

URANERZ (AUSTRALIA) PTY. LTD.

OT/CBB 15.4.77

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THIRD QUARTERLY REPORT ON EXPLORATION WORK CARRIED OUT ON EXPLORATION LICENCES NOS. 979 AND 1001, COVERING THE PERIOD JANUARY 7TH TO APRIL 6TH, 1977.

INTRODUCTION

Exploration Licences 979 and 1001 are situated 50km southwest of Alice Springs between latitudes $23^{\circ}54'00''\text{S}$ and $24^{\circ}00'00''\text{S}$ and longitudes $133^{\circ}12'00''\text{E}$ and $133^{\circ}43'00''\text{E}$ (Map 1).

Exploration work was carried out from a base in Alice Springs.

INVESTIGATIONS AND RESULTS

PERCUSSION/DIAMOND DRILLING

With percussion/diamond drilling 38 holes were drilled, totalling 2884.55m, including 2078.00m of core. Hole spacing was 1km and average depth 75.91m (Maps 2, 3 and 4). Significant mineralization was encountered in 7 holes, viz. J6, 12, 20, 24, 25, 26 and H43.

DOWNHOLE LOGGING

Eleven drillholes totalling 760.60m were logged for gamma ray, and if the water table was present, also for S.P. and resistivity (Table 2).

Eight holes were anomalous, with scintillometer readings from 1.9 x to 20 x background. The two highest readings of 18.8 x and 20 x background of J20 were already detected by SRAT scintillometer readings on core and gave 700ppm and 560ppm U_3O_8 . The re-run peak intervals will be converted from cps to ppm U_3O_8 .

WATER SAMPLES

Water samples were taken from 21 drillholes. Six water samples have uranium concentrations of greater than 25ppb U_3O_8 (Table 3). The highest uranium

concentration of 1350ppb U_3O_8 was found in H19 which is not mineralized. More drilling is therefore proposed in the vicinities of H19, H5, H13 and H8.

FUTURE PROGRAMME

- 1) Percussion/diamond scout drilling between H58 and H39.
- 2) Percussion/diamond scout drilling between H27 and H14, and between H14 and H1.
- 3) Percussion/diamond scout drilling west of H40.
- 4) Follow-up drilling between H21 and H8.

LIST OF MAPS

Map 1. NT-3078-2c	Alice Springs Area : Current UAL Exploration Licences.	✓
Map 2. NT-4268-2c	Hugh River 5 : Drilling Results.	✓
Map 3. NT-4267-2c	Hugh River 4 : Drilling Results.	✓
Map 4. NT-4266-2c	Hugh River 3 : Drilling Details.	✓

STATEMENT OF EXPENDITURE: 7.7.76 to 6.4.77 - ELs 979 and 1001

	<u>EL 979</u>	<u>EL 1001</u>
Salaries and Wages	\$19,654.11	\$8,874.44
Drilling Contractors	63,758.10	41,190.88
Field operating costs, including consumables, rents, vehicle costs, freight, airfares etc.	<u>25,063.46</u>	<u>10,374.67</u>
	<u>\$108,475.67</u>	<u>\$60,439.99</u>

DRILLING RESULTS J6 - J26 (EL 1001) & H43 - H58 (EL 979)

Table 1

Hole No. Co-ord.	Perc. m	Diam. m	Total depth m	Colour change top/base m	Assayed interval from - to m	Thick- ness m	SRAT situ x bq	U ₃ O ₈ Assayed ppm
J6 64,200W 4,100N	30	70.25	102.25	oxidized	50.30-50.63 66.30-66.80 94.20-94.60	0.33 0.50 0.40	1.6 1.5 1.5	105 75 130
J7 66,200W 4,100N	36	66.30	102.30	28.0	20-24 22-24	2 2	1.75 1.5	34 38
J8 67,200W 3,900N	6	54	60	reduced	-	-	-	-
J9 67,200W 4,235N	24	78	102	61.66	14-16	2	1.5	16
J10 68,220W 4,100N	18	69	87	oxidized	-	-	-	-
J11 68,220W 3,680N	19	-	19	reduced	-	-	-	-
J12 68,220W 3,890N	18	60	78	50	46.1-47.1 48.8-49.8	1 1	2.0 3.0	380 910
J13 69,220W 3,850N	63	-	63	oxidized	-	-	-	-
J14 69,220W 3,620N	21	30	51	oxidized	-	-	-	-
J15 70,220W 3,830N	12	48	60	oxidized	-	-	-	-
J16A 70,220W 3,680N	6	-	6	-	-	-	-	-
J16B 70,220W 3,755N	18	60	78	54.5	-	-	-	-
J17 71,220W 3,830N	12	81	93	61	61.5-61.9	0.4	1.7	100
J18 72,220W 3,730N	12	96	108	77	-	-	-	-
J19 73,200W 3,600N	18	72	90	64.6	-	-	-	-

