SECOND ANNUAL REPORT FOR THE
WESTERN TANAMI PROJECT
FOR THE 2000 FIELD SEASON

Exploration Licences covered by this report:-

EL 8803      Syrene
EL 8999      Medussa
EL 8593      Nora
EL 8825      Lucky’s Bore

1:250,000 SHEET REFERENCE:  GRANITES   SF52-3
1:100,000 SHEET REFERENCE:  MACFARLANE   4757

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                □ NORMANDY NFM LIMITED

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M Twinning  March 2001  Normandy RN: 28004
SUMMARY

The Western Non-TGEA Project, located in the Tanami desert region approximately 130km west-north-west of the Granites Gold Mine, currently comprises 4 exploration licences. EL's 8803, 8999, 8593 & 8825 were granted on the 29th April 1999. During 1999, Normandy NFM negotiated an agreement with the NT DME to provide technical reports on the Project Area for an entire field season rather than the anniversary year. A submission date of the 30th April each year was established. This is the second annual report for the Western Tanami Project covering the period to 31/12/00.

Exploration activities have commenced on the EL's 8803 & 8999 (Syrene & Medussa) and EL 8593 (Nora). Reconnaissance has not been started on the EL 8825 (Lucky's Bore) due to CLC restrictions. Work will commence on EL 8825 at the start of Yr 2001.

Exploration at Syrene / Medussa and Nora comprised surface work over areas of outcrop/subcrop as well as RAB drilling, vacuum drilling and soil sampling in prospective areas.

Exploration activity over the reporting period has incorporated:

- Rock Chip Sampling: 39 samples
- Lag Sampling: 100 samples
- Soil Sampling: 29 samples
- SBCL Sampling: 70 samples
- RAB Drilling: 92 holes for 2996m, 1004 samples
- Vacuum Drilling: 218 holes for 1706.9m, 503 samples
- Petrology: 11 samples

It is proposed that future work at all of these leases will involve regional evaluation with vacuum drilling and/or soil sampling, followed up with RAB drilling. If required, evaluation of advanced targets with (fenced) RAB drilling would also be undertaken.
TABLE OF CONTENTS

1. INTRODUCTION ................................................................................................................................. 1

2. LOCATION, INFRASTRUCTURE, ACCESS, SURVEY CONTROL & ENVIRONMENTAL PRACTICE .... 2
   2.1 LOCATION ........................................................................................................................................ 2
   2.2 INFRASTRUCTURE ............................................................................................................................. 2
   2.3 ACCESS .......................................................................................................................................... 2
   2.4 SURVEY CONTROL ............................................................................................................................ 2
   2.5 ENVIRONMENTAL PRACTICE ............................................................................................................. 2

3. PREVIOUS EXPLORATION .................................................................................................................. 3

4. EXPLORATION OBJECTIVES .............................................................................................................. 4

5. GEOLOGY .......................................................................................................................................... 5

6. METHODOLOGY ................................................................................................................................. 6
   6.1 GEOCHEMICAL SAMPLING TECHNIQUES/SAMPLE DESCRIPTIONS .................................................. 6

7. EL’S 8803 & 8999- SYRENE & MEDUSSA ....................................................................................... 8
   7.1 SURFICIAL SAMPLING ...................................................................................................................... 9
   7.2 ORIENTATION SOIL SAMPLING ....................................................................................................... 10
   7.3 VACUUM DRILLING .......................................................................................................................... 11
   7.4 RAB DRILLING .................................................................................................................................. 12

8. EL8593 - NORA ................................................................................................................................ 13
   8.1 SURFICIAL SAMPLING ..................................................................................................................... 14
   8.2 RAB DRILLING .................................................................................................................................. 15

9. REFERENCE LIST / ANNUAL REPORT BIBLIOGRAPHY ................................................................ 16
### LIST OF FIGURES

<table>
<thead>
<tr>
<th>FIGURE</th>
<th>Description</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIGURE 1</td>
<td>Normandy NFM Tenement Holding Showing Location of The Western Tanami Project Exploration Licences (EL’s 8803, 8999, 8593, 8825)</td>
<td>1:1,000,000</td>
</tr>
<tr>
<td>FIGURE 2</td>
<td>EL’s 8803 &amp; 8999 - Sample Locality Plan</td>
<td>1:15,000</td>
</tr>
<tr>
<td>FIGURE 3</td>
<td>EL’s 8803 &amp; 8999 - Drillhole Locality Plan</td>
<td>1:15,000</td>
</tr>
<tr>
<td>FIGURE 4</td>
<td>EL 8593 – Sample &amp; Drillhole Locality Plan</td>
<td>1:40,000</td>
</tr>
</tbody>
</table>

