



POSGOLD
LIMITED

PO Box 294, Tennant Creek
Northern Territory 0861

ACN 007 511 006

Phone (089) 620 399
Fax (089) 620 377

SECOND ANNUAL REPORT
FOR EXPLORATION LICENCE 8774
FOR THE PERIOD 16/9/95 TO 15/9/96
TENNANT CREEK DISTRICT, NORTHERN TERRITORY

STRADDLE PROSPECT
TENNANT CREEK 1:250,000 SHEET SE 53-14

VOLUME 1 OF 1

AUTHOR: DR PHILIPPE O.J. MOUCHET
EXPLORATION GEOLOGIST

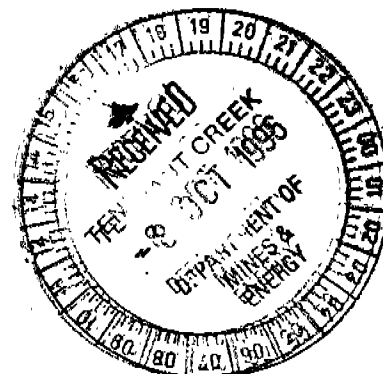
DATE: OCTOBER 1996

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CONTENTS

Page

LIST OF FIGURES
LIST OF APPENDICES

1.	SUMMARY	1
2.	INTRODUCTION	2
2.1	Location and Access	2
2.2	Climate and Physiography	2
2.3	Tenure	2
2.4	Previous Exploration	2
3.	REGIONAL GEOLOGY	2
4.	LOCAL GEOLOGY	3
5.	EXPLORATION SUMMARY RESULTS (16/9/95 TO 15/9/96)	3
6.	CONCLUSIONS AND RECOMMENDATIONS	3
7.	EXPENDITURE STATEMENT FOR THE PERIOD 16/9/95 TO 15/9/96	3
8.	FUTURE EXPLORATION PROGRAMME AND EXPENDITURE	4
9.	ENVIRONMENTAL AND REHABILITATION FACTORS	4
10.	REFERENCES	5

COMMODITIES: Gold, Copper

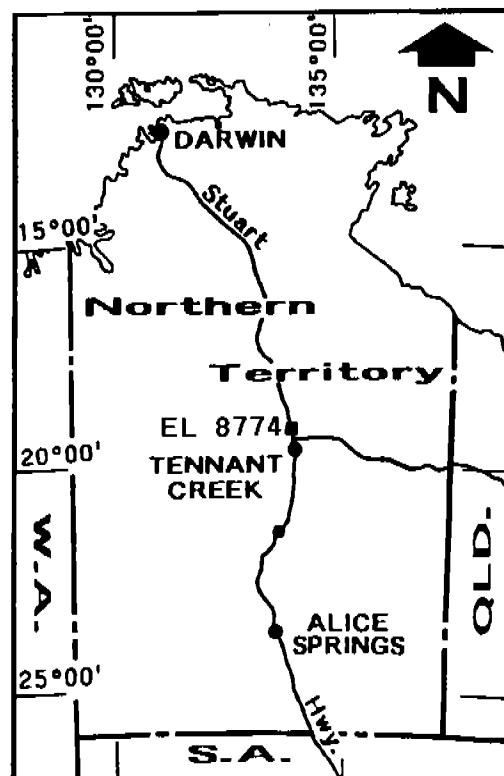
LIST OF FIGURES

<u>Figure No.</u>	<u>Title</u>	<u>Scale</u>
1	EL 8774 Straddle Location Plan	1:250,000
2	EL 8774 Straddle, RAB drilling, hole location plan	1:20,000
3	EL 8774 Straddle, Section 3300 East Lithology/Fe (%)	1:1,000
4	EL 8774 Straddle, Section 3300 East, Au (ppm)/Bi (ppm)	1:1,000
5	EL 8774 Straddle, Section 3300 East, Cu (ppm)/Co(ppm)	1:1,000
6	EL 8774 Straddle, Section 3550 East, Lithology/Fe (%)	1:1,000
7	EL 8774 Straddle, Section 3550 East, Au(ppm)/Bi(ppm)	1:1,000
8	EL 8774 Straddle, Section 3550 East, Cu(ppm)/Co(ppm)	1:1,000
9	EL 8774 Straddle, Section 3800 East, Lithology/Fe(%)	1:1,000
10	EL 8774 Straddle, Section 3800 East, Au(ppm)/Bi(ppm)	1:1,000
11	EL 8774 Straddle, Section 3800 East, Cu(ppm)/Co(ppm)	1:1,000

LIST OF APPENDICES

<u>Appendix No.</u>	<u>Title</u>
1	Lithological Legend and RAB Drilling Data
2	Bibliographic Data Sheet

REPORT NO: 20955
TITLE: SECOND ANNUAL REPORT FOR EXPLORATION LICENCE 8774
FOR THE PERIOD 16/9/95 TO 15/9/96, TENNANT CREEK
DISTRICT, NORTHERN TERRITORY, STRADDLE PROSPECT
AUTHOR: DR PHILIPPE O.J. MOUCHET
DATE: OCTOBER 1996



1 SUMMARY

EL 8774 (Straddle) was granted on 16/9/94 for a period of three (3) years. It consists of two graticular blocks (6.5km²) and is located approximately 45km north of Tennant Creek township. PosGold is exploring the licence for Au/Cu/Bi ironstone mineralisation. This report details the work completed by PosGold during the second year of tenure.

Work completed over EL 8774 during year two of tenure includes a RAB drilling programme.

2 INTRODUCTION

2.1 Location and Access

EL 8774 (Straddle) is located approximately 45km north of Tennant Creek township and is traversed by the Stuart Highway (Refer Figure 1). Access is gained via the Stuart Highway, hence along the Phillip Creek Station track.

2.2 Climate and Physiography

The climate of the Tennant Creek district is mild to warm and dry throughout autumn, winter and spring with cool to cold winds in winter. High temperatures (in excess of 35°C) occur in summer with associated seasonal rainfall which can impede field work programmes.

The physiography of EL 8774 is characterised by a flat aeolian and alluvial sand cover with a gentle easterly slope. The Phillip Creek meanders through the licence. Gentle hills of the Short Range are found north of the licence.

2.3 Tenure

EL 8774 (Straddle) was granted to PosGold on 16/9/94 for a period of three (3) years. It consists of two (2) graticular blocks covering 6.5 km².

2.4 Previous Exploration

During 1992-1994, Western Mining Corporation Ltd with Giants Reef Mining as a joint venture partner explored the area covered by EL 8774 (Straddle) under EL 7716 (Phillip Creek).

The joint venture parties conducted an aeromagnetic survey and a sub-regional gravity survey (Ward, 1994).

Reconnaissance work over EL 8774 was carried out by PosGold during 1994-95. This included an aborted vacuum drilling programme (Mouchet, 1995).

3 REGIONAL GEOLOGY

The Tennant Creek Inlier comprises gneissic basement successively overlain by unconformable Proterozoic sediments of the Warramunga Group, Hatches Creek Group and Tomkinson Creek Beds. These sediments have been intruded by Proterozoic aged granites, and subsequently overlain by Cambrian sediments (Le Messurier et al, 1990). The Warramunga Group contains all of the economically viable mineral deposits in the Tennant Creek region.

