

GRM

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EXPLORATION LICENCE 22230

Gosse Flats

FINAL REPORT
19 October 2001 - 18 October 2002

LICENSEE:
GIANTS REEF EXPLORATION PTY LTD
A.C.N. 009 200 346

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January 2003

DISTRIBUTION:
Department of Business, Industry & Resource Development ☐
Central Land Council ☐
Giants Reef Exploration Pty Ltd ☐
Giants Reef Mining Limited ☐

SE53-14
TENNANT CREEK 1:250 000
5350
GOSSE RIVER 1:100 000

SUMMARY

Exploration Licences 22230 *Gosse Flats*, were acquired by Giants Reef Exploration Pty Ltd (Giants Reef) to search for Tennant Creek style ironstone-related gold-copper deposits.

This report summarises the exploration work carried out on EL 22230 during its first and final year of tenure from 19th October 2001 to 18th October 2002.

Work done during the first and final year on the Exploration Licence 22230 consisted of literature searches geological and geophysical assessment and a tenement review. This work downgraded the prospectivity of the Licence area.

Given the low prospectivity of the Licence area, relative to defined high-priority exploration targets, and combined with Giants Reefs initiative to reduce the amount of Exploration Licences held by the company, it was decided to surrender EL 22230 on the 18^h October 2002.

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2. EL 22230 Gosse Flats Year 1 Licence Area

1. INTRODUCTION

Exploration Licences 22230 *Gosse Flats*, were acquired by Giants Reef Exploration Pty Ltd (Giants Reef) to search for Tennant Creek style ironstone-related gold-copper deposits.

This report summarises the exploration work carried out on EL 22230 during its first and final year of tenure from 19th October 2001 to 18th October 2002.

2. LOCATION

Exploration Licence 22230 covers a wide tract of country, with the centre of the Licence situated approximately 45 kilometres east of Tennant Creek town and south of the Barkly Highway. The Licence area is on the Gosse River 1:100 000 map sheet (52/6).

Access is along the Gosse River road which runs east from the Stuart Highway. The road continues to the Gosse River then junctions. Following the north junction will lead to the north-west boundary of the licence area. However, much of the Licence area is rocky, without tracks and difficult to reach, even in a 4x4 vehicle. The unsealed tracks become impassable during the wet season.

Figure 1 shows the location of Exploration Licence area.

3. TENURE

Exploration Licence 22230 covering 83 blocks (221.9km²) was granted to Giants Reef Exploration Pty Ltd on the 19th October 2001 for a period of six years.

The Exploration Licence lies within NT Portion 1075, being Tennant Creek Perpetual Pastoral Lease.

In September 2000, EL 22230 became subject to an Indigenous Land Use Agreement (ILUA), signed between Giants Reef, the Native Titleholders of the Tennant Creek region and the Central Land Council. A large number of other tenements and EL applications in the region are also subject to the ILUA. These are all on the Tennant Creek and Phillip Creek Pastoral Leases. The ILUA provides for 25 years of continuity of tenure, and covers any present or future exploration or mining tenement applications and development within the above Pastoral Leases.

Giants Reef surrendered the Exploration Licence on the 18th October 2002.

Figures 2 shows the Exploration Licence area held in the first and final year.

4. GEOLOGY

4.1 Regional Geology

The reader is referred to AusIMM Monograph 14 (Geology of the Mineral Deposits of Australia and Papua New Guinea), Volume 1, pp. 829-861, to gain a good introduction to the regional geology and styles of gold-copper mineralisation of the area.

4.2 Local Geology

Outcrop throughout the Licence is patchy and in most areas non-existent. The majority of EL 22230 is covered with Quaternary alluvium and soils, including the extensive flood-out area of the Gosse River, in the northern part of the Licence. Basement geology for most of the area is poorly understood. Central to the Licence area is granite that has been dated at 1660 Ma. The northern area of the EL is underlain by the Palaeoproterozoic Hatches Creek Subgroup metasediments that is crosscut by a north-west south-east striking fault. The Flynn Subgroup metasediments lie to south of the Licence area. The contacting unit with the granite has not yet been identified.