### LIST OF TABLES

<table>
<thead>
<tr>
<th>TABLE 1</th>
<th>Western Tanami Project Tenement Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>TABLE 2</td>
<td>EL8803 Reconnaissance Lag Sample Details</td>
</tr>
<tr>
<td>TABLE 3</td>
<td>EL8803 &amp; EL8999 Reconnaissance CRC Sample Details</td>
</tr>
<tr>
<td>TABLE 4</td>
<td>Orientation Soil Sample Details</td>
</tr>
<tr>
<td>TABLE 5</td>
<td>Orientation SBCL Sample Details</td>
</tr>
<tr>
<td>TABLE 6</td>
<td>Reconnaissance Vacuum Drillhole Sample Details</td>
</tr>
<tr>
<td>TABLE 7</td>
<td>Reconnaissance RAB Drillhole and Sample Details</td>
</tr>
<tr>
<td>TABLE 8</td>
<td>EL 8593 Reconnaissance Lag Sample Details</td>
</tr>
<tr>
<td>TABLE 9</td>
<td>EL 8593 Reconnaissance CRC Sample Details</td>
</tr>
<tr>
<td>TABLE 10</td>
<td>EL 8593 Reconnaissance RAB Drillhole and Sample Details</td>
</tr>
</tbody>
</table>

### LIST OF APPENDICES

<table>
<thead>
<tr>
<th>APPENDIX 1</th>
<th>Digital Data: (DAT files on CD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>APPENDIX 2</td>
<td>Petrological Sample Descriptions</td>
</tr>
</tbody>
</table>
1. INTRODUCTION

This report covers the Western Tanami Project for the period ending 31/12/2000.

The Western Tanami Project is located south of the Tanami Road, within Aboriginal Freehold land approximately 130km west north west of the Granites Gold Mining Operations (Figure 1). Access to the Project area is via the Wilsons Camp Road, a well-formed road extending south for 40 km from its junction with the Tanami Highway, 20km east of the Western Australian border. Access within the EL's is then via gravel tracks. The licences are dispersed but semi-contiguous with the Normandy NFM TGEA Project (Western zone).

Exploration Licences 8803, 8999, 8593 & 8825 were granted to Normandy NFM on 29th April 1999 for a period of six years. Access to EL’s 8803 & 8999 and approval of proposed Work Programs was granted by the CLC on 7th July, 1999 allowing work to commence in the second half of the field season. Access to EL 8593 and approval of proposed Work Programs was granted by the CLC on 11th September, 1999. A supplementary work program for this lease was not granted until late in the 2000 field season, therefore allowing only partial exploration to be undertaken within available time during 2000. Table 1 outlines tenement details.

Table 1: Western Tanami Project Tenement Summary

<table>
<thead>
<tr>
<th>EL Number</th>
<th>Name</th>
<th>Blocks</th>
<th>Km²</th>
<th>Grant Date</th>
<th>Expiry Date</th>
<th>Covenant ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 8803</td>
<td>Syrene</td>
<td>17</td>
<td>55</td>
<td>29/04/1999</td>
<td>28/04/05</td>
<td>64,000</td>
</tr>
<tr>
<td>EL 8999</td>
<td>Medussa</td>
<td>3</td>
<td>9</td>
<td>29/04/1999</td>
<td>28/04/05</td>
<td>10,000</td>
</tr>
<tr>
<td>EL 8593</td>
<td>Nora</td>
<td>34</td>
<td>109</td>
<td>29/04/1999</td>
<td>28/04/05</td>
<td>22,500</td>
</tr>
<tr>
<td>EL 8825</td>
<td>Lucky’s Bore</td>
<td>483</td>
<td>1555</td>
<td>29/04/1999</td>
<td>28/04/05</td>
<td>50,000</td>
</tr>
</tbody>
</table>

| Total     |             | 537    | 1728 |            |             | 146,500      |
2. LOCATION, INFRASTRUCTURE, ACCESS, SURVEY CONTROL & ENVIRONMENTAL PRACTICE

2.1 Location

The Western Tanami Project is located in the Tanami Desert region, approximately 130km WNW of the Granites Gold Mine. The area is covered by the Granites (SF52-3), 1:250 000 series map sheet, as shown on Figure 1.

Approximately 50% of the Syrene / Medussa Project area is dominated by variable thicknesses of alluvial cover, the depth of which is greatest within a palaeodrainage channel in the centre of EL 8803 and which contains drainage fill sediments of Cambrian Antrim Plateau volcanics and Meso-Proterozoic Birrindudu Group cover sandstone. The remainder is comprised of subcropping to outcropping Palaeo-Proterozoic sediments forming low to moderate sized hills.

Sparse spinifex plains with isolated eucalypts are the typical vegetation found in the project area. Dense stands of mulga punctuate the landscape, but are usually no more than a few square kilometres in areal extent. Other vegetation includes shrubs (cassia) and low trees (mallee, tea tree and hakea). There are no permanent or perennial watercourses in the area.

