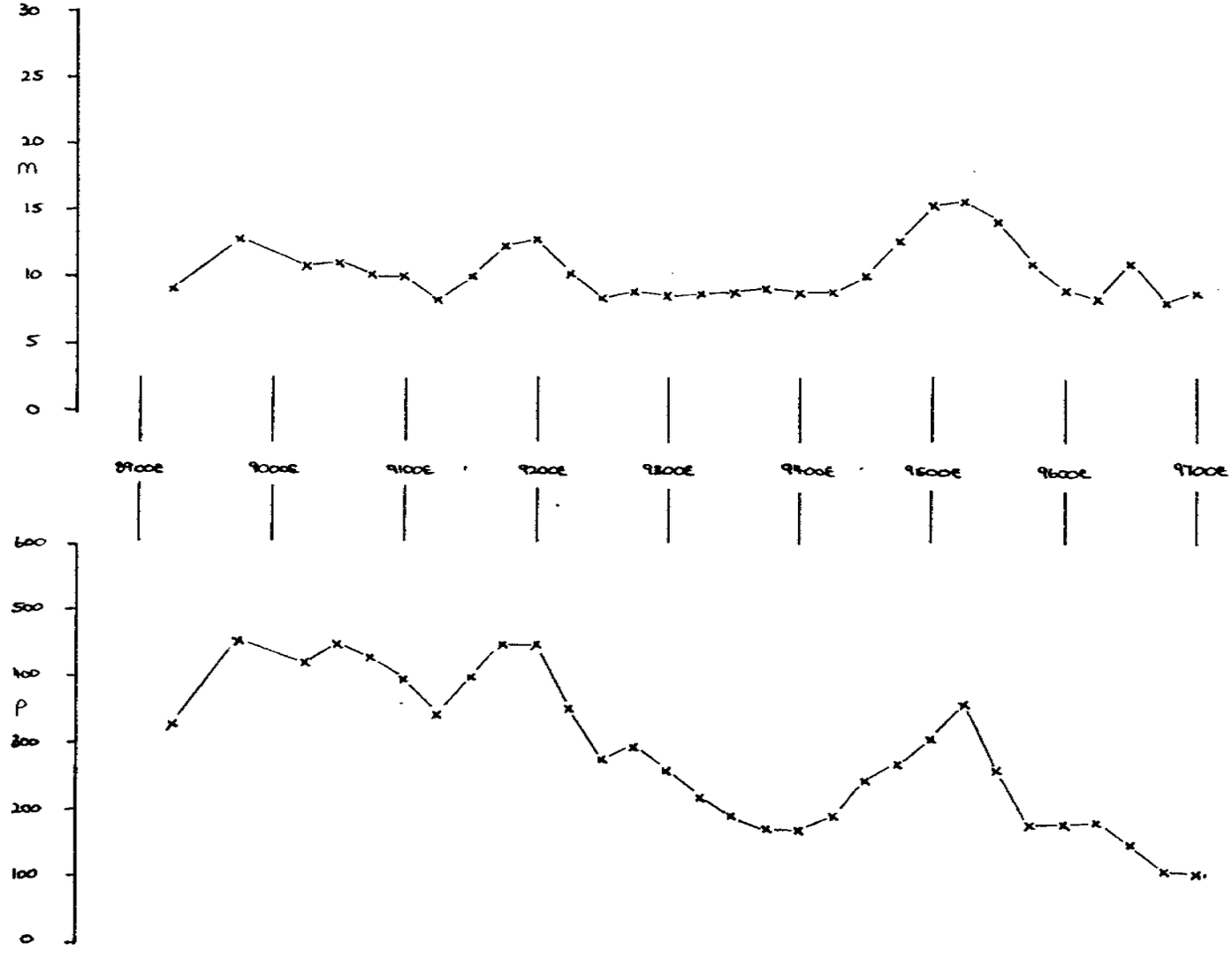


(after Stephenson)

Fig 22 LINE 8400N

50m DIPOLE 4.0A

24/5/90

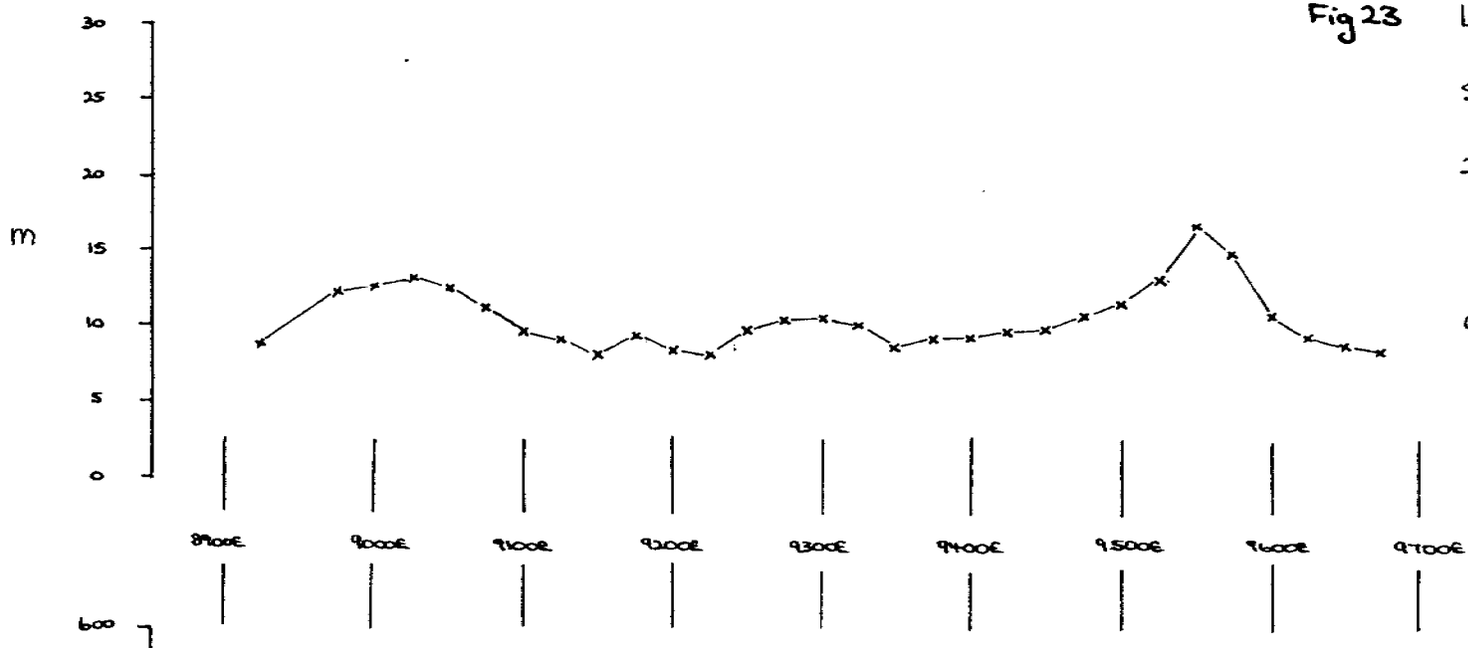


(after Stephenson)