5. WORK DONE DURING THE YEAR

5.1 Targets and Concepts

Exploration Licence 22230 was initially applied for to cover part of a circular magnetic feature with magnetic highs around its periphery and other magnetic highs in the vicinity. The Licence area displays a geophysical contact with granite, which could potentially host mineralisation at the granite contact.

Exploration Licence 22230 was also applied for to cover the north-eastern part of an area associated with a large magnetic anomaly, that appears related to granite intrusion in the south-west of the Tennant Creek goldfield. This anomaly was covered by Giants Reefs Exploration Licence Application 22588, and investigated concurrently along with EL 22231 and EL 23100.

5.2 Geological and Geophysical Assessment

Geological assessment of the Licence area failed to identify any significant target areas, partially as a result of the poorly understood bedrock of the area. Geophysical analysis identified the contact aureole of the granite to display magnetic highs around its periphery, more so to the east. The identified magnetic highs are in unknown bedrock which warrants further exploration

5.3 Tenement Review

An internal review of the Giants Reefs tenement portfolio and a classification of exploration opportunities in July 2002 ranked the Exploration Licence as an area of limited exploration potential. This assessment was based on the criteria that the Exploration Licence was at an immature stage of exploration, coupled with an assessment of the geology and geophysics of the Licence area as showing no real encouragement. The distance of the Licence area away from the Tennant Creek town and the Warrego Mill was noted, as was the lack of historic production in the direct tenement area. For these reasons, combined with Giants Reefs initiative to reduce the amount of Exploration Licences held by the company, Giants Reef made recommendations for the Licence area to be surrendered.

5.4 Licence Surrender

Based on the recommendations from the internal review in July, Exploration Licence 22230 was surrendered by Giants Reef on the 18th October 2002.

6. REHABILITATION

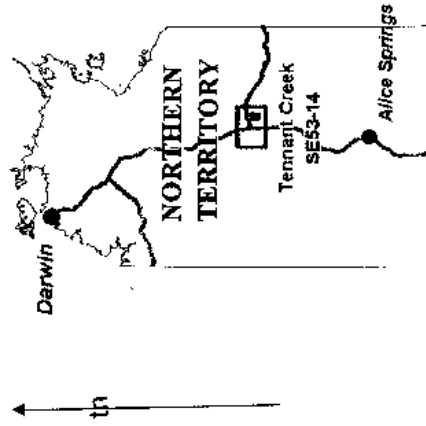
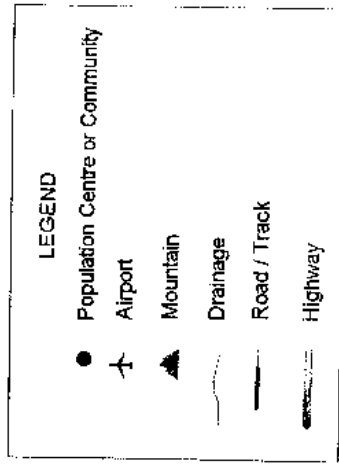
None of the work done on EL 22230 by Giants Reef has required any rehabilitation measures.

