MCN4453-54 Dick Greyson
Mt Todd District, NT

FINAL REPORT FOR EXPLORATION

23 MARCH 1993 – 16 DECEMBER 1999

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1. **INTRODUCTION**

Mineral Claims N4453-54 (Dick Greyson) were granted to Zapopan NL on 23 March 1993 for a period of ten (10) years. The takeover of Zapopan NL by Pegasus Gold Australia Pty Ltd ("PGA") resulted in transfer of title in 1995.

Following the severe decrease in the gold price and faults in the project design criteria, the Mt Todd mine was put on care and maintenance status on 15th November 1997 and PGA was placed under Deed of Company Arrangement.

The Administrators of PGA undertook an extended sale process during 1998, with sale to the Yimyyn Manjerr Joint Venture (Multiplex Resources Pty Ltd 93%, General Gold Resources NL 2%, PGA 5%) finalized on the 18th March 1999. General Gold Operations Pty Ltd ("GGO") holds the title in trust for the JV and is operator of the joint venture.

Consolidation of GGO tenement holdings determined the surrender of the titles on 16th December 1999. This report summarises exploration activities and results over the term of the tenure period.

2. **LOCATION AND ACCESS**

MCN’s 4453-54 (Dick Greyson) were situated approximately 50km north of Katherine and 4km ENE of the Yimyyn Manjerr Gold Mine (Figure 1). Access is gained via Mt. Todd Mine access roads and exploration tracks east from the sealed Edith Falls Road.

Topography within MCN’4453-54 is generally rugged, with high relief rocky ridges and limited access along valleys.

The area within the surrendered mineral claims is now located within Substitute Exploration Licence 9679 held by GGO and Barnjam Mining Company.

3. **GEOLOGICAL SETTING**

"Dick Greyson" prospect is located within the southeastern portion of the Early Proterozoic Pine Creek Geosyncline. Metasediments, granitoids, basic intrusives, acid and intermediate volcanic rocks occur within this geological province (Figure 2).

Within the Mt. Todd area the oldest outcropping rocks are assigned to the Burrell Creek Formation. These rocks consist primarily of interbedded greywackes, siltstones and shales of turbidite affinity, which are interdispersed with minor volcanics. The formation contains slump structures, flute casts, graded beds and occasional crossbeds.
MCN4453-54 Dick Greyson
TENEMENT LOCATION

DATE: MARCH 2000

FIG. 1
Rocks of the Burrell Creek Formation have been folded about northerly trending F1 fold axes. The folds are open to closed style and have moderate to steep westerly dipping axial planes, with some rocks being overturned. A later north-south compression event resulted in east-west trending open style upright D2 folds.

Meta-sediments of the Burrell Creek Formation outcrop extensively throughout MCN'4453-54. Ridges within the western portion of the claims expose metasediments which form tightly folded N-trending fold structures crosscut by ENE trending fault structures. Moderate quartz veining is apparent, occurring as both narrow quartz/carbonate/muscovite/goethite veins and also as milky white massive “bucky” quartz veins. An outlier of Tollis Formation sediments is interpreted in the southeastern portion of the titles.
Figure 2. Regional Geological Setting
4. EXPLORATION 1993-99

4.1 Soil Geochemistry

Soil sampling on a 100m x 50m grid was carried out at the Dick Greyson Prospect, as a follow-up to anomalous drainage and rockchip geochemistry within the preceding exploration licence. A total of 624 samples (DGS097-720) were collected from the prospect area.

Infill sampling at the Dick Greyson prospect was completed on a 50m x 50m grid within the surrendered claim area. Peak values of 229, 85 and 68ppb Au were received.

Samples were collected at 50m spacing along each grid line and sieved to a -40# size fraction in the field. Samples were despatched to Assaycorp Pine Creek and analysed for Au by low level fire assay techniques (1ppb detection limit) and for Cu, Pb, Zn and As by AAS techniques.

Soil sample location is shown on Figure 3 with full assay results detailed in Appendix 1 (file ‘DGS.xls’).

4.2 Rock Chip Sampling

Reconnaissance rock chip sampling was also conducted during the tenure term, concentrating on zones of quartz veined metasediments. Forty-one samples (DGR01-29, DG97/1-12) were collected from the prospect area with highest values of 3.06 and 1.29 ppm Au. Rock chip sample locations are shown on Figure 4.

Full rock chip analytical results are detailed in Appendix 1 (file ‘DGR.xls’).

4.3 Geological Mapping

In conjunction with the rock chip sampling, reconnaissance geological mapping was undertaken over the Dick Greyson prospect (see Fig.16).

This work identified several quartz veins and zones of quartz stockwork hosted by a monotonous sequence of greywacke and siltstone, assigned to the Burrell Creek Formation. These quartz veins strike in a range from 320°M to 025°M and appear to dip subvertically. Bedding generally strikes N-S and dips moderately to the west. A south-plunging anticline with an overturned eastern limb has been
traced intermittently over 1km. It appears that the anticline has been offset to the east by a number of ENE dextral strike-slip faults.

4.4 RC Drilling

The anomalous soil and rock chip geochemistry defined at Dick Greyson was considered sufficiently encouraging to warrant follow-up by RC drilling. Nine RC drillholes (550m) were completed, targeting anomalous geochemistry and structural features.

Samples were collected into 3m composites and despatched to Assaycorp Pine Creek for Au, Cu, Pb, Zn, As, Bi and Sn analysis. Anomalous 3m composites were resampled at 1 metre intervals.

