SUMMARY SURRENDER REPORT

EXPLORATION LICENCES 5337.

FOR THE PERIOD 12 MAY 1989 - 11 MAY 1999

DALY RIVER
NORTHERN TERRITORY

1:250,000 - PINE CREEK (SD52-08)
1:100,000 - DALY RIVER (5070)

TENEMENT : EXPLORATION LICENCES 5337.
HOLDER: TROY RESOURCES NL - 100%
OPERATOR: TROY RESOURCES NL
REPORT NO: TR008/99
AUTHOR: K. DIXON
DATE: JULY 1999

DISTRIBUTION:
1. Dept of Minerals and Energy (NT)
2. Troy Resources NL
LIST OF CONTENTS

1.0 SUMMARY AND CONCLUSIONS ................................................................................. 4

2.0 INTRODUCTION ........................................................................................................ 4

3.0 TENEMENTS ............................................................................................................. 5

4.0 REGIONAL GEOLOGY ............................................................................................... 5

5.0 PREVIOUS EXPLORATION ....................................................................................... 6

6.0 EXPLORATION ACTIVITIES COMPLETED ................................................................. 7

6.1 Exploration for the Period 12-5-89 to 11-5-90 by GeoEko ........................................ 7

6.1.1 Airborne Magnetics and Radiometric Survey Data ............................................. 7

6.1.2 Surveying and Gridding .................................................................................... 7

6.1.3 Ground Magnetometry ...................................................................................... 8

6.1.4 Ground Electromagnetometry ............................................................................ 8

6.1.5 Rock Chip Sampling .......................................................................................... 8

6.1.6 Stream Sediment Sampling .............................................................................. 8

6.1.7 Geological Mapping ......................................................................................... 8

6.1.8 RC Drilling ....................................................................................................... 8

6.1.9 Petrography ...................................................................................................... 9

6.2 Exploration for the Period 12-5-90 to 11-5-91 by GeoEko ...................................... 9

6.2.1 Gridding ......................................................................................................... 9

6.2.2 Airborne Electromagnetic Survey .................................................................. 9

6.2.3 Ground Electromagnetic Survey .................................................................... 10

6.2.4 Ground Magnetic Survey ............................................................................... 10

6.2.5 Rock Chip Sampling ....................................................................................... 10

6.2.6 BLEG Stream Sampling .................................................................................. 10

6.2.7 Hand Auger Soil Sampling ............................................................................. 10

6.2.8 Vacuum Drilling ............................................................................................. 10

6.2.9 RC and Diamond Drilling .............................................................................. 11

6.2.10 Down hole Electromagnetic Survey .............................................................. 11

6.2.11 Previous Exploration Drill Hole Data ............................................................ 11

6.1.12 Petrography ................................................................................................. 11

6.3 Exploration for the Period 12-5-91 to 11-5-92 by GeoEko .................................... 11

6.3.1 Fixed Loop EM Survey ................................................................................... 11

6.3.2 RC, Diamond Drilling .................................................................................... 11

6.3.3 Downhole Electromagnetic Survey ................................................................. 12

6.3.4 Downhole Magnetic Survey ........................................................................... 12

6.3.5 Ground EM Survey ....................................................................................... 12

6.3.6 Ground Magnetic Survey ............................................................................... 12

6.3.7 Aircore Drilling ............................................................................................. 12

6.4 Exploration for the Period 12-5-92 to 11-5-93 by Troy Resources ....................... 13

6.4.1 Review and Exploration Summary .................................................................. 13

6.5 Exploration for the Period 12-5-93 to 11-5-94 by Troy Resources ....................... 13

6.5.1 Aeromagnetic Interpretation ......................................................................... 13

6.5.2 Compilation/Analysis of Geochemical Database ............................................. 13

6.5.3 Geological Mapping ....................................................................................... 13

6.5.4 Rock Chips ................................................................................................... 14

6.6 Exploration for the Period 12-5-94 to 11-5-95 by Troy Resources ....................... 14

6.7 Exploration for the Period 12-5-95 to 11-5-96 by Troy Resources ....................... 14

6.8 Exploration for the Period 12-5-96 to 11-5-97 by Troy Resources ....................... 14

6.9 Exploration for the Period 12-5-97 to 11-5-98 by Troy Resources ....................... 14

6.10 Exploration for the Period 12-5-98 to 11-5-99 by Troy Resources ...................... 15

7.0 REFERENCES ......................................................................................................... 16
LIST OF FIGURES

Figure 1  Daly River Tenement Location Diagram
          Initial Tenement Outline.