The Warramunga Group is overlain by the Flynn Sub-Group. The Warramunga Group comprises a sequence of argillaceous sedimentary rocks including siliceous greywacke, siltstone, shale and haematite shale with zones of disseminated haematite-magnetite being common throughout. Quartz-feldspar porphyry lenses occur as both cross-cutting and conformable units within the sedimentary sequences. The Flynn Sub-Group comprises a sequence of argillaceous to quartz-rich arenaceous sedimentary rocks, coarser up sequence, with abundant quartz veining.

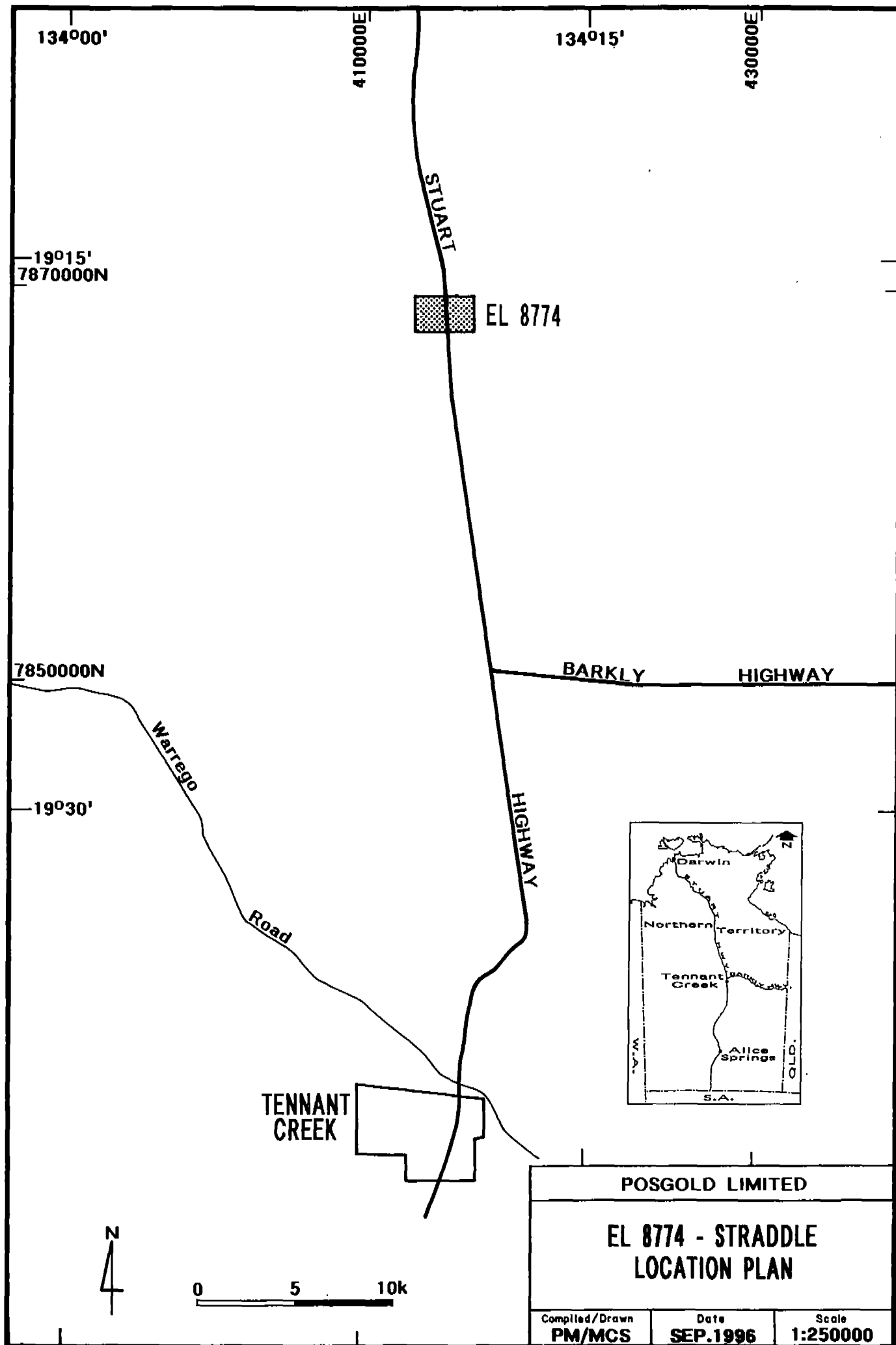


Figure No. 1

The Warramunga Group exhibits three deformational phases and is metamorphosed to greenschist facies. The first deformational episode results in tight to isoclinal, upright folds with east-west axes. Two later episodes of faulting consist of WNW trending faults and shear zones with south-side-up movement, and NW trending faults often filled with quartz, showing sinistral movement.

4 LOCAL GEOLOGY

EL 8774 contains no outcrop and is covered by aeolian and alluvial sands. The rocks are interpreted from the geology (geophysical and drilling data) to be interbedded siltstones and sandstones of the Warramunga Group and the Flynn Sub Group, intersected by a dolerite dyke.

5 EXPLORATION SUMMARY RESULTS (16/9/95 TO 15/9/96)

EL 8774 (Straddle) has been investigated by an exploration programme in its second year of tenure which has included a rotary air blast (RAB) drilling programme.

A total of 10 vertical holes in 3 fences (3300E, 3550E and 3800E; add 410000 for full AMG coordinates) were drilled. 3 metre composite samples were submitted to Assay Corp (Pine Creek) for assay on Au, Cu, Bi, Fe and Co. The bedrock lithologies are mainly represented by siltstones and in a few occasions by a dolerite. Refer Appendix 1 for the lithological legend and the complete RAB drilling data. Refer to Figures 2-11 for RAB drillhole locations, and cross sections (3300E, 3550E and 3800E) displaying the geology and geochemical assay results.

6 CONCLUSIONS AND RECOMMENDATIONS

Work over EL 8774 during the second year of tenure comprised a RAB drilling programme. Warramunga Group and mainly Flynn Subgroup sediments have been recognised through the drilling programme. The potential of the western block to host economic Au, Cu, Bi ironstone mineralisation hosted in Warramunga Group sediments is considered little. A ground magnetics survey in the eastern block followed-up by RC drilling is recommended to fully explore the potential of the licence to host economic mineralisation.

7 EXPENDITURE STATEMENT FOR THE PERIOD 16/9/95 TO 15/9/96

During the second year of tenure EL 8774 (Straddle) incurred an expenditure of \$16,813. A breakdown of the expenditure is detailed below:

EXPENSE	COST
Employee Costs	\$ 4,320
Overheads	\$ 956
Drilling	\$ 6,019
Assays	\$ 3,326
Operating Costs	\$ 1,527
Specialist Services	\$ 411
Tenement Costs	\$ 254
TOTAL	\$ 16,813

8 FUTURE EXPLORATION PROGRAMME AND EXPENDITURE

The proposed exploration programme for EL 8774 for the third year of tenure will focus on investigation of subtle magnetic anomalies in the remaining block of the licence. Exploration will include a ground magnetics survey to determine the possible source and depth of the magnetic feature possibly followed up by RC drilling if the results of the survey are encouraging.

