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MINERAL CLAIMS C175-C178

BURNT SHIRT

FINAL REPORT

29 May 1985 – 29 May 2002

LICENSEE:

SANTEXCO PTY LTD

A.C.N. 002 910 296

AUTHOR:

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September, 2002

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SE53-14

TENNANT CREEK 1:250 000

5758

TENNANT CREEK 1:100 000

SUMMARY

Mineral Claims C175 to C178 *Burnt Shirt* are located approximately 3km north north-east of Tennant Creek, on the Tennant Creek 1:100 000 scale map sheet.

This report details exploration undertaken by various explorers including Normandy Tennant Creek Pty Ltd (NTC) and Giants Reef Mining Limited (Giants Reef) on MC C175 – C178 during their term from 29th May 1985 to their expiry on 29th May 2002.

Targets were gold and copper orebodies.

On 13 June 2001, Giants Reef Exploration Pty Ltd, a wholly owned subsidiary of Giants Reef Mining Limited, purchased all of the shares in NTC from Normandy Consolidated Gold Holdings Pty Ltd, a subsidiary of Normandy Mining Limited. As a result, NTC is now a wholly owned subsidiary of Giants Reef and its name has been changed to Santexco Pty Ltd (Santexco).

Work done during the term included geological mapping, ground magnetics, geophysical modelling, RAB drilling, RC percussion drilling and diamond drilling. An in-house structural report on the area was completed in the mid 1980's.

A detailed aeromagnetics survey was flown by Normandy over the Claims area and surrounding contiguous tenements in October 1998. Several geophysical targets were generated from this survey, however nothing of significance was noted in the Claims reported here.

The Area of Interest Agreement was signed on 9 December 1998. This Agreement, between Central Land Council, Tennant Creek Traditional Landowners and Normandy, established land access for mineral exploration upon Warumungu Land Trust areas.

An environmental audit was completed in 1999 covering all historical disturbances in the Tennant Creek mineral field, including MC C175-C178. The audit located and detailed all occurrences of disturbance including mine workings, tracks, dumps, drillholes, excavations, buildings and rubbish.

Various exploration campaigns and company reviews of MC C175-C178 concluded that the prospectivity for discovering significant Au-Cu mineralisation within the Claims group is low. This combined with a Giants Reef initiative to reduce the amount of tenure held by the company in the Tennant Creek goldfield, led to the decision not to renew MC C175-C178 for a further term.

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FIGURES

1. MC C175-C178 Location Plan

1. INTRODUCTION

This report details exploration undertaken by various explorers including Normandy Tennant Creek Pty Ltd (NTC) and Giants Reef Mining Limited (Giants Reef) on MC C175 – C178 during their term from 29th May 1985 to their expiry on 29th May 2002.

On 13 June 2001, Giants Reef Exploration Pty Ltd, a wholly owned subsidiary of Giants Reef Mining Limited, purchased all of the shares in NTC from Normandy Consolidated Gold Holdings Pty Ltd, a subsidiary of Normandy Mining Limited. As a result, NTC is now a wholly owned subsidiary of Giants Reef and its name has been changed to Santexco Pty Ltd (Santexco).

2. LOCATION

Mineral Claims C175 to C178 *Burnt Shirt* are located approximately 3km north north-east of Tennant Creek, on the Tennant Creek 1:100 000 scale map sheet.

Access from Tennant Creek is via the Stuart Highway, the all-weather sealed Kaczinsky road past the Tennant Creek Speedway grounds and then along tracks to the Burnt Shirt & surrounding mines (Figure 1).

During and immediately after rain the area is generally inaccessible. Figure 1 shows access and the location of the claims.

3. TENURE

Mineral Claims C175 to C178, covering a total of 58 hectares, were granted to Australian Development Limited on 29th May 1985 for a term to expire on 28th May 1988.

A renewal of the 4 claims was granted after the end of the fourth year of tenure to expire 29th May 1993. A further renewal was granted for a term to expire 29 May 2003.