Figure 2  Daly River Tenement Location Diagram
          Surrendered Tenement Outline.

Figure 3  Daly River Tenement Location Diagram
          Surrendered Tenement Outline.

Figure 4  Daly River Tenement Location Diagram
          Surrendered Tenement Outline.

Figure 5  Regional Geology
1.0 SUMMARY AND CONCLUSIONS

Exploration Licence 5337 in the Daly River area, Northern Territory was granted on May 12, 1989 to Sutton Motors PL and was shortly thereafter joint ventured to Geopeko, who became operators of the project. The property, originally consisting of 41 graticular blocks of land which coincides with land granted to the Malak Malak Aboriginal Land Trust.

Geopeko, as operator from 1989-1993, concentrated most of its drilling and exploration on this licence. Anomaly "A" and Knowles Farm remained the focus for continued drilling whilst the rest of the tenement was covered by aerial and ground geophysics, aircore drilling, soil, rock chip sampling and geological mapping. The geophysics provided the tool in identification of new magnetic targets: DR401, DR403 and DR408.

Troy exploration concentrated on evaluating many volumes of reports from previous explorers, geological mapping and rock chip sampling. Exploration was limited due to restricted access pending the outcome of negotiations with the local Aboriginal Groups.

2.0 INTRODUCTION

The Daly River Project of Troy Resources NL is about 150km south of Darwin, Northern Territory. The nearest settlement is the Daly River Catholic Mission while a much smaller settlement is situated about 5km east around the Daly River Inn and the Police Station.

Access is gained by a mostly sealed road from Adelaide River, extending to the Daly River settlement and Mission. Approach to the Troy tenements (Exploration Licences E5336 to 40) is generally good.

The Daly River district consists of ranges of moderately steep hills separated by broad flats. The latter is commonly waterlogged or flooded during the Wet Season from November to April, when 90% of the 1,400mm of annual average rainfall occurs. Relative humidity is normally less than 50% during the dry season. Monthly mean maximum temperatures range from 31-44°C with minimums at 12-24°C.

The Daly River Copper Mine commenced in 1884 with operations continuing sporadically until 1918. Total recorded production is about 5,000t of 20% copper ore from shafts and an open cut. About 1000t of similar material was produced from other nearby copper deposits, most notably, Whaeldanks. Mineralisation is dominated by chlorite and quartz hosted alteration in shear zones cutting intermediate and felsic tuffs, phyllite and argillite. Secondary copper was the main mine product with minor amounts of secondary lead minerals recovered from Wallaby and Knowles Farm prospects.
This report provides details of exploration activities carried out over the Exploration Licence 5337 by Geopeko and Troy Resources from the 12 May 1989. The exploration completed in each year of the licence term is summarised herein, and the relevant Annual Report is also referenced.

3.0 TENEMENTS

Exploration Licence 5337 is situated about 150km south of Darwin, Northern Territory and 15km north of the Daly River Police Station.

It consists of 41 graticular blocks or 132 square kilometres. It is bounded by Latitudes 13°55'00" and 13°42'00" and Longitudes 130°40'00" and 130°46'00". The Licence mostly coincides with land granted to the Malak Malak Aboriginal Land Trust.

The Lease was granted to Sutton Motors Pty. Ltd. for a period of six years. Sutton Motors formed a joint venture with Geopeko, who operated the property for at least three years. By 1st March 1993, the Joint Venture partners had sold EL5337 and other adjacent properties to Troy Resources.

Figures 1 to 4 shows tenement location and outline of areas surrendered over the life of the licence.

4.0 REGIONAL GEOLOGY

The project area covers part of a large trough (Daly River Basin) of Lower Proterozoic meta-sediments of the western Pine Creek Geosyncline along the complex structural margin (Giant Reefs Fault) between the Geosyncline and the older Lichfield Province - Hermit Creek Metamorphics and Lichfield Granite. This western most exposure of Pine Creek metasediments - Finniss River Group are atypical Pine Creek stratigraphy containing felsic volcanics (Warrs and Mulluk Mulluk volcanics) which may indicate an active margin of the Pine Creek Geosyncline (Dundas et al 1987). The Wangi Basics -metadolerites gabbros and ultra basic intrusives intrude the Finniss River Group. Three distinctive syn-orogenic post-orogenic granites about 1840-1850 Ma have been mapped in the Daly River 1:100,000 sheet.