2.2 Infrastructure

Prior to the presence of NFM in this part of the Tanami region, infrastructural support was almost completely lacking. Currently supplies are trucked or flown to the permanent camp at The Granites (within EL4529) from Alice Springs. Telephone and fax using microwave links service this camp. Water is provided by two remote borefields. One borefield lies 35km east of The Granites (Billabong) and the other 10km north-east of Dead Bullock Soak. Power is locally generated at exploration bases and mine sites. The nearest settlements are the Rabbit Flat roadhouse 50km to the northwest of The Granites on the Tanami Road and Tanami Downs homestead 60km to the west. The nearest town is Yuendumu some 250km southeast of The Granites on the Tanami Road.

2.3 Access

Access to the area is by air or via the Tanami Highway, which passes through Icebox, the eastern most license. The main track that gives access to the central licenses is the east-west running Escondida track off the Tanami Road (Figure 1).

2.4 Survey Control

Survey control has yet to be established over these licenses.

2.5 Environmental Practice

Rehabilitation of exploration sites was carried out pursuant to Section 24(e) of the NT Mining Act and in accordance with the Departments “Guidelines for Rehabilitation of Exploration Sites”,

- all drillholes were capped or backfilled on completion,
- all drillpads were rehabilitated,
- all costeans were backfilled when no longer required, and
- all grid lines and tracks were rehabilitated when no longer needed.
3. PREVIOUS EXPLORATION

The Syrene / Medussa portion of the Western Tanami Project was first held by the Power and Nuclear Corporation Pty Ltd (PNC) from 1988 to 1991 as EL 4829. In the subsequent period 1991 to 1994 Western Mining Corporation (WMC) held the ground under agreement with PNC as SEL 7423. No field work was conducted by WMC.

PNC was exploring throughout the region for uranium mineralisation by targeting anomalies generated from airborne magnetic and radiometric surveys. A high intensity magnetic feature (now the Bondi Prospect in EL 8803) was targeted as part of this project. Field reconnaissance and mapping were completed revealing the source of the magnetic anomaly to be multiple syenitic to monzonitic intrusives.

A limited program of RAB drilling and geochemical testing was conducted to test the intrusives for uranium mineralisation. Bulk samples were collected to test for the potential for diamonds. Two micro-diamonds were identified leading to a program of diamond drilling and a 10 tonne bulk alluvial sample. When no further diamonds were found, the petrological analysis of the diamonds was interpreted to indicate contamination. Of the geochemical sampling program, only three samples were analysed for Au. One of these returned 0.1g/t Au.
4. EXPLORATION OBJECTIVES

Exploration and mine studies have indicated that gold mineralisation in the region has an association with a range of geological environments. Models of gold occurrence for which the Tanami is believed to be most prospective include:

- Disseminated, stratabound deposits hosted by banded iron formations;
- Discordant stockwork deposits of gold in relatively late stage quartz veins;
- Gold mineralisation in veins hosted by shear zones with strong alteration characteristics;
- Deposits in regolith containing gold concentrated by alluvial, eluvial or alteritic processes.

With these models in mind, the Company’s geologists have selected prospective target exploration areas based on regional geological, structural, geophysical and geochemical data.

The detailed assessment of these targets has been undertaken by a range of exploration techniques, designed to reveal the geology of the target area, and the presence of indicator elements, particularly gold itself, in anomalous quantities.

The task has been made difficult by the very extensive cover of windblown sand and other transported material, which conceals the rock and associated soil, typically to a thickness of several metres. This blanket covers as much as 98% of the region. Consequently the exploration process has relied heavily on point samples obtained by drilling and trenching to expose bedrock.
5. GEOLOGY

The Project Area lies astride the Granites - Tanami and Arunta provinces. The relationship between the Granites - Tanami and Arunta provinces is not well understood. Basement metasedimentary sequences in both regions are thought to be lateral equivalents (Blake et al., 1979) and the sequences merge with one another (Stewart et al., 1984).

The Granites - Tanami and the Northern Arunta provinces contain similar rock sequences and share similar Palaeoproterozoic magmatic, metamorphic and deformational histories. Both comprise of a deformed Palaeoproterozoic basement turbiditic sequence of greywacke, quartz sandstone, siltstone, shale, and minor mafic rocks and their moderate to high grade metamorphic equivalents (schist, gneiss, quartzite, amphibolite). The Tanami Block also contains chert, pyritic carbonaceous sediments and ironstone, whereas the Arunta Block has minor calc-silicates and meta-felsic volcanics (felsic orthogneiss).

During the Barramundi Orogeny (1890-1850 Ma, Page and Williams, 1988), the sedimentary sequences in the Arunta were intruded by mafic rocks, deformed and metamorphosed up to amphibolite facies. Granite plutons were emplaced in the closing stages of the Barramundi Orogeny, at about 1820 - 1800 Ma.

In the Arunta province, platform quartzite-shale-carbonate sediments (Reynolds Range Group) unconformably overlie the Barramundi metamorphic rocks and probably represent correlatives of the Hatches Creek Group of the Davenport Province to the north (Blake et al. 1987). Deformation of the Hatches Creek Group preceded granite intrusion at about 1660 Ma (Page and Williams 1988) and involved an early phase of upright northwest-trending folds and a second episode of northeast-trending folds. Faulting, thrusting and metamorphism accompanied both episodes of folding.

