FIRST ANNUAL AND FINAL REPORT
EL 9101 NEWRY
24/11/96 to 3/12/97
WATERLOO 1:250,000 SHEET SE 52-03

VOLUME 1 OF 1

OPEN FILE

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Report No. 22957
ABSTRACT

EL 9101, comprising 471 Graticular blocks was granted to Normandy on 25 November 1996. This lease was located in the Victoria River region of the Northern Territory. The tenement's location on Halls Creek Mobile Belt led Normandy to consider this lease a prospective area for the hosting of diamondiferous lamproite intrusions.

It was intended that a reconnaissance set sampling program at a density of 1 sample per 10km², as well as a handheld image study were to be conducted during the first year of tenure. This was to be followed by bulk soil sampling and follow-up sampling of image and indicator mineral anomalies in subsequent years.

No access was actually granted to the tenement during the first year as a result of the unresolved issues surrounding the validity of title in respect of a Native Title claim by Miriuwung & Gajarrong Families Heritage and Land Council.

Further review of part and concurrent exploration programs over mapsheet SE 52-03 (Waterloo) led Normandy to surrender EL 9101 in its entirety on 3 December 1997.
CONTENTS

1 INTRODUCTION 1
2 LOCATION AND ACCESS 1
3 TENURE 1
4 REGIONAL GEOLOGY 2
5 PREVIOUS EXPLORATION 2
6 CURRENT EXPLORATION 2
7 CONCLUSIONS AND RECOMMENDATIONS 3
8 EXPENDITURE 4
9 BIBLIOGRAPHIC DATA SHEET 5
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Plan No.</th>
<th>Title</th>
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<tr>
<td>1.</td>
<td>EL 9101</td>
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<td>2.</td>
<td>EL 9101</td>
<td>Newry Location and Access</td>
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EL 9101
NEWRY
471 GRATULAR BLOCKS
1516 sq km

MAP REFERENCE 1:250 000 Series
Waterloo SE 52-03

Scale 1:500 000
1 INTRODUCTION

Exploration Licence 9101, comprising 471 graticular blocks was granted to Normandy Exploration Limited, ACN 006 306 690, on 25 November 1996. The lease was located in the Victoria River Region of the Northern Territory, abutting the Western Australian border (Fig. 1).

The application for grant of this EL was submitted in response to a comprehensive drilling program, conducted within the then Bow River Diamond Mining Leases. This program was undertaken prior to the mine closure to eliminate the possibility of an economic primary diamond source existing within the mine leases.

The lease was situated over the Turkey Creek fault and the Rosewood Syncline. These are part of the structural link known as the Halls Creek Mobile Belt which extends from the Argyle Diamond Mine towards the Timber Creek lamproites, and was considered a prospective area for the hosting of diamondiferous lamproite intrusions.

2 LOCATION AND ACCESS

EL 9101 was located in the Victoria River region of the Northern Territory, adjacent to the East Kimberley region of Western Australia, approximately 100km south-east of Kununurra on the NT/WA border (Fig. 2).

Vehicular access to Rosewood is via the Victoria Highway and the Duncan Highway. Vehicular tracks exist over the lease servicing the various bores in the area, though it was envisaged that much of the initial reconnaissance sampling would be undertaken through charter of a helicopter to access drainage and soil sample sites.

No campsite was negotiated, nor was access actually gained to any of the tenement area during the reporting period.

3 TENURE

Application for Exploration Licence 9101 was lodged on 16 February 1995. This licence was to consist of a total of 480 blocks in the Newry area for the purpose of conducting a helicopter assisted soil sampling reconnaissance program.

Following the lodgement of this application, landowners of PPL's 1114 (Newry), 1013 (Rosewood) and 1047 (Waterloo) were notified of Normandy’s application and the nature of the proposed initial program of works to be conducted over their land (23 February 1996).

On 9 March 1995, Normandy were notified by the Mining Registrar that a native title claim, to be heard by the Native Title Tribunal, had been lodged over part of the proposed EL area. The Mining Registrar noted that grant of title could not be effected until such time as a determination was made in respect of the native title claim.

EL 9101, over a reduced area of 471 blocks, was granted on 25 November 1996 for a period of 6 years subject to the 1980 Mining Act. The Principal Registrar also noted that, subject to the testing of the effect on native title of the past grant of pastoral lease(s) in the High Court, the assumption that native title has been extinguished by past grant of pastoral lease may prove to be incorrect and result in invalidity of the grant of the tenure held.
On 13 January 1997, Miriawung & Gajerrong Families Heritage & Land Council contacted the DME Principal Registrar to register their objections to the granting of EL 9101, claiming that the grant of EL 9101 is invalid on the basis that there has been non-compliance with sections 28 and 29 of the Native Title Act relating to the right to negotiate provisions.

