EL 7552

MOUNT RINGWOOD PROJECT

Annual Report for the period 13th December to 12th December 1994.

Solomon Pacific Resources NL
G. Hamilton
N.T. 2/94
GOLD EXPLORATION POTENTIAL OF EL 7552
MOUNT RINGWOOD, NORTHERN TERRITORY

SUMMARY

Solomon Pacific Resources NL is the current holder of EL7552 located approximately 100
kms SE of Darwin and 30 kms east of Mount Ringwood Station.

EL 7552 was granted on 12 December 1991 for a period of six years and consisted of four
blocks. An application has been lodged to retain two blocks for a further year.

Delta Gold NL entered into a joint venture in June 1992 and withdrew in December 1993
without earning any equity.

The area has potential for structurally controlled gold deposits hosted by quartz veins in
sediments of the Lower Proterozoic Burrell Creek Formation. Rock types include
greywacke, siltstone and shale and these have been intruded by dykes of possibly
lamprophyric composition.

Prior exploration in the area located gold mineralisation at the Hidden Valley and Lost
Horizon prospects. Delta Gold concentrated exploration in the Lost Horizon area in 1992
drilling 6 RC holes T0test gold and arsenic soil anomalies. The best intersection was 2 m
@ 14g/t Au, however, the remaining holes returned narrow zones of anomalous gold
mineralisation.

Recent exploration was to be based on results of grid based sampling to be carried out at
the North Ringwood prospect, immediately north of the northern boundary of EL 7552.
Sampling was commenced in early November at North Ringwood, however heavy early
rain restricted access to the area in general. Field work had to be abandoned in late
November because the station tracks were impassable.

Field work will recommence as soon as possible in the new year with sampling designed to
follow-up extensions of stratabound mineralisation located in the North Ringwood prospect.
INTRODUCTION

The area is 100 kms southeast of Darwin, located between the Margaret and McKinlay Rivers, SE of the Ringwood Range. The now disused Goodall Gold Mine (WMC, Grace) is 25 kms to the West. Access is via the Tortilla Flats Research Station from the Stuart Highway, then on to Mount Ringwood Station. In the dry season, the EL area is entered on station tracks either from the north west or south west.

Latitude 13°10', Longitude 131°36'.
Mount Ringwood 1:50,000 sheet, Map 14/3-IV.

EL 7552 was applied for by Solomon Pacific Resources NL on 19/8/91 and was granted on the 12th December 1991 for a period of 6 years.

The Original EL covered four blocks, however, the area has been reduced by compulsory relinquishment to two blocks, numbered 5118 and 5218.

Excluded from the EL area are 7 MCMs (1030-1034, 1642, 1643 and 2519) located along the eastern boundary of the ELA and registered in the name of Mr G.P. Hamilton of Queensland.

2. Geology

Burrell Creek Formation outcrops over about two thirds of the application area and lithologies include greywacke, siltstone, sandstone, ferruginous shale and phyllite. The sediments form low rounded hills rising to 50m above surrounding black soil plains. The Margaret River Granite intrudes Burrell Creek Formation some 8 to 10 kms to the SW.

The weak hornfelsing reported by previous workers represents either contact metamorphic effects of the Margaret River Granite or granite at depth. Lamprophyre dykes trending NW are common in the North Ringwood area and are reported in the southern part of the ELA. Occasional dolerite dykes are present.

Several deformation phases have affected the sequence of sediments. Folding is tight isoclinal with axes trending north and NNW and plunging to the NW. Bedding strikes NNW and is steeply dipping to sub-vertical. A steep to near vertical slaty axial plane cleavage is well developed in siltstone and shale lithologies. Fracturing of a WNW and ESE joint set may be responsible for the strong photo-lineament pattern over the ELA. A set of NE-SW trending cross faults (see Fig. 4) is interpreted from airborne magnetics acquired by Occidental in 1978/79.

Quartz vein distribution is shown in Fig. 3 which has been complied from open file mapping. The main trends are NS and NW. A high concentration is evident in the western half of the area.

3. Mineralisation

The Ringwood Goldfield extends over a trend of some 7 kms and was the site of important Chinese alluvial, eluvial and hard rock mining during the period 1894 to 1902 with a total of 2,800 ozs produced. The hard rock mineralisation is related to late stage hydrothermal quartz mineralisation localised in axial fold structures.
Two main lines of reef were worked, the NW-SE trending North Ringwood-Hidden Valley line and the N-S trending Ringwood-South Ringwood line (see Figs 1 and 2).