The Arunta province remained tectonically active after the Barramundi Orogeny with several metamorphic and deformational events, including the ~1800 Ma Strangways granulite event (Shaw et al., 1984), the 1760-1650 Ma Aileron retrogressive event (Windrim and McCulloch, 1986) and the most recent Carboniferous Alice Springs Orogeny. In the northern Arunta region, significant granitic magmatism occurred at 1780-1770, 1713, 1635 and 1570 Ma.

The basement provinces described above are unconformably overlain by younger, Neoproterozoic and Palaeozoic sediments of the Birrindudu, Wiso, Georgina and Ngalia basins (Wells and Moss, 1983).

The Geology of the Syrene / Medussa portion of the Western Tanami Project area consists of interpreted Palaeo-Proterozoic Killi Killi Beds and Pargee Sandstone of the Tanami Complex intruded by felsic igneous bodies. The Syrene / Medussa Project area is dominated by a strong north west fault which has induced splay faulting through the lease, resulting in intercalations of Killi Killi Beds and Pargee Sandstone.

The subdivisions present in the lease, from oldest to youngest, are:

The proximal turbidites of the Palaeo-Proterozoic Madigan Beds sequence.

The coarse, crossbedded sandstones and siltstones of the Palaeo-Proterozoic Pargee Sandstone unit.

Undated intrusives of Syenitic to Monzonitic mineralogy, possible rhyolites and andesites.

Thickly crossbedded, coarse sandstone of the Meso-Proterozoic Birrindudu Group (local derivative of the Gardiner Sandstone?).

Flood basalts of the Cambrian Antrim Plateau Volcanics.
6. METHODOLOGY

6.1 Geochemical Sampling Techniques/Sample Descriptions

6.1.1 SURFACE SAMPLES

CRC (Composite Rock Chip)

Composite Rock Chip samples are representative samples of outcrop composited over an area of 10 to 20 metres diameter. Samples are generally 2 to 3 kg and comprise all outcropping lithologies in the sample area without bias towards lithology, quartz vein or apparently mineralised materials. Selective samples are composites of specific lithologies or apparently mineralised materials from within a similar diameter area. They are noted as selective samples in sample logs.

GPS equipment is used to determine reconnaissance sample locations in the absence of a local grid. Sampled sites have been marked with flagging tape and numbered aluminium permatags affixed to the outcrop or nearby tree.

Lag/DSL (Drill-derived Stone Line)

Lag is any hard surficial material varying from a coarse sand to rock fragments.

The sample is obtained via a shallow surface scrape, through a 2mm aluminium sieve to obtain approximately 300g of material and collected into a plastic zip seal bag. Material over a diameter of 2cm is generally discarded. The sample is collected from over an area of 10 metres diameter to derive a representative sample of the surficial materials in the area.

Reconnaissance spaced sample sites are not marked, however infill sample sites are flagged in the absence of a local grid. Sample type, quality, description and size is noted at the time of collection and recorded via codes outlined in Appendix 1 of this report.

A DSL sample is a drill derived “buried” lag sample. Other than using a drill rig to bring the sample to surface, collection methods are identical to lag.

Soil

Samples are collected at 20 metre intervals from a pseudo B-horizon soil (darkening of soil colour) at the bottom of a hole approximately 20 to 25cm deep. Material is sieved with a 0.18mm nylon sieve to derive a 100 gram sample and the oversize discarded. Digging is conducted using a pelican pick from which the paint has been removed, and collected in plastic buckets to minimise contamination. Samples are stored in plastic bags for analysis.
6.1.2 RAB and VACUUM DRILLING & SAMPLING

Vacuum Drilling
Vacuum drilling is undertaken by Normandy NFM using EDSON 200 series vacuum drill rigs. All holes are plugged and are only marked if positioned on an established grid.

DSL Samples
As described above. The sample is sieved to a –5+2mm fraction and approximately 250g of which is collected into a plastic zip seal bag.

Vac/BOH Samples
A perspex tube collects the sample that retains relative downhole depth proportions. The geologist may choose to sample a particular horizon of interest as a selected sample or collect a composite sample. For this reason, sample intervals are variable. Specific sample intervals are listed in the drill hole logs.

RAB Drilling
All RAB holes are drilled at an angle of -60° to grid east or west for empirical holes and along ground magnetic traverse bearings for targeted holes. Three metre composite samples are collected using a spear. Each sample pile is speared 4 times from different directions to collect a 2 - 3kg sample. Logging of the holes is conducted over 3m intervals. Most holes have been drilled to an average depth of 36 metres using Century Drilling’s Moonwalker Rig 1. All drill holes are plugged on completion by inserting a concrete bung approximately 1m below surface. The cavity is then back filled and mounded with drill cuttings.