Table 1 (cont'd)

Hole No. Co-ord.	Perc. m	Diam. m	Total depth m	Colour change top/base m	Assayed interval from - to m	Thick- ness m	SRAT situ x bg	U ₃ O ₈ Assayed ppm
J20 64,200W 3,770N	6	66	72	25/57.4	35.2-36.2 36.2-37.2 38.1-39.1 39.1-40.8	1.0 1.0 1.0 1.7	2.0 2.7 2.4 1.7	400 560 700 190
J21 63,220W 3,890N	18	75	93	oxidized	-	-	-	-
J22 63,220W 3,500N	18	114	132	91.8/99.0	-	-	-	-
J23 62,200W 3,200N	22	-	22	reduced	-	-	-	-
J24 62,200W 3,400N	18	81	99	65.2/85.4	62.3-62.5	0.2	2.2	460
J25 61,200W 3,260N	12	90	102	37.18/80.97	36.5-37.0	0.5	6.4	1900
J26 60,025W 3,030N	12	66	78	48.8	48.8-49.0	0.2	2.8	660
H43 59,025W 3,030N	6	78	84	40.06/71.8	59.8-60.0 60.9-62.4 62.5-63.5 65.2-65.4	0.2 1.5 1.0 0.2	4.8 2.6 2.1 3.0	1050 400 230 230
H44 58,025W 2,930N	6	60	66	34.8	-	-	-	-
H45 57,000W 3,130N	24	93	117	71.8/108.73	-	-	-	-
H46 57,000W 2,930N	24	90	114	45.3/102.9	-	-	-	-
H47 57,000W 2,530N	24	87	111	41.3/71.5	-	-	-	-
H48 57,000W 2,130N	50	-	50	18	-	-	-	-
H49 57,000W 1,930N	18	33	51	36	-	-	-	-

Table 1 (cont'd)

Hole No. Co-ord	Perc. m	Diam. m	Total depth m	Colour change top/base m	Assayed interval from - to m	Thick- ness m	SRAT situ x bg	U ₃ O ₈ Assayed ppm
H50 57,000W 1,730N	6	45	51	21.7	-	-	-	-
H51 55,980W 1,930N	17.75	46.25	64	34.0	-	-	-	-
H52 54,960W 2,120N	8.7	42.30	51	oxidized	-	-	-	-
H53 55,440W 2,940N	11.4	48.60	60	45.88	-	-	-	-
H54 53,700W 3,000N	42	28	70	50.34/65.90	-	-	-	-
H55 53,220W 2,960N	47.70	30.30	78	reduced	-	-	-	-
H56 52,540W 3,100N	18	74	92	22.12/59.29	-	-	-	-
H57 52,540W 3,400N	24	26	50	oxidized	-	-	-	-
H58 50,360W 2,800N	58	20	78	47.0/57.0	-	-	-	-

DOWNHOLE LOGGING J6 - J21 (EL 1001)

Table 2

Hole No. Co-ord.	Depth drilled m	Depth logged m	Anomaly x bg from - to m	Thickness ½-height Re-run Peak m	U ₃ O ₈ Calcu- lated ppm	U ₃ O ₈ assayed ppm from - to
J6 64200W 4100N	102.25	95.8	5.1 49.90-50.35	-	-	105 50.30-50.63
			4.2 65.95-66.50	-	-	75 66.30-66.80
			94.05-95.05	-	-	130 94.20-94.60
J7 66200W 4100N	102.3	63.8	2.5 19.8-20.9	-	-	34 20-22 38 22-24
J8 67200W 3900N	60	60.2	1.9 11.6-12.1	-	-	-
J9 67200W 4235N	102	98.6	3.5 60.2-61.3	-	-	16 14-16
J10 68220W 4100N	87	Not logged				
J11 68220W 3680N	19	Not logged				
J12 68220W 3890N	78	17.1	-	-	-	380 46.1-47.1 910 48.8-49.8
J13 69220W 3850N	63	62.6	-	-	-	-
J14 69220W 3620N	51	Not logged				
J15 70220W 3830N	60	48.5	-	-	-	-
J16A 70220W 3680N	6	Not logged				
J16B 70220W 3755N	78	64.5	1.9 30.45-31.10	-	-	-
J17 71220W 3830N	93	89.4	2.1 54.35-54.85 5.5 60.35-61.65	-	-	100 61.5-61.9 -

Table 2 (cont'd)

