ANNUAL REPORT

ON

SEL 9699

January 1999 to December 1999

AGRICOLA GOLD LTD
W.R. JETTNER
March 2000
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1. INTRODUCTION

Substitute Exploration Licence 9699 replace EL 8369 and EL 8578 on the 16 December 1996.

SEL 9699 was transferred to Agricola Gold Ltd on the 17 January 1997.

This is the third Annual Report for SEL 9699 for year ending December 1999.
2. LOCATION AND DESCRIPTION

The tenement area covers 6 sub-blocks and is situated approximately between 131°12'E and 131°17'E and 13°13'S and 13°16'S.

Access to SEL 9699 is via the Stuart Highway 130 km south of Darwin turning off onto Fisher Road. Proceeding along Fisher Road for 4 km to the second gate, the road is bisected by a north-south fence line, which traverses the entire tenement.

The tenement was reduced from 12 sub blocks to 6 six blocks as required by government on December 1998.

The major prospect, called Watson, centred on MCN and adjoining areas of SEL 9699 is accessible from the road connecting Mt Bundy homestead to the Mt Keppler homestead along the southern side of the Adelaide River.
3. GEOLOGY

The tenement is underlain by outcropping Lower Proterozoic Burrell Creek Formation consisting of a wacke to mudstone suite. The stratigraphic sequence corresponds to that found around the Goodall Mine and described as part of the WMC Ltd Central Zone. The major structure within the tenement is the N-S trending Shoobridge Fault in the east. The Mt Shoobridge Fault Zone dissects several anticline/syncline pairs intruded by concordant and discordant quartz veins and/or stockworks. The fault has been shown to contain very minor mineralization and can be regarded as a dry conduit for both mineralizing fluids and groundwater.

Mapping by WMC delineated a northerly trending gossanous stockwork of quartz veins contained within a sequence of wacke-dominated units together with a similarly trending quartz reef which recorded rock chip assays up to 18.1 g/t Au. Both the stockwork zone and the quartz reef are associated with anomalous gold values in soils. The regional structure was postulated to be an open parasitic fold on the limb of a regional antiform. Recent exploration has identified a change in cleavage direction through the centre of the deposit interpreted to coincide with a zone marking the downfaulting of the southern nose of the fold.
4. PREVIOUS EXPLORATION

A brief summary of exploration carried out on portions of SEL 9699 is listed below:

EL 1656 (1980 - 1986)

Originally held by W.R. Grace but subsequently taken over by Pan D’Or Mining NL and Western Mining Corporation Ltd in turn under the terms of the Ringwood Joint Venture.

WMC undertook helicopter and vehicle traversing, mapping, soil, rock chip and limited -200# stream sediment sampling.

WMC identified several anomalous areas designated H23 (Watson), R2, R3, J30 and J31. Little work was carried out on the latter 4 areas. WMC drilled 4 holes at the H23 Prospect.

EL 2477 (1981 - 1982)

Bonn Energy Corporation held part of this area but joint ventured it to W.R. Grace in 1982. The ground was subsequently included in the joint venture with WMC Ltd.

EL 7065 (1992 - 1994)

Aztec Mining Co held part of this EL for the early part of the 1990’s as part of their regional exploration programme for their operation at the Woodcutters Mine. Apparently no work was fully completed within their boundaries.

EL 8578 and EL 8369

These two licences are now combined to form SEL 9699. Work on these two licences concentrated on three main areas of interest at the H23 (Watson), H26 (Cook) and the J30 Prospect.
5. WORK DONE DURING LICENCE YEAR

Exploration work was severely restricted for reasons outlined in the conclusion.

Some field work was conducted over the tenement to enable drilling sites to be selected.

Further evaluation of areas south and north of MCN4377 were made, outlining the surface expressions of gold bearing quartz outcrops where the proposed drilling programme is to be located.

The results of these surveys are indicated on the attached map.
6. CONCLUSIONS

The current exploration programme has confirmed the previous programmes potential mineralisation. However, until the Department is positioned to offer a mineral claim to the company after a successful drilling programme, some delays will continue to be forced upon the Licensee.

Following the end of the current wet season we plan to begin preparation of the required drill pads and access tracks for the area.

Current indications are that sufficient gold bearing ore is available at current spot price levels within the tenements and adjoining MCN4277 for 2½ years or more for our proposed mining programme. No further exploration was performed on the Reid Prospect in the eastern section of the tenement during the past year.
### 7. EXPENDITURE FOR YEAR 1999

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**Total**: $20,600.00