EXPLORATION LICENCE 4010

ANNUAL REPORT FOR SECOND YEAR OF TENURE

1 DECEMBER 1983 to 30 NOVEMBER 1984

by

M E KAVANAGH

Distribution:
NT Department of Mines and Energy
Anaconda Australia Inc., Perth
Geopeko, Perth
Henry and Walker Limited, Darwin

ANAConDA AUSTRALIA INC. FEBRUARY 1985

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FIGURES

Figure 1 Location Plan EL 4010

Scale 1:250,000 Plan No. 2A-T26
ORGANISATION: Anaconda Australia Inc.

PROSPECT: Golden Dyke Joint Venture

TITLE: EL 4010
Annual Report, second year of tenure
1 December 1983 to 30 November 1984

REPORT No.: D52/8/8/127

AUTHOR: Kavanagh, M E

IMPRINT: Perth, February 1985

SUBJECT: Evaluation BIF-Gold, Vein Gold Potential

COMMODITY: Gold

LOCALITY: Golden Dyke Dome, Northern Territory

MAP REF No: SD 52/8
1:250,000 Pine Creek
1:100,000 Pine Creek

ABSTRACT: Geopeko's resignation as Managers of the Golden Dyke Joint Venture and subsequent dispersal of all Darwin staff responsible for previous exploration on the EL required Anaconda, as incoming Manager, to undertake a review of the property.

It was concluded that the BIF-Au potential of the Koolpin Formation rocks had been adequately tested and that there remained potential to locate quartz vein related gold mineralisation in Gerowie Tuff/Kapalga Formation rocks in the Yam Creek area.
In addition, the stratabound gold deposits delineated by the Joint Venture partners were considered to be mineable by a small, locally-based operator. Henry and Walker subsequently optioned the ground and have undertaken to continue evaluation of the property.
1 INTRODUCTION

Exploration Licence 4010, centred on the Golden Dyke Dome, is located in the northwest corner of the Pine Creek 1:100,000 sheet.

The centre of the Dome is located 5 kilometres northeast of the Hayes Creek Roadhouse, which is 192 kilometres south-southeast of Darwin via the Stuart Highway. The area is accessible by a well formed gravel road connecting the Stuart Highway with the Grove Hill Siding on the disused North Australia Railway Line.

The EL was originally taken out to surround and extend lands under mineral claim application by the Golden Dyke Joint Venture partners on the Golden Dyke Dome. The Joint Venture had delineated a number of stratabound gold deposits within the Middle Koolpin banded iron formation sequence. Reconnaissance programs through the first year of tenure delineated several anomalous areas which were tested and proven negative. The program was reported in the 1983 Annual Report.

During 1984, the northern part of the EL (Yam Creek) was evaluated and considered to hold some potential for quartz vein related gold mineralisation in Gerowie Tuff and Kapalga Formation (equivalent to Mt Bonnie Formation) rocks. The Golden Dyke Management Committee decided against continued evaluation of the EL by the Joint Venture and actively sought a partner to evaluate the Yam Creek area and the existing BIF-hosted gold mineralisation.

A request for a deferral of land reduction from 10 blocks to 5 blocks for the third year of tenancy was also submitted to the Department of Mines and Energy. This request was sought in order to give the incoming partner, Henry and Walker, adequate time to assess the EL lands.

2 1984 EVALUATION

During the current year, the 1982-83 Annual Report was completed in February. Rolfe's and Radford's report was reviewed for the Joint Venture by Anaconda (as incoming manager) and a recommendation to assess the northern area (Yam Creek) for quartz vein gold mineralisation was made. The area was field
checked by R Furnell and the zone between the Good Shepherd Prospect and the
Princess Louise Prospect was highlighted as an undrilled sequence of Gerowie
Tuff-Kapalga Formation (Mt Bonnie Formation) lithologies in a tight
anticlinal fold, with possible potential to host a saddle reef/quartz vein
stockwork type gold deposit.

Other activities on the property relate to the subsequent joint venture with
Henry and Walker.

3 EXPENDITURE

The minimum expenditure covenant for the second year of tenure was $10,000.
Actual expenditure totalled $6964 to the end of November 1984.

Details are as follows:

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<td>Supplies</td>
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<td>Proportional Indirect Costs</td>
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<td><strong>Total Anaconda Expenditure</strong></td>
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<td><strong>1476</strong></td>
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**TOTAL ANNUAL EXPENDITURE**

6964

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The program submitted by Henry and Walker includes extensive costeaning and detailed geological mapping, rock chip and soil sampling orientated towards the delineation of small to medium tonneages of ore. The approved budget for this program is $20,000.