The Giants Reef Fault is part of a system of NNE trending wrench faults and the project area is best considered as being within a large NNE trending shear zone related to movement along the Giant Reef Faults and its splays.

The strata bound Pb-Zn deposits north of Daly River copper mine, eg. anomaly A, are hosted in the Warrs Creek Volcanic Member. The Daly River copper mine and the other historic copper producers are epigenetic structurally controlled deposits which may be genetically related to the VMS deposits, ie. possible feeders. The Giants Reef Fault is part of the 800km long NNE trending wrench faults which extend from Halls Creek in the Kimberley region.
into the Northern Territory west of Darwin. In the Kimberley region the structures of the Halls Creek Fault zone are the regional structural controls of Au deposits around Halls Creek.

Figure 5 outlines a simplified regional geology.

5.0 PREVIOUS EXPLORATION

Exploration activities at Daly River have been conducted for nearly a century for base and precious metals.

Modern mineral exploration began with uranium exploration during the Fifties by Rio Tinto Zinc. These programs were unsuccessful and ended in 1955. A related company, Enterprise Exploration Co. PL commenced exploration for base metals in 1956, culminating in a diamond drill hole under the Daly River Copper Mine in 1957 with a best value of 1.8m of 0.35% Cu. Enterprise dropped their tenement ATP 529 in March, 1959.

The Bureau of Mineral Resources (BMR) flew wide-spaced aeromagnetics in 1964 and more detailed radiometrics and aeromagnetics during 1984. Reconnaissance electromagnetic surveys by BMR in 1985 located new anomalies unrelated to known copper mineralisation east of Warrs and near the Copper Mine.

Western Nuclear Australia Ltd. acquired ATP 2206 (92 square miles) in 1967 and expended $275,000 over a three year period carrying out gridding, mapping, soil sampling, auger soil sampling, geophysics (I.P., magnetics, gravity, VLF EM-16) and 25 diamond drill holes.

Drilling indicated base metal mineralisation dominated by zinc with results such as 1.5m at 10.5% Zn, 2.1m at 0.75% Cu and 7m at 3.9% Zn.

By 1971, a joint venture between Western Nuclear and the Cuprex Joint Venture (le Nickel-Aquitaine-Pressag) had further drilling success outlining resources at Anomaly A and Warrs - 213,350t of 18.7% Zn, 0.65% Cu, 0.3% Pb and 3ppm Ag in the Southern Lense, 548,650t of 6.6% Zn, 2.2% Cu, 0.3% Pb and 19ppm Ag in the Northern Lense. Robertson Research reviewed all of the data and reported that grades and tonnages were uneconomic at that time.

During 1977 uranium exploration resumed. Suttons/Mobil carried out radiometric and magnetic surveys seeking stratabound uranium mineralisation to the north of the base metal deposits. This was followed up in 1979 by Waltons and Waltons exploring for tin and tantalum in an area similar to E7308.

During 1988, the NTGS re-sampled several core from drill holes from the various deposits (Anomaly A, Warrs, Anomaly C, Copper Mine) and reported average gold grades of 0.50 g/t to 0.75 g/t, such grades are typical of VMS base metal deposits.
Base metal exploration commenced again at Daly River when the Suttons Motors/Peko joint venture was formed following the grant of five exploration licenses in 1989. The joint venture’s target was economic mineral deposits of lead - zinc and gold with Peko being particularly interested in volcanic hosted massive sulphide mineralisation, ie. VMS deposits. Between 1989-92, Peko spent approximately A$1.5 million carrying out airborne and ground geophysics, geological mapping, down hole EM surveys, vacuum, air core, RC and diamond drilling and analysis of previous work. Peko drilling was restricted to Anomaly A (6 holes) and Knowles Farm prospects.

Uranium and base metal exploration was carried out within the past 90 years with several uneconomic but interesting zinc, copper, lead deposits located on EL5337 by several operators, including Western Nuclear, Le Nickel, Aquitaine and Preussag.