Hole No. Co-ord.	Depth drilled m	Depth logged m	Anomaly x bg from - to m	Thickness ½-height Re-run Peak m	U ₃ O ₈ Calcu- lated ppm	U ₃ O ₈ assayed ppm from - to
J18 72220W 3730N	108	Not logged				
J19 73200W 3600N	90	Not logged				
J20 64200W 3770N	72	69.6	2.0 20.30-20.85 2.5 21.4-23.7 10.8 35.4-35.6 10.1 35.75-36.05 20.0 36.2-36.8 10.5 38.00-38.25 18.8 38.7-39.0 2.8 39.80-40.05 2.6 40.35-40.70	- - - 0.20 0.30 0.60 0.25 0.30 0.60 0.25 0.30 0.25 0.30 0.25 0.45	- - - - - - - - - - - - - - - -	- - - 400 35.2-36.2 - 560 36.2-37.2 - 700 38.1-39.1 190 39.1-40.8 -
J21 63220W 3900N	93	90.5	2.0 63.05-64.10	-	-	-

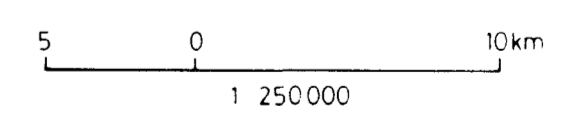
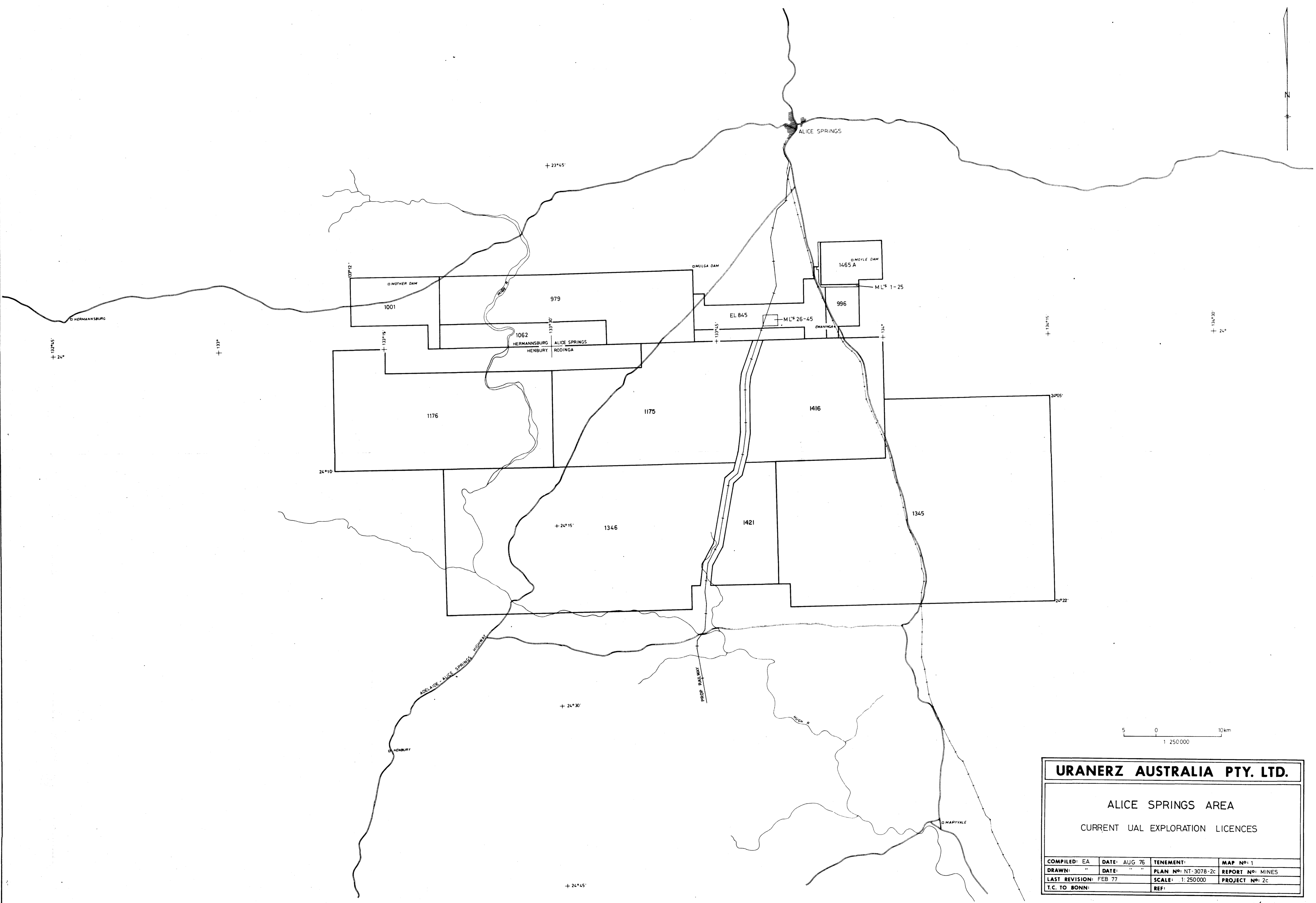
WATER SAMPLES DRILLHOLES H1 - H40 (EL 979) AND J1 - J3 (EL 1001)