7. CONCLUSIONS

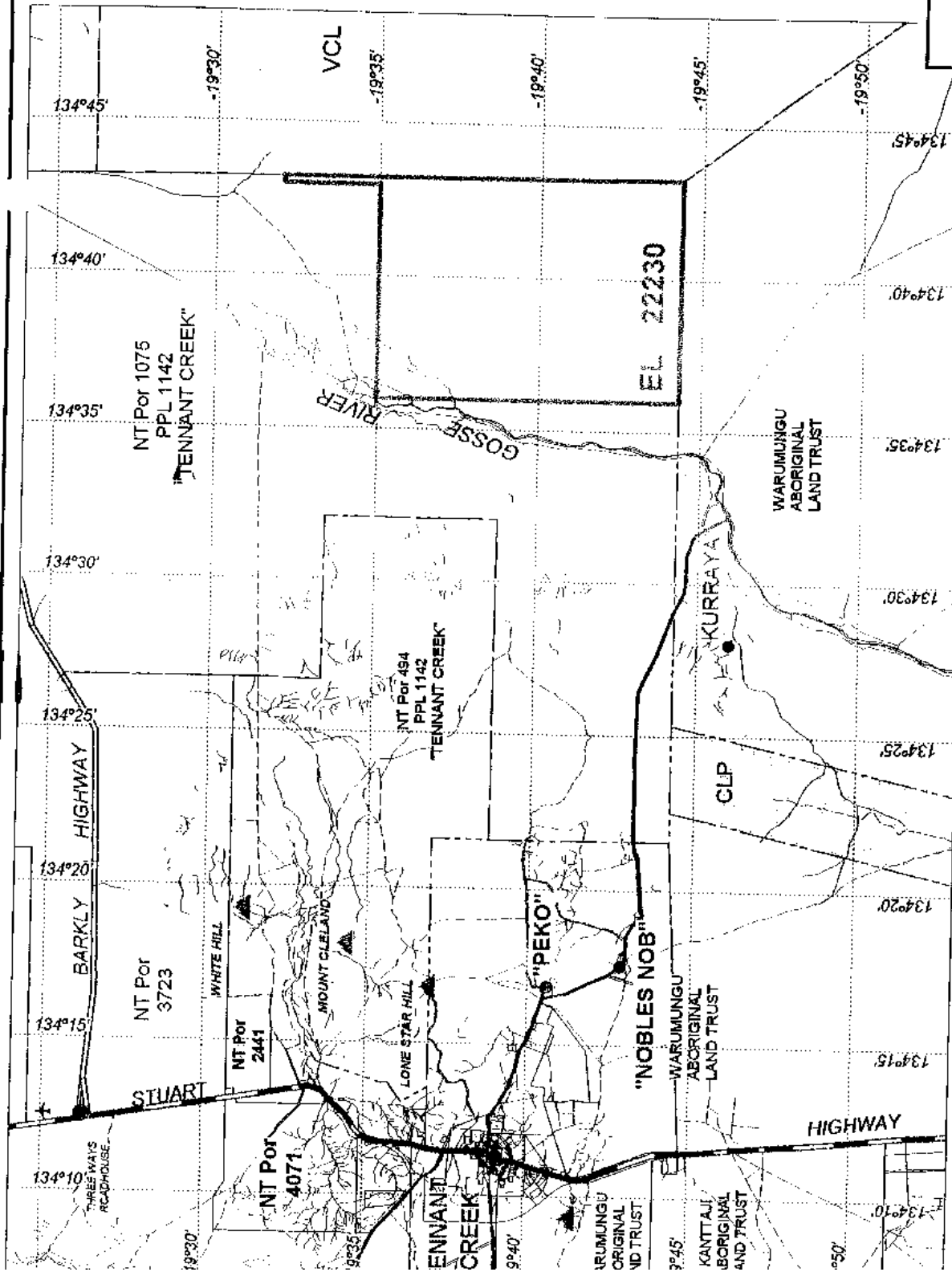
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Given the low prospectivity of the Licence area, relative to defined high-priority exploration targets, and combined with Giants Reefs initiative to reduce the amount of Exploration Licences held by the company, it was decided to surrender EL 22230 on the 18th October 2002.

