

ACACIA RESOURCES LTD
EXPLORATION LICENCE 9424 - BRUMBY

SECOND ANNUAL REPORT
FOR THE YEAR ENDED
14TH MAY 1998

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Distribution:

Original	NT Department of Mines & Energy
1	Acacia Resources (Darwin)
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CR 98 / 485

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1.0 Tenement Status and Location

Brumby (EL 9424) was previously granted to Solomon Pacific Resources (Solpac) on the 15th May 1996 for a period of six years, and consists of 3 graticular blocks. Upon the purchase of Solpac by Acacia Resources in 1996, responsibility for all exploration activities on EL 9424 was assumed by Acacia Resources. Prior to Solpac, the area covered by EL 9424, had been held by Paladin Resources under EL 8355. An application for full waiver of ground reduction was lodged with the NT Department of Minerals and Energy on 14th April 1998.

EL 9242 (Brumby) is located approximately 15 km east of Adelaide River, on Mount Keppler Station and is covered by the Margaret River 1:50,000 topographic sheet. Access to EL 9424 from the Stuart Highway is via either Tortilla Flats Road or Fisher Road and then Mount Keppler Station roads (Figure 1).

2.0 Geological Setting

The geology of EL 9424 is mainly concealed by a thick (up to 13m) cover of alluvium, with only minor occurrences of outcrop. Where exposed, the predominant rock types are greywacke and siltstone, which are typical of the Burrell Creek Formation (Figure 2). Foliations indicate tight folds with north trending axial planes. This is similar to the structural setting of the Goodall Mine and mineralisation of the same style may be expected along the hinges of the anticlines present at Brumby.

3.0 Previous Work

Previous work on this lease has been carried out by Paladin Resources in 1994, as part of the Pine Creek Project, under EL 8355. The work carried out by Paladin Resources consisted of 27.1 line km of gridding over which 1689m of shallow RAB drilling was completed. The shallow RAB drilling programme targeted a prominent, north trending magnetic linear high near the eastern boundary of the tenement. A soil sampling programme was also conducted over areas that were believed to represent a residual soil profile. No soil samples were taken in areas where the soil profile was thought to be transported. Eleven (11) rock chip samples were collected over rare occurrences of outcrop and targeted rocks that exhibited interesting alteration features.

The results of this programme returned only three minor anomalous values from the bedrock RAB programme. The low values and spotty distribution of the anomalous results were considered unprospective by Paladin Resources and EL 8355 (now part of EL 9424) was relinquished.

No reports could be located for any work performed by Solomon Pacific Resources on this tenement.

Acacia - May 1996 to May 1997 (Year 1)

Due to pressing financial commitments in other newly acquired tenements stemming from the purchase of Solpac in 1996, limited field work was undertaken during the first year. The prolonged wet season in the Northern Territory at the beginning of 1997 also saw a two month delay to the start of the field season. Work completed in EL 9424 during the first year included the compilation and entry of previous explorer's data into Acacia's MAPInfo (GIS) database as well as the purchase of multi-client aeromagnetic data for the area covered by EL 9424 (Clark, 1997).

4.0 Exploration Conducted during the Period May 1997 to May 1998

May 1997 to May 1998 (Year 2)

Work completed during the second year included field reconnaissance over the licence area with the aim of determining the extent of outcrop, drainage and access.

Interpretation of the aeromagnetic data purchased the previous year was also undertaken (Figure 3). This exercise was part of a more regional programme, but unfortunately the data was not of high enough resolution to allow a sufficiently detailed geological interpretation.

The work undertaken to date has tested the eastern portion of the tenement which has both a thinner soil cover and a better magnetic response, but unfortunately the results to date have been disappointing. The western portion of the tenement remains untested due to thicker soil and alluvial cover, and a flatter magnetic response. It is suggested that a detailed aeromagnetic programme be flown across the tenement with the aim of

mapping the covered basement, and possibly identifying prospective stratigraphy and structure. This may be followed up by vacuum drill sampling of the transported soil and residual saprock/bedrock interface, water table permitting, which could then be followed by RC drill testing if the results are encouraging.