More recently, in the Nineties, Geopeko continued exploring the Anomaly A, Warrs and other mainly zinc prospects located on EL5337.

6.0 EXPLORATION ACTIVITIES COMPLETED

6.1 Exploration for the Period 12-5-89 to 11-5-90 by Geopeko.


6.1.1 Airborne Magnetics and Radiometric Survey Data
Exploration during the period consisted of the flying 2700 line km of a low level airborne magnetic and radiometric survey over approximately 85% of the exploration licence. This survey highlighted Anomaly A and three magnetic anomalies, DR401 (687530E/8491000N), DR403 (688750E/8497680N) and DR408 (683700E/8492450N).

6.1.2 Surveying and Gridding
Approximately 32.7 line km was gridded on a 100m x 50m grid pattern.
Table 1 summarises the gridding for each anomaly/area.

<table>
<thead>
<tr>
<th>Anomaly/Area</th>
<th>Line Km Gridded</th>
</tr>
</thead>
<tbody>
<tr>
<td>A,B,Warrs</td>
<td>29.65</td>
</tr>
<tr>
<td>Knowles</td>
<td>1.25</td>
</tr>
<tr>
<td>DR401</td>
<td>1.0</td>
</tr>
<tr>
<td>Daly River Copper Mine</td>
<td>0.7</td>
</tr>
</tbody>
</table>
6.1.3  Ground Magnetometry
A total of 30.8 line km was covered in this survey over six prospects. Table 2 summarises the ground magnetometry for each anomaly/area.

<table>
<thead>
<tr>
<th>Anomaly/Area</th>
<th>Line Km Gridded</th>
</tr>
</thead>
<tbody>
<tr>
<td>A,B,Warrs</td>
<td>27.65</td>
</tr>
<tr>
<td>Knowles</td>
<td>1.65</td>
</tr>
<tr>
<td>DR401</td>
<td>0.9</td>
</tr>
<tr>
<td>Daly River Copper Mine</td>
<td>0.6</td>
</tr>
</tbody>
</table>

6.1.4  Ground Electro-magnetometry
A total of 25 line km was covered in this survey. Table 3 summarises the ground electro-magnetometry for each anomaly/area.

<table>
<thead>
<tr>
<th>Anomaly/Area</th>
<th>Line Km Gridded</th>
</tr>
</thead>
<tbody>
<tr>
<td>A,B,Warrs</td>
<td>24</td>
</tr>
<tr>
<td>Knowles</td>
<td>0.7</td>
</tr>
<tr>
<td>Daly River Copper Mine</td>
<td>0.3</td>
</tr>
</tbody>
</table>

6.1.5  Rock Chip Sampling
A total of 230 rock chip samples were collected from outcrops in conjunction with the geological mapping.

6.1.6  Stream Sediment Sampling
Nine stream sediment samples were collected from an area covering approximately 5km square adjacent to Anomaly DR401.

6.1.7  Geological Mapping
Geological mapping program was conducted over the tenement. It was found that outcrop covered approximately 30% of the licence.

6.1.8  RC Drilling
A total of 11 shallow RC holes (KFDH1-11), were drilled for 500 metres at Knowles Farm Prospect. Table 4 summarises the RC drilling at Knowles Farm Prospect.
### Table 4: RC Drilling at Knowles Farm Prospect.

<table>
<thead>
<tr>
<th>Hole ID</th>
<th>Northing</th>
<th>Easting</th>
<th>Dip/Azimuth</th>
<th>Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>KFDH1</td>
<td>8485886</td>
<td>681752</td>
<td>-60/110</td>
<td>62</td>
</tr>
<tr>
<td>KFDH2</td>
<td>8484879</td>
<td>681766</td>
<td>-60/120</td>
<td>37</td>
</tr>
<tr>
<td>KFDH3</td>
<td>8485831</td>
<td>681747</td>
<td>-60/64</td>
<td>50</td>
</tr>
<tr>
<td>KFDH4</td>
<td>8485817</td>
<td>681795</td>
<td>-60/265</td>
<td>32</td>
</tr>
<tr>
<td>KFDH5</td>
<td>8485780</td>
<td>681787</td>
<td>-60/275</td>
<td>73</td>
</tr>
<tr>
<td>KFDH6</td>
<td>8485724</td>
<td>681803</td>
<td>-60/287</td>
<td>43</td>
</tr>
<tr>
<td>KFDH7</td>
<td>8485663</td>
<td>681807</td>
<td>-60/95</td>
<td>51</td>
</tr>
<tr>
<td>KFDH8</td>
<td>8485667</td>
<td>681835</td>
<td>-60/280</td>
<td>40</td>
</tr>
<tr>
<td>KFDH9</td>
<td>8485678</td>
<td>681721</td>
<td>-60/102</td>
<td>31</td>
</tr>
<tr>
<td>KFDH10</td>
<td>8485628</td>
<td>681764</td>
<td>-60/290</td>
<td>41</td>
</tr>
<tr>
<td>KFDH11</td>
<td>8485864</td>
<td>681797</td>
<td>-60/265</td>
<td>50</td>
</tr>
</tbody>
</table>