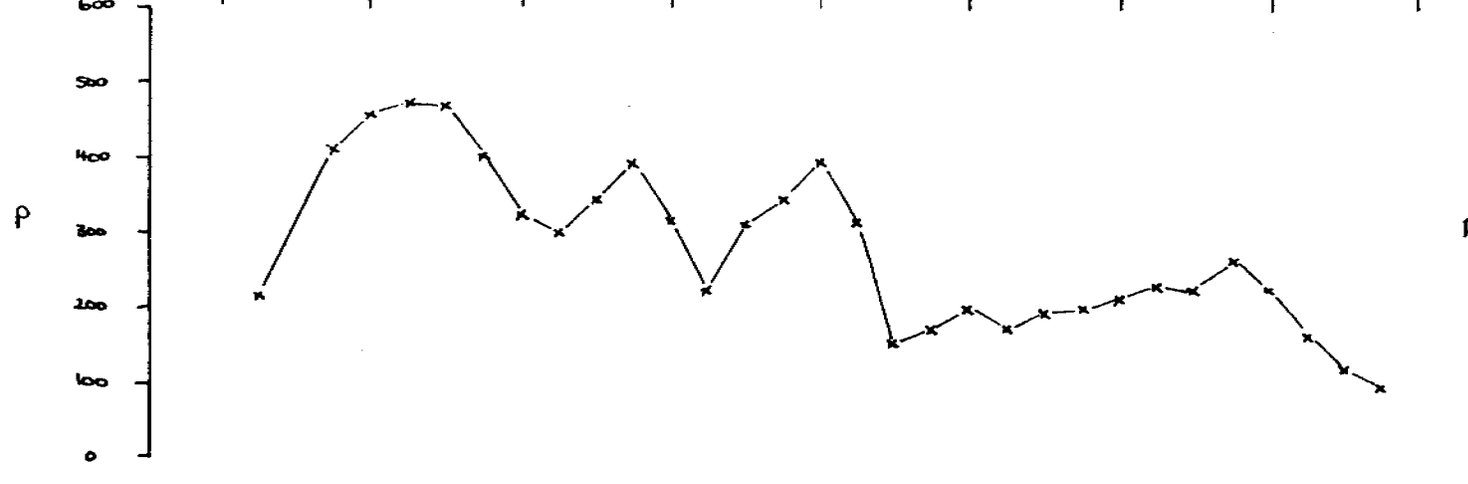
Fig 23 LINE 8300N

50m DIPOLE 4.0A

24/5/90



CHARGEBILITY



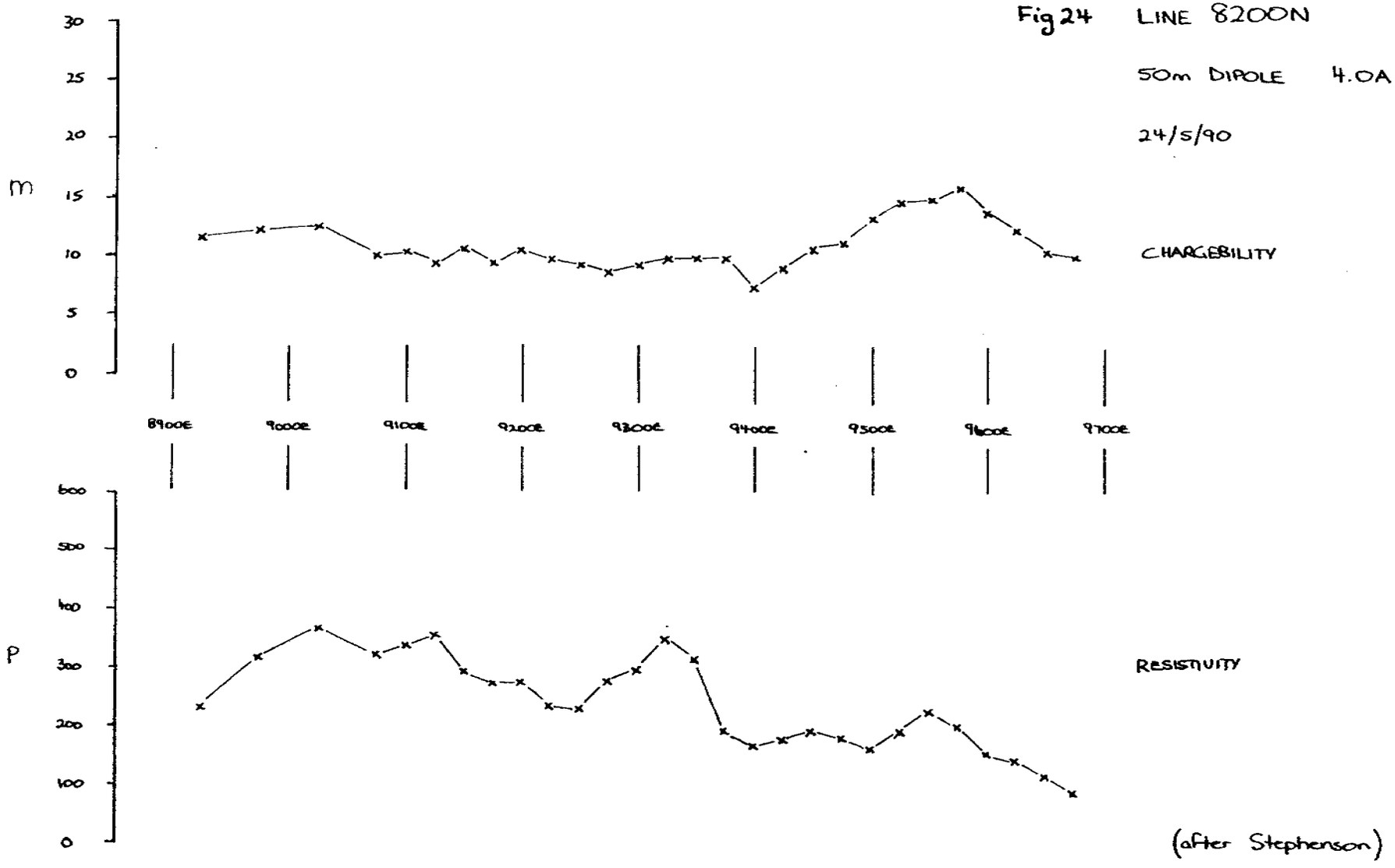
RESISTIVITY

(after Stephenson)

Fig 24 LINE 8200N

50m DIPOLE 4.0A

24/5/90



(after Stephenson)

Fig 25

GRID No 5

EL 6172

Au SOIL GEOCHEMISTRY

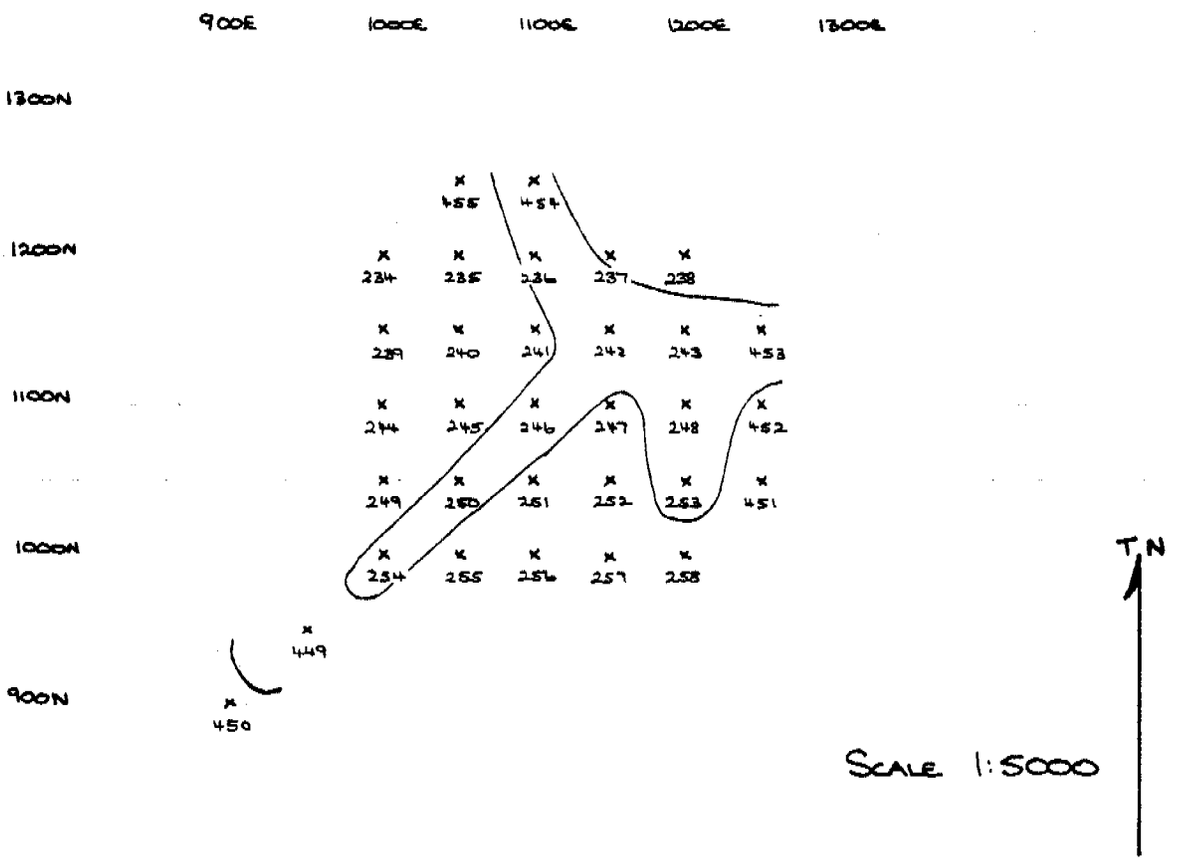
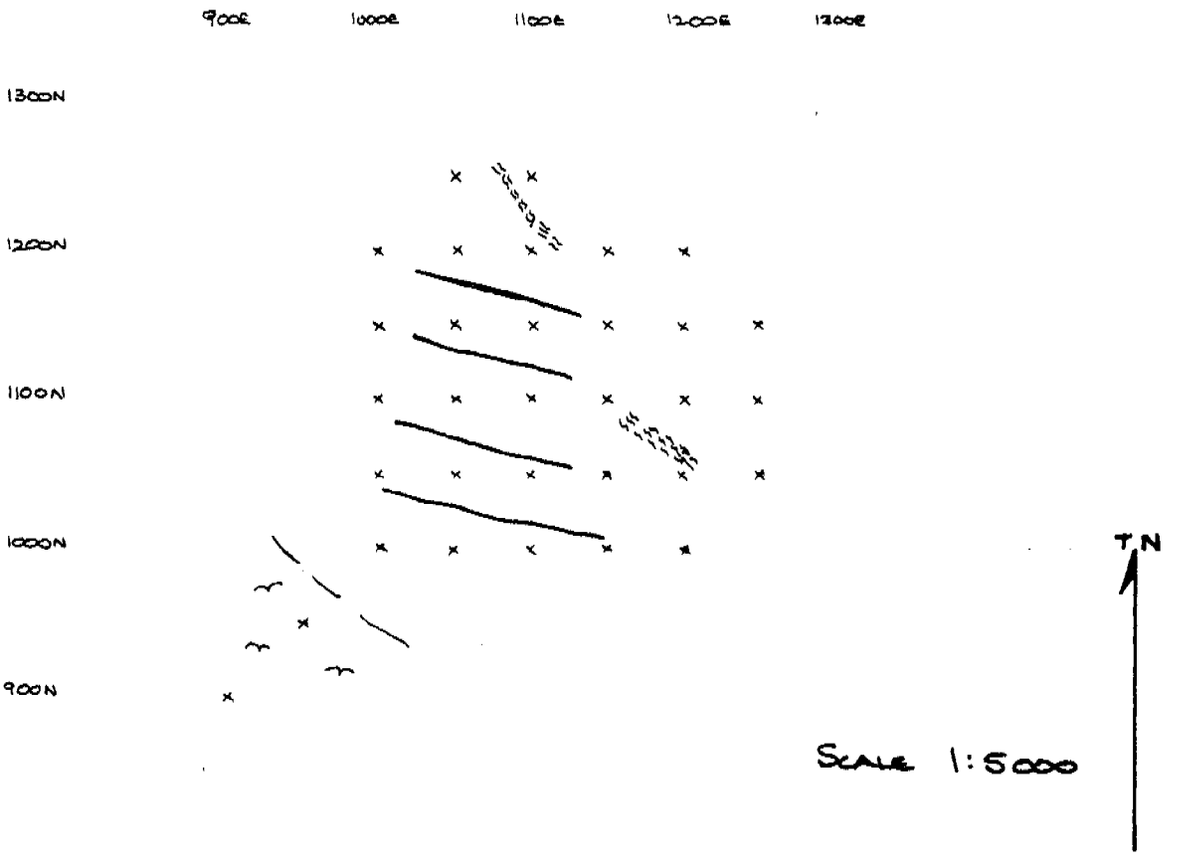


Fig 26

GRID No 5

EL 6172

GEOLOGY



Grid 5

Further sampling along strike from the anomalies outlined in Year 1 closed off the anomalies to the southwest and southeast but are continuing to the east and north.

