EXPLORATION LICENCE 7151
MAGELLAN

FIFTH ANNUAL AND FINAL REPORT
28 November 1990 - 27 November 1995

LICENSEE:
WESTERN MINING CORPORATION LIMITED
A.C.N. 004 184 598

MANAGERS:
1 March 1995 - 27 November 1995
GIANTS REEF EXPLORATION PTY LTD
A.C.N. 009 200 346

DISTRIBUTION:
Department of Mines & Energy
Western Mining Corporation
Giants Reef Exploration Pty Ltd
Giants Reef Mining N.L.

P. G. SIMPSON
TENNANT CREEK, N.T.
MARCH, 1996
SUMMARY

Exploration Licence 7151, *Magellan*, located in the vicinity of the Warrego gold-copper mine, northwest of Tennant Creek, was granted to Western Mining Corporation Limited on 28 November 1990 for 5 years. By its fifth and final year, the original EL of 8 blocks had been reduced to 1 block.

Management of EL 7151 was assigned to Giants Reef Mining N.L. on 1 March 1995 following Western Mining's decision in August 1994 to cease exploring in the Tennant Creek goldfield.

Basement outcrop is virtually non-existent in the Licence area.

Exploration in the final year consisted of appraisal of the work done by Western Mining in previous years, downhole magnetic probing of two diamond holes drilled by WMC, line clearing and the establishment of a surveyed grid system.

To maintain tenure over the *Navigator 2* prospect, 6 mineral claim applications, C1427 to C1432 were lodged.
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FIGURES

1. EL 7151 Successive reductions and location plan
   Western Mining Corporation Limited Plan No. 7005/93
1. INTRODUCTION

Western Mining Corporation Limited (WMC) assigned management of EL 7151, *Magellan*, to Giants Reef Exploration Pty Ltd (GRM) on 1 March 1995 following WMC's decision in August 1994 to cease exploring in the Tennant Creek goldfield.

This report records the exploration work done on EL 7151 during its fifth and final year to 27 November 1995 and summarises work done during the previous four years.

2. LOCATION AND ACCESS

EL 7151 was located near the Warrego copper-gold mine, 55 kilometres northwest of Tennant Creek and is reached by driving along the drainage bund running southeast from Warrego and following gridline tracks.

3. TENURE

EL 7151 was granted to Western Mining Corporation Limited on 28 November 1990, for a period of 5 years. The original area of 8 blocks had been successively reduced to a single block by the final year.

Approval for "Project Status" for ELs 7151, 7413, *Dampier*, and 7153, *Alaska*, was granted to WMC by the NTDME on 17 June 1992, with a common reporting date set at 14 December for the following years.

Figure 1 shows the EL location and successive reductions of its area.

4. GEOLOGY

Outcrop in the EL is very poor or non-existent, with most of the surface covered by colluvial and alluvial material of undetermined thickness. From magnetics and other previous work, most of the original area of EL 7151 is underlain by the Warrego granite.

5. EXPLORATION COMPLETED

5.1 First Year
  - Literature research
  - Purchase and review of multi client aeromagnetic data
  - Grid baseline pegged
5.2 Second Year
- Gridding
- Ground magnetics over Navigator 2

5.3 Third Year
- Gravity survey
- Modelling of ground magnetics
- Drill site access track cleared

5.4 Fourth Year
- Diamond drilling of Navigator 2
- Magnetic modelling
- Re-processing of gravity data
- Data interpretation and target generation

Full details of the above work are given in the Annual and Project reports.

5.5 Fifth and Final Year

Work by Giants Reef consisted mainly of the establishment of an extensive AMG grid system over the majority of the EL in preparation for a detailed gravity survey focussed on the prominent Navigator 2 magnetic anomaly in the northeast corner of the block.

Diamond drillholes TDAD-70 and TDAD-71 were cased and magnetically logged by Surtron Technologies Pty Ltd. The logs resulting from this work are given in the Fourth Project Year Report to 14 November 1995.

6. CONCLUSIONS

Interpretation of the downhole magnetic logs of the two diamond drillholes at the Navigator 2 prospect is required to ascertain the position of the main magnetic source. A detailed gravity survey over the prospect area is also required to assist in defining future drill targets.

To maintain tenure for future work, Mineral Claims C1427 - C1432 were applied for over the Navigator 2 prospect.
7. EXPENDITURE

The minimum expenditure covenant for the fifth year was $15,000. Actual expenditure was as follows:

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<tr>
<th>Category</th>
<th>Amount</th>
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<tr>
<td>Geology</td>
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<td>Drafting</td>
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<td>Tenure maintenance</td>
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<td>TOTAL</td>
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As the minimum expenditure for the year was not met, an application for variation of the minimum expenditure accompanies this report.

8. REFERENCE


P. G. SIMPSON
EXPLORATION MANAGER

GIANTS REEF EXPLORATION PTY LTD