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TRACK MINERALS PTY LTD

ANNUAL AND RELIQUISHMENT REPORT

EL 5903 : SKINNER
ARUNTA COMPLEX
NORTHERN TERRITORY

BY
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Maps : Alcoota SF53-10
Granted : 20 June 1988
South-west corner:
22°16'S
134°15'E
Blocks : 225
FILE NO : SKNR1533

CR89/706
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FIGURE
  1 (Dwg A4 0473) Geology 1:250 000
1.0 INTRODUCTION

Exploration Licence 5903 (Skinner) is 200km north of Alice Springs and is accessible by driving north along the Stuart Highway, and thence east and north-east along the Plenty River and Sandover Highways to the Utopia turn off, thence by station tracks north and west.

El 5903 is part of a Joint Venture between Eon Metals NL and Track Minerals Pty Ltd. The licence was granted on 20th June 1988 with an annual exploration commitment of $17,000.

2.0 GEOLOGY

North-west trending Adelaidean Central Mount Stuart Beds with south-west gentle dips (10° to 15°) are the dominant outcropping rock units in the licence. Proterozoic granite outcrops in the licence are aligned along a north-west trend. Small outcrops of early Proterozoic gneisses and schists are present in the south-east corner of the licence. The rest of licence is covered by Tertiary and Quaternary sediments.

North-west faults are observed or inferred in the licence. These faults are believed to be splays of the Delny-Mount-Saint-Hill Fault Shear Zone.

The Central Mount Stuart Beds are divided into three rock units of which only two rock units are observed in the licence. These are:-

Upper Unit: red and white quartz sandstone, lithic sandstone and siltstone; minor feldspathic sandstone, siltstone.

Middle Unit: red and chocolate quartz and lithic sandstone, rare dolomite and arkose interbeds of grey sandstone and siltstone, cupriferous in part, tillite boulder beds, ferruginous pebbly sandstone at base.

The geology of the licence is shown on Fig.1.
3.0 PREVIOUS EXPLORATION

In 1965, stratiform copper mineralisation was discovered in grey sandstone and siltstone beds which are usually less than 5m thick. The discovery was later on investigated by Kennecott Exploration Australia Pty Ltd which undertook a programme of stream-sediment sampling, mapping, trenching and percussing drilling. The highest observed copper values were 0.5m @ 0.73% Cu in one trench, and 1.5m @ 0.15% Cu in PDH3. Disappointed with the results Kennecott dropped the area.

In 1968 the Mines and Water Resources drilled four diamond drill holes totalling 662m intersecting some minor lead and copper mineralisation.

Summary of the drill holes is given as follows:
DDH 1 drilled to a depth of 231ft (70.6m) intersecting three grey sandstone and siltstone horizons. Two intervals (70 to 71ft and 117 to 120ft) analysed 0.22% Cu.

DDH 2 drilled to 250ft (76.2m) to test the down-dip extension of the DDH 1 intersections. The interval 114 to 117ft analysed 0.17% Cu.

DDH 3 intersected three intervals with lead mineralisation:
from 432 to 433ft 1ft @ 2% Pb;
from 586 to 587ft 1ft @ 0.15% Pb;
from 986 to 988ft 2ft @ 0.1% Pb.
The high lead value was observed in red siltstone. No lead minerals were observed in the examined core.

DDH 4 drilled to 350ft (106.7m) intersecting one grey sandstone horizon from 54 to 74ft down the hole. No geochemical anomalies were observed in DDH 4 (Grainger 1968).

In 1977-78 Otter Exploration NL exploring for uranium undertook an airborne radiometric survey with preliminary ground follow-up of radiometric anomalies. No uranium mineralisation was located and Otter relinquished their tenement (Kojan, 1979).

It is worth mentioning, however, that a ground follow-up of anomaly DMB13 located an ironstone which analysed 85ppm Pb, 490 ppm Zn. Results for gold reported are not considered reliable due to the high detection limit of 50ppm.

In the south-east corner of the licence the Utopia Prospect is observed where tantalite occurs within pegmatite intruding gneiss/micro-gneiss. The prospect is reported to be weakly radioactive (Kojan, 1979).
4.0 PRESENT INVESTIGATION

4.1 ANOMALY DMBA13 (IRONSTONE)

The DMBA13 anomaly of Otter Exploration (see previous exploration) was inspected. Two rock-chip samples of ironstones (lateritised sediments) and two of country rock at the anomaly were analysed for gold, silver and base metals. Gold, silver and arsenic values were below detection limits. Slightly elevated base metal values were observed in two of the collected samples. All results are listed as follows:

<table>
<thead>
<tr>
<th>Sample No.</th>
<th>Lithology</th>
<th>Cu ppm</th>
<th>Pb ppm</th>
<th>Zn ppm</th>
<th>As ppm</th>
<th>Ag ppm</th>
<th>Au ppm</th>
</tr>
</thead>
<tbody>
<tr>
<td>26097</td>
<td>Lateritised shales</td>
<td>100</td>
<td>110</td>
<td>290</td>
<td>&lt;50</td>
<td>&lt;1</td>
<td>&lt;0.01</td>
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<tr>
<td>26098</td>
<td>Lateritised chert</td>
<td>34</td>
<td>36</td>
<td>250</td>
<td>&lt;50</td>
<td>&lt;1</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>26099</td>
<td>Chert with limonite</td>
<td>11</td>
<td>&lt;4</td>
<td>5</td>
<td>&lt;50</td>
<td>&lt;1</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>26100</td>
<td>Quartzitic sandstone</td>
<td>6</td>
<td>4</td>
<td>8</td>
<td>&lt;50</td>
<td>&lt;1</td>
<td>&lt;0.01</td>
</tr>
</tbody>
</table>

4.2 DRILL-HOLE SAMPLING

Several samples of material from old drill holes were collected and analyzed for gold with all results being less than 1 ppm gold.

5.0 CONCLUSIONS AND RECOMMENDATIONS

No significant gold base-metals anomalies were apparent in the rock-chip and drill-hole sampling. The potential of the licence for gold mineralisation has been down-graded. No further work is warranted and relinquishment of EL5903 was recommended.

6.0 EXPLORATION EXPENDITURE

Expenditure in EL5903 for the licence year were:

- Staffing costs: 13,800
- Travelling and motor vehicle expenses: 2,350
- Analyses drafting, maps: 250
- Overheads: 900
- Total expenditure: $17,300
7.0 REFERENCES

Grainger, D.J., 1968 - "Investigation of Copper Mineralisation at Mt Skinner, N.T."
NTGS Open File Report GS 68/1

Otter Exploration Report
NTGS Open File Report CR 79/35