SIROCCO RESOURCES NL

MOUNT BUNDEY PROJECT

Relinquishment report for Eastern Block of EL 9161

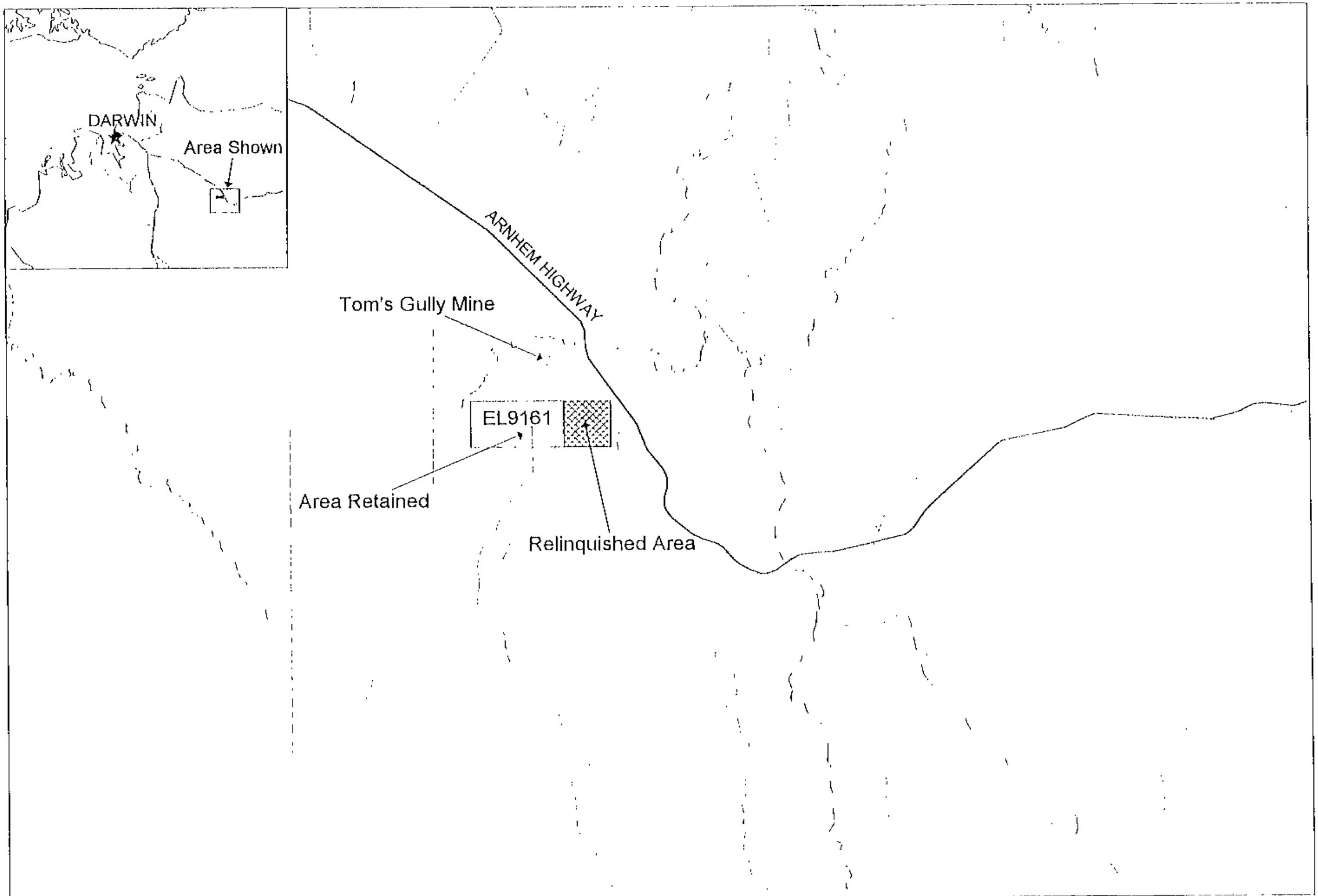
[Excluding Mineral Lease Application Area]

by

D.J.Catherall

Dated:- 30th August 1998

Contents


DARWIN
Area Shown
ARNHEM HIGHWAY
Tom's Gully Mine
EL9161
Area Retained
Relinquished Area

131°31'
131°32'
131°33'
131°34'
131°35'
131°36'
131°37'
ARNHEM HIGHWAY
12°49'
12°50'
12°51'
12°52'
12°53'
-12°49'
-12°50'
-12°51'
-12°52'
Tom's Gully Mine
EL9708
EL9706
EL21366
EL9743
Area Retained
EL9161
Relinquished Area
Rustlers Roost 10km
Sirocco Resources NL
Relinquished Area
EL9161
Figure 2
0
0.5
1
2
Kilometres

ABSTRACT

EL9161 was explored by geological reconnaissance. power auger sampling. and shallow Rab drilling for gold and silver mineralisation.