This Grid covers an outcrop of Maud Dolerite containing numerous east/west trending quartz veins with the soil anomalies trending to the northwest/southeast and northeast/southwest.

There are sveral small pits located on shears containing showings of secondary copper within the Soil Grid. A rockchip of one of those pits, containing no quartz gave an anomalous result of 0.36 ppm Au indicating that there is gold in the system.

EL 6198

Grid 3

Soil Grid 3 which is located along the western boundary of the EL was examined and it was concluded that the soil anomaly defined here was due to a shear zone trending 026 T adjacent to the boundary, but in EL 4914.

The area was subsequently geologically mapped with dolerite outcrops showing signs of shearing being the primary target.

SAMPLE	Cu	Pb	Zn	Au	As
A 8700N 9025E	19	10	49	<1	<2
A 8700N 9100E	10	5	38	<1	2
A 8700N 9125E	9	5	25	<1	3
A 8700N 9150E	22	22	43	<1	11
A 8600N 9050E	9	13	51	5	2
A 8600N 9075E	31	34	46	4	10
A 8500N 8950E	31	11	51	8	2
A 8500N 8975E	14	12	31	3	2
A 8500N 9000E	18	11	43	6	5
A 8500N 9025E	17	8	46	3	10
A 8500N 9050E	25	14	36	4	12
A 8500N 9075E	37	29	51	3	24
A 8500N 9100E	26	18	48	2	13
A 8400N 8925E	38	8	55	8	7
A 8400N 8950E	13	6	33	<1	3
A 8400N 8975E	25	13	41	<1	6
A 8400N 9000E	32	9	48	4	<2
A 8400N 9025E	37	8	47	5	8
A 8400N 9050E	54	10	74	5	14
A 8400N 9075E	90	22	78	9	6
A 8300N 8900E	52	12	52	<1	11
A 8300N 8925E	39	10	55	<1	8
A 8300N 8950E	68	14	51	3	10
A 8300N 8975E	31	10	50	4	4
A 8300N 9000E	24	7	52	<1	<2
A 8300N 9025E	18	7	42	1	<2
A 8300N 9050E	26	9	50	<1	4
A 8300N 9075E	45	83	66	4	20
A 8200N 8925E	34	12	49	6	7
A 8200N 8950E	32	14	40	2	2
A 8200N 8975E	10	7	17	<1	<2
A 8200N 9025E	32	43	44	<1	5
A 8200N 9050E	24	22	70	16	6
A 8200N 9075E	46	53	65	5	7
A 8200N 9100E	25	18	43	<1	8
A 8200N 9125E	53	40	51	4	9
A 8200N 9150E	20	14	31	<1	9
A 8200N 9175E	24	17	62	6	28
A 8200N 9200E	34	18	61	<1	16
A 8200N 9225E	29	15	49	<1	17
A 8200N 9250E	32	11	53	<1	14
A 8200N 9275E	57	15	500	3	15
UNITS	ppm	ppm	ppm	ppb	ppm
DET.LIM	2	4	2	1	2
SCHEME	AAS1	AAS1	AAS1	FA3	XRF1

Soil Assay Results

SAMPLE	Cu	Pb	Zn	As	Au
8300N 9275E	47	18	49	60	4
8300N 9300E	90	13	49	<50	<1
8300N 9400E	68	21	64	<50	<1
8300N 9425E	62	26	73	60	<1
8300N 9450E	88	28	89	60	<1
8300N 9475E	109	30	122	60	<1
8300N 9500E	145	19	52	60	<1
8300N 9525E	131	22	50	<50	7
8300N 9550E	107	29	51	60	2
8200N 9300E	40	6	87	<50	<1
8200N 9325E	66	16	106	<50	<1
8200N 9350E	50	18	76	<50	<1
8200N 9375E	87	22	89	<50	<1
8200N 9400E	36	18	77	<50	3
8200N 9425E	34	15	78	<50	<1
8200N 9450E	51	19	76	<50	<1
8200N 9475E	69	16	73	<50	<1
8200N 9500E	88	22	78	<50	6
8200N 9525E	114	20	71	<50	<1
8200N 9550E	159	17	48	<50	<1
8700N 8900E	85	26	53	60	3
8700N 8925E	21	8	49	<50	<1
8700N 8950E	21	7	49	<50	<1
8700N 8975E	20	11	48	<50	<1
8700N 9000E	15	5	45	<50	<1
UNITS	ppm	ppm	ppm	ppm	ppb
DET.LIM	2	4	2	50	1
SCHEME	AAS1	AAS1	AAS1	AAS2	FA3

UNITS	ppm	ppm	ppm	ppm	ppb
DET.LIM	2	4	2	50	1
SCHEME	AAS1	AAS1	AAS1	AAS2	FA3

Soil Assay Results

SAMPLE	Cu	Pb	Zn	As	Au
8700N 9050E	18	<4	48	<50	<1
8700N 9075E	19	15	45	<50	<1
8700N 9300E	38	44	56	<50	<1
8700N 9325E	29	48	62	<50	<1
8700N 9350E	17	<4	33	<50	<1
8700N 9375E	141	14	39	<50	2
8700N 9400E	175	11	29	<50	<1
8700N 9425E	260	21	33	<50	2
8700N 9450E	147	21	61	<50	<1
8700N 9475E	99	28	73	<50	<1
8700N 9500E	69	44	91	<50	<1
8700N 9525E	69	12	65	<50	<1
8700N 9550E	72	53	50	<50	2
8600N 8900E	26	17	42	<50	<1
8600N 8925E	23	17	45	<50	<1
8600N 8950E	25	19	55	<50	<1
8600N 8975E	21	6	44	<50	2
8600N 9000E	27	19	48	<50	<1
8600N 9025E	20	12	50	<50	2
8600N 9325E	63	22	109	<50	<1
8600N 9350E	60	32	71	<50	<1
8600N 9375E	75	42	95	<50	2
8600N 9400E	69	36	82	<50	<1
8600N 9425E	67	35	75	<50	<1
8600N 9450E	76	42	96	<50	<1
8600N 9475E	94	53	159	<50	<1
8600N 9500E	137	57	77	<50	2
8600N 9525E	89	64	65	<50	<1
8600N 9550E	63	51	48	<50	<1
8500N 8900E	62	15	109	<50	8
8500N 8925E	57	9	90	<50	6
8500N 9350E	46	5	45	<50	2
8500N 9375E	45	24	49	<50	2
8500N 9400E	62	29	65	<50	2
8500N 9425E	68	25	72	<50	<1
8500N 9450E	75	46	72	<50	<1
8500N 9475E	85	47	90	<50	<1
8500N 9500E	127	50	106	<50	4
8500N 9525E	137	45	91	<50	8
8400N 8900E	75	20	101	<50	2
8400N 9250E	24	15	77	<50	<1
8400N 9275E	49	19	173	<50	5
8400N 9300E	42	26	260	<50	21
8400N 9325E	28	20	108	<50	<1
8400N 9375E	54	15	45	<50	20
8400N 9425E	73	32	71	<50	<1
8400N 9450E	76	33	58	60	<1
8400N 9475E	65	32	41	60	<1
8400N 9500E	76	30	54	60	<1
8400N 9525E	75	41	53	60	<1
UNITS	ppm	ppm	ppm	ppm	ppb
DET.LIM	2	4	2	50	1
SCHEME	AAS1	AAS1	AAS1	AAS2	FA3

Soil Assay Results

CLASSIC LABORATORIES LTD

Job: 0DN1306
O/N: 15

Final

ANALYTICAL REPORT

SAMPLE	Au
KS3016	1.90
KS3017	0.95
KS3018	1.00
KS3019	4.00
KS319B	9.80
KS320	4.10
KS321	0.85
KS322	2.05
KS323	5.03
KS324	1.80
KS325	2.05
KS326	2.45
KS327	7.85
KS328	4.05
KS329	6.70
KS330	12.2
KS331	5.35
KS332	2.50
KS333	L.N.R.
KS334	0.65
KS335	0.60
KS336	0.35
KS337	0.40
KS338	0.40
KS339	0.45
KS340	2.30
KS341	5.65
KS342	29
KS343	4.75
KS344	2.70
KS345	1.70
KS346	1.40
KS347	0.38
KS348	0.46
KS349	0.30
KS350	0.51
KS351	6.70
KS352	7.70
KS353	2.30
KS354	2.85
KS355	2.75
KS356	11.7
KS357	0.55
KS358	0.60
KS359	L.N.R.
KS360	0.40
KS361	0.25
KS362	0.25
KS363	2.15
KS364	18.0
UNITS	ppb
DET.LIM	0.05
SCHEME	BLEG1B

CLASSIC LABORATORIES LTD

Job: 0DN1306
O/N: 15

Final

ANALYTICAL REPORT

SAMPLE	Au
KS365	4.85
KS366	5.37
KS367	9.30
KS368	4.10
KS369	1.25
KS370	3.30
KS371	6.55
KS372	3.40
KS373	0.75
KS374	1.50
KS375	0.67
KS376	0.80
KS377	0.42
KS378	0.40
KS379	0.30
KS380	0.25
KS381	0.25
KS382	0.45
KS383	4.50
KS384	4.60
KS385	6.65
KS386	5.75
KS387	5.25
KS388	3.30
KS389	2.95
KS390	1.65
KS391	5.00
KS392	2.45
KS393	4.50
KS394	1.50
KS395	1.50
KS396	0.75
KS397	0.29
KS398	0.65
KS399	0.35
KS400	0.45
KS401	0.40
KS402	L.N.R.
KS403	L.N.R.
KS404	L.N.R.
KS405	L.N.R.
KS406	1.45
KS407	7.45
KS408	0.45
KS409	1.15
KS410	2.50
KS411	1.15
KS412	L.N.R.
KS413	0.40
KS414	0.15
UNITS	ppb
DET.LIM	0.05
SCHEME	BLEG1B

