EXPLORATION LICENCE 7725
MOUNT WELLS

Pine Creek 1:250,000 map sheet area, SD-52-8
Pine Creek 1:100,000 map sheet area, 5270

ANNUAL REPORT FOR THE PERIOD ENDING
12 NOVEMBER, 1997

CORPORATE DEVELOPMENTS PTY. LTD.
ACN 009 610 271

G. Chrisp
November, 1997
CONTENTS

1.0 Summary
2.0 Tenure
3.0 Regional Geology
4.0 Local Geology
5.0 Field Work Completed
6.0 Conclusions
7.0 References
8.0 Expenditure

FIGURES

FIGURE 1  Tenure Location Map
FIGURE 2  Licence Boundary and Relinquished Area
FIGURE 3  Regional Geology

TABLES

TABLE 1  Stratigraphy of the Pine Creek Geosyncline

PLATES

PLATE 1  EL7725, GEOLOGY 1:10,000
1.0 SUMMARY

During the fifth year surveys were undertaken, exploring for possible extensions of the Mt. Wells tin/copper lodes.

Indications of mineralised zones were found and further follow up work is warranted.

2.0 TENURE

Exploration Licence 7725 was granted to McCleary Exploration and Mining on 12th November, 1992 for a period of six years. The Licence was transferred to Corporate Developments Pty. Ltd. on 31st January, 1994.

The Licence covers two blocks, being 6.5 sq. kms; ie

Ban Ban Sheet 23/70, 24/70

3.0 REGIONAL GEOLOGY

The Frances Creek area of the Mount Wells district lies in the central portion of the Paleo-proterozoic Pine Creek Geosyncline, a macroscopic structure of 66,000 sq. kms in the Katherine to Darwin region.

This province consists essentially of Early Proterozoic fluvialite and basinal sediments (with minor bemauled volcanics) that on-lapped small exposures of Archaean inliers. On going sedimentation changed to flyschoid sedimentation. The regional stratigraphy is shown in Table 1 and described in Stuart-Smith et al.

During the waning stages of the deposition, igneous dykes and sills were intruded. The sediments were then folded and metamorphosed to Lower Greenschist facies grade metamorphism in the central part of the basin. This led to the development of the Top End Orogeny (1870-1855 Ma), when sny-to post tectonic granitoid plutons and dolerite lopoliths were emplaced. Extensive granite emplacement (1850-1800 Ma) took place after the main deformation event as evident by the superposition of contact over regional metamorphic fabrics (Figure 3).
The tectonic history suggests four phases of deformation;

D1 and D2 are related to metamorphic development produced bedding and foliated regional folds.

D2 developed shallow dipping low angle shear zones in response to crustal shortening during basinal compression.

D3 and the development of F3 folds that are tight to very tight N-S trending folds and refolded S1/S2 folds.

D4, a final folding episode that refolded F3 folds along an E-W axis producing open folds with steep dipping axial planes.

The basin is unconformably overlain by flat lying Mesozoic and younger strata (Figure 3).

4.0 LOCAL GEOLOGY

The observed geology of the licence is shown on Map 1 and described in the 1996 Annual Report by Carthew.

5.0 FIELD WORK COMPLETED

The area of the EL is a continuation of the Mt. Wells mineralised system and is characterised by fractural greywacke and sheared siltstone.

The Horne's Creek copper zone is hosted by silicified greywacke with subordinate siltstone.

Outcrop consists of rugged quartz with minor gossan and rare weak malachite staining.

Secondary silicification has lent an almost buck appearance to the veins whereas at depth the vein material is up to 50% sulphides, pyrite, chalcopyrite and some sphalerite and bismutrite.

The primary ore where mined or drilled is about 3.5% Cu.
Exploration in 1997 consisted of a ground search to locate surface mineralisation of zones of intense alteration which may be worth exploring at depth for Cu and Sn.

Although no definite vein systems not already known were located it was noted that the continuation of the main lode and west lode mineralised systems continue through the EL mainly as ferruginous sheared siltstone with minor gossan. Typically, these veins have a strike of 30-50m and a maximum width of 30 cm. A stronger tin price would justify exploration at depth.

The Horne's Creek copper mine creek contains gold that has a source unrelated to the known copper mineralisation.

A search of the head waters of the creek did not yield any worthwhile targets; however the source of the gold may be further to the west outside the EL.

The gold occurs as very coarse colours and small nuggets with very little fine or small flaky gold. No sign of old Chinese workings or costeans, (apart from the copper workings) were found, but it is evident the main creek was worked for gold and tin.

6.0 CONCLUSIONS

Mineralisation from the Mt. Wells tin/copper deposit extend the Exploration Licence.

Further follow up work is proposed to further define the mineralised areas.

7.0 PROPOSED PROGRAMME

Sample and map underground workings of the Horne's Creek copper mine, and follow up gold, copper, and tin mineralisation on surface.

Proposed expenditure $3,000
8.0 EXPENDITURE

Expenditure to November, 1997

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<tr>
<th>Description</th>
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<tbody>
<tr>
<td>Field Work</td>
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<td>Administration and Reporting</td>
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<td><strong>Total</strong></td>
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SIMPLIFIED GEOLOGY OF THE PINE CREEK REGION.