A mineralised area located by aeromagnetics was confirmed by field mapping . and followed up by a sampling and drilling programme.

A 40 hectare mineral claim has been applied for to encompass the mineral anomaly. and the remainder of the eastern sub-block of EL9161 has been relinquished.

INTRODUCTION

Kakadu Resources NL were granted EL 9161 on the 2nd August 1995 for a six year period.

Sirocco Resources NL acquired the property from Kakadu along with their other assets. and listed on the Australian Stock Exchange the 20th of December 1996.

Recapitalisation of the company was completed on the 5th of June 1997. and exploration of it`s mining tenements started immediately in EL9161 by Rab drilling a known aeromag anomaly. This was followed by an auger traverse across the three sub-blocks. which resulted in the definition of two anomalous gold areas.

A mineral claim has been applied over the first aeromag anomaly. and the second zone appears to be related to an extension of the Tom`s Gully mine Crabb Fault. Furher geochemical work is required over both of these areas.

LOCATION AND ACCESS

The area is located approximately 85 kms southeast of Darwin along the Arnhem Highway. and can be accessed from the Highway via the Rustler`s Roost road. or by station track from Tom`s Gully.

Access from the Arnhem Highway is all-weather and maintained by the Boral quarry which is located in EL9161 on EMLNs 59. 66 and EMPN 284.