CLASSIC LABORATORIES LTD

Job: 0DN1306
O/N: 15

Final

ANALYTICAL REPORT

SAMPLE	Au
KS415	0.70
KS416	0.50
KS417	0.45
KS418	1.05
KS419	1.50
KS420	0.60
KS421	0.20
KS422	0.35
KS423	2.25
KS424	3.40
KS425	1.70
KS426	0.55
KS427	1.80
KS428A	11.9
KS428B	1.70
KS429	4.10
KS430	2.80
KS431	1.15
KS432	3.70
KS433	0.09
KS434	1.20
KS435	2.30
KS436	0.70
KS437	1.85
KS438	0.80
KS439	1.45
KS440	L.N.R.
KS441	6.25
KS442	3.20
KS443	2.75
KS444	9.80
KS445	1.60
KS446	0.67
KS447	4.10
KS448	1.90
KS449	1.55
KS450	0.30
KS451	1.05
KS452	4.40
KS453	7.35
KS454	6.60
KS455	3.00
KBO55	0.30
KBO56	0.45
KBO58	0.05
UNITS	ppb
DET.LIM	0.05
SCHEME	BLEG1B

PRELIMINARY REPORT

REPORT : FC 025367 Page 1 of 2

Sample	Au	Au(R)
KRO 22	<0.01	
KRO 23	<0.01	
KRO 24	0.02	
KRO 25	<0.01	
KRO 26	<0.01	
KRO 27	0.03	0.03
KRO 28	<0.01	
KRO 29	<0.01	
KRO 30	0.08	
KRO 31	<0.01	
KRO 32	0.03	
KRO 33	<0.01	
KRO 34	3.20	
KRO 35	<0.01	
KRO 38	0.14	
KRO 39	<0.01	
KRO 40	<0.01	
KRO 41	<0.01	<0.01
KRO 42	<0.01	
KRO 43	0.23	
KRO 44	0.10	
KRO 45	0.02	
KRO 46	1.12	1.33
KRO 47	<0.01	<0.01
KRO 48	<0.01	

Data in ppm unless otherwise stated.

PRELIMINARY REPORT

REPORT : PC 025367

Sample	Au	Au(R)
KRO 50	0.39	0.36
KRO 51	0.10	
KRO 53	<0.01	
KRO 54	<0.01	
KRO 55	<0.01	
KRO 56	<0.01	
KRO 57	<0.01	
KRO 58(1)	<0.01	
KRO 58(2)	0.03	
KRO 59	0.02	0.01
KRO 60	0.36	0.35
KRO 61	0.10	
KSO 62	<0.01	

Data in ppm unless otherwise stated.

EL 6172

OVERALL EXPENDITURE COVENANT	$ 8,000.00
ASSAYS	
Australian Assay Labs	$ 418.50
Classic Comlabs	$ 1,988.50
Total	$ 2,407.00
ADMINISTRATION	
Administration @ 25%	$ 2,000.00
PERSONNEL	
Geologist - 8.5 days @ $200/day	$ 1,700.00
Prospector - 11.5 days @ $200/day	$ 2,300.00
Field Assts - 7 days @ $100/day	$ 700.00
Outside Geologist - 0.5 days @ $400/day	$ 200.00
Total	$ 4,900.00
SUPPLIES	
Geological Supplies	$ 120.00
Camp Supplies	$ 112.50
Fuel and oils	$ 134.00
Total	$ 416.50
VEHICLES	
12 vehicle days @ $100/day	$ 1,200.00
TOTAL	$10,923.50

EL 6198

OVERALL EXPENDITURE COVENANT	$ 2,000.00
ADMINISTRATION	
Administration @ 25%	$ 500.00
PERSONNEL	
Geologist - 3.5 days @ $200/day	$ 700.00
Prospector - 3.5 days @ $200/day	$ 700.00
Field Assts - 1 days @ $100/day	$ 100.00
Outside Geologist - 0.5 days @ $400/day	$ 200.00
Total	$ 1,700.00
SUPPLIES	
Geological Supplies	$ 107.00
Camp Supplies	$ 112.50
Fuel and oils	$ 94.00
Total	$ 313.50
VEHICLES	
3 vehicle days @ $100/day	$ 300.00
TOTAL	$ 2,813.50

3.4 INVESTIGATIONS ON ELs 6172 and 6198 IN YEAR 3

EL 6172

During Year 3 the work done on this exploration licence included extending the Soil Grid 9 a further 300m to the south as well as infill soil sampling in areas of anomalism.

Work also included the excavating, mapping and sampling of some 550m of costeans in the grid area.

Soil Sampling.

The extension of Soil Grid 9 further to the south allowed us to see that the anomalies previously located fitted a north-south trend along strike from Placer's Western Shear Prospect. A new north-south trending line of anomalies was also located some 400m further to the east and shows a similar soil pattern although of generally higher soil Au values.

The disjointed pattern seen over both of these trends is due to the overlying basalt cover. This cover, being of the Antrim Plateau Volcanics of Cambrian age, originally covered the entire area and has weathered to its present level over time. Its present level is usually to within 5m of the base of the basalt so on occassion there are holes through which the underlying rocks may be examined. These holes may be located by looking at the gold soil geochemistry map and generally show as either hot spots, ie areas of greater than 5ppb Au, or as cold spots, ie areas of less than 2ppb Au.

It was during the closing stages of exploration for the year that we discovered this relationship upon examining one of the hot spots at 900N 700E across which two costeans were excavated.

In two of the costeans sheared, altered fractured siltstones of the Tollis Formation were encountered, mapped and sampled. In the easternmost costean the overlying basalt of the Antrim Plateau Volcanics was encountered and could not be excavated with the machinery available.

The soil sampling done in Year 3 located another five of these anomalous hot spots which were not investigated by costeaning due to the arrival of the results after the field season had ended.

Costeaning.

As previously noted there was some 550m of costeaning carried out during the year in EL 6172.

The costeaning was concentrated in two areas, notably the Soil Grid 4 area and the Soil Grid 9 area.

The Soil Grid 4 area was investigated by 6 costeans of which 5 were sampled and mapped.

The rocktype encountered was coarse grained dolerite of the Maud Dolerite exclusively. The dolerite was altered but still recognisable. Distributed throughout the dolerite were shear zones at various attitudes and dips. It was in and around these shears that quartz veining was found.

Sampling in the altered dolerite was undertaken on 3m intervals whilst in the shear zones sampling was of 1m intervals. Unfortunately the most prospective area we would have liked to costean and sample is located under a station access track adjacent to the west of the area, so that we were able to sample it.

The most significant results were obtained from costean 3, these were from an area with little visible quartz veining and for the most part ordinary coarse grained Maud Dolerite. Assays from this section were taken over 1m intervals and ranged from 0.10g/t Au up to a high of 0.52g/t Au.

The Soil Grid 9 was investigated by 6 costeans totalling 320m.

The majority of these costeans were located in the area mapped as volcanics and returned few anomalous assays.

The costeaning, whilst not returning encouraging assays due to the location of the costeans, did much to help our understanding of the geology that is obscured by soil cover in this area.

The last costean which was excavated, was located over a soil grid high and penetrated the basalt cover to give a look at the shear zone that Placer was drilling further to the north.

The major shear zone of interest is located just inside the Tollis Formation, with the rock being intensely sheared with microveining and associated alteration around the microveinlets.

The area that Placer were working on contains several old prospecting pits and only protrudes about a metre above the surrounding basalt flows. This area contains three dilation zones whilst Trescabe's area immediately to the south is covered by basalt flows that obscure the geochemistry and geology of the underlying rocks.

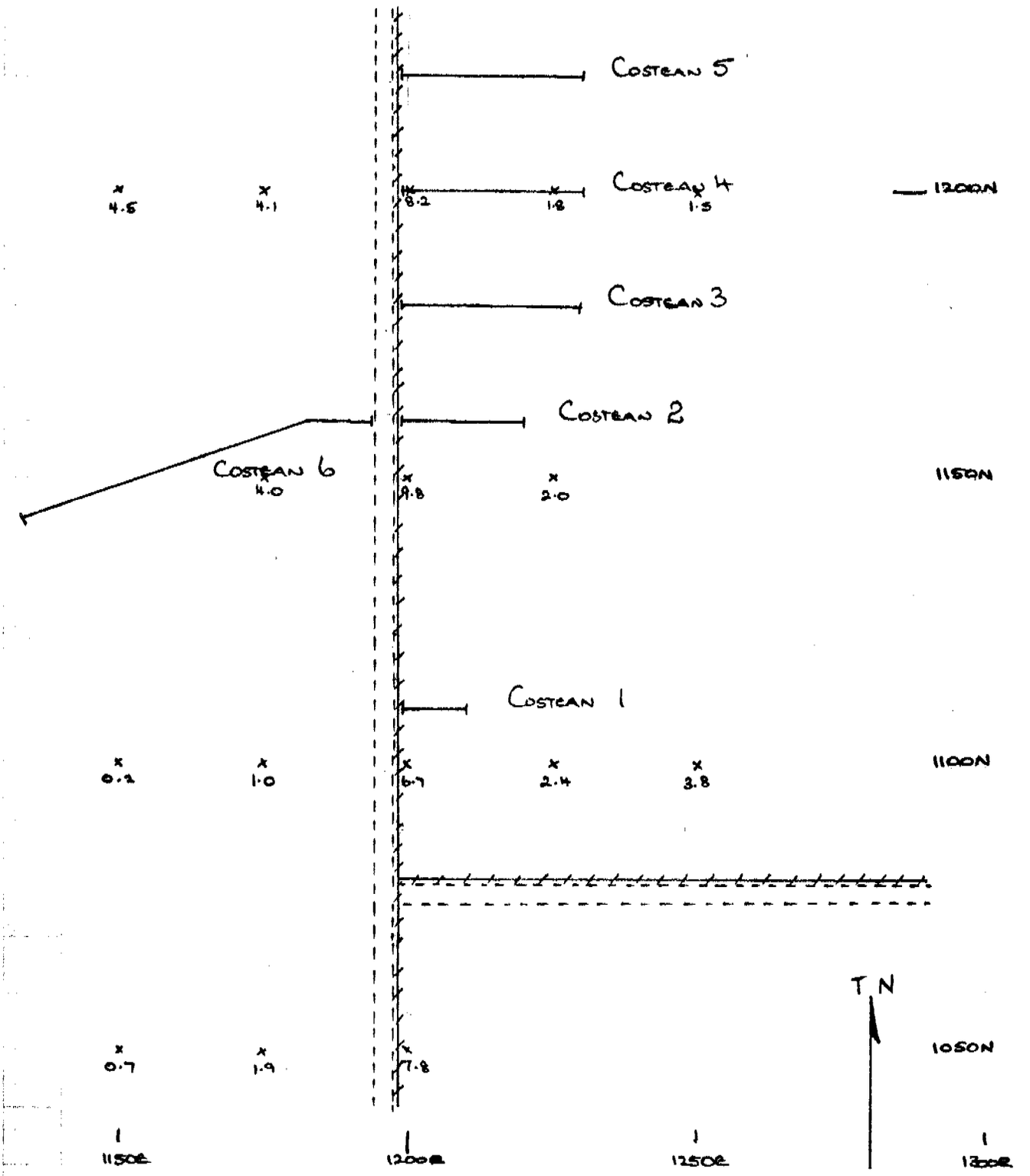
It has been established that point highs aligned on a north/south axis indicate that a shear is present with the highs being windows through the basalt cover. This does not necessarily mean that the point highs are over areas of mineralisation, they are indicators of the trend. Further work is needed to locate the dilation zones that are the locii for favourable deposition.