Table 3

<u>Hole No.</u>	<u>Co-ord</u>	<u>Depth Drilled m</u>	<u>Sample depth m</u>	<u>pH</u>	<u>Temp °C</u>	<u>U₃O₈ ppb</u>	<u>Assay from-to m</u>	<u>U₃O₈ assay ppm</u>
H1	21,600W/350S	151.21	44	6.5	26	2(7)	69.50 - 70.50	12
H3	21,000W/2200S	180	40	6.0	26	2	-	-
H5	22,500W/2000S	117	30.5	6.5	26	540	-	-
H8	22,000W/3700N	57	28.5	6.5	26	100(35)	-	-
H10	24,000W/4000N	134.22	41.2	6.5	26	4	60.5 - 61.5	125
H11	25,000W/4200N	99.58	38	6.5	26.5	5	-	-
H13	26,000W/1600N	18.17	17	6.5	25.5	290	-	-
H14	26,000W/2000N	129.5	65	6.5	25.5	15	-	-
H15	27,000W/4600N	165.82	33	6.0	26	2	118.75 - 119.25	290
							119.25 - 119.75	(2180 Cu) 540 (1150 Cu)
H17	28,000W/4500N	80	48.5	6.0	26	8	121.45 - 121.95 121.85 - 122.45	450 14
H18	29,000W/4400N	148.31	40.5	6.0	27	130	67.45 - 68.00 68.35 - 68.85 68.85 - 69.35 80.85 - 81.25 81.25 - 81.60	300 340 150 170 240
H19	30,000W/4200N	78.08	40	6.5	26.5	1350	-	-
H20	31,000W/4300N	144	42	6.5	26.5	35	27.70 - 28.00 42.20 - 42.40 43.15 - 43.55 61.60 - 61.70	2150 800 430 290

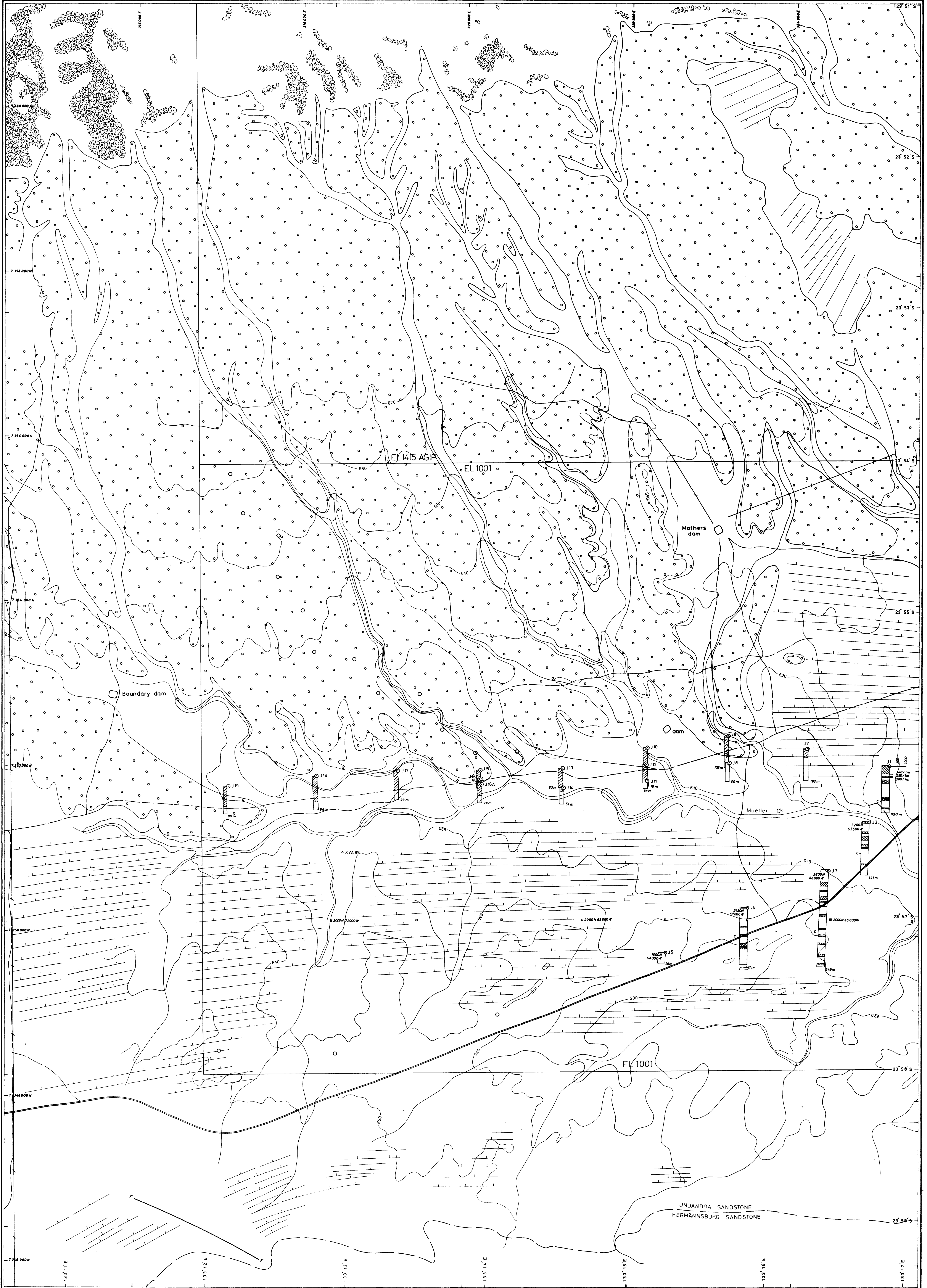
Table 3 (cont'd)