A summary of the proposed expenditure is outlined below:

EXPENSE	COST
Employee Costs	\$ 2,500
Overheads	\$ 500
Drilling	\$ 5,500
Assays	\$ 1,000
Operating Costs	\$ 1,000
Specialist Services	\$ 1,000
Tenement Costs	\$ 50
TOTAL	\$ 11,550

9 ENVIRONMENTAL AND REHABILITATION FACTORS

PosGold has commenced an active rehabilitation programme over much of the Tennant Creek field. This commitment has been reinforced within the Normandy Group with the appointment of a Group Environmental Engineer to oversee and implement the Group's guidelines and objectives. In addition to this an Environmental Superintendent has been engaged at Tennant Creek to design and implement the Group's objectives throughout the Tennant Creek area.

As an example of the Group's commitment to environmental issues several active rehabilitation programmes are currently being undertaken in the Tennant Creek field. These include programmes at Nobles Nob, Eldorado, White Devil and Warrego.

An Environmental Management Plan for the Company's Tennant Creek Operations (Fowler, 1993) has been submitted to the Department of Mines and Energy under separate cover (March 1993). This plan details the strategies to be implemented over various areas following completion of exploration programmes and mining operations.

10 REFERENCES

Fowler, B., 1993. Environmental Management Plan 1993. Report No. 94177. PosGold Limited.

Le Messurier, P; Williams, B.T; and Blake, D.H., 1990. Tennant Creek Inlier - Regional Geology and Mineralisation. Geology of the Mineral Deposits of Australia and Papua New Guinea (Ed. F.E. Hughes), pp 829-838. (The Australasian Institute of Mining and Metallurgy).

Mouchet, P.O.J. Dr (1995): Annual Report for Exploration Licence 8774 for the period 16/9/94 to 15/9/96, Tennant Creek District, Northern Territory, Straddle Prospect. PosGold Ltd Report to NTDMER.

Ward, N.A. (1994): Report on Area Relinquished from EL 7716 Phillip Creek, March 1994. Western Mining Corporation Limited, Exploration Division, Pasadena, S.A. Report to NTDMER.

APPENDIX ONE

LITHOLOGICAL LEGEND
AND
RAB DRILLING DATA

LITHOLOGICAL LEGEND FOR TENNANT CREEK

ROCK TYPE / MINERALOGY / STRUCTURE, ALTERATION AND TEXTURE

ROCK TYPE

AGL	- ARGILLITE	HSH	- HAEMATITE SHALE
AMP	- AMPHIBOLITE	HSL	- HAEMATITE SILTSTONE
AS	- ALTERED SEDIMENTS	LAMP	- LAMPROPHYRE
BIF	- BANDED IRON FORMATION	M	- MAGNETITE ROCK
CA	- CALCARETE	PEG	- PEGMATITE
CG	- CONGLOMERATE	QFP	- QUARTZ-FELDSPAR PORPHYRY
CHT	- CHERT	QP	- QUARTZ PORPHYRY
CL	- CLAY	QZT	- QUARTZITE
CO	- COLLUVIUM	SBX	- SEDIMENTARY BRECCIA
CRB	- CARBONATES	SC	- SILICIC CAPROCK
D	- DOLOMITE ROCK	SERP	- SERPENTINITE
DOL	- DOLERITE	SH	- SHALE
DR	- DIORITE	SIL	- SILCRETE
EX	- EXCARBONATE	SL	- SILTSTONE
FER	- FERRICRETE	SS	- SANDSTONE
GR	- GRANITE	ST	- SCHIST
GRD	- GRANODIORITE	TF	- TUFF
GW	- GREYWACKE	NOCORE	- NO CORE
H	- HAEMATITE ROCK		

MINERALOGY

a	- amphibole	h	- haematite
act	- actinolite	i	- jasper
Au	- gold	k	- kaolin
bi	- bismuthinite	li	- limonite
bn	- bornite	m	- magnetite
bt	- biotite	ml	- malachite
c	- chlorite	mv	- muscovite
Carb	- carbonate (undifferentiated)	po	- pyrrhotite
cc,ct	- chalcocite	py	- pyrite
cp	- chalcopyrite	Q,q	- quartz
Ct	- cuprite	s	- sericite
Cu	- native copper	sl	- sphalerite
cv	- covellite	sp	- specularite
d,dl	- dolomite	T,t	- talc
ep	- epidote	tm	- tourmaline
gn,gl	- galena	tr	- tremolite

STRUCTURE, ALTERATION AND TEXTURE

B,bl	- bleaching	Fz	- fracture zone
b	- blebs	Lm	- laminated
Bd	- bedding	Si	- silicification
BOCO	- base of complete oxidation	Sz	- shear zone
Bx	- breccia	V	- vein (prefix mineral eg qV)
cl	- clay	\	- interbedded
Dis,ds	- disseminated	*,)	- stringer mineral
F	- fault	>	- denotes dominant lithology
Fol	- foliated	-	- grading (eg GW-SL)

POSGOLD LIMITED
EL 8774 Straddle
Drill Hole Collar Information

BHID	Easting (AMG)	Northing (AMG)	RL (m)	Total Depth (m)
STRB-001	413300.0	7868050.0	320.32	60.00
STRB-002	413300.0	7868151.0	320.32	60.00
STRB-003	413300.0	7868250.0	320.32	60.00
STRB-004	413550.0	7868000.0	320.32	60.00
STRB-005	413550.0	7868100.0	320.32	55.00
STRB-006	413550.0	7868200.0	320.32	59.00
STRB-007	413550.0	7868300.0	320.32	60.00
STRB-008	413800.0	7868000.0	320.32	60.00
STRB-009	413800.0	7868100.0	320.32	59.00
STRB-010	413800.0	7868200.0	320.32	60.00

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Downhole Survey Information

BHID	Survey Depth (m)	Bearing (Degrees)	Dip of Hole (Degrees)
STRB-001	320.00	.00	-90.0
STRB-002	320.00	.00	-90.0
STRB-003	320.00	.00	-90.0
STRB-004	320.00	.00	-90.0
STRB-005	320.00	.00	-90.0
STRB-006	320.00	.00	-90.0
STRB-007	320.00	.00	-90.0
STRB-008	320.00	.00	-90.0
STRB-009	320.00	.00	-90.0
STRB-010	320.00	.00	-90.0