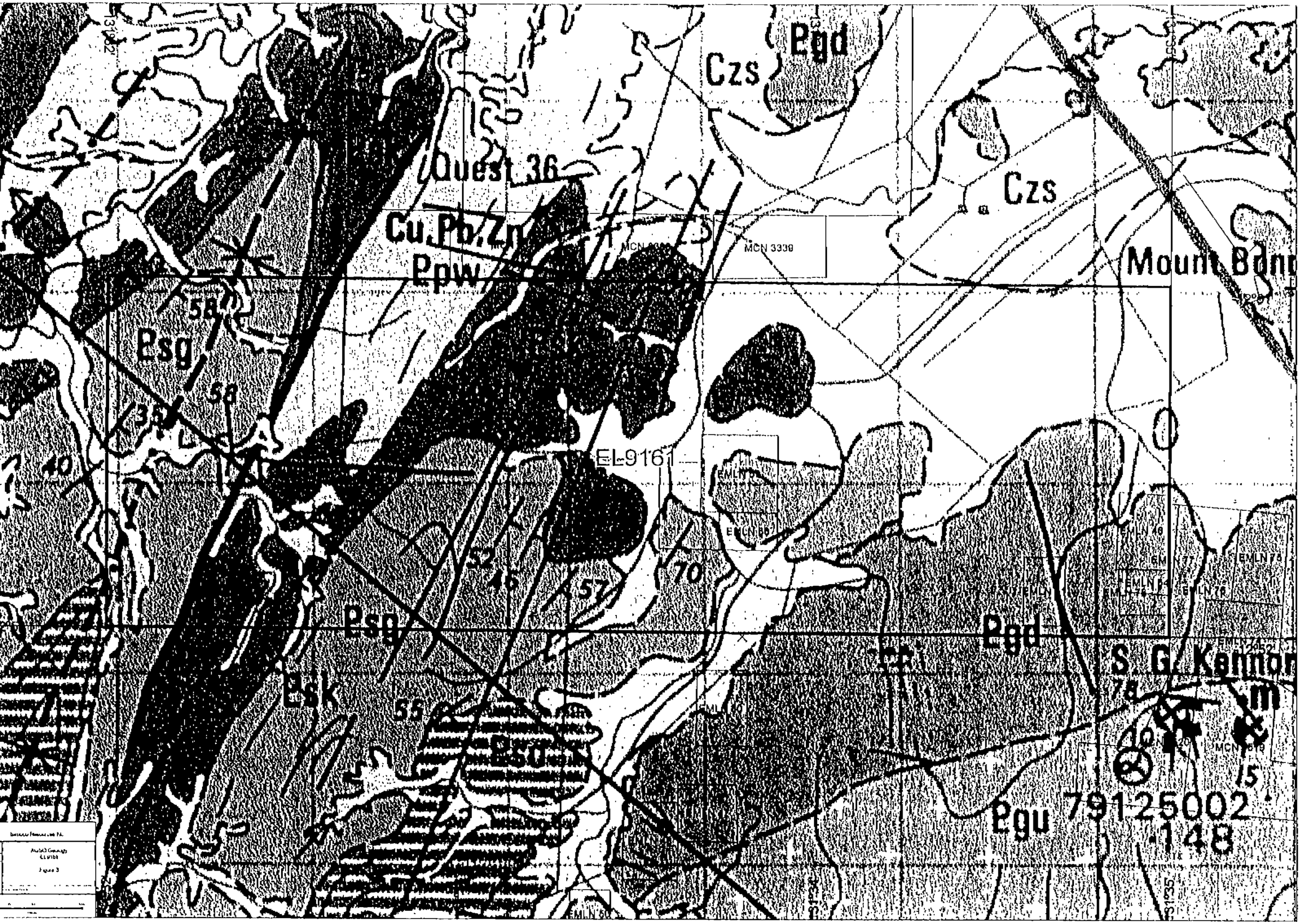
TENURE

The licence area covers three blocks bounded by longitudes 131-32 and 131-35. and latitudes 12-51 and 12-52. THE EASTERN BLOCK to be relinquished has the coordinates 131-34 /12-51. 131-35/12-51. 131-34/12-52 and 131-35/12-52.

Excluded from the relinquished eastern block is a 40 hectare mineral claim pegged on the 24th August 1998.

The area was granted for a period of 6 years from 2nd August 1995.

GEOLOGY


Czs
Egd
Quest 36
Cu,Pb,Zn
Ppw
Czs
MCN 3339
Mount Bonn
EL-9161
Psg
Psg
Egd
Esk
Egu
S. G. Kennor
79125002
148

Geological Legend

Qa
Black Soil

Cz
Cainozoic

Pgd
Mount Goyder Syenite

Pgu
Mount Bundey Granite

Pdz
Zamu Dolerite

Pfb
Burrell Creek Formation

Pso
Mount Bonnie Formation

Psk
Koolpin Formation

Psg
Gerowie Tuff

Ppw
Wildman Siltstone

Ppm
Mundogie Sandstone

EL9161 is located in the north central part of the Pine Creek geosyncline of Early Proterozoic metasediments of the Mount Partridge and South Alligator Groups. Within these Groups the Wildman Siltstone which hosts the Tom's Gully gold deposit. and the Koolpin Formation that hosts the gold prospect at Quest 29 are both prospective for gold and are present in EL9161.

Regional deformation causing tight to isoclinal folding , and the intrusion of pre-orogenic sills of Zamu Dolerite took place at the end of the Lower Proterozoic. These events were accompanied by mostly greenschist metamorphism.

Late syn-orogenic to post-orogenic granites [Mt Bundey Granite and Mt Goyder Syenite] were intruded around 1840 to 1800 my. with associated lamprophyre dykes. This has led to increased hornfels metamorphism in the sediments adjacent to the granite contact.

There also appears to be evidence for a mineralisation halo of lead/silver to gold away from the granite contact.

As a result of these tectonic events structural deformation is complex. and further complicated where there are interbedded variations in competency within the metasediments. ie. where there are alternating soft carbonaceous shales and hard arenaceous siltstones .

PREVIOUS EXPLORATION

The early explorationists targetted the area primarily for uranium. and carried out regional airborne radiometric and magnetic surveys. These included Australian Geophysical [1969-1971]. Geopeko Limited Gondwana Project in the mid 70's. Comalco [1975]. Occidental [1974-1979]. and Acqitaine [1980's]

Geopeko had located base metal mineralisation at Quest 29 and joint ventured some of their tenements to Carpentaria Exploration.

Carpentaria Exploration in 1986 in EL4927 located from a stream sediment in Mount Bundy Creek the Tom's Gully goldmine. which is located 2 km from the northern boundary of EL9161.