In June 2001, Giants Reef Mining Limited purchased Normandy Tennant Creek Pty Ltd and all its assets. After the purchase, NTC was re-named Santexco Pty Ltd, and is now a wholly-owned subsidiary of Giants Reef Mining Limited.

The claims are on Inalienable Aboriginal Freehold land held by the Warumungu Land Trust. An agreement referred to as the Areas of Interest Agreement was signed by the Central Land Council, Traditional Landowners and NTC on 9 December 1998. This agreement established land access for mineral exploration upon Warumungu Land Trust areas.

A tenure summary for the Burnt Shirt Group of Claims is presented in the table below:

Title	No	Name	Size	Unit	Date Pegged	Granted	Expired
MC	C175	BURNT SHIRT	16.00	ha	16/05/74	29/05/85	29/05/03
MC	C176	BURNT SHIRT	16.00	ha	16/05/74	29/05/85	29/05/03
MC	C177	BURNT SHIRT	13.00	ha	02/06/75	29/05/85	29/05/03
MC	C178	BURNT SHIRT	13.00	ha	02/06/75	29/05/85	29/05/03

4. GEOLOGY

The claims are underlain by the Palaeoproterozoic Warramunga Formation, a stratigraphic unit that is host to nearly all the gold-copper mines in the Tennant Creek goldfield. Outcrop is restricted to east-west trending sediment and quartz-haematite ironstone ridges. The dominant lithologies are Warramunga Group siltstones, shales and greywackes with minor quartz porphyry to the south of the area of interest. Numerous quartz and quartz-haematite ironstones are present in the ridges and their slopes.

5. WORK DONE DURING THE TERM

5.1 Introduction

Work during the life of the claims was conducted initially the Bureau of Mineral Resources (BMR) then Nobelex NL and Australian Development Limited (which became Poseidon Gold Limited), then Normandy Mining Pty Ltd and eventually Normandy Tennant Creek Pty Ltd. Full details of the work can be found in the references cited below (Section 9).

Exploration goes back to the late 1930s in this area. In 1937 the Burnt Shirt to Kathleen area was subject to a ground magnetics survey. One anomaly was defined, located between the Burnt Shirt and Ace High mines at a modeled depth of approximately 60 metres (Daly, 1957). The BMR tested the anomaly with one drill hole in 1964. The hole intersected barren quartz magnetite ironstone between 112 and 128 metres (Evans, 1996).

In early 1967, the BMR drilled a diamond hole in an area known as the Burnt Shirt Anomaly 4. The hole failed to intersect any magnetic material. A second hole was drilled to investigate a small outcropping magnetic boss and intersected a thin band of ironstone at approximately 70 metre depth (230 feet). The BMR resurveyed the area in 1967 and on the basis of the new results another hole was drilled. This hole intersected massive ironstone at depth. A fourth hole was drilled to complete the geological knowledge. No significant gold values were encountered (Haigh, 1970).

5.2 Australian Development Limited

Australian Development Limited (ADL) were the managing agents for Nobelex NL who originally pegged the Claims in 1974 and 1975. Work carried out by ADL included percussion and RC drilling and ground magnetic surveys. In 1985 nine percussion holes were for 438m. These holes produced no significant assay results. A ground magnetics survey was completed over the Burnt Shirt grid and interpretation of this data identified deep drill targets. In 1987-1988 six RC drill holes for 1,457m and one diamond drill hole to 347m were drilled. Some encouraging mineralisation was returned, interestingly some coarse native copper seen in the diamond drill hole.

A detailed account of the above work by ADL is given in the report by Poseidon Gold Limited entitled "*Report in Support of Renewal of Mineral Claims Central 175 to 178 Inclusive, Burnt Shirt Area Tennant Creek 1:250 000 Sheet SF53-14*" by R J Worland.

5.3 Poseidon Gold Limited

Poseidon Gold Limited (Posgold) upgraded the safety at the Burnt Shirt mine by installing a lockable gate in the mine adit and by closing access to all other mine workings in the immediate area. At the same time public access via a local tour operator was arranged so as to preserve and protect the area as a site of historical interest.