In Soil Grid 9 there are 2 such north-south trending lines of point highs, one located at 700E (the probable extension of Placer's Western Shear Prospect), and another located at 1150E which to date has only been located in the third year.

Costean Location Plan

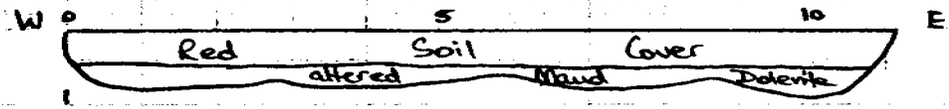
Soil Grid No 4.

Maud Creek N.T

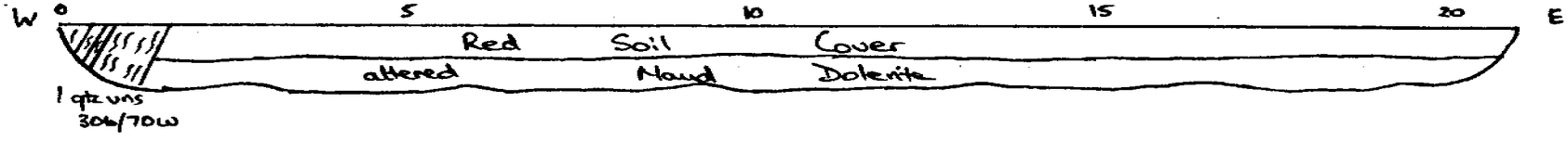


Scale : 1:1000

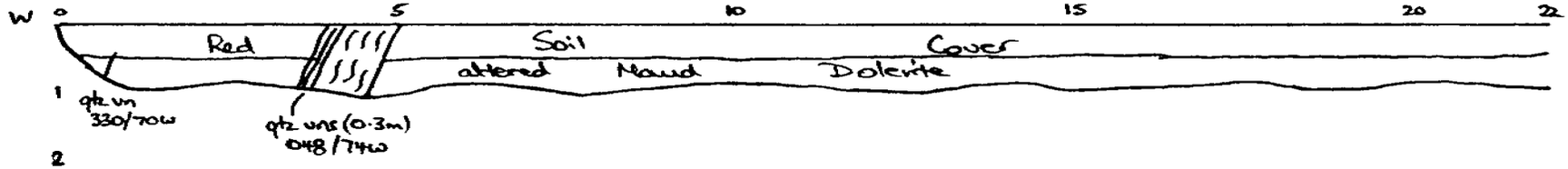
COSTEAN 1 (NTH WALL)

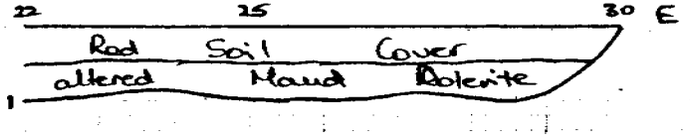


COSTEAN 2 (NTH WALL)



COSTEAN 3 (NTH WALL)



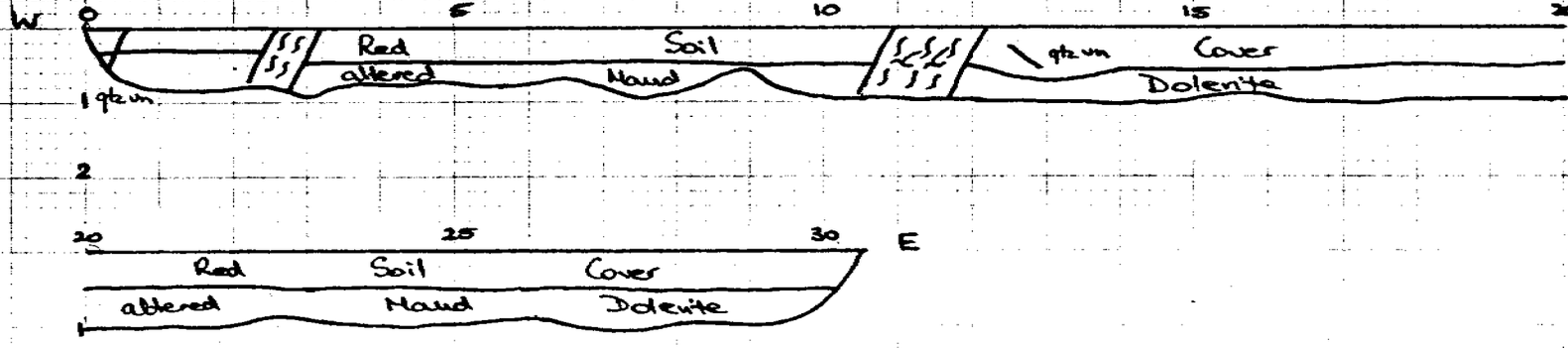


COSTEANS 1 TO 3
GRID 4
EL 6172
MAUD CREEK N.T.

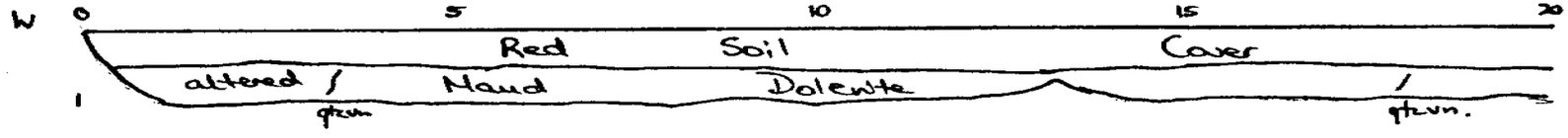
SCALE 1:100

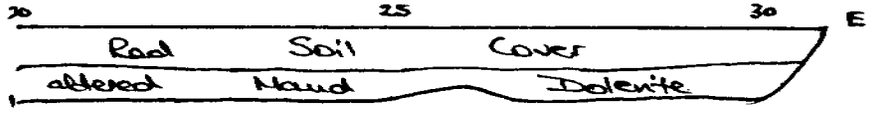
2mm squares

Costeans 4 (NTH WALL)



Costeans 5 (NTH WALL)





Costeans 4 & 5

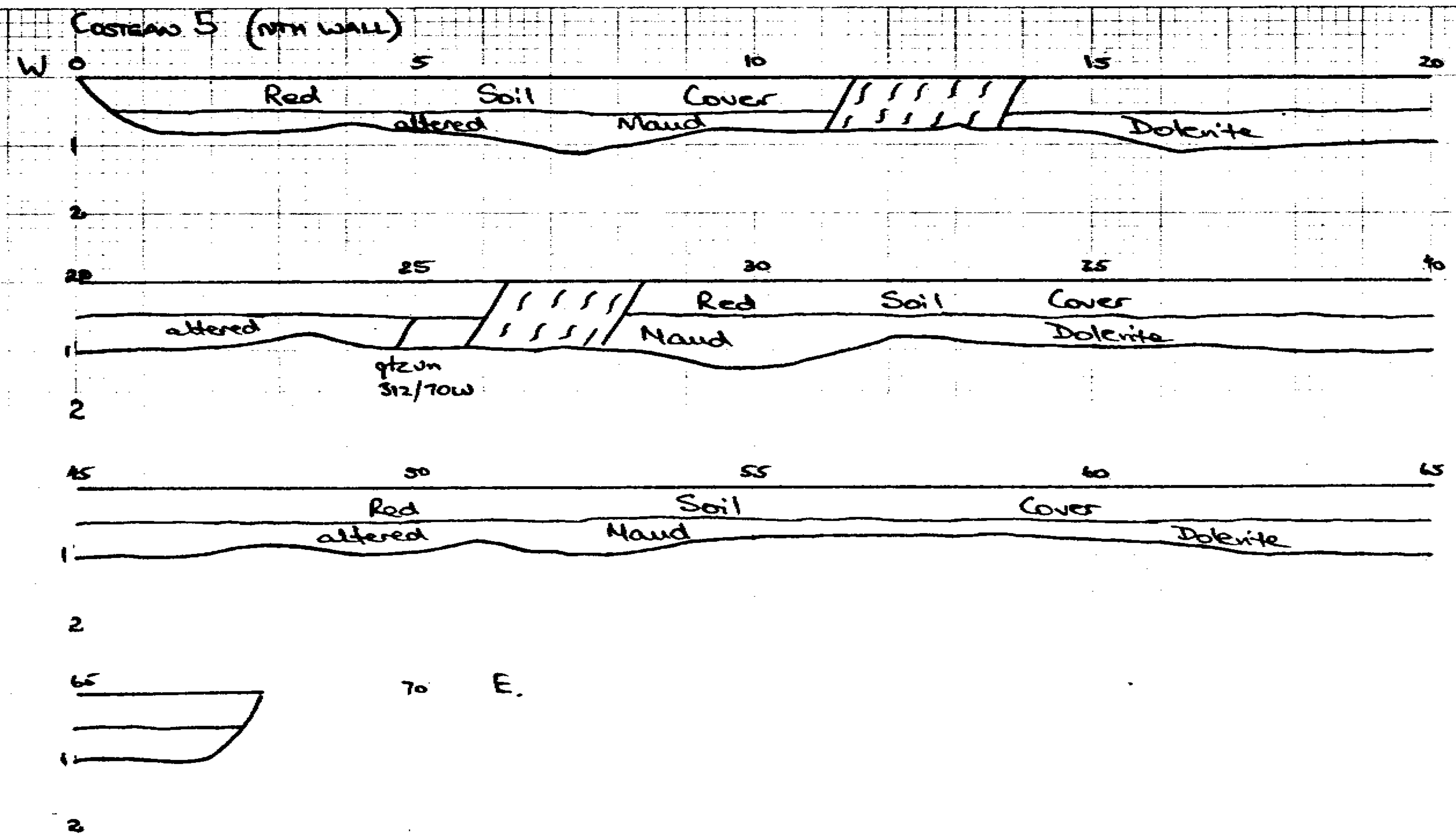
Grid 4

EL 6172

Maud Creek N.T.