<u>Hole No.</u>	<u>Co-ord</u>	<u>Depth Drilled m</u>	<u>Sample depth m</u>	<u>pH</u>	<u>Temp °C</u>	<u>U₃O₈ ppb</u>	<u>Assay from-to m</u>	<u>U₃O₈ assay ppm</u>
H27	37,000W/1500N	111.38	42	6.5	26		-	-
H31	39,000W/800N	15	12.5	7.5	25.5		-	-
H32	42,000W/4400N	100	29	7.5	27	4	-	-
H33	39,000W/1000N	96.17	44.5	6.5	26		-	-
H40	45,100W/1400N	72	15.8	6.5	26	1	-	-
J1	65,250/3890N	119.7	7.75	7.0	25	10(15)	24.20 - 25.20 27.75 - 28.75 29.20 - 30.20	340 250 280
J2	65,500W/3200N	141	4.75	6.5	25	12(5)	-	-
J3	66,000W/2600N	249	7.75	7.0	25	100(25)	-	-



URANERZ AUSTRALIA PTY. LTD.			
ALICE SPRINGS AREA			
CURRENT UAL EXPLORATION LICENCES			
COMPILED: EA	DATE: AUG 76	TENEMENT:	MAP NO: 1
DRAWN: "	DATE: " "	PLAN NO: NT-3078-2c	REPORT NO: MINES
LAST REVISION: FEB 77	SCALE: 1:250 000	PROJECT NO: 2c	
T.C. TO BONN:	REF:		

2/7/78



URANERZ AUSTRALIA PTY. LTD.

HUGH RIVER 5

DRILLING RESULTS

COMPILED: OT	DATE: AUG 75	TERRITORY: EL 1001	MAP NO: 2
DRAWN: EA	DATE: AUG 75	PLAN NO: NT-4268-2c	REPORT NO: MINES
LAST REVISION: AUG 75	SCALE: 1:20000	PROJECT NO: 2c	
I.C. TO: BOMM	BY:		

LEGEND

- Fence
- Track
- ⊗ Well or bore
- Main road
- 610- Contour (m)
- ~ Creek
- Boundary of Undandita and Hermannsburg sst
- Strike and dip of bedding
- Grid peg
- Red/Ox boundary
- Drill hole
- ▨ Oxidised sst
- ▩ Reduced sst
- ▧ Carbonaceous sst
- Plan positions of drill hole U assays by projection up dip at 12° (PPM)
- 340 / 1m U₃O₈ assay over 1 metre (PPM)
- Proposed drill hole
- ⊗ Massive Brewer Conglomerate
- Tertiary cover