The sample intervals are clearly documented in the drillhole logs accompanying this report.
7. EL’s 8803 & 8999- SYRENE & MEDUSSA

The 2000 work program consisted of initial reconnaissance traverses incorporating opportunistic surficial sampling. A program of broad spaced aircore drilling was also completed to develop an understanding of the regolith, depth of cover and nature of the bedrock across the license. A number of samples from both the surface sampling and drilling programs were also sent for petrological analysis.

Work for the report period included:

- Lag Sampling 2 samples
- CRC Sampling 7 samples
- Soil Sampling 29 samples
- BLEG Sampling 70 samples
- Vacuum Drilling 218 holes for 1706.9m, 503 samples
- RAB Drilling 78 holes for 2556m, 857 samples
- Petrology 11 samples
7.1 **Surficial Sampling**

In the course of drilling in these leases, several lag and rockchip samples were collected. Rock chip samples consisted of outcropping basement as well as patches of quartz float. Lag samples were collected in lieu of drilling vacuum holes at some locations. A total of 2 lag samples and 7 rockchip samples were collected from the Syrene lease. All samples were dispatched to Genalysis for analysis by B/*ETA and A/MS. Sample locations are presented in Figure 3.

A summary of sample statistics is given in Tables 3 & 4 and data is displayed in Appendix 1.

**Table 2 – EL8803 Reconnaissance Lag Sample Details**

<table>
<thead>
<tr>
<th>Sample Numbers</th>
<th>Total</th>
<th>Genalysis Method</th>
<th>Elements Analysed</th>
</tr>
</thead>
<tbody>
<tr>
<td>3242235 - 236</td>
<td>2</td>
<td>B/*ETA</td>
<td>Au</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A/MS</td>
<td>Ag, As, Bi, Cu, Fe, Pb, Sb, Mo, Ni, Sn, Th, U, W,</td>
</tr>
</tbody>
</table>

2 samples

**Table 3 - Reconnaissance CRC Sample Details**

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Sample Numbers</th>
<th>Total</th>
<th>Genalysis Method</th>
<th>Elements Analysed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Syrene (8803)</td>
<td>755080 - 082, 085</td>
<td>4</td>
<td>B/*ETA</td>
<td>Au</td>
</tr>
<tr>
<td>Medussa (8999)</td>
<td>755079, 083, 084</td>
<td>3</td>
<td>A/MS</td>
<td>Ag, As, Bi, Cu, Fe, Pb, Sb, Mo, Ni, Sn, Th, U, W,</td>
</tr>
</tbody>
</table>

7 samples

None of the surface samples collected from Syrene returned any gold mineralisation above 1ppb. None of the samples returned anomalous multi-elements either.

Three rock chip samples were sent away for petrological analysis and the results are submitted in Appendix 2.
7.2 Orientation Soil Sampling

Orientation soil sampling using in-house Normandy BLEG techniques was tried to evaluate its effectiveness in an area of known weak Au-mineralisation beneath thin and variable cover. The regions chosen were the southern part of the Bondi grid where gold mineralisation up to 0.5g/t has been intersected, and the newly discovered mineralisation at the Cactus prospect (up to 0.8g/t Au in andesite). Previous soil sampling at the Bondi prospect using the Amdel ARM1 method failed to produce many results above detection. Aeolian sand cover dominates the Bondi area, whilst a thin alluvial veneer exists at the Cactus prospect. A total of 70 BLEG samples. 29, –80# samples (Cactus only) were collected and prepared in the Normandy laboratory in Perth. A total of 29, -80# soil samples were also collected from the Cactus prospect to compare results. These samples were analysed by the Amdel ARM1 method. Sample locations are presented in Figure 3, sample data presented in Tables 5 & 6, and results in Appendix 1.

Table 4: Orientation Soil Sample Details

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Area</th>
<th>Sample ID</th>
<th>Amdel Analytical Technique</th>
<th>Total Samples</th>
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<tr>
<td>Medusa (8999)</td>
<td>Cactus</td>
<td>3242407 – 433</td>
<td>ARM1</td>
<td>29</td>
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<tr>
<td></td>
<td></td>
<td>3242409A</td>
<td>Ag, As, Au, Bi, Cd, Co, Cu,}</td>
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<td>3242420A</td>
<td>Mo, Ni, Pb, Sb, Se, Te, Zn</td>
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<td></td>
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<td>TOTAL</td>
<td>29</td>
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Table 5: Orientation SBCL Sample Details

<table>
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<tr>
<th>Tenement</th>
<th>Area</th>
<th>Sample ID</th>
<th>Normandy BLEG Technique</th>
<th>Total Samples</th>
</tr>
</thead>
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<tr>
<td>Syrene (8803)</td>
<td>Bondi</td>
<td>3139434 - 475</td>
<td></td>
<td>42</td>
</tr>
<tr>
<td>Medusa (8999)</td>
<td>Cactus</td>
<td>3139406 - 433</td>
<td></td>
<td>28</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>TOTAL</td>
<td>70</td>
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</tbody>
</table>

The orientation soil sampling at the Bondi and Cactus prospects returned variable results with BLEG being successful at Cactus, but unsuccessful at Bondi.