Scale 1:100

2mm squares



Scale 1:100

Costean 6
Geo 4
EL 6172
Maud Creek NT.

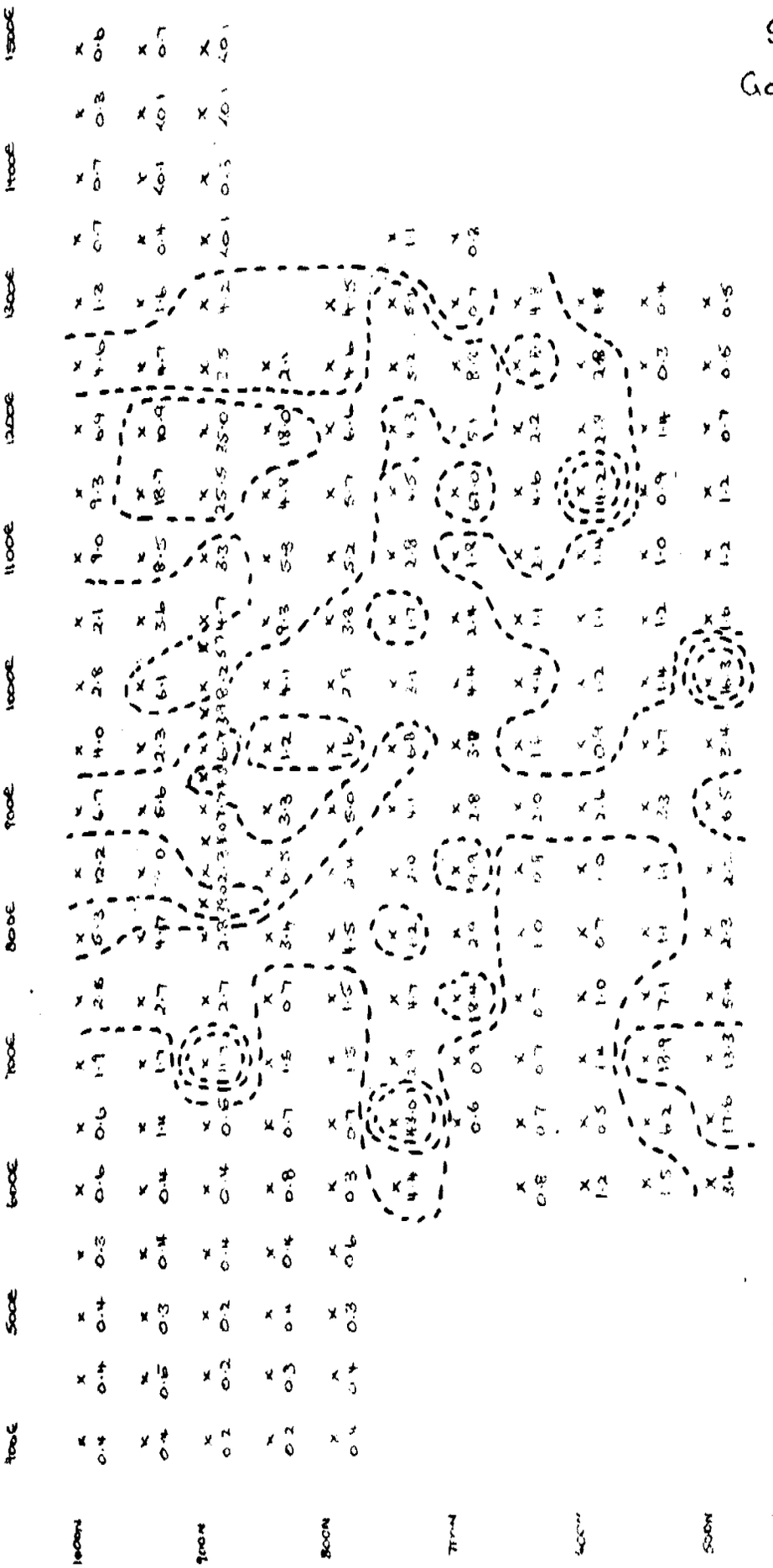
Soil Grid Map

Gold Geochemistry (ppb)

Grid 9

EL 6172

Maud Creek N.T.