HUGH RIVER SHEET LAYOUT

6	5	4	3	2	1
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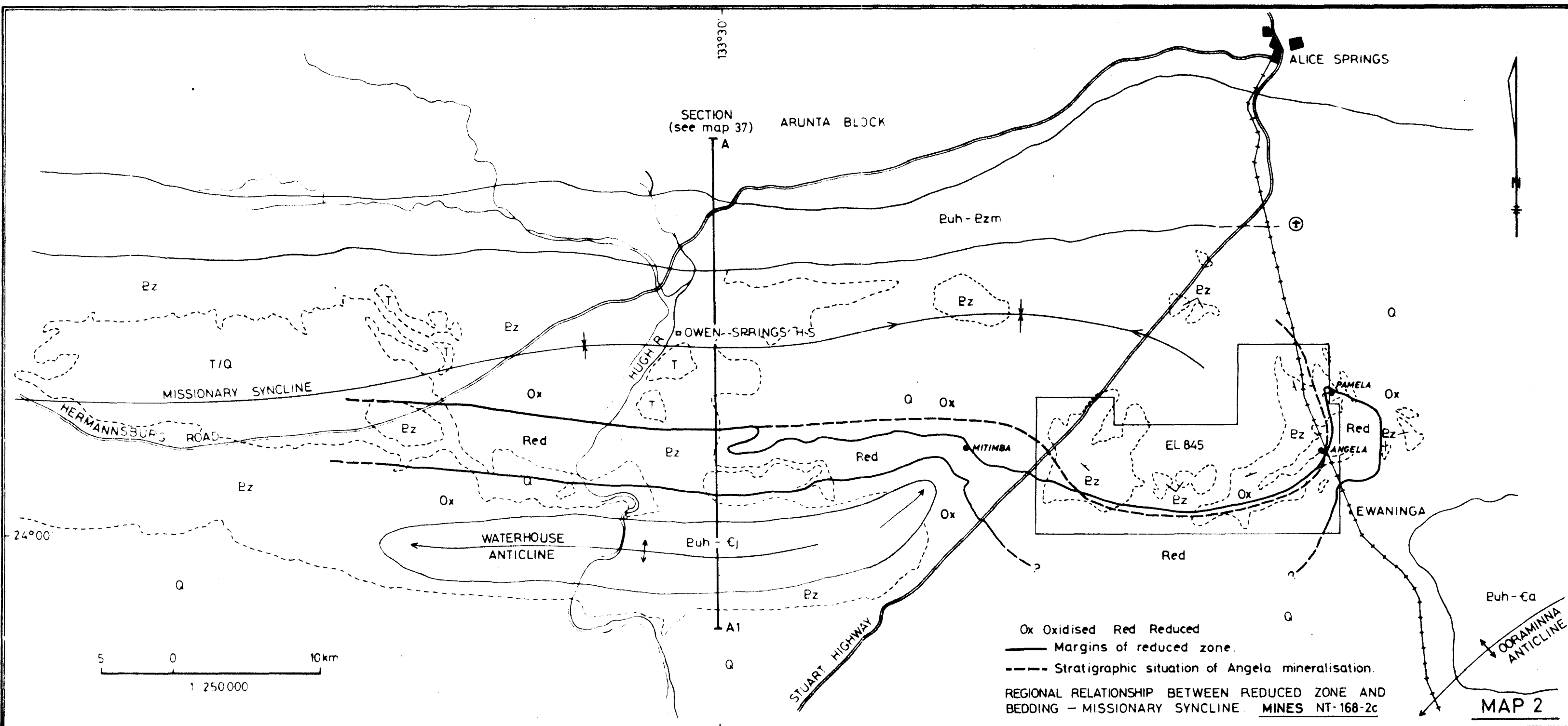
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FLOWN 1971