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Downhole Lithology

BHID	FROM (m)	TO (m)	LITHOLOGY CODE
STRB-001	.00	1.00	COVER
STRB-001	1.00	7.00	SS/trsp
STRB-001	7.00	18.00	SS/bl
STRB-001	18.00	20.00	SL/alt,h
STRB-001	20.00	26.00	SL/cly
STRB-001	26.00	27.00	AS
STRB-001	27.00	35.00	SL/h
STRB-001	35.00	60.00	SL/hq
STRB-002	.00	1.00	COVER
STRB-002	1.00	6.00	SS/trsp
STRB-002	6.00	13.00	SS/bl
STRB-002	13.00	26.00	AS/SL
STRB-002	26.00	45.00	DOL
STRB-002	45.00	55.00	SL/hq
STRB-002	55.00	60.00	SL/q
STRB-003	.00	2.00	COVER
STRB-003	2.00	9.00	SS/trsp
STRB-003	9.00	19.00	AS/SS
STRB-003	19.00	21.00	SL/li
STRB-003	21.00	60.00	SL/clyq
STRB-004	.00	3.00	COVER
STRB-004	3.00	9.00	SS?trsp
STRB-004	9.00	16.00	SS/bl
STRB-004	16.00	22.00	AS/SL
STRB-004	22.00	23.00	SL/h
STRB-004	23.00	36.00	SL/cly
STRB-004	36.00	51.00	SL/q
STRB-004	51.00	55.00	SL/h
STRB-004	55.00	60.00	SL/hliq
STRB-005	.00	2.00	COVER
STRB-005	2.00	9.00	SS/trsp
STRB-005	9.00	12.00	SS/bl
STRB-005	12.00	15.00	SL/cly
STRB-005	15.00	19.00	SL/h
STRB-005	19.00	20.00	SL
STRB-005	20.00	22.00	SL
STRB-005	22.00	54.50	SL/li
STRB-005	54.50	55.00	water
STRB-006	.00	3.00	COVER
STRB-006	3.00	9.00	SS/trsp
STRB-006	9.00	15.00	SS/bl
STRB-006	15.00	27.00	SS/liq
STRB-006	27.00	33.00	SL
STRB-006	33.00	38.00	SL/h
STRB-006	38.00	44.00	SL/liq
STRB-006	44.00	45.00	SL/h
STRB-006	45.00	48.00	SL/li
STRB-006	48.00	50.00	SL
STRB-006	50.00	52.00	SL/li
STRB-006	52.00	56.00	SL/q

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Downhole Lithology

BHID	FROM (m)	TO (m)	LITHOLOGY CODE
STRB-006	56.00	58.50	SL
STRB-006	58.50	59.00	water
STRB-007	.00	1.00	COVER
STRB-007	1.00	5.00	SS/trsp
STRB-007	5.00	7.00	SS/bl
STRB-007	7.00	9.00	SL/h
STRB-007	9.00	10.00	SL/bl
STRB-007	10.00	20.00	SL/h
STRB-007	20.00	60.00	SL/clyli
STRB-008	.00	2.00	COVER
STRB-008	2.00	7.00	SS/trsp
STRB-008	7.00	11.00	SS/q
STRB-008	11.00	14.00	SS/hli
STRB-008	14.00	19.00	SS
STRB-008	19.00	33.00	SS/qli
STRB-008	33.00	39.00	SL/cly
STRB-008	39.00	41.00	SL/h
STRB-008	41.00	44.00	SL/li
STRB-008	44.00	46.00	SL/q
STRB-008	46.00	51.00	SL/qli
STRB-008	51.00	53.00	SL/qli
STRB-008	53.00	59.50	SL/liq
STRB-008	59.50	60.00	water
STRB-009	.00	2.00	COVER
STRB-009	2.00	9.00	SS/trsp
STRB-009	9.00	17.00	SS/bl
STRB-009	17.00	19.00	SL/h
STRB-009	19.00	43.00	SL/li
STRB-009	43.00	58.50	SL/clih
STRB-009	58.50	59.00	water
STRB-010	.00	1.00	COVER
STRB-010	1.00	8.50	SS/trsp
STRB-010	8.50	13.00	SS/bl
STRB-010	13.00	15.00	SL/h
STRB-010	15.00	34.00	SL/liq
STRB-010	34.00	37.00	SL/li
STRB-010	37.00	59.50	SL/li
STRB-010	59.50	60.00	water

POSGOLD LIMITED
STRADLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Au ppm 0.01	Cu ppm 1	Bi ppm 1	Fe % 0.01
STRB-001	492201.	.00	3.00	.02	6.00	TR	3.14
STRB-001	492202.	3.00	6.00	TR	10.00	TR	5.13
STRB-001	492203.	6.00	9.00	TR	15.00	TR	5.16
STRB-001	492204.	9.00	12.00	.01	15.00	TR	3.20
STRB-001	492205.	12.00	15.00	.02	8.00	TR	1.95
STRB-001	492206.	15.00	18.00	.01	5.00	TR	2.86
STRB-001	492207.	18.00	21.00	.01	12.00	TR	11.82
STRB-001	492208.	21.00	24.00	.01	TR	TR	.77
STRB-001	492209.	24.00	27.00	TR	39.00	TR	15.69
STRB-001	492210.	27.00	30.00	TR	30.00	TR	16.68
STRB-001	492211.	30.00	33.00	TR	27.00	TR	12.04
STRB-001	492212.	33.00	36.00	.01	48.00	TR	13.52
STRB-001	492213.	36.00	39.00	.01	9.00	TR	4.08
STRB-001	492214.	39.00	42.00	TR	8.00	TR	4.23
STRB-001	492215.	42.00	45.00	TR	7.00	TR	3.90
STRB-001	492216.	45.00	48.00	.01	9.00	TR	4.24
STRB-001	492217.	48.00	51.00	TR	5.00	TR	4.10
STRB-001	492218.	51.00	54.00	TR	3.00	TR	4.57
STRB-001	492219.	54.00	57.00	TR	TR	TR	4.15
STRB-001	492220.	57.00	60.00	.01	TR	TR	3.93
STRB-002	492221.	.00	3.00	.01	12.00	TR	4.43
STRB-002	492222.	3.00	6.00	.01	12.00	TR	5.21
STRB-002	492223.	6.00	9.00	.01	1.00	TR	2.00
STRB-002	492224.	9.00	12.00	.01	2.00	TR	2.70
STRB-002	492225.	12.00	15.00	TR	16.00	TR	9.44
STRB-002	492226.	15.00	18.00	TR	23.00	TR	13.05
STRB-002	492227.	18.00	21.00	TR	20.00	TR	9.17
STRB-002	492228.	21.00	24.00	TR	38.00	TR	17.68
STRB-002	492229.	24.00	27.00	TR	60.00	TR	16.81
STRB-002	492230.	27.00	30.00	TR	82.00	TR	18.89
STRB-002	492231.	30.00	33.00	TR	81.00	TR	18.46
STRB-002	492232.	33.00	36.00	TR	73.00	TR	16.26
STRB-002	492233.	36.00	39.00	TR	92.00	TR	17.37
STRB-002	492234.	39.00	42.00	TR	216.00	TR	13.36
STRB-002	492235.	42.00	45.00	TR	359.00	TR	10.25
STRB-002	492236.	45.00	48.00	TR	129.00	TR	4.75
STRB-002	492237.	48.00	51.00	TR	62.00	TR	3.73
STRB-002	492238.	51.00	54.00	TR	37.00	TR	3.57
STRB-002	492239.	54.00	57.00	TR	39.00	TR	4.40
STRB-002	492240.	57.00	60.00	TR	24.00	TR	3.57
STRB-003	492241.	.00	3.00	TR	7.00	TR	2.83
STRB-003	492242.	3.00	6.00	TR	12.00	TR	4.37
STRB-003	492243.	6.00	9.00	.00	12.00	TR	4.25
STRB-003	492244.	9.00	12.00	.01	TR	TR	1.68
STRB-003	492245.	12.00	15.00	.01	TR	TR	1.26
STRB-003	492246.	15.00	18.00	.01	TR	TR	1.68
STRB-003	492247.	18.00	21.00	.01	TR	TR	4.50
STRB-003	492248.	21.00	24.00	TR	TR	TR	3.37
STRB-003	492249.	24.00	27.00	TR	TR	TR	2.91