MAPPING

Reconnaisance geological mapping showed the Wildman Siltstone outcropping in the western and central blocks of EL9161. with black soil cover over most of the relinquished eastern block except for the south east corner where metasediments of the Koolpin Formation and Gerowie Tuff occur adjacent to the Mount Goyder Syenite/Mount Bundey Granite outcrop.

The boundary between the metasediments and the intrusive granite is relatively sharp and can be defined in places to within a few metres in the southeast corner. Elsewhere it is concealed beneath black soil cover.

The relinquished eastern block includes a contact between the Mt Goyder Syenite and the Gerowie Tuff. and between the Gerowie tuff and the Koolpin Formation. The latter contact is shown on surface as an iron rich laterite zone that strikes at 220 degrees magnetic. and correlates with the aeromag anomaly.

A mineral claim has been applied for over this area which has enhanced gold levels and is excluded from this report. ref Figure 3.

SAMPLING

Shallow Rab and auger drilling were both used to evaluate the aeromag anomaly in the eastern block which is beneath a black soil cover. Using low detection analysis for gold [Bleg] a peak 20ppb was found in the Rab and 12ppb peak at the same location in the auger sampling

The assays applicable to the relinquished block are included as attachments [1] Auger results.

A power auger was used to provide a sample below the soil and black soil cover at depths ranging from 1 to 3 metres depth. ie primarily from the "C" horizon. or as close to bedrock as possible.

A sample spacing of 25 metres was used to locate any mineral anomalies. and then these are followed up with additional soil sampling and RC or Rab drilling.

Assay Results

These are listed in attachment [1]. Excluded from the attachment are the auger results and the Rab assay results that are contained in the excised mineral lease area.

Rehabilitation

Both the auger holes and the shallow Rab drillholes have been filled in and no visible ground disturbance remains.

All drilling and sampling consumables have been removed and incinerated at the Tom's Gully Mine refuse facility.

Conclusions

EL 9161 eastern block has been explored by ground mapping. and sampling by power auger.

A large portion of the area is covered by black soil over granite and metasediments of Gerowie Tuff and Koolpin Formation.

Some anomalous bleg results for gold .and a lateritic area defined by aeromag survey has been retained in a mineral claim for further valuation.

The rest of the block has been relinquished.

131°34'
131°34'10"
131°34'20"
131°34'30"
131°34'40"
131°34'50"
131°35'
-12°50'50"
-12°51'
-12°51'10"
-12°51'20"
-12°51'30"
-12°51'40"
-12°51'50"
-12°52'
-12°52'10"

ST - 134
ST - 131
ST - 128
ST - 125
ST - 122
ST - 119
ST - 116
ST - 113
ST - 110
ST - 107
H12
ST - 104
ST - 101
ST - 98
H1
ST - 95
ST - 92
ST - 89
ST - 86

MCN(A) 5229

EMLN 46
EMLN 7
EMLN 54
EMLN 78
EMLN 51

Sirocco Resources NL

Sample Locations
Relinquished Area
EL 9161
Mineral Claim Area

Date 11/11/99
Author Haley
Office Toms Gully
Drawing Figure 4
Scale 1:50000
Projection Lonwgitude / Latitude (AGD 66)

0 0.5 1

ASSAYCORP

Report Code: ..... AC 38772
Samples Received: 04/10/97
Number of Samples: 51

Assaycorp Pty Ltd
A.C.N. 052 982 911
174 Ward St
Pine Creek NT 0847
Ph (08) 8976 1262
Fax (08) 8976 1310

Sirocco Resources

Report Distribution
David Catherall

Reference: 20975
Project: .....
Cost Code: .....

Sample Preparation:

Assay Data:

Analysis	Analytical Method	Digest	Technique	Precision & Accuracy	Detection Limit	Data Units
Au	BLEG		2Kg	Prec. ± 15 %	0.1	ppb
Ag	BLEG		2Kg	Prec. ± 10 %	0.1	ppb

Report Comment: This cover sheet is an integral part of the report. This report can only be reproduced in full.