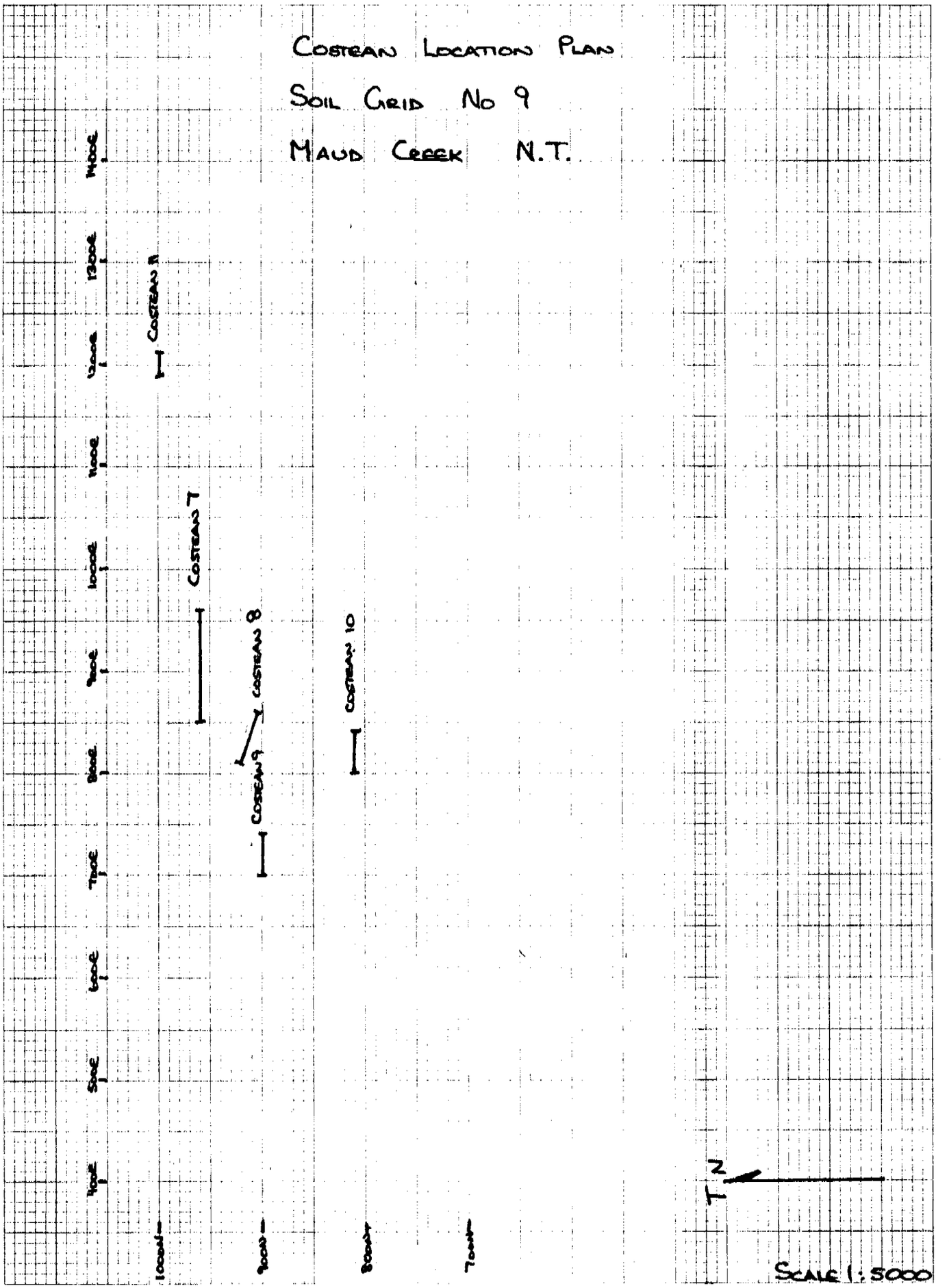
Scale 1:5000

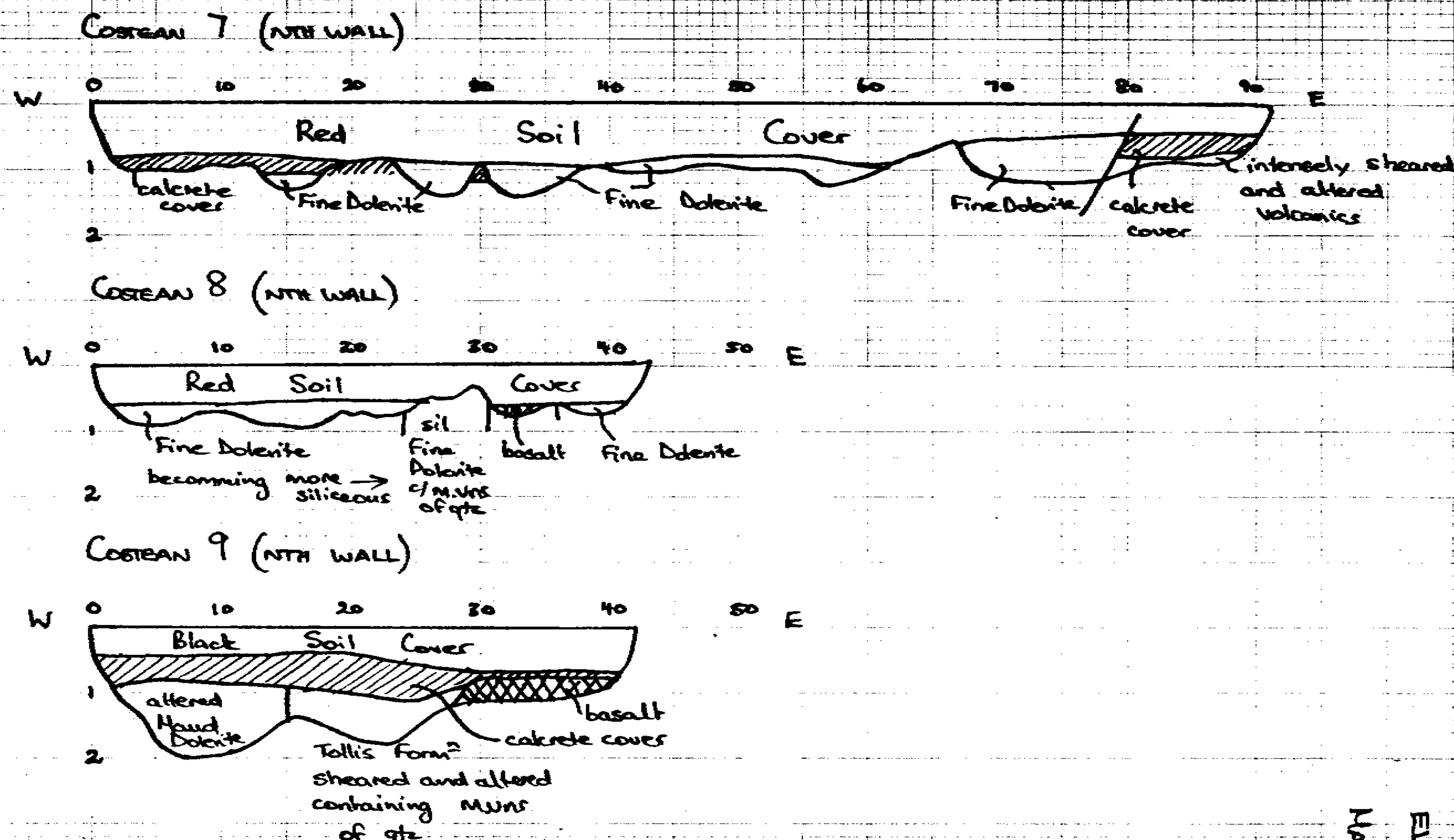
2mm Squares

COSTEAN LOCATION PLAN

SOIL GRID No 9

MAUD CREEK N.T.



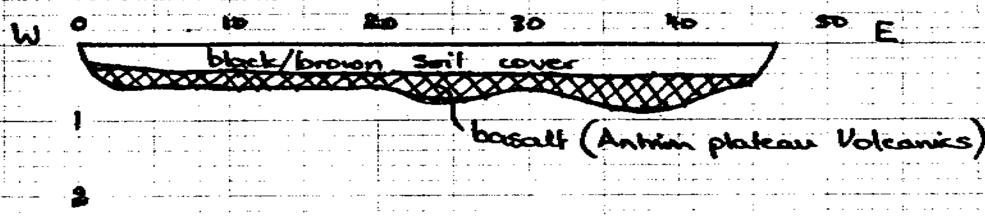


Costeans 7 to 9
Grid 9
EL 6172
Maud Creek N.T.

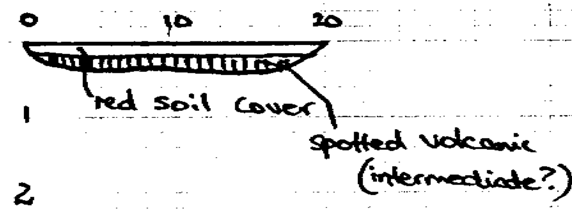
Hor Scale 1:600
Vert Scale 1:100

2mm Squares

COSTEAN 10 (NTH WALL)



COSTEAN 11 (NTH WALL)



COSTEANS 10 & 11
GRID 9
EL 6172
MAUD CREEK N.T.

HOR SCALE 1:500
VERT SCALE 1:100

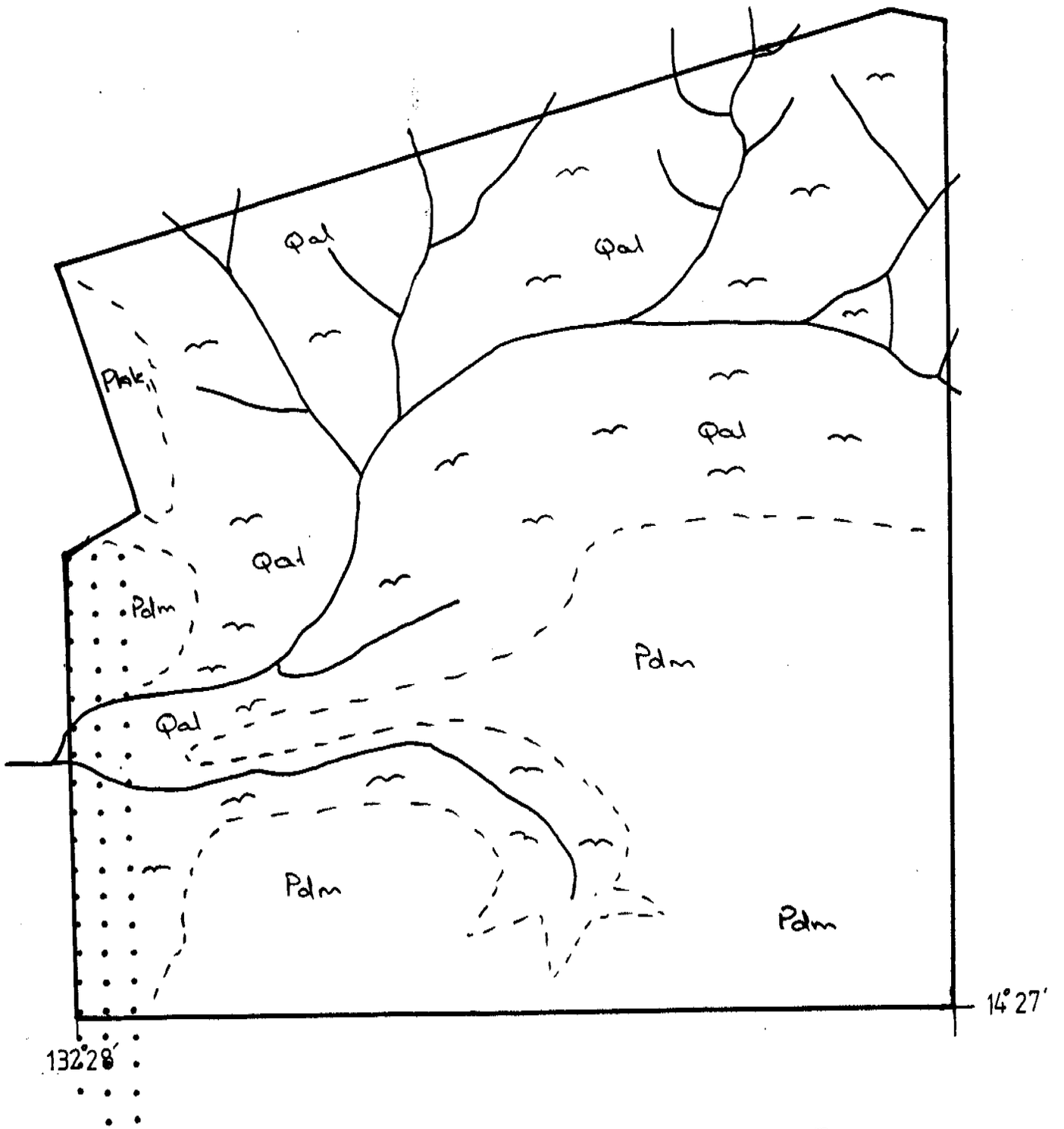
2mm Squares

EL 6198

El 6198 was investigated in Year 3 by a further series of geological traverses across its eastern and southern margins.

Whilst nothing of great importance was found there are large exposures of Maud Dolerite and some Tollis Formation located in these areas.

Quartz systems were investigated by means of loaming and panning dolly mill samples. A total of 2 days were spent investigating this area.



Fig

EL 6198
Maud Creek
N.T.