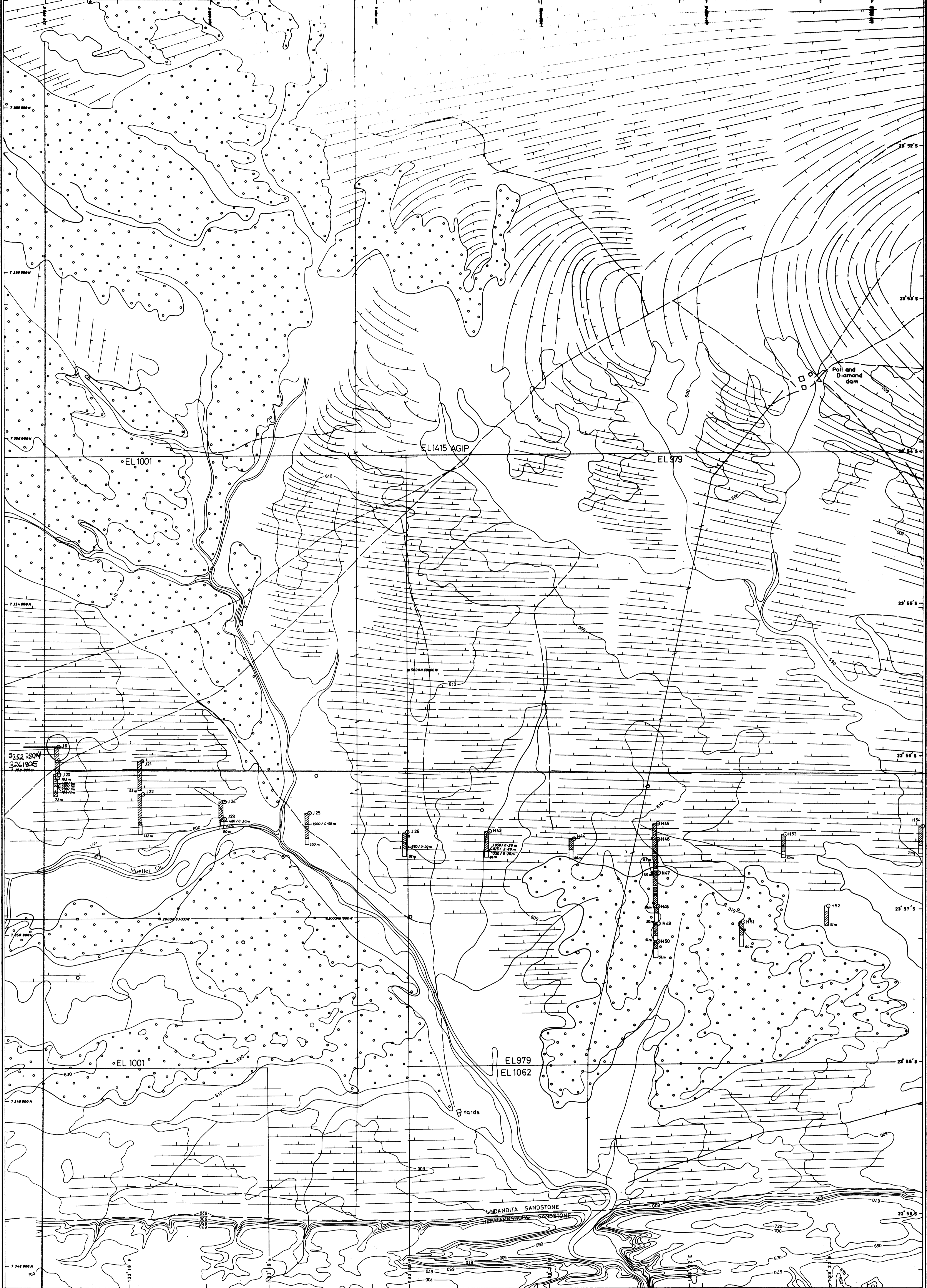
SCALE

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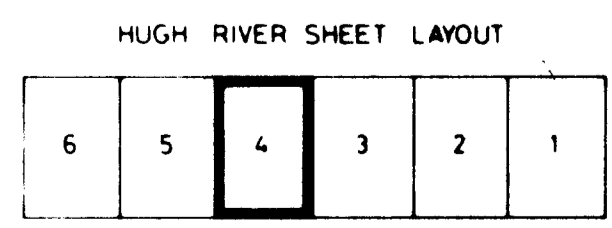
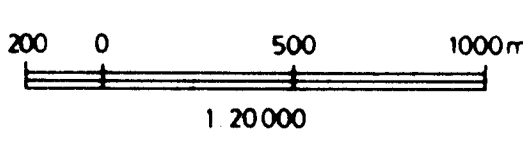
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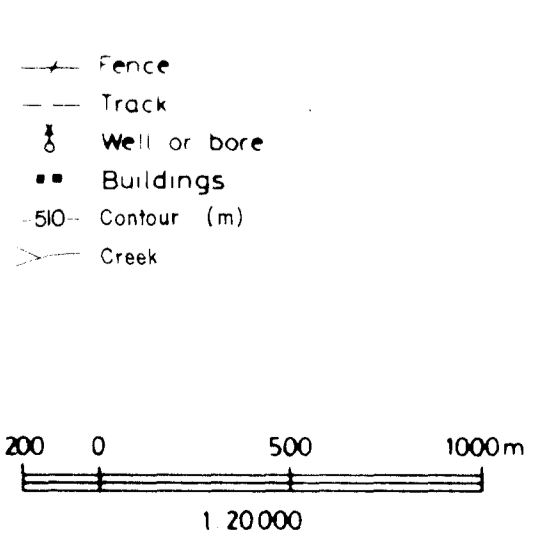
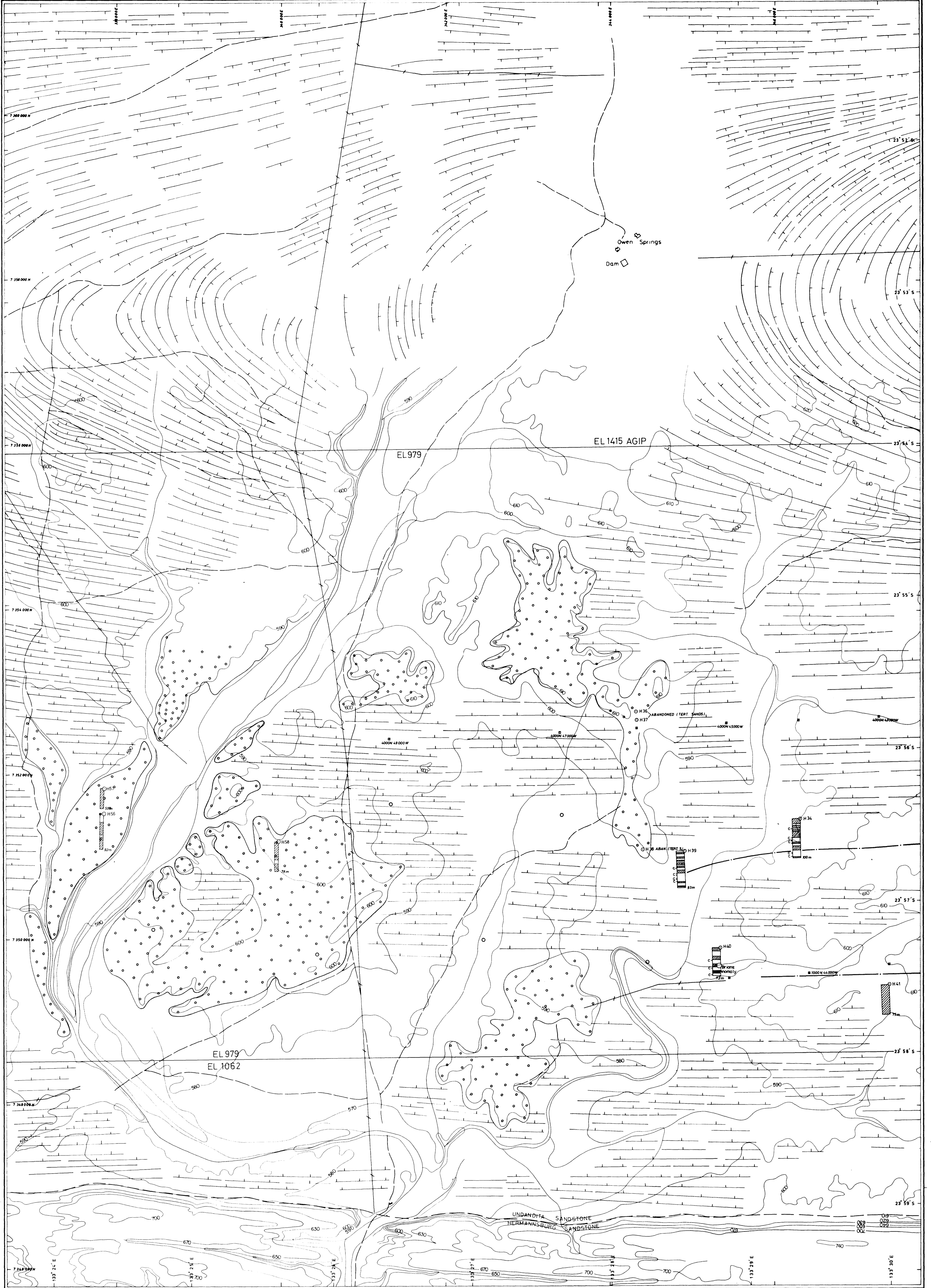
- Creek
- 600 - Contour (m)
- Fence
- Track
- Well or bore
- Proposed drill hole
- Tertiary cover
- Oxidised sandstone
- Reduced sandstone
- Boundary of Undandita and Hermannsburg sandstone
- 500/0.50m U₃O₈ assay (ppm) over 5 meters