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Au ppm 0.01	Cu ppm 1	Bi ppm 1	Fe % 0.01
STRB-003	492250.	27.00	30.00	.01	TR	TR	2.28
STRB-003	492251.	30.00	33.00	TR	TR	TR	2.60
STRB-003	492252.	33.00	36.00	TR	TR	TR	3.22
STRB-003	492253.	36.00	39.00	TR	TR	TR	2.92
STRB-003	492254.	39.00	42.00	.01	TR	TR	2.74
STRB-003	492255.	42.00	45.00	TR	TR	TR	1.81
STRB-003	492256.	45.00	48.00	.01	26.00	TR	2.82
STRB-003	492257.	48.00	51.00	TR	TR	TR	1.67
STRB-003	492258.	51.00	54.00	.01	TR	TR	2.46
STRB-003	492259.	54.00	57.00	.01	TR	TR	2.60
STRB-003	492260.	57.00	60.00	.01	TR	TR	2.59
STRB-004	492261.	.00	3.00	.02	9.00	1.00	2.72
STRB-004	492262.	3.00	6.00	.03	13.00	TR	3.57
STRB-004	492263.	6.00	9.00	.02	13.00	TR	4.48
STRB-004	492264.	9.00	12.00	.01	7.00	TR	1.42
STRB-004	492265.	12.00	15.00	.01	2.00	TR	1.41
STRB-004	492266.	15.00	18.00	.01	6.00	TR	1.82
STRB-004	492267.	18.00	21.00	TR	TR	TR	.86
STRB-004	492268.	21.00	24.00	TR	5.00	TR	1.89
STRB-004	492269.	24.00	27.00	.02	TR	TR	2.03
STRB-004	*****	27.00	30.00	-	-	-	-
STRB-004	492271.	30.00	33.00	.03	6.00	TR	2.34
STRB-004	492272.	33.00	36.00	TR	3.00	TR	1.81
STRB-004	492273.	36.00	39.00	.01	7.00	TR	2.13
STRB-004	492274.	39.00	42.00	.01	4.00	TR	2.11
STRB-004	492275.	42.00	45.00	TR	3.00	TR	2.55
STRB-004	492276.	45.00	48.00	.01	6.00	TR	2.43
STRB-004	492277.	48.00	51.00	.00	7.00	TR	2.50
STRB-004	492278.	51.00	54.00	.01	4.00	TR	3.20
STRB-004	492279.	54.00	57.00	.03	5.00	TR	2.75
STRB-004	492280.	57.00	60.00	.01	8.00	TR	2.68
STRB-005	492281.	.00	3.00	.02	10.00	TR	2.59
STRB-005	492282.	3.00	6.00	.01	13.00	TR	4.96
STRB-005	492283.	6.00	9.00	.01	14.00	TR	4.47
STRB-005	492284.	9.00	12.00	.02	10.00	TR	4.63
STRB-005	492285.	12.00	15.00	.01	7.00	TR	2.11
STRB-005	492286.	15.00	18.00	.02	12.00	TR	4.88
STRB-005	492287.	18.00	21.00	.01	7.00	TR	2.93
STRB-005	492288.	21.00	24.00	.01	10.00	TR	3.25
STRB-005	492289.	24.00	27.00	.01	12.00	TR	3.86
STRB-005	492290.	27.00	30.00	TR	12.00	TR	3.95
STRB-005	492291.	30.00	33.00	TR	9.00	1.00	3.41
STRB-005	492292.	33.00	36.00	.01	5.00	TR	3.28
STRB-005	492293.	36.00	39.00	.00	7.00	TR	3.12
STRB-005	492294.	39.00	42.00	TR	5.00	TR	3.07
STRB-005	492295.	42.00	45.00	TR	8.00	TR	3.08
STRB-005	492296.	45.00	48.00	TR	10.00	TR	2.99
STRB-005	492297.	48.00	51.00	TR	7.00	TR	2.43
STRB-005	492298.	51.00	54.00	TR	6.00	TR	2.85

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Au ppm 0.01	Cu ppm 1	Bi ppm 1	Fe % 0.01
STRB-005	492299.	54.00	55.00	.01	4.00	TR	2.87
STRB-006	492300.	.00	3.00	.01	9.00	TR	3.24
STRB-006	492301.	3.00	6.00	TR	11.00	TR	4.44
STRB-006	492302.	6.00	9.00	.00	20.00	TR	8.66
STRB-006	492303.	9.00	12.00	.01	13.00	2.00	1.37
STRB-006	492304.	12.00	15.00	.02	14.00	2.00	1.26
STRB-006	492305.	15.00	18.00	.01	64.00	2.00	11.50
STRB-006	492306.	18.00	21.00	.01	156.00	1.00	10.60
STRB-006	492307.	21.00	24.00	.01	443.00	2.00	11.90
STRB-006	492308.	24.00	27.00	TR	247.00	TR	10.80
STRB-006	492309.	27.00	30.00	TR	82.00	TR	3.39
STRB-006	492310.	30.00	33.00	.01	67.00	TR	3.27
STRB-006	492311.	33.00	36.00	TR	28.00	TR	3.04
STRB-006	492312.	36.00	39.00	TR	51.00	TR	3.02
STRB-006	492313.	39.00	42.00	.00	92.00	TR	3.82
STRB-006	492314.	42.00	45.00	TR	40.00	TR	3.08
STRB-006	492315.	45.00	48.00	TR	45.00	TR	5.32
STRB-006	492316.	48.00	51.00	TR	38.00	TR	4.11
STRB-006	492317.	51.00	54.00	TR	24.00	TR	2.66
STRB-006	492318.	54.00	57.00	TR	26.00	TR	3.19
STRB-006	492319.	57.00	59.00	TR	43.00	2.00	4.44
STRB-007	492320.	.00	3.00	TR	9.00	TR	3.12
STRB-007	492321.	3.00	6.00	.03	12.00	TR	3.35
STRB-007	492322.	6.00	9.00	TR	6.00	TR	3.47
STRB-007	492323.	9.00	12.00	TR	3.00	TR	3.91
STRB-007	492324.	12.00	15.00	.02	4.00	TR	4.49
STRB-007	492325.	15.00	18.00	TR	6.00	TR	2.99
STRB-007	492326.	18.00	21.00	.01	4.00	TR	2.97
STRB-007	492327.	21.00	24.00	TR	5.00	TR	2.58
STRB-007	492328.	24.00	27.00	TR	9.00	TR	2.51
STRB-007	492329.	27.00	30.00	.03	14.00	TR	2.77
STRB-007	492330.	30.00	33.00	.01	18.00	TR	3.98
STRB-007	492331.	33.00	36.00	.01	13.00	1.00	3.17
STRB-007	492332.	36.00	39.00	.01	8.00	TR	3.61
STRB-007	492333.	39.00	42.00	.02	9.00	TR	2.62
STRB-007	492334.	42.00	45.00	.01	13.00	TR	2.67
STRB-007	492335.	45.00	48.00	TR	6.00	TR	2.82
STRB-007	492336.	48.00	51.00	TR	7.00	TR	2.69
STRB-007	492337.	51.00	54.00	TR	9.00	TR	2.32
STRB-007	492338.	54.00	57.00	TR	15.00	TR	2.41
STRB-007	492339.	57.00	60.00	TR	20.00	TR	2.40
STRB-008	492340.	.00	3.00	-	-	-	-
STRB-008	492341.	3.00	6.00	.04	13.00	TR	3.22
STRB-008	492342.	6.00	9.00	.03	12.00	TR	3.91
STRB-008	492343.	9.00	12.00	.03	12.00	3.00	4.05
STRB-008	492344.	12.00	15.00	TR	9.00	2.00	3.67
STRB-008	492345.	15.00	18.00	.04	8.00	2.00	4.77
STRB-008	492346.	18.00	21.00	.04	2.00	TR	.98
STRB-008	492347.	21.00	24.00	TR	4.00	TR	2.45