A structural study on the controls of ironstone and Au-Cu-Bi mineralisation throughout the Tennant Creek region was completed by Posgold and the integration of previous exploration completed.

A detailed account of the above work by ADL is given in the report by Poseidon Gold Limited entitled "*Report in Support of Renewal of Mineral Claims Central 175 to 178 Inclusive, Burnt Shirt Area Tennant Creek 1:250 000 Sheet SF53-14*" by R J Worland.

5.3.1 Environmental and Rehabilitation

Posgold completed an Environmental Management Plan for their Tennant Creek operations. The plan details the environmental management of various areas following completion of exploration programs and mining operations.

A detailed account of the plan is given in the report by Poseidon Gold Limited entitled "*Environmental Management Plan 1993*". PosGold Limited, by Fowler, B (1993), Report to the NTDME 93181.

5.4 Normandy Tennant Creek Pty Ltd

Exploration conducted by Normandy included a high-resolution aeromagnetics survey over the Claims and surrounding areas (Nobline survey) and the signing of an Agreement to access Warumungu Land Trust land.

Kevron flew the Nobline survey in October 1998. Survey specifications were 40m sensor height, 50m line spacing on a north – south line orientation with 7m in line sample spacing (Hill, 1999). Elevation was recorded every seventh sample for digital terrain modeling. Digital data was presented to NTDME in March 2000 as Appendix B to *Annual Report for MLCs 1, 2, 150-153, 156-157, 197-209, 211-216, 281-284, 431, 524, 623, 630-631, 650-651 & 653 AND MCCs 21-23, 175-178 for the year ending 2000, Nobles Nob Reporting Group, Bishop Creek Leases, Tennant Creek 1:250,000 Map Sheet No. SE53-14* by Orton.

The Area of Interest Agreement was signed on 9 December 1998. This Agreement, between Central Land Council, Tennant Creek Traditional Landowners and Normandy, established land access for mineral exploration upon Warumungu Land Trust areas.

An environmental audit was completed in 1999 and covered all historical disturbances in the Tennant Creek mineral field, including MC C175-C178. The audit located and detailed all occurrences of disturbance including mine workings, tracks, dumps, drillholes, excavations, buildings and rubbish.

The Burnt Shirt area was visited during a field trip in 1999 with a view of establishing targets that warrant further exploration. No other on ground exploration was undertaken by Normandy in 1999 or 2000.

5.5 Santexco Pty Ltd

In the long period leading up to Normandy's departure from the Tennant Creek goldfield and the sale of MC C175-C178 (and other tenements) to Giants Reef Mining, no field work was carried out on these Claims.

Administration work and a brief review of the prospectivity of the Claims, was carried out prior to Giants Reef acquiring the interests of NTC in mid-June, 2001 however no significant exploration was undertaken.

6. CONCLUSIONS

Various exploration campaigns and company reviews of the Claims concluded that the prospectivity for discovering significant Au-Cu mineralisation within the Claims group is low.

This combined with a Giants Reef initiative to reduce the amount of tenure held by the company in the Tennant Creek goldfield, led to the decision not to renew MC C175-C178 for a further term.