IF

MAUD CREEK EXPLORATION
AUGUST 1991

SAMPLE #	LOCATION	INTERVAL	RESULTS	SAMPLE #	LOCATION	INTERVAL	RESULTS
KR 063	grid 4 cost 5	3m	<0.01	KR 104	grid 9 cost 5	3m	<0.01
KR 064	grid 4 cost 5	3m	<0.01	KR 105	grid 9 cost 5	3m	<0.01
KR 065	grid 4 cost 5	3m	<0.01	KR 106	grid 9 cost 5	3m	<0.01
KR 066	grid 4 cost 5	3m	<0.01	KR 107	grid 9 cost 5	1m	0.03
KR 067	grid 4 cost 5	3m	<0.01	KR 108	grid 9 cost 5	3m	<0.01
KR 068	grid 4 cost 5	3m	<0.01	KR 109	grid 9 cost 5	3m	<0.01
KR 069	grid 4 cost 5	3m	<0.01	KR 110	grid 9 cost 5	3m	<0.01
KR 070	grid 4 cost 4	1m	0.05	KR 111	grid 9 cost 5	3m	<0.01
KR 071	grid 4 cost 4	1m	<0.01	KR 112	grid 9 cost 5	3m	<0.01
KR 072	grid 4 cost 4	.4m	0.04	KR 113	grid 9 cost 5	3m	<0.01
KR 073	grid 4 cost 4	3m	<0.01	KR 114	grid 9 cost 5	3m	<0.01
KR 074	grid 4 cost 4	grab	<0.01	KR 115	grid 9 cost 5	3m	0.23
KR 075	grid 9 cost 5	3m	<0.01	KR 116	grid 9 cost 5	3m	<0.01
KR 076	grid 9 cost 5	3m	<0.01	KR 117	grid 9 cost 5	3m	<0.01
KR 077	grid 9 cost 5	3m	<0.01	KR 118	grid 9 cost 5	3m	0.04
KR 077rp	grid 9 cost 5	3m	<0.01	KR 119	grid 9 cost 6	3m	L.N.R
KR 078	grid 9 cost 5	3m	<0.01	KR 120	grid 9 cost 6	3m	<0.01
KR 079	grid 9 cost 5	3m	<0.01	KR 121	grid 9 cost 6	3m	<0.01
KR 080	grid 9 cost 5	3m	<0.01	KR 122	grid 9 cost 6	3m	<0.01
KR 081	grid 9 cost 5	3m	<0.01	KR 123	grid 9 cost 6	3m	<0.01
KR 082	grid 9 cost 5	3m	0.03	KR 124	grid 9 cost 6	3m	<0.01
KR 083	grid 9 cost 5	3m	<0.01	KR 125	grid 9 cost 6	3m	<0.01
KR 084	grid 4 cost 3	1m	0.31	KR 126	grid 9 cost 6	3m	<0.01
KR 085	grid 4 cost 3	1m	0.10	KR 127	grid 9 cost 6	1m	<0.01
KR 086	grid 4 cost 3	1m	0.52	KR 128	grid 9 cost 6	1m	<0.01
KR 087	grid 4 cost 3	1m	0.27	KR 129	grid 9 cost 6	1m	<0.01
KR 088	grid 4 cost 3	1m	0.05	KR 130	grid 9 cost 6	1m	<0.01
KR 089	grid 4 cost 3	3m	<0.01	KR 131	grid 9 cost 6	3m	<0.01
KR 090	grid 4 cost 3	2.5m	<0.01	KR 132	grid 9 cost 6	3m	<0.01
KR 091	grid 4 cost 4	1m	<0.01	KR 133	grid 9 cost 6	3m	<0.01
KR 092	grid 4 cost 4	1m	<0.01	KR 134	grid 9	grab	<0.01
KR 093	grid 4 cost 4	3m	<0.01	KR 135	grid 9 cost 7	2m	<0.01
KR 094	grid 4 cost 4	3m	<0.01	KR 136	grid 9 cost 7	2m	<0.01
KR 095	grid 4 cost 4	1m	<0.01	KR 137	grid 9 cost 7	2m	<0.01
KR 096	grid 4 cost 4	1m	0.05	KR 137rp	grid 9 cost 7	2m	<0.01
KR 097	grid 4 cost 4	1m	0.02	KR 138	grid 9 cost 7	2m	0.02
KR 098	grid 4 cost 4	3m	<0.01	KR 138rp	grid 9 cost 7	2m	0.02
KR 099	grid 4 cost 4	1m	<0.01	KR 139	grid 9	grab	<0.01
KR 100	grid 4 EOR	3m	0.25	KR 140	grid 9	grab	0.02
KR 101	grid 4 EOR	3m	0.07	KR 141	grid 9	grab	<0.01
KR 102	grid 4 EOR	3m	0.13	KR 142	grid 9	grab	<0.01
KR 103	grid 9 cost 5	3m	<0.01	KR 143	grid 9	grab	<0.01

IF

CLASSIC LABORATORIES LTD

Job: 1DN[illegible]58B
O/N:

Final

ANALYTICAL REPORT

SAMPLE	Au
KB 063	1.16
KS 454	L.N.R.
KS 455	L.N.R.
KS 456	4.41
KS 457	43
KS 458	2.92
KS 459	4.74
KS 460	1.20
KS 461	2.01
KS 462	4.08
KS 463	6
KS 464	[illegible]
KS 465	1.7[illegible]
KS 466	[illegible]
KS 467	1.50
KS 468	4.2
KS 469	5.2[illegible]
KS 470	5.1[illegible]
KS 470A	[illegible]
KS 471	0.6[illegible]
KS 472	3.97
KS 473	[illegible]
KS 474	[illegible]
KS 475	[illegible]
KS 476	2.79
KS 477	[illegible]
KS 478	4.[illegible]
KS 479	[illegible]
KS 480	[illegible]
KS 481	6
KS 482	[illegible]
KS 483	3.7[illegible]
KS 484	0.6[illegible]
KS 485	0.3[illegible]
KS 486	0.7[illegible]
KS 487	[illegible]
KS 488	[illegible]
KS 489	[illegible]
KS 490	[illegible]
KS 491	[illegible]
KS 492	[illegible]
KS 493	[illegible]
KS 494	[illegible]
KS 495	[illegible]
KS 496	[illegible]
KS 497	[illegible]
KS 498	[illegible]
KS 499	[illegible]
KS 500	
KS 501	
UNITS	PP[illegible]
DET.LIM	0.0[illegible]
SCHEME	BLE[illegible]

CLASSIC LABORATORIES LTD

Job: 1DN1058B
O/N:

Final

ANALYTICAL REPORT

SAMPLE	Au
KS 541	1.23
KS 542	1.17
KS 543	0.72
KS 544	0.48
KS 545	0.51
KS 554	39
KS 555	8.04
KS 556	4
KS 557	3
KS 558	5.7
KS 559	3.48
KS 560	12.1
KS 561	3.63
KS 562	5.89
KS 563	2.94
KS 564	2.88
KS 565	4.35
KS 566	5.13
KS 567	17.1
KS 568	21
KS 569	15.7
KS 570	11.2
KS 571	5.43
KS 572	3.30

UNITS	ppm
DET.LIM	0.01
SCHEME	BLEG2

EL 6172

OVERALL EXPENDITURE COVENANT $8000.00

ASSAYS			
Classic Comlabs		$3500.00	
Total			$3500.00
ADMINISTRATION			
Administration @ 25%			$2000.00
ACCOMODATION			
Accomodation			$ 410.00
EARTHMOVING HIRE			
Backhoe hire - hours @ $45.00/Hr			$1800.00
PERSONNEL			
Geologist - 5 days @ $200/day		$1000.00	
Prospector(JNC) - 5 days @ $200/day		$1000.00	
Prospector(RMB) - 5 days @ $200/day		$1000.00	
Field Assts - 10 days @ $100/day		$1000.00	
Total			$4000.00
TRANSPORT			
Low loader hire	2 @	$ 400.00	
Total			$ 800.00
SUPPLIES			
Geological Supplies		$ 200.00	
Camp Supplies		$ 135.00	
Fuel and Oils		$ 180.00	
Total			$ 515.00
VEHICLES			
15 vehicle days @ $100/day			$1500.00
TOTAL			**$15425.00**

EL 6198

OVERALL EXPENDITURE COVENANT $2000.00

ASSAYS

Classic Comlabs	$ 100.00	
Total		$ 100.00

ADMINISTRATION

Administration @ 25%	$500.00

ACCOMODATION

Accomodation	$ 164.00

PERSONNEL

Geologist - 2 days @ $200/day	$ 400.00	
Prospector(JNC) - 2 days @ $200/day	$ 400.00	
Prospector.(RMB) - 2 days @ $200/day	$ 400.00	
Field Assts - 4 days @ $100/day	$ 400.00	
Total		$1600.00

SUPPLIES

Geological Supplies	$ 200.00	
Camp Supplies	$ 135.00	
Fuel and Oils	$ 50.00	
Total		$ 385.00

VEHICLES

6 vehicle days @ $100/day.	$ 600.00

TOTAL	$3349.00

IF

3.4 INVESTIGATIONS ON ELs 6172 AND 6198 IN YEAR 4

EL 6172

Due to pressing engagements elsewhere, exploration was primarily conducted by RM Biddlecombe in the Fourth Year.

During this year, a total of 8 mineral claims were pegged over the area immediately to the south of the Western Shear Prospect and along the boundary adjacent to the old Maud Creek Goldfield.

The rationale behind this was that Placer's main prospect consisted of 3 dilation zones within a north south trending shear system.

It seems that the grades are getting better as that system progresses south toward Trescabe's ground with no reason for a termination before entering onto our ground.

We were unable to penetrate through the basalt cover in more than one place here to get a good look at the underlying geology with accompanying samples.

This led us to the conclusion that a more permanent form of tenure was needed until a method of penetrating the cover could be afforded.

This has paid off with the publishing of the Placer data in their information package for the sale of their tenements and the subsequant publishing of this data in the Kalmet prospectus. What this data does is to confirm the southward trend of the Western Shear prospect although at a more westerly attitude than was previously thought.

Several sections through the orebody were published and it seems that the ore zone is closely related to the western edge of the contact of the Maud Dolerite and the Tollis Formation. It dips to the east at approximately 45 and is lensoid in all directions.

4.0 CONCLUSIONS.

From our work on ELs 6172 and 6198 we were able to conclude that there was an orebody present in the general area that we had applied for. The only problem was that the only surface expression was located on the adjacent EL which was then owned by CSR Ltd, then Placer Exploration Pty Ltd and now Kalmet NL.

In all probability the surface trace of the ore zone is to be found to the west of the direct southern extension of the drilled zone on Placers ground.
The diagram published by Kalmet points to the position of approximately the creek area at about 800E.

The work that is currently being done on the area will further pinpoint this location.

In conclusion the ELs whilst not actually containing proven mineralisation were not far off and may contain the concealed extensions of the Placer Western Shear Prospect which has an ore reserve of 1 million tonnes at 4 g/t Au.

This prospect is drilled to within 30m of Trescabes northern boundary.

5.0 REFERENCES

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