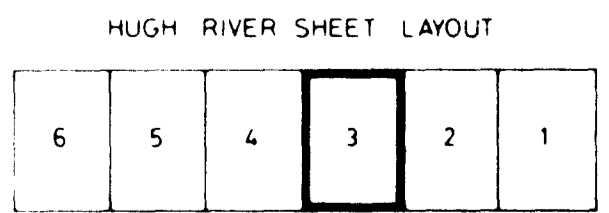
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FLOWN 1971

URANERZ AUSTRALIA PTY. LTD.			
HUGH RIVER 4			
DRILLING RESULTS			
COMPILED: OT	DATE: AUG 76	TEMINENT:	MAP NO: 3
DRAWN: EA	DATE: SEP 76	PLAN NO: NT-4267-2C	REPORT NO: MINES
LAST REVISION:	SCALE: 1:20000	PROJECT NO: 2C	
T.C. TO BONN:	REP:		

UR 77/48



- Fence
- Track
- ⊕ Well or bore
- Buildings
- 50 Contour (m)
- ~ Creek
- Boundary of Undandita and Hermannsburg sandstone
- Grid peg
- Strike and dip of bedding
- Drill hole
- ▨ Oxidised sst
- ▩ Reduced sst
- Carbonaceous sst
- Red / Ox boundary
- Proposed drill hole
- Tertiary cover



DRAWN FROM PHOTOGAMMETRIC PLOT
FLOWN 1971

URANERZ AUSTRALIA PTY. LTD.			
HUGH RIVER 3			
DRILLING DETAILS			
COMPILED: OT	DATE: AUG 76	TENEMENT:	MAP NO: 2
DRAWN: EA	DATE: SEP 76	PLAN NO: NT-4266-2c	REPORT NO: MINES
LAST REVISION:	SCALE: 1:20000	PROJECT NO: 2c	
T.C. TO BONN:	REP:		