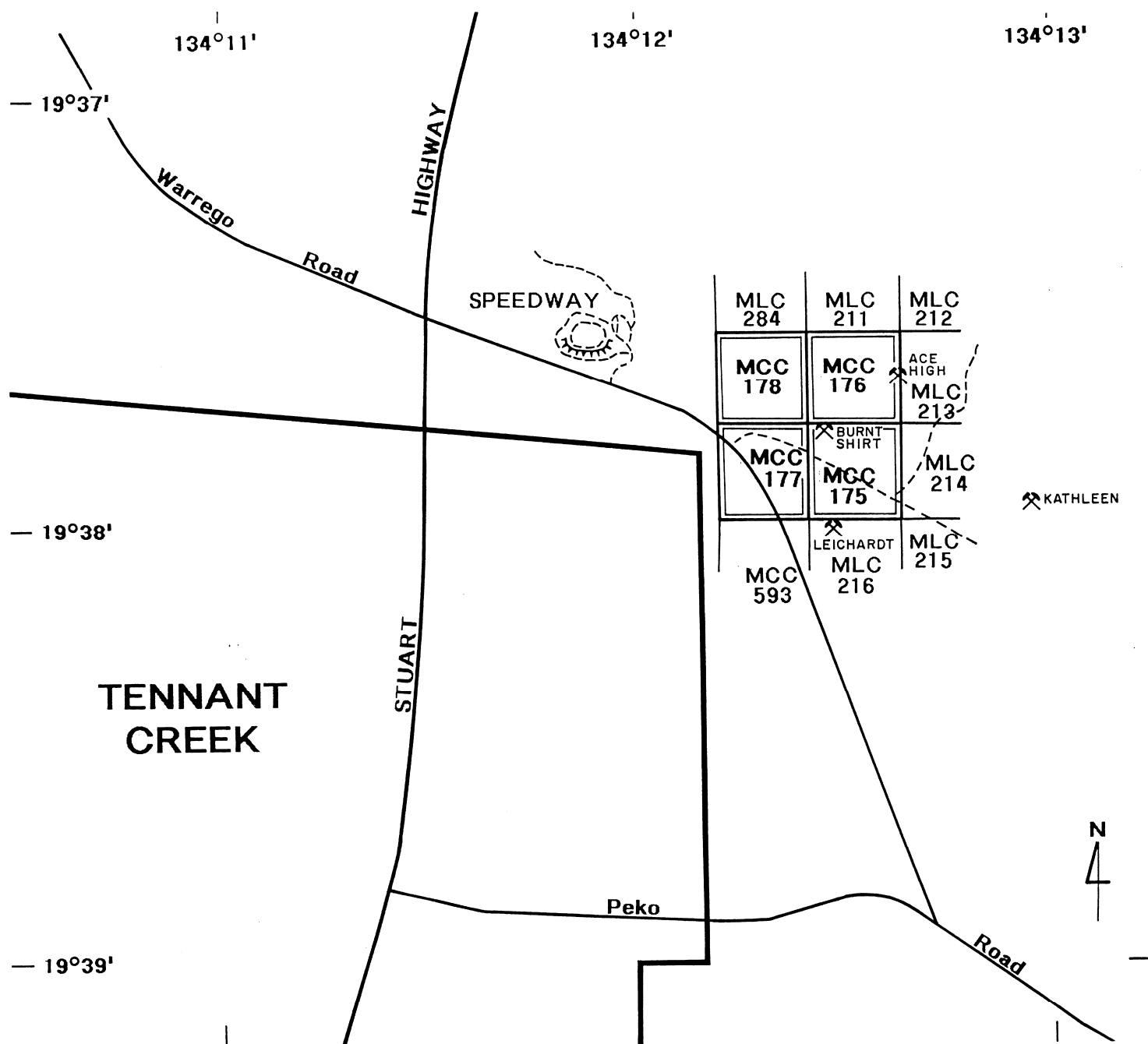
7. EXPENDITURE

Giants Reef now has access to the Normandy Tennant Creek Pty Ltd (NTC) archived expenditure records for the tenements purchased from NTC, through a company called Select Software Support Pty Ltd, based in Strathalbyn, South Australia. However, the eight-year term expenditure for the Great Western Group within the archived records was included with expenditures for other tenements in the surrounding area, and the precise amount spent on Mineral Claims C175 to C178 could not be determined.

8. REFERENCES

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S. C. RUSSELL
SENIOR EXPLORATION GEOLOGIST



GIANTS REEF EXPLORATION PTY LTD			
TENNANT CREEK NORTHERN TERRITORY			
AREA	MC C175 – C177 BURNT SHIRT		
MAP REF	5758 TENNANT CREEK 1:100 000		
SUBJECT	MC C175 – MC C178 Location Plan		
DATE	AUTHOR	SCALE	
OCT 2002	SCR	1:25,000	FIGURE 1