The BLEG orientation soil sampling produced inconclusive results over the southern end of the Bondi grid. Whilst there was no distinct response over the known weak bedrock mineralisation (up to 0.5g/t Au), the background results certainly demonstrated that there is sufficient variation that the technique should work given substantial bedrock mineralisation. Background mineralisation is at least two orders of magnitude greater than the detection limit of the BLEG technique. This compares more favourably than the ARM1 technique where background results are the same order of magnitude as the detection limit (0.1ppb Au).

Orientation soil sampling in the Syrene valley region of the Medusa lease (over the Cactus mineralisation) has proved that the BLEG analytical technique should be suitable for locating mineralisation buried beneath the thin veneer of alluvial and colluvial cover. Analysis by ARM1 also provided an anomalous response, but the BLEG technique is far more sensitive and probably suited to this area where only low-level anomalies are likely to be generated.
7.3 Vacuum Drilling

A program of vacuum drilling was completed to geochemically test the cover/bedrock interface and upper bedrock in areas beneath a variable and aeolian/alluvial dominated transported profile. Holes were drilled at 50m centres along E-W traverses spaced 400m apart. A total of 218 holes for 1706.9m were drilled (SYV001-115, MDV001-103).

Holes were drilled until recognisable bedrock was intersected (where possible), with the complete profile being sampled. Composite samples (defined by geological intervals) were collected from both the transported and residual parts of the hole, with an unsieved interface sample also being collected where a derived stone line (DSL) existed.

Composite samples were dispatched to Amdel for analysis by ARM1, with interface (DSL) samples being dispatched to Genalysis for analysis by B/*ETA and A/MS. A total of 365 composite samples and 138 DSL samples were collected.

Drill hole locations are presented in Figure 3, sampling data presented in Table 7 and drilling logs presented in Appendix 1.

Table 6 - Reconnaissance Vacuum Drillhole & Sample Details.

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Drillhole ID</th>
<th>Total</th>
<th>Metres</th>
<th>Sample Type</th>
<th>Sample ID</th>
<th>Total Samples</th>
<th>Sample Method / Laboratory</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 8803 (Syrene)</td>
<td>SYV001 - 115</td>
<td>115</td>
<td>894.7</td>
<td>Composite</td>
<td>3140794 – 0819 3140901 – 1000 3139001 - 0080</td>
<td>206</td>
<td>Amdel ARM1 Ag, As, Au, Bi, Cd, Co, Cu, Mo, Ni, Pb, Sb, Se, Te, Zn</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>DSL</td>
<td>3202966 – 3000 3242301 – 2346 3242356</td>
<td>82</td>
<td>Genalysis B/*ETA (Au) and A/MS (Ag, As, Bi, Co, Cu, Fe, Pb, Sb, Mo, Ni, Sn, Th, U, W,)</td>
</tr>
<tr>
<td>EL 8999 (Medusa)</td>
<td>MDV001 - 103</td>
<td>103</td>
<td>812.2</td>
<td>Composite</td>
<td>3139081 - 9239</td>
<td>159</td>
<td>Amdel ARM1 Ag, As, Au, Bi, Cd, Co, Cu, Mo, Ni, Pb, Sb, Se, Te, Zn</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>DSL</td>
<td>3242237 - 2239 3242347 – 2355 3242357 - 2400</td>
<td>56</td>
<td>Genalysis B/*ETA (Au) and A/MS (Ag, As, Bi, Co, Cu, Fe, Pb, Sb, Mo, Ni, Sn, Th, U, W,)</td>
</tr>
</tbody>
</table>

218 holes for 1706.9m, 503 samples

The vacuum drilling at Syrene and Medusa assisted in defining new zones of anomalous mineralisation beneath transported cover, although coverage in the southern part of the Bondi grid was hampered by excessive moisture in the ground. The vacuum drilling has indicated that the transported cover in the “Syrene valley” is only very thin and may in fact be amenable to surface sampling. The vacuum drilling aided in mapping bedrock stratigraphy, although due to the strongly weathered nature of bedrock in the upper part of the residual profile, rocktypes could only generally be differentiated into intrusives, coarse grained sediments and siltstones. Many zones of intense quartz veins were also intersected, although only a small percentage of these appear to be related to mineralisation. Several geochemical anomalies were generated and were followed up with RAB drilling.
7.4 RAB Drilling

A RAB drilling was conducted to test geochemical anomalies generated by the earlier vacuum drilling program. Drill holes were angled at -60° towards either AMG-east or west. Holes were drilled at varying centres along E-W traverses no closer than 200m apart. Some overlapping traverses were drilled, whilst shallow RAB holes were drilled along some traverses where earlier vacuum drilling failed due to excessive moisture in the weathered profile. A total of 78 holes for 2556m were drilled (SYRB025-076, MDRB001-026).