#### 6.1.9 Petrography

Twenty one hand specimens were collected from various outcrops, an additional 6 diamond drill core samples were submitted to Pontifez and Associates of Rose Park in S.A for petrographic and mineralogical analysis.

#### 6.2 Exploration for the period 12-5-90 to 11-5-91 by Geopeko.


A combined report writing status was granted during the second year of tenure (12/5/90 to 11/5/91), for the Exploration Licences 5336, 5337, 5338, 5339 and 5340.

#### 6.2.1 Gridding

There was approximately 17.1 line km on spacings 100m by 50m of gridded.

Table 5 summarises the gridding covering each anomaly/area.

<table>
<thead>
<tr>
<th>Anomaly/Area</th>
<th>Line Km Gridded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowles Farm</td>
<td>6.0</td>
</tr>
<tr>
<td>Kiwi-Wallaby Mine</td>
<td>6.6</td>
</tr>
<tr>
<td>DR411</td>
<td>2.5</td>
</tr>
<tr>
<td>DR412</td>
<td>2.5</td>
</tr>
</tbody>
</table>

#### 6.2.2 Airborne Electromagnetic Survey

Approximately 460 line km flown over EL5337 and EL5340. Several additional anomalies were identified from this survey.

Table 6 outlines the anomalies that were identified and located on EL5337.
Table 6: Anomalies identified by Airborne Electromagnetic Survey

<table>
<thead>
<tr>
<th>Anomaly</th>
<th>Easting</th>
<th>Northing</th>
</tr>
</thead>
<tbody>
<tr>
<td>DR411</td>
<td>687790</td>
<td>8487480</td>
</tr>
<tr>
<td>DR412</td>
<td>682630</td>
<td>8497400</td>
</tr>
<tr>
<td>DR413</td>
<td>681680</td>
<td>8494500</td>
</tr>
<tr>
<td>DR414</td>
<td>680900</td>
<td>8492340</td>
</tr>
<tr>
<td>DR415</td>
<td>682400</td>
<td>8495400</td>
</tr>
<tr>
<td>DR416</td>
<td>683700</td>
<td>8488000</td>
</tr>
</tbody>
</table>

6.2.3 Ground Electromagnetic Survey

Approximately 15.5 line km of ground electro-magnetics was surveyed over Anomaly A, Knowles Farm, DR411 and DR412.

6.2.4 Ground Magnetic Survey

A ground magnetic survey was conducted over Anomaly DR407 and over the entire Knowles Farm Prospect grid.

6.2.5 Rock Chip Sampling

Approximately 80 rock chip samples were collected from Kiwi Hill, Knowles Farm, Empire Mine, Hill 4 and Wallaby Mine Prospects.

6.2.6 BLEG Stream Sampling

Thirty one BLEG Stream samples were collected from the area proximal to Anomaly DR401.

6.2.7 Hand Auger Soil Sampling

A series of hand auger soil samples were collected from three areas over the exploration licence. Two hundred and twenty samples were collected on the local grid over Anomaly DR401. One hundred and ninety samples were collected over an AMG grid at the Kiwi Hill Anomaly and 36 samples were collected over the AMG grid at Empire Mine Anomaly.

6.2.8 Vacuum Drilling

Two traverses (47 holes) of vacuum holes were drilled approximately 200m apart on the local grid at the Knowles Farm Prospect. An additional 10 holes were drilled on the AMG grid over Anomaly A.
6.2.9 **RC and Diamond Drilling**

A total of 4 holes, were drilled on Anomaly A. RC drilling totalled 257 metres and diamond drilling 541 m.
Table 7 summarises the RC and Diamond Drilling at Anomaly A.