Drilling returned disappointing results with maximum intercepts of 3m @ 1.25, 2m @ 1.07 and 1m @ 1.45g/t Au.

Drillhole location is shown on Figure 6 with Figures 7-15 showing drillhole sections. Full details, including drillhole logs and full assay results, are located in Appendix 1 (files ‘DGRCgeo, DGRCcool, DGRCass, DGRCsur’).

4.5 Geophysics

A regional airborne geophysical survey, including coverage of MCN’s4453-54, was completed for Zapopan by World Geoscience during June 1995 at 100m flight line spacing. Specifications of the survey are detailed below;

- **Aircraft**: VH-ADH C206
- **Magnetometer**: Split Beam cesium scintrex VIW2321-CS2
  - Resolution : 0.001 nano Tesla
  - Cycle Rate : 0.1 seconds
  - Sample Interval : 6.0 metres
- **Spectrometer**: Packets Perm. 1000 256 Channel
  - Volume : 16.56 litres
  - Cycle Rate : 1.0 seconds
  - Sample Interval : 60 metres
- **Data Acquisition**: Packets Pads 1000 digital acquisition system
  - 11 Channel RMS GR33A Chart Recorder
- **Flight Line Spacing**: Traverse Lines : 50 metres
  - Tie Lines : 984 metres
- **Flight Line Direction**: Transverse Lines : 270 – 090 degrees
  - Tie Lines : 000 – 180 degrees
- **Survey Height**: 60 metres – mean terrain clearance
- **Navigation**: GPS satellite positioning system

See Figure 5 for the total field magnetic intensity plan of MCM4453-54.

A digital copy of this plan is in Appendix 1 (file ‘DGFMagnetics.dxf’).
MCN4453-54

Total Field Magnetic Contours
4.6 GIS Studies

Pegasus completed an intensive compilation of a GIS database through the acquisition of digital data from various government and private companies. Data pertinent to the MCN4453-54 region included combined Landsat/SPOT imagery at 1:50,000 scale. Digital aerial photography at 1:60,000 scale with 5m contours and a regional airborne geophysical survey were obtained for the MCN4453-54 licence area and were useful in defining and recognising regional trends.

All the digital data was manipulated in ARCVIEW with all geochemical data in a GEMCOM PCXPLOR database.

Continuation of the GIS compilation program was undertaken with the generation of 5m topographic contours for the tenement area, addition of 1997-98 Pegasus exploration data and the initial input of CAD geological mapping.

5. REHABILITATION

Previous exploration conducted during the tenure period, eg. RC drilling, was rehabilitated during the corresponding anniversary year. Rehabilitation of the MCN corner pegs and lockspits will be undertaken when access is gained in the forthcoming ‘dry’ season.

6. CONCLUSIONS

Exploration during the period of tenure generated anomalous surface geochemistry that has undergone geological reconnaissance and RC drill testing.

Results from the soil and rock chip programmes within the claims were encouraging, but with the disappointing results from RC drill testing, there appears limited potential for economic mineralisation.

Further investigation of the prospect area, in conjunction with defined geochemical anomalies in the previously adjacent SEL9679 title, may lead to the definition of economic mineralization.
MCN4453-54 Dick Greyson
MT TODD DISTRICT, NT

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APPENDIX 1

DIGITAL DATA
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<td>DGRCsur.xls</td>
<td>RC drilling survey file</td>
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RC / RAB LOGGING CODES

**GRAIN SIZE**
- V = Very Fine
- F = Fine
- M = Medium
- C = Coarse
- X = Cryptocrystalline

**COLOUR**
- L = Light
- M = Medium
- D = Dark
- N = Black
- E = Blue
- B = Brown
- U = Buff
- V = Green
- G = Grey
- O = Orange
- K = Pink
- P = Purple
- R = Red
- W = White
- Y = Yellow

**ROCK CODES (cont’d)**
- Vo = Volcanics
- Gr = Granite
- Hf = Hornfels
- Ve = Vein
- Qz = Quartz
- Tu = Tuff
- Do = Dolerite
- Po = Porphyry
- Fb = Fault Breccia
- Md = Mudstone
- In = Intrusive

**SULPHIDES / MINERALS**
- Py = Pyrite
- Ph = Pyrrhotite
- Cp = Chalcopyrite
- Ap = Arsenopyrite
- Ga = Galena
- Sp = Sphalerite
- Qz = Quartz
- Cc = Carbonate
- Tm = Tourmaline

**SULPHIDE / QUARTZ / FE Ox**
- O = Blank
- 0.5, 1, 2, 3 . . .

**FABRIC**
- Br = Breccia
- 0 = Nil
- 1 = Weak
- 2 = Weak / Medium
- 3 = Medium
- 4 = Medium / Strong
- 5 = Strong

**ALTERATION HEADING**
- Si = Silicification
- Cc = Carbonate
- Ci = Chloritic
- Se = Sericitic
- Cy = Clay

**ALTERATION CODES**
- W = Weak
- M = Moderate
- S = Strong

**WATER**
- D = Dry
- M = Moist
- W = Wet

**WEATHERING**
- C = Complete
- W = Weathered
- T = Transition
- F = Fresh

**RECOVERY**
- H = High
- M = Moderate
- P = Poor
- O = Nil

**GRAIN SIZE**

![Grain Size Diagram]