4.1 Expenditure Statement

Total expenditure on the licence from May 1996 to end May 1998 is \$10,848. Tabled below is the expenditure for EL 9424 for the current reporting period May 1997 to May 1998:

Office support	\$ 587
Geoscientists	\$ 2016
Field Assistants	\$ 2235
Field Supplies	\$ 216
Administration (15%)	\$ <u>754</u>
Total	\$ 6679

4.2 Proposed Exploration and Expenditure

In the 3rd year of tenure it is proposed to conduct the following work:

- Complete a detailed aeromagnetic survey over the licence area to delineate areas of favourable stratigraphy and structure. This work had been contracted to UTS at the time of report writing, with a commencement date of 18th June 1998.
- Undertake additional geological mapping and rock chip sampling in areas defined by work carried out in year 2 and across targets defined by the detailed aeromagnetic survey. This may include some posthole sampling of the interface between transported soil and residual saprock/bedrock in areas of thicker cover.
- Complete additional geological interpretation of aeromagnetic, airphoto and TM data.

Proposed expenditure for EL 9424 in Year 3 of the licence is anticipated to be \$8,000.

Mapping & Compilation (Geologist)	\$ 700
Survey/gridding	\$ 1,850
Assays - Rock chips/ soils	\$ 2,450
Geophysics	\$ 2,000
Camp/consumables	\$ <u>1,000</u>
	\$ 8,000

5.0 Environmental Issues

As no ground disturbing work was carried out on EL 9424 during the reporting period, no substantial disturbance or adverse environmental impact has occurred.

6.0 References

- FERGUSON J, 1980. Metamorphism in the Pine Creek Geosyncline and its bearing on stratigraphic correlations. In FERGUSON J, & GOLBY A. B, (Editors) - URANIUM IN THE PINE CREEK GEOSYNCLINE. International Atomic Energy Agency, Vienna, 91-100.
- BOUT J., 1994. Pine Creek Project, Report on Gold Exploration Activities July-September, 1994. Unpublished report prepared on behalf of Paladin Resources for the NTDME. (pp10). (08.8731)
- Clark, H.; 1997; EL 9424 Brumby Annual Report for the Period 15th may 1996 to 15th May 1997; Acacia Resources Report to NTDME. (08.8778)
- TAYLOR K. S., 1994. Annual report for Eden Creek Pty Ltd, N.T. EL 8333. Unpublished report on behalf of Paladin resources for the NTDME. (08.8732).
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- TAYLOR K.S., Sept 1996. Brumby Project Summary report; EL 9375 & EL 8333. Unpublished report on prepared behalf of Paladin Resources. (08.8735)
- TAYLOR K.S., 1995. Annual report for Eden Creek Pty Ltd, N.T - Dec 1994- Dec 1995. Unpublished report prepared on behalf of Paladin Resource for the NTDME. (08.8734).
- DIX W.R., 1995. Report on Exploration for Central Pine Creek Area- may 1995 to Nov 1995. Unpublished report prepared on behalf of Paladin Resources. (08.8733).
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- STUART-SMITH PG, NEEDHAM RS, BAGAS L & WALLACE DH, 1987. Pine Creek, Northern Territory, 1:100,000 map and commentary. Bureau of Mineral Resources, Canberra.

APPENDIX I
Environmental Register

standard.envreg.doc EMR

TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
PRE-EXISTING ENVIRONMENTAL DISTURBANCE RECORD

Tenement Name: Brumby

No(s): EL 9424

Exploration Activity Area: Brocks Creek

Shafts/Pits/Dumps: None

Track/Access:

Access via Tortilla Flats Road or Fisher Road and Mt Keppler Station roads

Line Clearing:

Contracted to Mt Ringwood Station (approx 27 line km)

Costeaning: None

Drill Sites: 141 shallow RAB holes (1689m)

Other: Soil sampling and rock chip sampling

Location Data:

1: 50,000 topographic sheet

MARGARET RIVER (14/2-1)

1: 250,000 geology sheet

PINE CREEK (SD52-8)

Other Ref: 08.8773, 08.8731

Compiled by: Helen Clark

Date: 16/06/97

TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
ACACIA ENVIRONMENTAL IMPACT RECORD