At North Ringwood, numerous workings were developed in broad zones of quartz reefs, breccia zones and saddle reefs and adjacent eluvial concentrations. At Hidden Valley, 2kms to the SW sulphidic quartz reefs with scorodite are hosted by a steep west dipping sequence of siltstone and greywacke. The reefs extend for 500m along strike along axial plane shearing and fracturing.

At South Ringwood, a linear zone of intermittent quartz veining extends for 2 kms. Sub-parallel quartz veins occur over a width of 50m. The veins are hosted by interbedded siltstone and greywacke. Individual quartz veins range from less than 30cms to 1m or more. The lodes consist of sulphidic quartz reefs along axial plane shearing and fracturing. The better lodes were from 1.2 to 4.6m thick and averaged 1 oz/t Au. The Ringwood-South Ringwood workings extend over a strike length of 2000m.

The Hidden Valley prospect is located in EL 7553 and grid based soil and rock chip sampling had defined targets for follow up. Two fence lines of holes were drilled comprising three holes per line. The best intersection was in HV5 of 2m @ 14 g/t Au, which tested the +100 ppb soil Au anomaly and several rock chip results of up to 9.5 ppm Au. The remaining holes intersected anomalous gold in narrow zones up to 2m wide. Most intersections were in argillite. The interpretation by Delta that the mineralisation occurs in zones dipping at 45° is queried. A better interpretation may be that the mineralisation parallels the geology, be it stratigraphy or dyke intrusions.

4.0 Work Carried out by Solomon

Following Delta Gold’s withdrawal from the project, Solomon has carried out a detailed evaluation of all the exploration results to date. A summary of the exploration activities prior to Delta’s involvement is contained in their Annual Reports and adequately covers the work done by several companies. A summary of the White Mining and Delta Gold exploration follows:

**Delta Gold**

Delta carried out reconnaissance BLEG stream sediment sampling over the EL area. This located the Lost Horizon and Hidden Valley prospects which were prospected using rock chip sampling and geological mapping.

Follow up exploration was carried out on the Hidden Valley prospect only and consisted of grid based soil sampling, magnetometer traversing and drilling of 6 RC percussion drill holes.

The Hidden Valley prospect is located in the central portion of EL7552. Two fence lines of holes were drilled comprising three holes per line. The best intersection was in HV5 of 2m @ 14 g/t Au, which tested the +100 ppb soil Au anomaly and several rock chip results of up to 9.5 ppm Au. The remaining holes intersected anomalous gold in narrow zones up to 2m wide. Most intersections were in argillite. The interpretation by Delta that the mineralisation occurs in zones dipping at 45° is queried. A better interpretation may be that the mineralisation parallels the geology, be it stratigraphy or dyke intrusions.
Delta also carried out bulk sediment sampling over the EL area to assess the potential for diamond bearing lamproite bodies. Study of heavy mineral concentrates were disappointing with no indicator minerals of significance reported.

4.1 Current Exploration Programme

Detailed review of the results of all exploration activities has been carried out by Solomon during the current year. In particular, review of the results in the adjacent EL 7889 has indicated a possible stratigraphic control to the mineralisation in the North Ringwood prospect area. Exploration in late 1994 was directed at testing this association and the results are reported in the Annual Report (Solomon Report No. N.T. 2/95). although follow up sampling and extension of the grid to the east is required, the results broadly confirm that stratigraphic does control the trend of the mineralisation in the prospect area.

Exploration in EL7889 was to be based on the results of the sampling in EL7552. Sampling was carried out in early to mid November 1994 over the North Ringwood prospect but early heavy rains made access to the area impossible and field work was abandoned in late November.

As the exploration in EL7552 depended on the results of exploration over the North Ringwood prospect, exploration has not been possible to test for extensions and/or repetitions of the stratabound mineralisation. Follow-up is planned as soon as access is possible in the coming dry season.

5.0 1995 programme

1. After completion of grid based sampling and assessment of the results at the North Ringwood prospect, extensions to the mineralisation will be sought into the northern part of EL7552. Exploration will consist of grid based soil sampling, geological mapping and magnetometer traversing.

2. Where results warrant, RC percussion drilling of selected targets.

3. Detailed geological mapping of the Hidden Valley prospect and assessment of the results of all past exploration.

A minimum exploration expenditure of $15,000 is proposed for the current year of EL7552.

6.0 Expenditure

Exploration expenditure for the year totalled $8,644.