Drill cuttings were laid out in three metre piles with one sample being collected from each pile by spearing from four different directions. The complete hole was sampled with all samples dispatched to Amdel for analysis by ARM1. A total of 857 samples were collected.

Drill hole locations are presented in Figure 3, sampling data presented in Table 8 and drilling logs presented in Appendix 1.

Table 7: Reconnaissance RAB Drillhole and Sample Details

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Drillhole ID</th>
<th>Total Metres</th>
<th>Samples</th>
<th>Total Samples</th>
<th>Amdel Method</th>
<th>Elements Analysed</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 8803 (Syrene)</td>
<td>SYRB025 - 076</td>
<td>52</td>
<td>1581</td>
<td>3673874 - 403</td>
<td>530</td>
<td>ARM 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Ag, As, Au, Bi, Cd, Co, Cu, Mo, Ni, Pb, Sb, Se, Te, Zn</td>
</tr>
<tr>
<td>EL 8999 (Medusa)</td>
<td>MDRB001 - 026</td>
<td>26</td>
<td>975</td>
<td>3673748 - 873</td>
<td>327</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3674404 - 604</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A total of 78 holes for 2556m
857 samples

A total of eight samples from Syrene RAB holes were submitted to Pontifex and Associates for petrological examination and interpretation. The petrology report is contained in Appendix 2.

The RAB drilling undertaken at Syrene extended the known mineralisation at Bondi and improved greatly the geological understanding of the area. Drilling intersected a variety of intrusives ranging in composition from felsic (porphyries) to intermediate (syenite, monzonite and diorite) to mafic (diorite-gabbro), as well as a variety of sedimentary lithologies. Some possible volcanic/volcaniclastic rocks were also intersected.

Drilling encountered anomalous mineralisation similar in style and magnitude to the previously encountered mineralisation at Bondi (ie 3m @ 0.527ppm Au from SYRB017). The new mineralisation is also hosted in syenitic to dioritic rocks and may or may not be associated with quartz veins. The results from this drilling have confirmed the presence of low grade Au-mineralisation in the southern end of the Bondi grid, but has not yielded any higher (ore-grade) mineralisation. The RAB drilling at Medusa successfully proved the existence of vacuum indicated mineralisation as well as greatly improving the geological understanding of the Syrene-Medusa area. A drilling orientation exercise was undertaken at the start of the drilling program to attempt to work out the most suitable direction for drilling. As a results of this exercise all drilling was angled towards AMG (grid) west. This orientation drilling also suggested that mineralised structures were going to be very discrete, and that overlapped drill coverage would be required. The drilling program was then modified to ensure more complete coverage in fewer areas.

The drilling has defined two new areas of mineralisation, in two different geological settings. The first of these areas was following up the vacuum defined anomalism in MDV065, and was confirmed by RAB drilling (MDRB001 & 003). This area is now referred to as Cactus, and has an elevated arsenic and antimony response. The mineralisation appears to be associated with quartz veins within a weathered andesite unit bounded by siltstones. The second new area is approximately 250m east of Cactus and is related to a sandstone-siltstone contact.
8. EL8593 - NORA

The 2000 work program consisted of initial reconnaissance traverses incorporating opportunistic surficial sampling. A program of broad spaced RAB drilling was also completed to develop an understanding of the regolith, depth of cover and nature of the bedrock across the EL.

Work for the report period included:

- Lag Sampling 98 samples
- CRC Sampling 32 samples
- RAB Drilling 14 holes for 440m, 147 samples
8.1 Surficial Sampling

A program of rock chip sampling over outcropping areas of the lease was completed, together with lag sampling in areas of interpreted residual bedrock material combined with thin transported cover. The lag sampling was completed at spacings of 1000 x 500m. Lag sampling coverage was limited to the northern part of the lease. Rock chip sampling was completed over the outcropping areas as well as sampling patches of quartz float and “sub-crops” of calcrete. A total of 32 rockchip and 98 lag samples were collected and dispatched to Genalysis for analysis by B/*ETA and A/MS. Sample locations are presented in Figure 4, summary data presented in Tables 9 & 10 and results are contained in Appendix 1.

Table 8 – EL8593 Reconnaissance Lag Sample Details

<table>
<thead>
<tr>
<th>Sample Numbers</th>
<th>Total</th>
<th>Genalysis Method</th>
<th>Elements Analysed</th>
</tr>
</thead>
<tbody>
<tr>
<td>3202501 - 542</td>
<td>98</td>
<td>B*ETA</td>
<td>Au</td>
</tr>
<tr>
<td>3202500 - 611</td>
<td></td>
<td>A/MS</td>
<td>Fe, Co, Ni, Cu, Zn, As, Mo, Ag, Sn, Sb, W, Pb, Bi, Th, U</td>
</tr>
<tr>
<td>3242201 - 234</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 9 – EL8593 Reconnaissance CRC Sample Details

<table>
<thead>
<tr>
<th>Sample Numbers</th>
<th>Total</th>
<th>Genalysis Method</th>
<th>Elements Analysed</th>
</tr>
</thead>
<tbody>
<tr>
<td>755066 - 078</td>
<td>32</td>
<td>B*ETA</td>
<td>Au</td>
</tr>
<tr>
<td>756156 – 160</td>
<td></td>
<td>A/MS</td>
<td>Fe, Co, Ni, Cu, Zn, As, Mo, Ag, Sn, Sb, W, Pb, Bi, Th, U</td>
</tr>
<tr>
<td>756162 - 165</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>787444 - 453</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The lag sampling within the Nora lease produced very few anomalous results, with only two results (5.8ppb & 7.3ppb Au) greater than 5ppb Au. 90% of gold assays were less than 1ppb.