<table>
<thead>
<tr>
<th>Hole ID</th>
<th>Northing</th>
<th>Easting</th>
<th>Dip/Azimuth</th>
<th>Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>AADH1</td>
<td>8494606.46</td>
<td>685399.630</td>
<td>-85/065</td>
<td>96.00</td>
</tr>
<tr>
<td>AADH2</td>
<td>8494607.31</td>
<td>685400.060</td>
<td>-75/065</td>
<td>376.50</td>
</tr>
<tr>
<td>AADH3</td>
<td>8494442.53</td>
<td>685526.330</td>
<td>-90/000</td>
<td>30.00</td>
</tr>
<tr>
<td>AADH4</td>
<td>8494442.53</td>
<td>685526.330</td>
<td>-75/082</td>
<td>300.80</td>
</tr>
</tbody>
</table>

6.2.10 **Down hole Electromagnetic Survey**

A down hole electromagnetic survey was conducted hole AADH2, at Anomaly A.

6.2.11 **Previous Exploration Drill Hole Data**

Four previous drilled holes from Anomaly A (A21, A26, A28 and A28A), and an additional hole from Warss Prospect (W6) completed by the Cuprex JV, were sent for re-assaying to Classic Comlabs in Darwin.

6.1.12 **Petrography**

Eleven core samples were collected from drill hole AADH4, located at Anomaly A, and submitted to Pontifex and Associates of Rose Park in S.A. for petrographic and mineralogical analysis.

6.3 **Exploration for the Period 12-5-91 to 11-5-92 by Geopeko.**


6.3.1 **Fixed Loop EM Survey**

A fixed loop EM Survey was completed over the northern portion of Anomaly A.

6.3.2 **RC, Diamond Drilling**

Two holes were drilled at Anomaly A (AADH 5 & 6). AADH6 had a RC precollar of 66m and then a diamond tail to a final depth of 467m. An additional two holes were drilled at Knowles Farm (KFDH12 and 13). Table 8 summarises the drilling at Anomaly A and Knowles Farm.
### Table 8: RC & Diamond Drilling

<table>
<thead>
<tr>
<th>Hole ID</th>
<th>Northing</th>
<th>Easting</th>
<th>Dip/Azimuth</th>
<th>Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>AADH5</td>
<td>8494197</td>
<td>685661</td>
<td>-75/82</td>
<td>251</td>
</tr>
<tr>
<td>AADH6</td>
<td>8494560</td>
<td>685390</td>
<td>-75/70</td>
<td>467</td>
</tr>
<tr>
<td>KFDH12</td>
<td>9995</td>
<td>4904</td>
<td>-60/080(Local)</td>
<td>219</td>
</tr>
<tr>
<td>KFDH13</td>
<td>10000</td>
<td>5080</td>
<td>-60/080(Local)</td>
<td>79</td>
</tr>
</tbody>
</table>

#### 6.3.3 Downhole Electromagnetic Survey

Downhole EM surveys were completed at Anomaly A, down drill holes AADH4, AADH6 A26,A29.

#### 6.3.4 Downhole Magnetic Survey

Downhole magnetometer survey were completed at Anomaly A, down drill holes A26, A29, AADH2, AADH4, AADH5 and AADH6.

#### 6.3.5 Ground EM Survey

A ground EM survey was conducted over the Knowles Farm Grid to cover a weak airborne EM anomaly previously detected.

#### 6.3.6 Ground Magnetic Survey

Ground magnetic surveys were performed over nine prospects within the exploration licence: Wallaby, Cu Mine, DR402, DR406, DR407, DR408, DR409, DR411 and DR412.

#### 6.3.7 Aircore Drilling

Over 7500m of shallow, 3 to 5 metre deep, aircore/vacuum drilling was performed over ELs 5336 to 40.

Table 9 summaries the drilling on each anomaly on the exploration licence.

