EXPLORATION LICENCE 8348

FRANCES CREEK

Pine Creek 1:250,000 map sheet area, SD-52-8
Union Reef 1:50,000 map sheet area, 5270-1

Relinquishment Report for the Period ending 20/12/96

CORPORATE DEVELOPMENTS PTY. LTD.
ACN 009 610 271

G. Chrisp
March, 1997
EXPLORATION LICENCE 8348, FRANCED CREEK

Tenure Location Map
Nominal Scale
CONTENTS

1 Keywords and Summary
2.0 Tenure
3.0 Previous Exploration
4.0 Geology and Mineralisation
   4.1 Stratigraphy and structure
   4.2 Mineralisation
5.0 Exploration Models and Targets
6.0 Field Work Completed
   6.1 General Prospecting
   6.2 BLEG Sampling
7.0 Conclusions and Proposed Exploration

APPENDIX

APPENDIX 1 STREAM SEDIMENT ASSAY RESULTS, ppb, Au, ppm As.

FIGURES

FIGURE 1 Tenure Location Map
FIGURE 2 Tenure
FIGURE 3 Geology, tenements and mineral occurrences
FIGURE 4 Geological Interpretation, 1:25,000
FIGURE 5 Sample location map, 1:25,000
FIGURE 6 Gold assay results
EXPLORATION LICENCE 8348, FRANCES CREEK

Tenure Map
Nominal Scale

Relinquished in 1995
Relinquished in 1996
1.0 KEYWORDS AND SUMMARY

Touhy's Gold  L Proterozoic  Wildman Siltstone  Siltstone
 anticlinal  NW.

Work completed has consisted of a review of previous exploration, an analysis of the available data and the identification of areas warranting field prospecting, and geological reconnaissance and BLEG stream sediment sampling.

2.0 TENURE

Exploration Licence 8348 was granted to Corporate Developments Pty Ltd. pm 21/12/93 for a period of six years (Figure 1 and 2).

On the 21st December an area of 2 blocks, being approximately 3.6 sq. km on the Union Reefs sheet SD 52-8-5270-1 namely, 42, 45/32 were relinquished.

3.0 PREVIOUS EXPLORATION

Open files reports present the results of exploration carried out by companies in conjunction with the mining of the Frances Creek iron ore deposits. Gold has been reported as a credit in some parts of the iron ore and some limited gold exploration is reported to have been carried out under Mining Lease title (not on open file).

4.0 GEOLOGY AND MINERALISATION

4.1 STRATIGRAPHY AND STRUCTURE.

The predominant rock types within the Frances Creek area are those of the Mount Partridge Group (Wildman Siltstone and Mundogie Siltstone), with Zamu Dolerite intruded along fold axes, figures 3 and 4.

Regional fold axes in the sediments trend generally north-north-west with crests approximately one or two kilometres apart. Local axes, probably related to second phase or parasite folding developed on the western limb of the regional anticline, can be as close of 250 metres apart. A set of later, cross cutting, structures trending either north-east to north-north-east, or east-south-east, disrupt the regional sedimentary fold axis trends causing local displacement and apparent thinning of rock units.
4.2 MINERALISATION

Extensive iron ore deposits have been mined within the licence area and gold prospects occur to the north (McKeddies, quartz veins and stock work in altered Zamu Dolerite), east (Frances Creek, an east dipping lode containing quartz/haematite veins with sheared shale in highly folded Masson Formation) and west (Watts Creek, alluvial and hard rock). The literature records traces a gold being present in the iron ore deposits but available assays have returned low values. It is widely accepted that the gold mineralisation originated with the post tectonic granitoids and were introduced into favourable structural sites in folded and fractured host sediments. Enrichment of gold grades in the oxidised zone has been significant.

5.0 EXPLORATION MODELS AND TARGETS

The licence area is prospective for:

- Touhys style of gold mineralisation, where gold mineralisation emplaced in dilational structural traps, within siltstone, carbon rich lithology's, or BIF's
- Disseminated and stock work gold mineralisation in and associated with the Zamu Dolerite in fold axes.

6.0 FIELD WORK COMPLETED

General prospecting was carried out across the licence area with minor alteration and veining being noted. Stream sediment BLEG and rock chip samples were collected and returned low values that do not warrant Corporate Development to follow up.

Sample assay results are attached in appendix 1, and results are presented on maps 5 and 6.

7.0 CONCLUSIONS AND PROPOSED EXPLORATION

The primary focus of exploration is for gold deposits and the results to hand to not encourage ongoing work.
### APPENDIX 1

**Rock chip Sample Results**

<table>
<thead>
<tr>
<th>Sample</th>
<th>Au</th>
<th>Au Dpl (pp'm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FC55</td>
<td>0.09</td>
<td>-</td>
</tr>
<tr>
<td>FC54</td>
<td>0.07</td>
<td>-</td>
</tr>
<tr>
<td>FC64</td>
<td>&lt;0.01</td>
<td>&lt;0.01</td>
</tr>
<tr>
<td>FC65</td>
<td>0.06</td>
<td>0.07</td>
</tr>
<tr>
<td>FC32</td>
<td>&lt;0.01</td>
<td>-</td>
</tr>
<tr>
<td>FC24</td>
<td>0.03</td>
<td>0.03</td>
</tr>
</tbody>
</table>