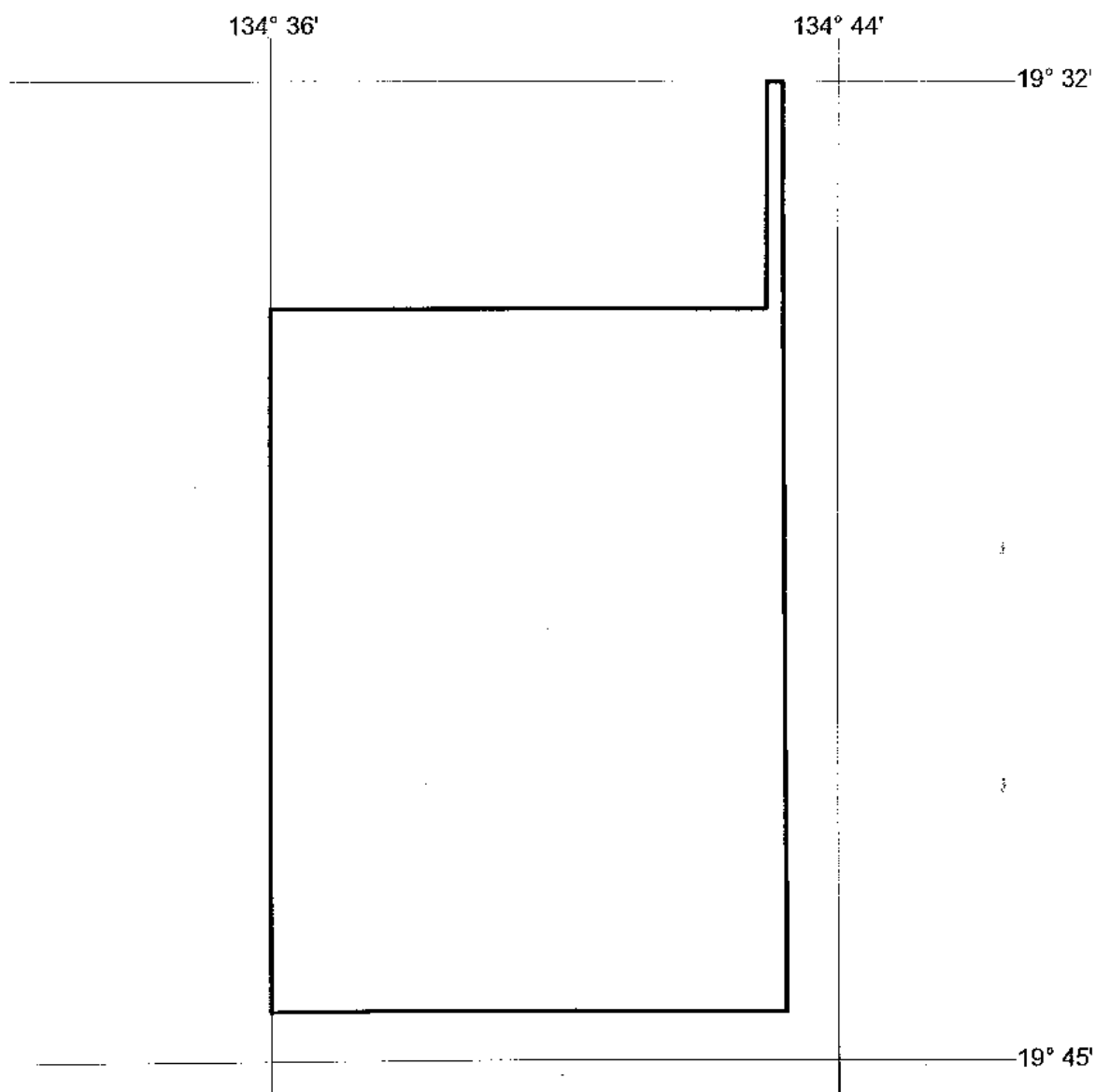
JUSTINE CAHILL
EXPLORATION GEOLOGIST



GIANTS REEF MINING LIMITED			
TENNANT CREEK NORTHERN TERRITORY			
AREA	EL 22230 Gosse Flats		
MAP REF.	5350 GOSSE RIVER 1:100 000		
SUBJECT	Location and Surrounding Tenements		
DATE	AUTHOR	SCALE	



<input type="checkbox"/> EL 22230	<input type="checkbox"/> Perpetual Pastoral Lease
<input type="checkbox"/> Crown Land Perpetual	<input type="checkbox"/> NT Freehold
<input type="checkbox"/> Vacant Crown Land	



EL 22230
83 BLOCKS
221.9 sq kms

GIANTS REEF MINING LIMITED			
TENNANT CREEK NORTHERN TERRITORY			
AREA	EL 22230 <i>Gosse Flats</i>		
MAP REF.	5350 GOSSE RIVER 1:100 000		
SUBJECT	Year 1 Licence Area <i>Extract DME SECOND SCHEDULE</i>		
DATE	AUTHOR	SCALE	
OCT 2001	DBIRD		FIGURE 2