### Table 9: Aircore Drilling on EL5337

<table>
<thead>
<tr>
<th>Anomaly/Area</th>
<th>Grid Type</th>
<th>No Lines</th>
<th>No samples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anomaly A</td>
<td>AMG</td>
<td>12</td>
<td>664</td>
</tr>
<tr>
<td>DR402</td>
<td>Local</td>
<td>3</td>
<td>39</td>
</tr>
<tr>
<td>DR408</td>
<td>Local</td>
<td>3</td>
<td>52</td>
</tr>
<tr>
<td>DR412</td>
<td>Local</td>
<td>3</td>
<td>63</td>
</tr>
<tr>
<td>DR416</td>
<td>AMG</td>
<td>3</td>
<td>23</td>
</tr>
<tr>
<td>DR419</td>
<td>AMG</td>
<td>2</td>
<td>30</td>
</tr>
<tr>
<td>Knowles Farm</td>
<td>Local</td>
<td>6</td>
<td>217</td>
</tr>
<tr>
<td>Wallaby/Hill 4</td>
<td>AMG</td>
<td>15</td>
<td>322</td>
</tr>
</tbody>
</table>
6.4 Exploration for the period 12-5-92 to 11-5-93 by Troy Resources.


6.4.1 Review and Exploration Summary

This report included a comprehensive review and exploration summary of all previous exploration data. A set of plans of geology, geophysics, geochemistry and drilling at 1:100,000 and 1:25,000 scales were generated. Time was spent by Troy Resources traversing the tenements in a reconnaissance pattern to find structural features and evidence for mineralisation. Time was also taken to record and land uses and sacred sites. Reconnaissance mapping revealed good outcrop present to the east of the volcanic belt. While to the west there is black soil plains. In conjunction with the reconnaissance mapping 125 rock chips were collected from Warrs, Wallaby, Wallaby east, Wallaby South, Hill 4 and Empire.

6.5 Exploration for the period 12-5-93 to 11-5-94 by Troy Resources.


6.5.1 Aeromagnetic Interpretation

An aeromagnetic interpretation was produced by Southern Geoscience in Perth, from tapes taken from Geopeko’s 1989 aeromagnetic/radiometric survey for the Daly River area. This interpretation covered most of the tenement.

6.5.2 Compilation/Analysis of Geochemical Database

There was a comprehensive compilation and analysis of all geochemical data from all previous exploration covering the ELs 5336 to 5340. Analysis of all the data was complied into a database and report. This was completed by L O’Neill as part of a post graduate diploma in Applied Geology at Curtin University of technology of WA.

6.5.3 Geological Mapping

A program of geological mapping was conducted at a 1:15,000 scale using an aerial photo. The objectives of the mapping were to identify marker beds, check interpretations of mineralisation and to update the geological mapping for the area.
6.5.4 Rock Chips

Rock chip sampling was carried out in conjunction with the geological mapping and 34 rock chips were collected from outcrops across the whole tenement.

6.6 Exploration for the period 12-5-94 to 11-5-95 by Troy Resources.


There was no exploration completed over Exploration Licences 5336 to 5340.

Troy Resources N.L. initiated detailed discussions with the Malak Malak and Kamu Aboriginal Groups in April/May 1994 in effort to gain access to ELs 5336-5340 at Daly River. The discussions and the formula of an agreement document proved to be protracted and no field work was possible in the 1994 field season. Fieldwork on the ELs to the Aboriginal land (ELs 7308 and 7930) was put on hold in 1994 pending a favourable outcome of discussions with the Aboriginal Groups. (Stadler, 1995).

6.7 Exploration for the period 12-5-95 to 11-5-96 by Troy Resources.


There was no exploration completed over Exploration Licence 5337.

Exploration Licences 5336 to 5340 are situated on a freehold Aboriginal Land Trust claimed by the Malak Malak and Kamu Aboriginal Groups. An agreement must be reached by one or both groups before they can discuss any proposal for further exploration and compensation by Troy Resources (Stadler, 1996).

6.8 Exploration for the period 12-5-96 to 11-5-97 by Troy Resources.

There was no exploration completed over Exploration Licence 5337.

6.9 Exploration for the period 12-5-97 to 11-5-98 by Troy Resources.

There was no exploration completed over Exploration Licence 5337.
6.10 Exploration for the period 12-5-98 to 11-5-99 by Troy Resources.

There was no exploration completed over Exploration Licence 5337.
7.0 REFERENCES

Dundas, D L, 1989. Explanatory Notes of Daly River 5070 1:100,000 Geological Map series
Fahey, G M & Fahey, J F., Northern Geological Survey


