ACACIA RESOURCES LTD

EXPLORATION LICENCE 8047
BAN BAN

THIRD PARTIAL RELINQUISHMENT REPORT
PERIOD 24.11.93 – 19.7.99

Author: D. Stephens  Report No: 08.10590
Date: November 1999  Copy No: 1

1:250 000 Pine Creek  SD52-8
1:100 000 Pine Creek  5270

Distribution:
1. NT Department of Mines & Energy
2. Platsearch NL., Sydney
3. Acacia Resources (Melbourne)
4. Acacia Resources (Darwin)
5. Acacia Resources (BCGM)
6. Acacia Resources (Field)
SUMMARY

A partial relinquishment comprising four (4) blocks was made for Exploration Licence (EL) 8047, on 19th July, 1999. The lease is located in the central Pine Creek Geosyncline, NT, approximately 25km east of Acacia’s Brocks Creek Gold Mine and treatment facilities. The licence was part of the Cullen Joint Venture between title holders Platsearch NL and Solomon Pacific Resources NL. Acacia Resources Limited assumed management of Solomon Pacific’s interests on 24th June 1996 including management of the Cullen JV. Acacia has now gained a 100% holding of the two tenements, with Platsearch reverting to a royalty on gross gold production.

This report details the work completed in the relinquished area for the period November 24th, 1993 to July 19th 1999. Work completed consists of;

- 22 spot soil samples
- Compilation of open file data.
- Purchase of hardcopy and digital multiclient aeromagnetic data.
- Regional geophysical interpretation
- Regional gravity survey
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1. INTRODUCTION

A partial relinquishment comprising 4 blocks was made on Exploration Licence (EL) 8047, Ban Ban in the Margaret River area, Central Pine Creek Geosyncline NT on 19th July 1999. The area is located approximately 140 km south east of Darwin and 25km east of the Brocks Creek Gold Mine and treatment facilities. This report details all work carried out in the relinquished portion of EL 8047 for the period 24th November 1993 – 19th July 1999

2. TENEMENT STATUS

EL 8047, comprising 52 blocks was granted to North Exploration on the 24th November 1993 for a period of 6 years. Platsearch NL purchased the lease from North Exploration with a transfer of ownership on 20th October 1995. Under a letter of agreement signed between Solomon Pacific Resources and Platsearch NL on the 15th April 1996, Solomon had the right to earn a 65% interest in the tenements.

On the 24th June 1996, Acacia Resources Limited assumed management of Solomon Pacific Resources NL and all Solomon Pacific interests. Under the existing joint venture agreement signed between these parties Acacia Resources earned 65% of the tenement by sole funding of exploration activities. Platsearch then reverted to a royalty interest in gross gold production, leaving Acacia with 100% ownership.

EL 8047 forms part of the Cullen Project Area with SEL8335 (North Ban Ban) and has group reporting status, granted on 10th July, 1997.

The Aboriginal Areas Protection Authority completed clearances on both licences, within the Cullen Joint Venture. AAPA Certificate 23392 is valid until September 16, 1999.

In December, 1996 an application for full waiver of reduction in area for Ban Ban was granted by the NTDME allowing the retention of 52 blocks for a further twelve (12) months. A further application for partial waiver of reduction of the Ban Ban licence (EL 8047) was granted by the NTDME on the 17th June, 1998, requesting a waiver of ground reduction against 12 blocks and the retention of 40 blocks. An application for partial relinquishment of 10 blocks, retaining 30 was sent to the NTDME in October 1998. The Department was advised of a partial surrender of four blocks, leaving 26, on 19th July 1999.

3. LOCATION AND ACCESS

The licence is located approximately 140km southeast of Darwin in the Northern Territory, approximately 40km south east of the Adelaide River Township and 20km north of the Brocks Creek Gold Mine and treatment facilities (Figure 1). The licence area can be accessed via the Stuart Highway from Darwin to Hayes Creek, then via the
Fountain Head and Woolwonga Roads to various station tracks on Ban Ban Springs Station.

EL 8047 falls within Ban Ban Springs and Mary River West Station pastoral leases. Access is severely restricted between the wet season months of December and April.

4. REGIONAL GEOLOGY

The relinquished area is located in the central portion of the Pine Creek Geosyncline. The geosyncline contains Early Proterozoic metasedimentary rocks resting on a gneissic and granitic Archaean basement (Figure 2). The metasediments represent a preserved basinal sequence up to 14km thick (Needham et al., 1980). These rocks were tightly folded and metamorphosed to greenschist facies (in some places amphibolite) at about 1890 to 1870 Ma (Ferguson, 1980).

The geosynclinal sequence is intruded by transitional igneous rocks including predeformational dolerite lopoliths and dykes and post deformational granites. Largely undeformed platform cover of Middle and Late Proterozoic, Cambro-Ordovician and Mesozoic strata rest on these with marked unconformity.

