SURRENDER REPORT

for

EL’s 8385, 8386

Highland Rocks Project, Northern Territory

Compiled by:
Q. Deng and C.W.Giles

For the Joint Venture between
Desertex NL and Havilah
Resources NL

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1. Introduction

This report summarises exploration activities carried out on EL’s 8385 and 8386, surrendered in 2001, of the Highland Rocks project area between 1997 and 2000 (year 1 to year 4).

EL’s 8385 and 8386 were part of Highland Rocks project area consists of six EL’s, namely EL’s 8385, 8386, 8387, 8950, 8951, and 8544. The tenements are situated in the southwest of the Northern Territory, roughly 440 to 600km northwest of Alice Springs. Access is gained via the Tanami Highway to the Highland Rocks turn off near Chilla Well, then west along a graded track 57km to the boundary of EL 8950. The various EL’s are connected by a network of cleared tracks as shown in figure 1.

All EL’s were granted to the original applicant, Gresco Nominees Pty Ltd, in 1996 following signing of an agreement to explore with the Aboriginal Traditional land owners earlier that year. Desertex subsequently conducted the first recorded modern exploration activity in 1997 on EL’s 8385 and 8386.

A joint venture agreement was signed on 25 May 1998 between Havilah Resources NL (Havilah) and Desertex NL to continue with exploration on the Highland Rocks EL’s. The Central Land Council and Traditional Owners completed the site clearance for drilling on Highland Rocks EL’s including 8385 and 8386 in early September of that year.

Havilah commenced exploration on 8385 and 8386 in early September 1998 with a combined programme of ground reconnaissance including lag and CRC geochemical sampling and rotary air blast (RAB) drilling. Exploration work continued in 1999, comprising mainly systematic RAB drilling of various structural and/or magnetic targets within EL’s 8386. Surface geochemical survey was conducted during 2000 field season during which lag, CRC, pisolite, and magnetic fraction samples were taken from EL’s 8386.

Generally low level Au anomalies were identified in EL 8386 as well as low level arsenic and copper anomalies.
2. Surrender of EL’s 8385 and 8386

Having reviewed the results of four year exploration conducted in the region between 1997 and 2000, Havilah has decided to surrender the entire EL’s 8385 and 8386 of Highland Rocks project, after the first round relinquishment in 1999, as follow:

EL8385  0 blocks retained from 18 after the first relinquishment in 1999;
EL8386  0 blocks retained from 107 after the first relinquishment in 1999;

3. Work completed on the EL’s 8385 and 8386 (surrendered)

Prior to commencement of field work, planning for exploration programmes was undertaken using AGSO aeromagnetic data and SPOT satellite imagery. Exploration targets were selected based on available data and the existing models of Au mineralisation in the Tanami region. Traverses for surface sampling and RAB drilling were designed at the beginning of each field season. Main exploration activities between 1997 and 2000 included RAB drilling, surface lag sampling and CRC sampling. Tables 1-2 list the work carried out on the EL’s 8385 and 8386 surrendered in 2001.

Figures 2-6 show the locations of all RAB drillholes, lag samples, CRC samples, pisolite samples, magnetic fraction samples on the surrendered EL’s. Appendices 1-5 list the coordinates and assay results of the RAB drillholes, lag CRC, pisolite, and magnetic fraction samples collected in EL’s 8385 and 8386 between 1997 and 2000
4. References


