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Figure 1 - Location Map
INTRODUCTION

Mineral Claim N765 is located close to the northern side of the Stuart Highway, 2.5km south-east of Emerald Springs.

The claim was originally granted to Frazer Henry, Neville Walker, Edmund Bailey and John Wright for a term of ten (10) years from 22nd March 1984 over an area of 8.8 ha. The claim was transferred to Harlock Pty Ltd on 5th March 1986 and on and from 18th April 1988 it came under the control of the Tanami Joint Venture comprising Zapopan N L (50%), Kumagai Gumi Co Ltd (30%) and Kintaro Metals Pty Ltd (20%).

The claim was surrendered on 12th December 1990.

The location of MCN 765 is shown on the attached tenement map.

This report is submitted as required by section 94 of the Mining Act.

GEOLGY

Rock types found in the area are typical of the Golden Dyke Dome type stratigraphy. A quick traverse across strike revealed the following stratigraphic sequence from east to west: grey siltstone - hard purple shale - ?BIF - carbonaceous shale-dolerite.

The mineralized horizon lies at the boundary between purple siltstone and carbonaceous shale. It is defined by well developed saccoroidal quartz/chert boundinage set in a laminated shaley matrix and closely associated with gossanous iron oxides. The unit closely resembles BIF units of the Golden Dyke Dome. Individual boudins range in size from 1-3 cms across in one horizon and 20-30 cm across in the horizon immediately above. Fine quartz veining was also noted, associated with the gossan along strike.

SAMPLING

Six rock-chip samples were collected along the strike of the quartz-gossan-BIF rock.

All samples were assayed for Au, As, Cu, Pb, Zn. All were anomalous in As, values ranging from 520 ppm to 930 ppm; Pb values ranged from 66 to 1240 ppm; Cu values ranged from 89 to 167; Zn values ranged from 31 to 180 ppm. All samples were below detection limit for Au.

The samples were analyzed at Australian Assay Laboratories in Pine Creek.
Results

<table>
<thead>
<tr>
<th>Sample No.</th>
<th>Au</th>
<th>Au(R)</th>
<th>As</th>
<th>Cu</th>
<th>Pb</th>
<th>Zn</th>
</tr>
</thead>
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<tr>
<td>ES 1</td>
<td>&lt;0.01</td>
<td>0.01</td>
<td>700</td>
<td>109</td>
<td>66</td>
<td>180</td>
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<tr>
<td>ES 2</td>
<td>&lt;0.01</td>
<td>&lt;0.01</td>
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<td>137</td>
<td>405</td>
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<td>ES 3</td>
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<td>100</td>
<td>420</td>
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<tr>
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<td>1240</td>
<td>38</td>
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<tr>
<td>ES 5</td>
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<td>&lt;0.01</td>
<td>930</td>
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<td>470</td>
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<tr>
<td>ES 6</td>
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<td>&lt;0.01</td>
<td>850</td>
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<td>102</td>
<td>44</td>
</tr>
</tbody>
</table>

All data in ppm.

CONCLUSIONS

It is considered that the gossanous zone was sufficiently covered by rock chip sampling to indicate the presence of gold mineralization. Due to the disappointing nature of the results, it is suggested that the ground be relinquished.

The claim was surrendered on 12th December 1990.