The relinquished portion of EL 8047 cover areas of Early Proterozoic sediments of South Alligator Group, dominantly Burrell Creek Formation. Quaternary alluvium (Qa) and deep humic soils (Qf) occur in low ground and along the Margaret River.

5. WORK COMPLETED

5.1. Year 1, North Limited

North Limited collected 22 samples within the relinquished portion during 1994 (Figure 3). None of the samples returned gold grades above the detection limit (Figure 4).

Open file data from previous explorers was compiled and Aerodata multiclient aeromagnetic data was purchased. The aeromagnetic survey flight lines and contours are included in Appendix 3. Target areas and known prospects were defined from this work.

5.2. Year 2, Platsearch

A photogeological survey was completed over the entire license, including the relinquished portion. No major features were interpreter within the relinquished portion, although an NW trending anticlinal feature was interpreted south of the southern most relinquished block.

5.3. Years 3-6 Acacia

All mapping, soil, rockchip and RAB/air core drill sampling and remote sensed data from the previous explorers was entered into Acacias’ database and GIS systems.
Reprocessing and interpretation of the multiclient aeromagnetic (digital) data was completed.

The relinquished portion of EL 8047 was incorporated in a regional gravity survey completed in the Brocks Creek area, as part of an Honours project supported by Acacia Resources. One (1) station was located within the relinquished area (Figure 5). The project produced 3-D models of the granites of the Cullen Batholith, which is currently covered by a confidentiality agreement. Gravity data and reference point locations are included in Appendix 2.

Hungerford Geophysical Consultants completed a regional compilation and interpretation of the magnetic, gravity and radiometric images of the area.

6. ENVIRONMENTAL

All work completed on the lease was conducted using methods that keep environmental disturbance to a minimum. An environmental ledger is included in Appendix 4.

7. EXPENDITURE

The estimated expenditure on the relinquished portion of EL 8047 by North Limited totals $5,775.

Solpac carried out no exploration within the relinquished portion of Ban Ban.

Acacias' estimated expenditure since taking over the tenement (pro rated on number of blocks), totals $10,593. A breakdown of these expenses is given below.

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<tr>
<td>Staffing</td>
<td>2,170</td>
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<td>Support</td>
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<td>Consumables</td>
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<td>Analyses</td>
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<tr>
<td>Access / Gridding</td>
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<td>Geophysical Processing</td>
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<td>Geology</td>
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<td>Vehicles</td>
<td>87</td>
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<td>Administration (15%)</td>
<td>1,382</td>
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**Total**                  **$ 10,593**
8. REFERENCES


APPENDIX 1

Surface Sample Ledgers
DIGITAL DATA HELD
APPENDIX 2

Gravity Data and Reference Point Locations
Appendix 1 Base Station Locations

9749-1037
Description: Star picket close to base of tree, near the northern turn-off to the Pine Creek township off the Stuart Highway.
AMG Coordinates: 805800.00 mE  8471000.00 mN
Elevation: 200 m above sea level
Observed Gravity: 978310.71 mGal
Established: M.Roach 17/10/96
Map Series - Pine Creek 1 : 50,000

9749-1036
Description: Orange strip painted around the base of a light pole in the car park of the Emerald Springs Road House, Stuart Highway.
AMG Coordinates: 784500.00 mE  84913500.00 mN
Elevation: 220 m above sea level
Observed Gravity: 978300.96 mGal
9749-1009

Description: Star picket near large road sign on Fountain Head road at the intersection of the Stuart Highway and Fountain Head Road.

AMG Coordinates: 759996.30 mE 8503120.15 mN
Elevation: 115.66 m above sea level
Observed Gravity: 978314.33 mGal
Established: M. Roach 16/10/96
Map Series - Fenton 1: 50,000

9749.1001

Description: Star picket 10m from the Fountain Head road adjacent to the power station

AMG Coordinates: 762600mE 85049000mN
Elevation: 120.23m above sea level
Observed Gravity: 978311.148
Established: M. Roach 16/10/96
Map Series: Fenton 1: 50000

Appendix 1
REGIONAL BASE STATION
ADELAIDE RIVER
9289 - 5171

Description: Circular plate, 1.5m west of the Adelaide River township fire station.