Tenement Name: Brumby **No (s):** 9424

Report Ref No's: 08.8778, 08.8773, 08.8731

Exploration Activities: Nil

Grids & Traverses: Nil

Soil Sampling: Nil

Costeans / Pits: Nil

Drilling: Nil

Drill Traverses: Nil

Drill Pads: Nil

Ground Geophysics: Nil

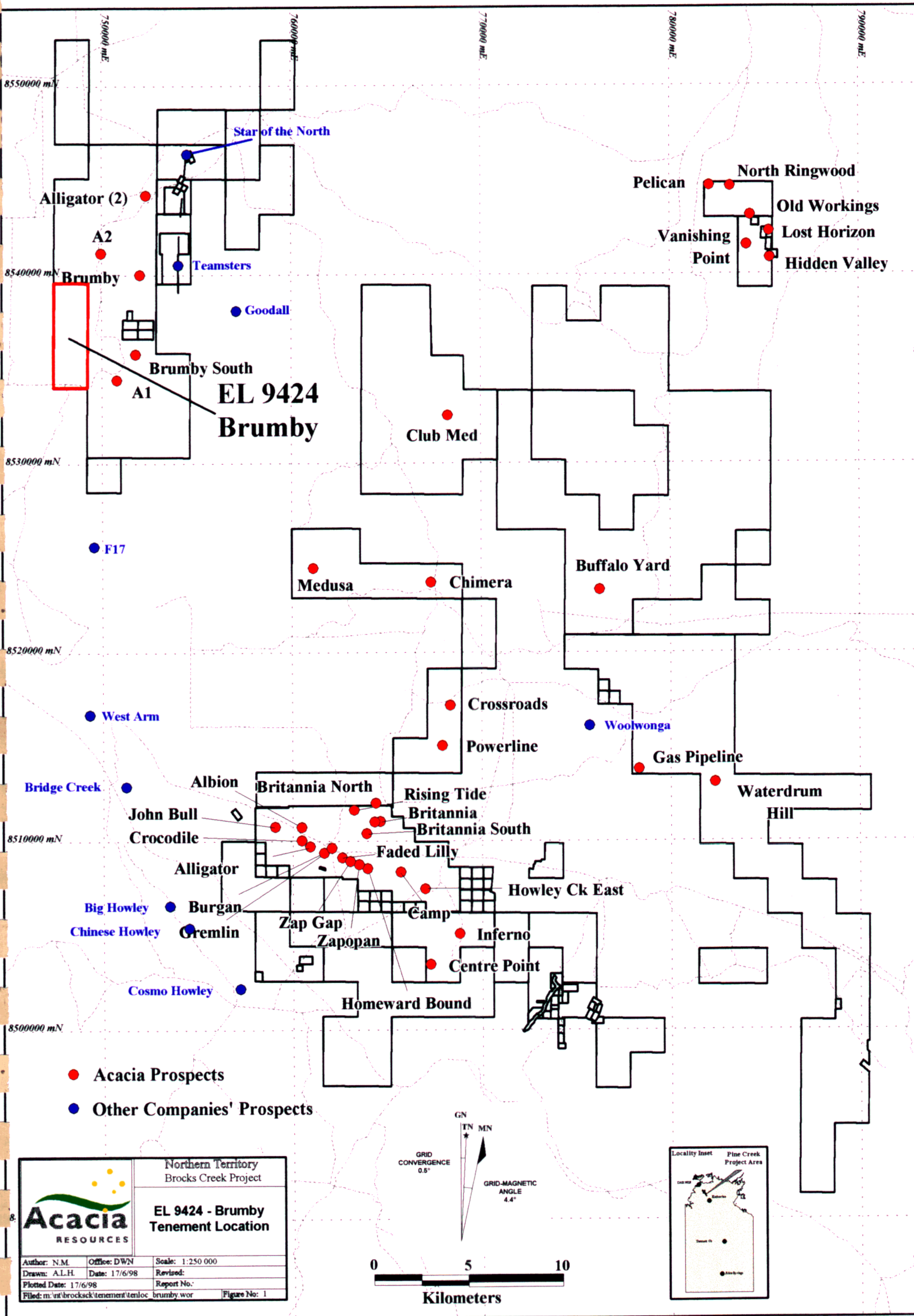
Access Tracks: Nil

Camps: Nil


Other: Nil

Compiled by: Helen Clark

Date: 16/06/97



- Acacia Prospects
- Other Companies' Prospects

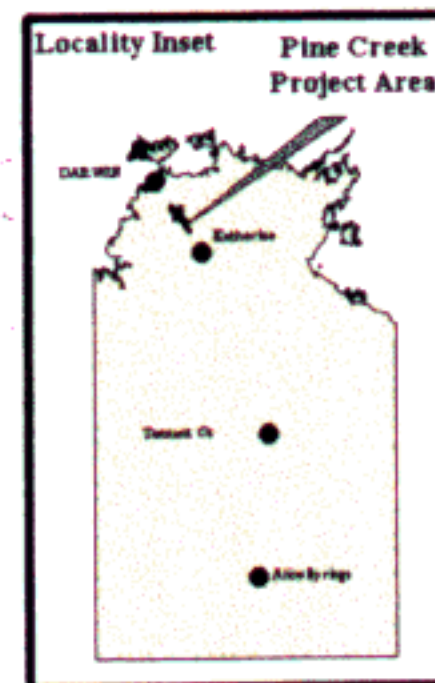
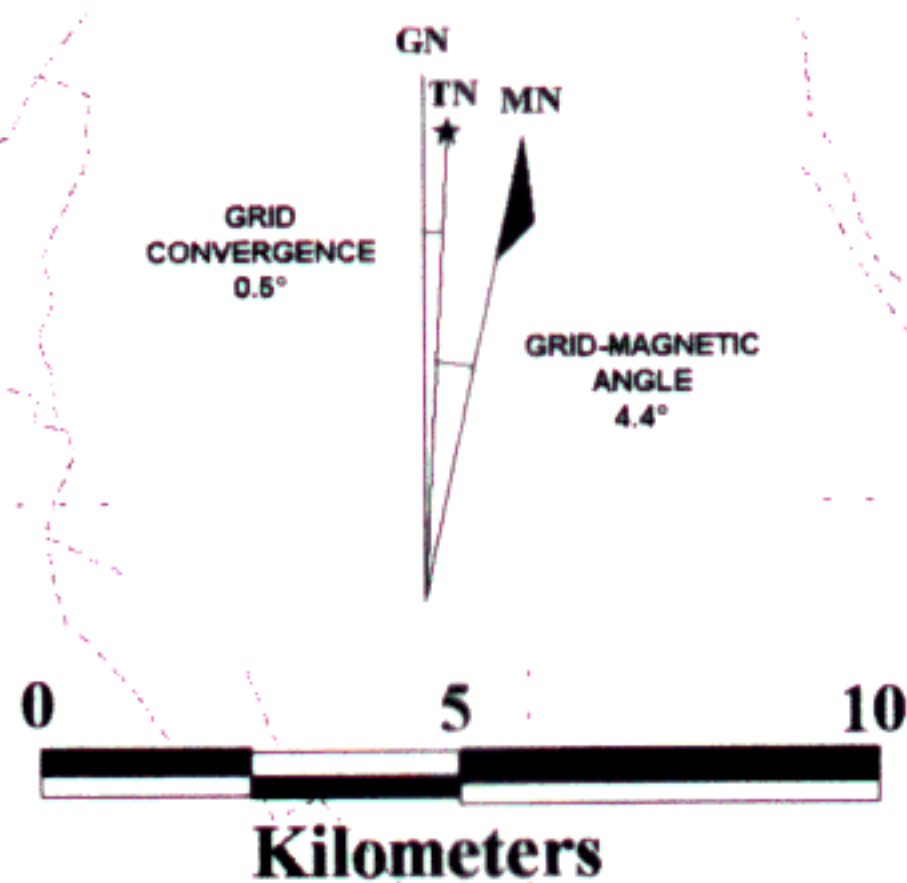