Authorisation: Ray Wooldridge
Report Dated: 09/10/97

ASSAYCORP

ASSAY CODE: AC 38772

Sample	Au (ppb)	Ag (ppb)
ST-86	0.7	18.4
ST-87	0.6	9.2
ST-88	0.2	24.2
ST-89	0.2	20.8
ST-90	0.4	15.6
ST-91	0.5	18.2
ST-92	1.6	20.2
ST-93	0.1	13.6
ST-94	0.4	10.2
ST-95	0.8	11.6
ST-96	1.3	13.0
ST-97	2.1	9.2
ST-98	3.2	15.8
ST-99	2.9	26.8
ST-100	11.1	33.2
ST-101	7.2	15.8

ASSAYCORP

ASSAY CODE: AC 38772

Sample	Au (ppb)	Ag (ppb)
ST-112	2.8	5.8
ST-113	9.6	6.4
ST-114	2.7	12.4
ST-115	2.6	13.0
ST-116	2.8	4.4
ST-117	2.8	3.8
ST-118	9.3	6.6
ST-119	2.5	4.0
ST-120	1.5	2.8
ST-121	3.6	4.6
ST-122	1.3	8.6
ST-123	4.0	8.2
ST-124	3.0	8.0
ST-125	2.9	7.8
ST-126	0.8	14.2
ST-127	1.2	9.8
ST-128	1.7	11.2
ST-129	2.8	12.4
ST-130	1.8	7.8
ST-131	2.7	6.6
ST-132	2.3	9.5
ST-133	3.4	12.6
ST-134	2.4	10.3

ASSAYCORP

ASSAY CODE: AC 38772

Sample	Au (ppb)	Ag (ppb)
ST-141	1.1	16.5
Method	BLEG	BLEG

ASSAYCORP

Report Code: ..... **AC 44862**
Samples Received: 15/01/99
Number of Samples: 88

Sirocco Resources NL

PO Box 7066 Riverside Centre
Brisbane Qld. 4001

References: 20811
Project: .....
Cost Code: .....

Assaycorp Pty Ltd
A.C.N. 052 982 911
174 Ward St
PINE CREEK NT 0847
Ph (08) 8976 1262
Fax (08) 8976 1910

Report Distribution
David Catherall

Sample Preparation:

Assay Data:

Analysis	Analytical Method	Digest	Technique	Precision & Accuracy	Detection Limit	Data Units
Au	FALL	FA	AAS	Acc. ± 15 %	1	ppb
Au(R)	FALL	FA	AAS	Acc. ± 15 %	1	ppb
Ag	G300I	MA3	ICP-OES	Prec. ± 10 %	1	ppm
As	G300I	MA3	ICP-OES	Prec. ± 10 %	1	ppm
Cu	G300I	MA3	ICP-OES	Prec. ± 10 %	1	ppm
Pb	G300I	MA3	ICP-OES	Prec. ± 10 %	5	ppm
Zn	G300I	MA3	ICP-OES	Prec. ± 10 %	2	ppm

ASSAYCORP

Sample	Au (ppb)	Au(R) (ppb)	Ag (ppm)	As (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
H1-4	4		<1	24	31	40	20
H1-4-4.5	3		<1	37	43	25	26
H1-6	4		<1	22	52	21	40
H2-3	2		<1	27	39	49	41
H2-3-3.5	5	5	<1	20	62	57	228
H2-3.5-4	4		<1	20	52	37	214
H2-4.5-5	3		<1	28	46	24	39
H2-5	2		<1	14	37	46	137
H3-2	5	5	<1	23	90	45	57
H3-2-2.5	5	5	<1	16	186	62	122
H3-2.5-3	8	5	<1	22	257	44	172
H3-4	6		<1	12	328	47	352
H4-1	1		<1	40	110	55	16
H4-1-1.5	<1		<1	36	184	61	27
H4-1.5-2	1		<1	37	203	44	39
H4-7-7.5	<1		5	60	742	23	302

ASSAYCORP

ASSAY CODE: AC 44862

Sample	Au (ppb)	Au(R) (ppb)	Ag (ppm)	As (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
H-1	1	2	<1	25	36	57	7
H-1-2	3	3	<1	15	29	50	10
H1-3	1	1	<1	16	26	32	4
H2-1	2	2	<1	19	40	67	<2
H2-2	3	3	<1	5	23	32	<2
H3-1	4	4	<1	32	42	48	8
Method	FALL	FALL	G300I	G300I	G300I	G300I	G300I