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Au ppm 0.01	Cu ppm 1	Bi ppm 1	Fe % 0.01
STRB-008	492348.	24.00	27.00	TR	7.00	TR	3.81
STRB-008	492349.	27.00	30.00	.05	4.00	TR	4.11
STRB-008	492350.	30.00	33.00	.00	3.00	TR	3.78
STRB-008	492351.	33.00	36.00	.01	7.00	TR	2.53
STRB-008	492352.	36.00	39.00	.01	5.00	TR	3.52
STRB-008	492353.	39.00	42.00	.01	9.00	TR	3.15
STRB-008	492354.	42.00	45.00	.01	13.00	TR	3.16
STRB-008	492355.	45.00	48.00	TR	7.00	TR	2.73
STRB-008	492356.	48.00	51.00	.00	10.00	TR	2.54
STRB-008	492357.	51.00	54.00	.01	13.00	TR	2.27
STRB-008	492358.	54.00	57.00	.01	12.00	TR	2.54
STRB-008	492359.	57.00	60.00	.01	9.00	TR	2.83
STRB-009	492360.	.00	3.00	TR	10.00	TR	2.41
STRB-009	492361.	3.00	6.00	TR	13.00	TR	2.71
STRB-009	492362.	6.00	9.00	TR	17.00	TR	4.39
STRB-009	492363.	9.00	12.00	.01	12.00	TR	4.95
STRB-009	492364.	12.00	15.00	TR	7.00	TR	1.51
STRB-009	492365.	15.00	18.00	.01	8.00	TR	.81
STRB-009	492366.	18.00	21.00	TR	9.00	TR	1.96
STRB-009	492367.	21.00	24.00	.01	29.00	3.00	4.16
STRB-009	492368.	24.00	27.00	.01	22.00	2.00	3.57
STRB-009	492369.	27.00	30.00	TR	37.00	TR	3.47
STRB-009	492370.	30.00	33.00	TR	29.00	TR	3.13
STRB-009	492371.	33.00	36.00	TR	12.00	TR	2.88
STRB-009	492372.	36.00	39.00	TR	14.00	TR	2.87
STRB-009	492373.	39.00	42.00	TR	21.00	TR	3.67
STRB-009	492374.	42.00	45.00	TR	15.00	TR	3.43
STRB-009	492375.	45.00	48.00	TR	56.00	5.00	1.94
STRB-009	492376.	48.00	51.00	TR	98.00	5.00	2.95
STRB-009	492377.	51.00	54.00	.01	118.00	12.00	3.66
STRB-009	492378.	54.00	57.00	TR	272.00	6.00	4.28
STRB-009	492379.	57.00	59.00	TR	386.00	3.00	4.23
STRB-010	492380.	.00	3.00	TR	22.00	TR	3.14
STRB-010	492381.	3.00	6.00	TR	16.00	TR	4.05
STRB-010	492382.	6.00	9.00	TR	15.00	TR	5.22
STRB-010	492383.	9.00	12.00	TR	7.00	TR	1.57
STRB-010	492384.	12.00	15.00	.01	3.00	TR	2.43
STRB-010	492385.	15.00	18.00	.03	4.00	TR	4.23
STRB-010	492386.	18.00	21.00	.02	5.00	TR	3.91
STRB-010	492387.	21.00	24.00	.01	6.00	TR	3.72
STRB-010	492388.	24.00	27.00	.02	12.00	TR	3.19
STRB-010	492389.	27.00	30.00	.02	11.00	TR	3.26
STRB-010	492390.	30.00	33.00	.01	7.00	TR	3.08
STRB-010	492391.	33.00	36.00	.03	18.00	TR	3.97
STRB-010	492392.	36.00	39.00	.02	27.00	TR	5.90
STRB-010	492393.	39.00	42.00	.01	10.00	TR	3.15
STRB-010	492394.	42.00	45.00	.01	6.00	TR	2.54
STRB-010	492395.	45.00	48.00	.02	13.00	TR	2.92
STRB-010	492396.	48.00	51.00	.01	11.00	TR	3.02

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Au ppm 0.01	Cu ppm 1	Bi ppm 1	Fe % 0.01
STRB-010	492397.	51.00	54.00	.02	6.00	TR	2.96
STRB-010	492398.	54.00	57.00	.01	7.00	TR	2.82
STRB-010	492399.	57.00	60.00	.02	26.00	TR	2.29