Normandy responded to the Council’s claims on 13 February 1997 indicating that due process was followed and the EL was validly granted as far as Normandy was aware. Normandy also decided to postpone all proposed operations on this lease pending further advice from the Northern Territory Department of Mines and Energy, relating to the ramifications of any High Court decision.

On 21 November 1997, Normandy gave notice that they intended to surrender EL 9101 on the first anniversary date, 24 November 1997, on the grounds that exploration by previous tenement holders in the region returned results that were not encouraging for further programs of exploration.

The tenement was officially surrendered on 3 December 1997 and approval was given on 12 December 1997 for a combined Annual and Final Report with a reporting date of 3 March 1997 for EL 9101 (Fig. 2).

4 REGIONAL GEOLOGY

EL 9101 lies between the Cambrian Ord Basin and Adelaidean Victoria River Basin, consisting largely of the Antrim Plateau flood basaits and late Cambrian limestone/shale sub-basins within synclinal structures.

The Rosewood Syncline and Turkey Creek Fault (associated with the Halls Creek Fault) comprise some parts of a structural complex known as the Halls Creek Mobile Belt that links the Argyle Lamproite with the Timber Creek Lamproites. It is on these grounds that EL 9101 was considered a prospective location for the presence of diamondiferous lamproite intrusions.

5 PREVIOUS EXPLORATION

Northern Territory DME records indicate that no exploration was carried out on the Waterloo mapsheet (SE52-03) prior to 1976 and since then the area has been explored for diamonds, gold and base metals by a variety of companies. Exploration outside of mining leases virtually halted in 1985, with only a few tenements continuing to be explored.

The exploration programs carried out consisted mostly of bulk gravel and loam samples being collected over tenements, facilitated by the use of helicopters to gain access. These programs returned some diamonds, considered to be the result of known Victoria River Basin scatter and, therefore, relatively inconsequential, and chromites in fairly high abundance. These chromites proved to be non-kimberlitic in all cases, probably sourced from the Antrim Plateau basalts. Results of geochemical sampling were also not encouraging.

6 CURRENT EXPLORATION

It was intended that a program of bulk soil sampling and follow-up drainage sampling of indicator mineral anomalies was to be carried out, as well as follow-up loam sampling of interpreted Landsat image anomalies.
A reconnaissance soil sampling program, at a density of 1 sample per 10km², was proposed for the first year of tenure, involving the collection of 140 samples by helicopter. A Landsat image study was to be undertaken during this time.

No access was actually gained to any area of the tenement during the period of tenure, largely due to the unresolved issues surrounding the validity of title in respect of the objections registered by Miruwung & Gajerrong Family Heritage & Land Council on 13 January 1997. These objections indicated that EL 9101 was indeed invalid under the 1993 Native Title Act due to non-compliance to Sections 28 and 29 pertaining to the 'right to negotiate' provisions.

No exploration was conducted during the reporting period, however, further review of previous and concurrent exploration programs highlighted that the tenement area was less prospective.

7 CONCLUSIONS AND RECOMMENDATIONS

No exploration was conducted during the reporting period, for the reasons of dispute of validity of the title pending the High Court testing of the effect on Native Title of the past grant of Pastoral Lease.

Further review of previous and concurrent exploration programs over mapsheet SE 52-03 (Waterloo) highlighted that the tenement area was less prospective than first hoped, and it was decided that Normandy would surrender the EL 9101 in its entirety at the end of the first year.
8 EXPENDITURE

Expenditure for EL 9101 for the period 25 November 1996 to 3 December 1997 totalled $259.00 as detailed below.

**EMPLOYEE COSTS**

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**OPERATING COSTS**

- Office Supplies/Printing
- Courier/Freight/Postage
- Publications/Maps/Subscriptions
- Travel/Accommodation/Meals
- Field Supplies/Consumables
- Equipment Hire/Lease
- Equipment Maintenance/Repairs
- Communication
- Safety
- Vehicle Hire/Lease
- Vehicle Operating Costs
- Drafting Services and Supplies
- Air charter/helicopter
- Computing Services and Supplies

| Sub-total | 0 |

**LABORATORY COSTS**

- Analytical & Assay

| Sub-total | 0 |

**SPECIALIST SERVICES**

- Geophysical
- Remote Sensing
- Other Consultants

| Sub-total | 0 |

**Overheads and Related Costs**

- Regional Office Allocation
- Depreciation

| Sub-total | 0 |

**TOTAL** | 259.00 |
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