In addition a maximum result of 28.77ppm Sb was returned from one sample (755077). All of the anomalous gold results were returned from patches of quartz float occurring along the northern margin of the Nora Range. The maximum antimony result was returned from a float sample of massive black maghemite.
8.2 RAB Drilling

A program of RAB drilling to test regolith conditions throughout the Nora lease was completed. Due to the late clearance of proposed work programs, drilling was only able to be conducted on the southern part of the lease, south of the Nora range. A total of 14 holes for 440m were drilled (NRRB001-014) at approximate spacing of 1000-2000m along E-W lines approximately 1500m apart. Holes were drilled either vertically or at -60° (variable azimuths). A total of 147 samples were collected and dispatched to Amdel for analysis by ARM2. Drill hole locations are presented in Figure 4.

Table 10 – EL8593 Reconnaissance RAB Drillhole & Sample Details.

<table>
<thead>
<tr>
<th>Drillhole ID</th>
<th>Total</th>
<th>Metres</th>
<th>Sample Type</th>
<th>Sample Numbers</th>
<th>Total</th>
<th>Amdel Method</th>
<th>Elements Analysed</th>
</tr>
</thead>
<tbody>
<tr>
<td>NRRB001 - 014</td>
<td>14</td>
<td>440</td>
<td>3m composites</td>
<td>3100950 – 1000 756201 - 296</td>
<td>147</td>
<td>ARM 2</td>
<td>Ag, As, Au, Bi, Cd, Co, Cu, Mo, Ni, Pb, Sb, Se, Te, Zn</td>
</tr>
</tbody>
</table>

The reconnaissance RAB drilling in the Nora lease did not return any anomalous mineralisation. Only 3 samples assayed ≥1ppb Au, with the maximum gold assay being 3.2ppb.

The drilling encountered extensive cover, particularly in the south-western portion of the license where interpreted paleochannels >20m depth were intersected. The majority of the ground contained substantial sub-surface water. Most of the holes were interpreted to finish in Gardner Range sandstone, with cover consisting of undifferentiated colluvium, aeolian sands or possible Muriel Range formation. It is now interpreted that the area south of the outcropping Nora Range is likely to be entirely Gardner Sandstone of substantial thickness and therefore not considered prospective for hosting Au-mineralisation.
9. REFERENCE LIST / ANNUAL REPORT BIBLIOGRAPHY

REFERENCES


REPORTS TO THE NT DME

APPENDIX 1: DIGITAL DATA (CD)

EL8593 Nora:
- el8593_Assay.DAT
- el8593_CodeGeol.DAT
- el8593_Collar.DAT
- el8593_soil_dme.DAT
- el8593_Survey.DAT

EL8803 Syrene:
- bondi_soil_dme.DAT
- el8803_Assay.DAT
- el8803_CodeGeol.DAT
- el8803_Collar.DAT
- el8803_soil_dme.DAT
- el8803_Survey.DAT

EL8999 Medussa:
- el8999_Assay.DAT
- el8999_CodeGeol.DAT
- el8999_Collar.DAT
- el8999_soil_dme.DAT
- el8999_Survey.DAT
APPENDIX 2: PETROLOGICAL SAMPLE DESCRIPTIONS
| Petrology Report Numbers are suffixed with a, b, c etc to enable classification into project areas. For example, the existence of Report Nos. P1234, P1234a and P1234b indicates that samples described in the report are from three distinct prospect areas. |
REPORT NUMBER 28004
REPORT TITLE Second Annual Report for the Western Tanami Project for the 2000 Field Season
PROSPECT NAME Syrene, Medusa, Luckys Bore, Nora, Bondi, Cactus
TENEMENT NUMBERS EL’s 8803, 8593, 8825, 8999
OWNER/JV PARTNERS Normandy NFM Ltd
COMMODITIES Gold
TECTONIC UNITS The Granites-Tanami Block
STRATIGRAPHIC UNITS Tanami Complex, Pargee Sandstone
1:250,000 MAPSHEET The Granites SF52-3
1:100,000 MAPSHEET MacFarlane 4757
KEYWORDS BLEG, Drilling, Geochemical Sampling, Lag Sampling, Petrology, RAB Drilling, Soil Sampling, Vacuum Drilling