AMG Coordinates: 727802 mE 8535522 mN

Elevation: 52.78 m ASL

Observed Gravity: 978314.26 mGal

Established: M. Roach 16/10/96
### Ban Ban relinquished area gravity station

<table>
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<tr>
<th>year</th>
<th>Tas Uni station no</th>
<th>AMG E</th>
<th>AMG N + 8,000,000</th>
<th>elev</th>
<th>obs.grav</th>
<th>theor.grav</th>
<th>terrain correction</th>
<th>2.67 B.A</th>
<th>location</th>
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<th>amg N</th>
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<td>774677.8</td>
<td>519800.6</td>
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<td>978.3189</td>
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<td>25.82</td>
<td>Pine Creek</td>
<td>774677.8</td>
<td>519800.6</td>
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Report 08.10590 EL8047
APPENDIX 3

Multiclient Aeromagnetic Survey
Flight Line and Contour Plans
APPENDIX 4

Environmental Ledger
TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
LAND STATUS RECORD

Project: Brocks Creek - Cullen Project Area

Tenement Name: Ban Ban

Tenement No's: EL8047

Registered Holder(s): Platsearch NL

Date Granted: 24/11/93    Term: 6yrs    Area: 4 blocks

Bond/Security: None

JV Partners (if any): Acacia Resources

Land Classification: (Crown, Private, Lease) Pastoral Lease

Land Holder/Occupier: Brits Australia

Station: Ban Ban Springs

Address: Ban Ban Springs Station
         Fountain Head Road
         Hayes Creek

Phone: (08) 8985 2430

Fax:

Contacted By: Helen Clark,
               Damien Stephens, Scott Marsh

Date: April 1997

Land Classification: (Crown, Private, Lease) Pastoral Lease

Land Holder/Occupier: Gary Hamilton

Station: Mary River West

Address: 9 Pall Mall
         Currumbin

Phone: (075) 534 7408

Fax:

Contacted By: Chris Spurway

Date: May 1997

Pastoral Notes: (Stock, Cultivation, Access, Rainfall)
Fenced grazing land, with cattle, water buffalo and horses. Ban Ban Springs station is
operated by Britts Australia as a tourism venture. Access to all three properties is via
the Stuart Highway.

Environmental Notes: (Flora/Fauna, Erosion, Bushfires, Flooding)
Open tropical savannah, prone to flooding during the wet season. Burn offs are carried
out at the beginning of the of the dry season.
Groundwater: (Bores/Wells/Dams, streams, drainage, test data)
Margaret river is the largest watercourse, with multiple smaller perennial creeks and streams occurring.

Aboriginal Notes: (Sacred Sites, Cultural)
An AAPA clearance certificate (23392) has been granted for both tenements.

Historic Relics: (Mine Workings, Equipment, Homesteads etc.)
No recorded site of historical significance.

Previous Activity: (Mining, Exploration, Forestry, etc.)
Although the Cullen JV tenements have previously been held by several companies, exploration activities has caused only minimal environmental impact.
## TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
### PRE-EXISTING ENVIRONMENTAL DISTURBANCE RECORD

<table>
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<th>Tenement Name:</th>
<th>Ban Ban</th>
<th>No(s): EL8047</th>
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</thead>
<tbody>
<tr>
<td>Exploration Activity Area:</td>
<td>Cullen Project Area</td>
<td></td>
</tr>
<tr>
<td>Shafts/Pits/Dumps:</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Track/Access:</td>
<td>Access via Stuart Highway, and/or Fountainhead road and/or Mount Wells road and/or established station tracks on Ban Ban Station and Ringwood Station.</td>
<td></td>
</tr>
<tr>
<td>Line Clearing:</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Costeaming:</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Drill Sites:</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Other:</td>
<td>Most of previous work not within bounds of relinquished area</td>
<td></td>
</tr>
<tr>
<td>Location Data:</td>
<td></td>
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<tr>
<td>Other Ref:</td>
<td>08.8471, 08.8420, 08.9654</td>
<td></td>
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<tr>
<td>Compiled by:</td>
<td>Helen Clark</td>
<td>Date: 20/11/97</td>
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</tbody>
</table>
 TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
ACACIA ENVIRONMENTAL IMPACT RECORD

Tenement Name: Ban Ban  No (s): EL8047
Report Ref No's: 08.8471, 08.8420, 08.9654, 08.8961, 08.8138

Exploration Activities: Grid based, shallow soil sampling and rock chip soil sampling.

Grids & Traverses: Nil

Soil Sampling: 22 soil samples

Costeans / Pits: None

Drilling: None

Drill Traverses: None

Drill Pads: None

Ground Geophysics: None

Access Tracks: Pre-existing access tracks utilised

Camps: None Known

Other:

Compiled by: Damien Stephens  Date: 18/11/99

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TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
ACACIA REHABILITATION RECORD

Tenement Name: Ban Ban - North Ban Ban  No(s): EL8047  SEL8335

Disturbance: Minimal  Rehabilitation: completed
Date: 18/11/99

Grids & Traverses: No grid pegs found in the relinquished area

Soil Sampling: Minimal disturbance

Costeans/Pits: NA

Drilling: NA

Drill Traverses: NA

Drill Pads: NA

Ground Geophysics: NA

Access Tracks: Grading and upkeep of tracks as required by land holder.

Camps: Nil

Other:

Inspected / Clearance:  
Compiled by: Damien Stephens  
Bond/Security released: Date: 18/11/99

Follow-up Inspection Report:

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