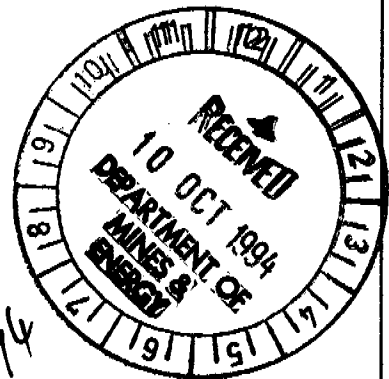


**EXPLORATION LICENCE 8185
ANNUAL REPORT FOR 1993/94**

**J. W. BENDER
Proprietor**

[Signature]
12-10-94



CR 94 / 744

INTRODUCTION

Exploration Licence 8185 was granted on 1/9/93 to John William Bengner for a period of three years. The expenditure covenant for the first year was \$11,000.00. The area of the Licence covers 24 graticular blocks, being approximately 75 square kilometres. The Licence is located on the Finke 1:250,000 Tenement Plan.

GEOLOGY AND MINERALISATION

Very little exploration has ever been carried out within the borders of the Finke 1:250,000 map area. Little is known of the geology of the Finke area other than BMR mapping in the early 1960's. The area within EL 8185 is covered by Quaternary alluvium, the Lower Cretaceous Rumbalara Shale and the Jurassic(?) DeSouza Sandstone. It is believed that this afore mentioned geology is underlain by the very eastern most extremity of the Musgrave Block. The Licence area contains a number of photo anomalies which are the focus of exploration work and these anomalies are considered to be possibly Kimberlite or Carbonatite intrusions.

WORK CARRIED OUT IN 1993/94

Due to certain difficulties, no work was carried out within the first year. Extensive discussions were held with Robertson Research in Sydney re planned exploration work, but every thing fell through at the last moment.

The area is currently under option to Ashton Mining who will carry out the basic 1993/94 exploration proposals during the month of October, 1994.

EXPENDITURE

The full expenditure commitment was not met for the year. Expenditure details are as follows:

Consultant's Fees	\$4,200.00
Administration	\$1,000.00
Wages	\$2,000.00
Total	7,200.00

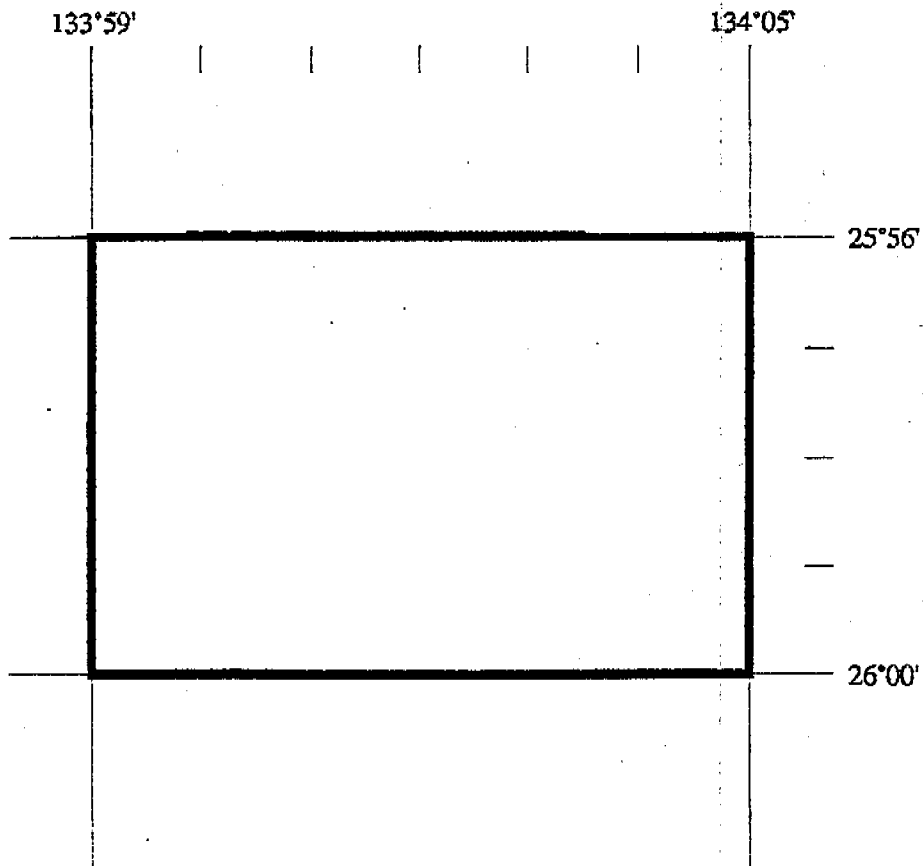
YEAR TWO EXPLORATION & EXPENDITURE PROPOSALS

Work program for year two of the Licence is dependant on results of the first years program which is only now commencing. Results from this work will not be available until early November, 1994. However, it is envisaged that a more substantial soil sampling program will be carried out, detailed magnetic survey and RAB drilling are also envisaged for the second year's exploration program if preliminary sampling defines exploration targets.

Pending a successful outcome of current and future sampling, an expenditure proposal of \$30,000.00 minimum is proposed for year two of the Licence.

J. W. Bengner
Proprietor EL 8185

LOCALITY MAP



EL8185
24 BLOCKS
77 sq kms