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Co ppm 1
STRB-001	492201.	.00	3.00	7.00
STRB-001	492202.	3.00	6.00	7.00
STRB-001	492203.	6.00	9.00	22.00
STRB-001	492204.	9.00	12.00	34.00
STRB-001	492205.	12.00	15.00	15.00
STRB-001	492206.	15.00	18.00	8.00
STRB-001	492207.	18.00	21.00	17.00
STRB-001	492208.	21.00	24.00	8.00
STRB-001	492209.	24.00	27.00	36.00
STRB-001	492210.	27.00	30.00	26.00
STRB-001	492211.	30.00	33.00	17.00
STRB-001	492212.	33.00	36.00	18.00
STRB-001	492213.	36.00	39.00	5.00
STRB-001	492214.	39.00	42.00	5.00
STRB-001	492215.	42.00	45.00	4.00
STRB-001	492216.	45.00	48.00	5.00
STRB-001	492217.	48.00	51.00	4.00
STRB-001	492218.	51.00	54.00	18.00
STRB-001	492219.	54.00	57.00	15.00
STRB-001	492220.	57.00	60.00	16.00
STRB-002	492221.	.00	3.00	6.00
STRB-002	492222.	3.00	6.00	7.00
STRB-002	492223.	6.00	9.00	3.00
STRB-002	492224.	9.00	12.00	4.00
STRB-002	492225.	12.00	15.00	5.00
STRB-002	492226.	15.00	18.00	3.00
STRB-002	492227.	18.00	21.00	4.00
STRB-002	492228.	21.00	24.00	16.00
STRB-002	492229.	24.00	27.00	32.00
STRB-002	492230.	27.00	30.00	58.00
STRB-002	492231.	30.00	33.00	49.00
STRB-002	492232.	33.00	36.00	63.00
STRB-002	492233.	36.00	39.00	75.00
STRB-002	492234.	39.00	42.00	40.00
STRB-002	492235.	42.00	45.00	33.00
STRB-002	492236.	45.00	48.00	15.00
STRB-002	492237.	48.00	51.00	8.00
STRB-002	492238.	51.00	54.00	6.00
STRB-002	492239.	54.00	57.00	15.00
STRB-002	492240.	57.00	60.00	7.00
STRB-003	492241.	.00	3.00	5.00
STRB-003	492242.	3.00	6.00	7.00
STRB-003	492243.	6.00	9.00	6.00
STRB-003	492244.	9.00	12.00	5.00
STRB-003	492245.	12.00	15.00	2.00
STRB-003	492246.	15.00	18.00	TR
STRB-003	492247.	18.00	21.00	TR
STRB-003	492248.	21.00	24.00	1.00
STRB-003	492249.	24.00	27.00	2.00

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection Limit :	TO (m) Limit :	Co ppm 1
STRB-003	492250.	27.00	30.00	1.00
STRB-003	492251.	30.00	33.00	2.00
STRB-003	492252.	33.00	36.00	2.00
STRB-003	492253.	36.00	39.00	1.00
STRB-003	492254.	39.00	42.00	TR
STRB-003	492255.	42.00	45.00	TR
STRB-003	492256.	45.00	48.00	TR
STRB-003	492257.	48.00	51.00	TR
STRB-003	492258.	51.00	54.00	1.00
STRB-003	492259.	54.00	57.00	2.00
STRB-003	492260.	57.00	60.00	1.00
STRB-004	492261.	.00	3.00	6.00
STRB-004	492262.	3.00	6.00	7.00
STRB-004	492263.	6.00	9.00	5.00
STRB-004	492264.	9.00	12.00	1.00
STRB-004	492265.	12.00	15.00	1.00
STRB-004	492266.	15.00	18.00	TR
STRB-004	492267.	18.00	21.00	TR
STRB-004	492268.	21.00	24.00	TR
STRB-004	492269.	24.00	27.00	TR
STRB-004	*****	27.00	30.00	-
STRB-004	492271.	30.00	33.00	1.00
STRB-004	492272.	33.00	36.00	TR
STRB-004	492273.	36.00	39.00	TR
STRB-004	492274.	39.00	42.00	1.00
STRB-004	492275.	42.00	45.00	1.00
STRB-004	492276.	45.00	48.00	TR
STRB-004	492277.	48.00	51.00	1.00
STRB-004	492278.	51.00	54.00	1.00
STRB-004	492279.	54.00	57.00	1.00
STRB-004	492280.	57.00	60.00	1.00
STRB-005	492281.	.00	3.00	5.00
STRB-005	492282.	3.00	6.00	8.00
STRB-005	492283.	6.00	9.00	7.00
STRB-005	492284.	9.00	12.00	4.00
STRB-005	492285.	12.00	15.00	1.00
STRB-005	492286.	15.00	18.00	4.00
STRB-005	492287.	18.00	21.00	3.00
STRB-005	492288.	21.00	24.00	4.00
STRB-005	492289.	24.00	27.00	10.00
STRB-005	492290.	27.00	30.00	13.00
STRB-005	492291.	30.00	33.00	6.00
STRB-005	492292.	33.00	36.00	2.00
STRB-005	492293.	36.00	39.00	4.00
STRB-005	492294.	39.00	42.00	5.00
STRB-005	492295.	42.00	45.00	3.00
STRB-005	492296.	45.00	48.00	7.00
STRB-005	492297.	48.00	51.00	3.00
STRB-005	492298.	51.00	54.00	5.00

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Co ppm 1
STRB-005	492299.	54.00	55.00	2.00
STRB-006	492300.	.00	3.00	6.00
STRB-006	492301.	3.00	6.00	6.00
STRB-006	492302.	6.00	9.00	6.00
STRB-006	492303.	9.00	12.00	1.00
STRB-006	492304.	12.00	15.00	1.00
STRB-006	492305.	15.00	18.00	5.00
STRB-006	492306.	18.00	21.00	14.00
STRB-006	492307.	21.00	24.00	17.00
STRB-006	492308.	24.00	27.00	23.00
STRB-006	492309.	27.00	30.00	8.00
STRB-006	492310.	30.00	33.00	7.00
STRB-006	492311.	33.00	36.00	6.00
STRB-006	492312.	36.00	39.00	3.00
STRB-006	492313.	39.00	42.00	7.00
STRB-006	492314.	42.00	45.00	5.00
STRB-006	492315.	45.00	48.00	14.00
STRB-006	492316.	48.00	51.00	10.00
STRB-006	492317.	51.00	54.00	3.00
STRB-006	492318.	54.00	57.00	7.00
STRB-006	492319.	57.00	59.00	8.00
STRB-007	492320.	.00	3.00	8.00
STRB-007	492321.	3.00	6.00	7.00
STRB-007	492322.	6.00	9.00	2.00
STRB-007	492323.	9.00	12.00	4.00
STRB-007	492324.	12.00	15.00	3.00
STRB-007	492325.	15.00	18.00	5.00
STRB-007	492326.	18.00	21.00	2.00
STRB-007	492327.	21.00	24.00	2.00
STRB-007	492328.	24.00	27.00	3.00
STRB-007	492329.	27.00	30.00	4.00
STRB-007	492330.	30.00	33.00	8.00
STRB-007	492331.	33.00	36.00	2.00
STRB-007	492332.	36.00	39.00	3.00
STRB-007	492333.	39.00	42.00	2.00
STRB-007	492334.	42.00	45.00	2.00
STRB-007	492335.	45.00	48.00	3.00
STRB-007	492336.	48.00	51.00	5.00
STRB-007	492337.	51.00	54.00	1.00
STRB-007	492338.	54.00	57.00	2.00
STRB-007	492339.	57.00	60.00	2.00
STRB-008	492340.	.00	3.00	-
STRB-008	492341.	3.00	6.00	6.00
STRB-008	492342.	6.00	9.00	6.00
STRB-008	492343.	9.00	12.00	10.00
STRB-008	492344.	12.00	15.00	4.00
STRB-008	492345.	15.00	18.00	1.00
STRB-008	492346.	18.00	21.00	TR
STRB-008	492347.	21.00	24.00	1.00