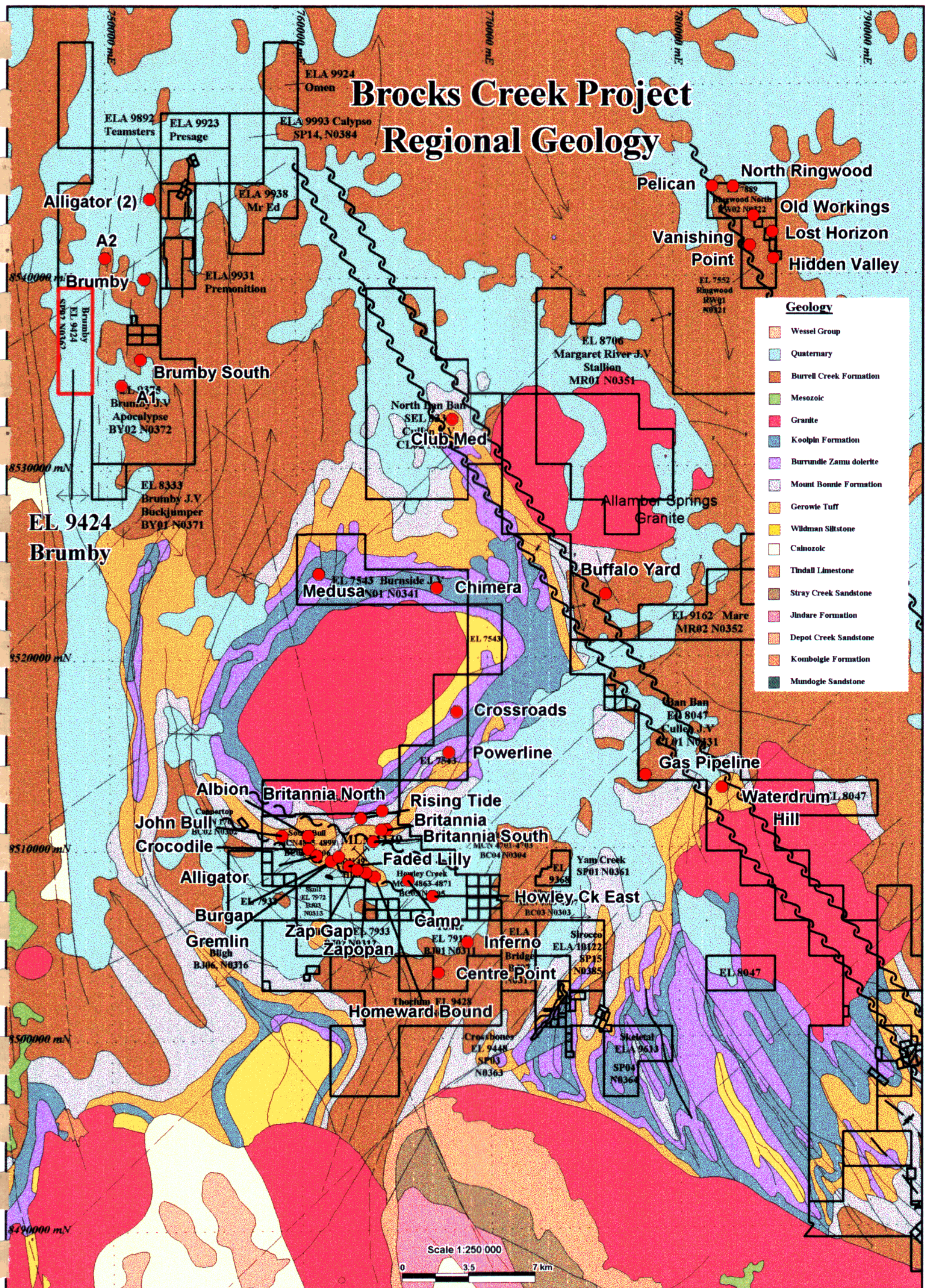
Acacia
RESOURCES

Northern Territory
Brooks Creek Project

**EL 9424 - Brumby
Tenement Location**

Author: N.M.	Office: DWN	Scale: 1:250 000
Drawn: A.L.H.	Date: 17/6/98	Revised:
Plotted Date: 17/6/98	Report No.:	
Filed: m:\nt\brocksck\tenement\tenloc	brumby.wor	Figure No: 1





EL 9424

Highly magnetic unit

Highly magnetic unit

Highly magnetic unit

Highly magnetic unit

Highly magnetic unit

Highly magnetic unit

Highly magnetic unit

Fault symbol (horizontal movement sense)

Highly magnetic unit

Highly magnetic unit

Highly magnetic unit

Highly magnetic unit

D

U

Weakly magnetic lineament

8539000 mN

8538000 mN

8537000 mN

8536000 mN

8535000 mN

Trace of r

749000 mE

750000 mE

751000 mE

Weakly magnetic

8539000 mN

8538000 mN

8537000 mN

8536000 mN

8535000 mN

8534000 mN

747000 mE

748000 mE

747000 mE

748000 mE

749000 mE



Northern Territory
Brooks Creek Project

EL 9424 - "Brumby"
Aeromagnetic Interp.
over TMI-RTP Image

Author: HC	Office: DWN	Scale: 1:25,000
Drawn: NKM	Date: 1997	Revised:
Plotted Date: 17/6/98	Report No.: 08.9621	
Projection/Grid:		
Filed:	Figure No: 3	