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m) Detection	TO (m) Limit :	Co ppm 1
STRB-008	492348.	24.00	27.00	1.00
STRB-008	492349.	27.00	30.00	1.00
STRB-008	492350.	30.00	33.00	1.00
STRB-008	492351.	33.00	36.00	2.00
STRB-008	492352.	36.00	39.00	1.00
STRB-008	492353.	39.00	42.00	1.00
STRB-008	492354.	42.00	45.00	2.00
STRB-008	492355.	45.00	48.00	3.00
STRB-008	492356.	48.00	51.00	3.00
STRB-008	492357.	51.00	54.00	4.00
STRB-008	492358.	54.00	57.00	2.00
STRB-008	492359.	57.00	60.00	2.00
STRB-009	492360.	.00	3.00	2.00
STRB-009	492361.	3.00	6.00	6.00
STRB-009	492362.	6.00	9.00	6.00
STRB-009	492363.	9.00	12.00	6.00
STRB-009	492364.	12.00	15.00	2.00
STRB-009	492365.	15.00	18.00	1.00
STRB-009	492366.	18.00	21.00	TR
STRB-009	492367.	21.00	24.00	3.00
STRB-009	492368.	24.00	27.00	3.00
STRB-009	492369.	27.00	30.00	3.00
STRB-009	492370.	30.00	33.00	2.00
STRB-009	492371.	33.00	36.00	2.00
STRB-009	492372.	36.00	39.00	1.00
STRB-009	492373.	39.00	42.00	3.00
STRB-009	492374.	42.00	45.00	2.00
STRB-009	492375.	45.00	48.00	3.00
STRB-009	492376.	48.00	51.00	48.00
STRB-009	492377.	51.00	54.00	23.00
STRB-009	492378.	54.00	57.00	13.00
STRB-009	492379.	57.00	59.00	14.00
STRB-010	492380.	.00	3.00	9.00
STRB-010	492381.	3.00	6.00	10.00
STRB-010	492382.	6.00	9.00	7.00
STRB-010	492383.	9.00	12.00	10.00
STRB-010	492384.	12.00	15.00	7.00
STRB-010	492385.	15.00	18.00	4.00
STRB-010	492386.	18.00	21.00	3.00
STRB-010	492387.	21.00	24.00	4.00
STRB-010	492388.	24.00	27.00	6.00
STRB-010	492389.	27.00	30.00	5.00
STRB-010	492390.	30.00	33.00	6.00
STRB-010	492391.	33.00	36.00	10.00
STRB-010	492392.	36.00	39.00	15.00
STRB-010	492393.	39.00	42.00	6.00
STRB-010	492394.	42.00	45.00	3.00
STRB-010	492395.	45.00	48.00	5.00
STRB-010	492396.	48.00	51.00	9.00

POSGOLD LIMITED
STRADLLE RAB DRILLING FEB/1996
Geochemical Assay Results

BHID	Sample Number	FROM (m)	TO (m)	Co ppm
Detection Limit :				1
STRB-010	492397.	51.00	54.00	5.00
STRB-010	492398.	54.00	57.00	5.00
STRB-010	492399.	57.00	60.00	4.00

APPENDIX

BIBLIOGRAPHIC DATA SHEET

BIBLIOGRAPHIC DATA SHEET

REPORT NUMBER	20955
REPORT NAME	SECOND ANNUAL REPORT FOR EXPLORATION LICENCE 8774 FOR THE PERIOD 16/9/95 TO 15/9/96, TENNANT CREEK DISTRICT, NORTHERN TERRITORY, STRADDLE PROSPECT
PROSPECT NAME(S)	EL 8774 STRADDLE PROSPECT
OWNER/JV PARTNERS	POSGOLD LIMITED
KEYWORDS	PHILLIP CREEK RAB DRILLING WARRAMUNGA GROUP SEDIMENTS FLYNN SUBGROUP DOLERITE DYKE
COMMODITIES	GOLD, COPPER
TECTONIC UNIT	TENNANT CREEK INLIER
1:250,000 MAP SHEET	TENNANT CREEK SE 53-14 (52)
1:100,000 MAP SHEET	FLYNN (52/2)

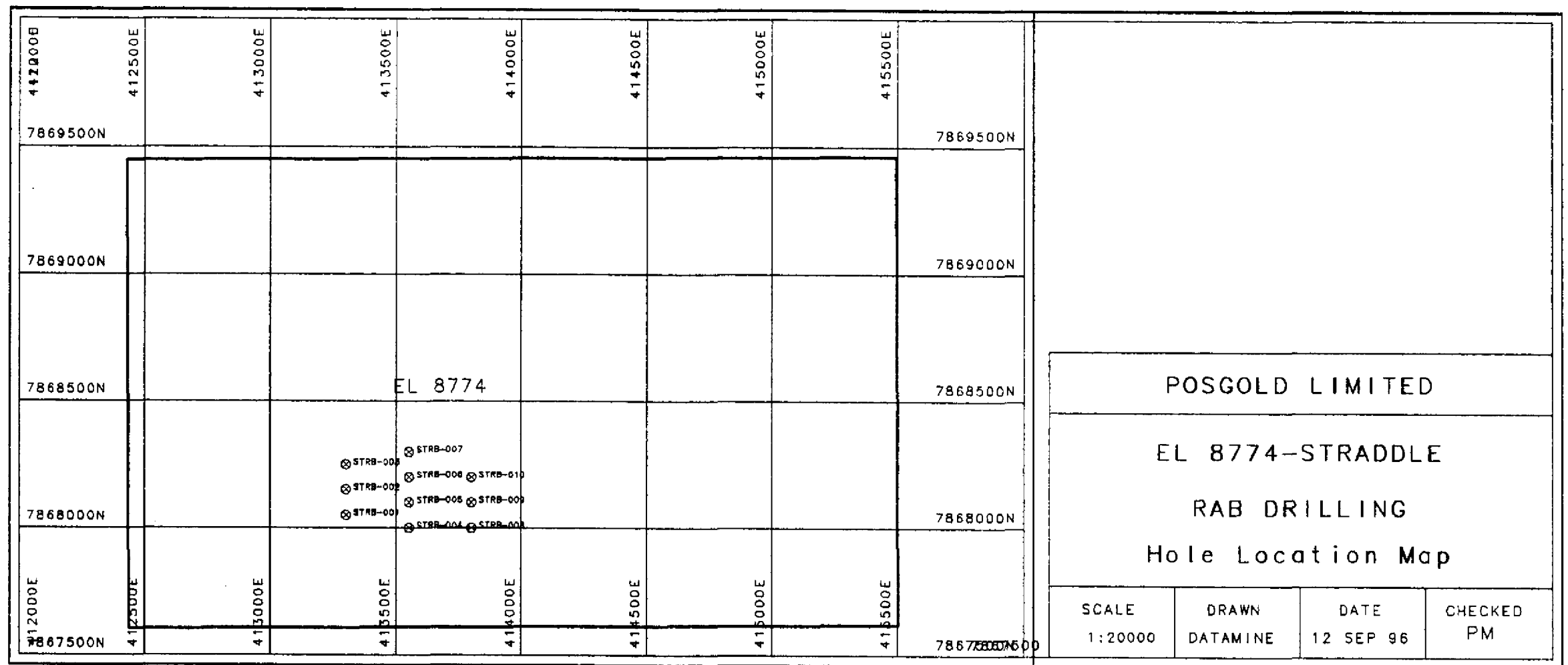


Figure No. 2

