



TANAMI EXPLORATION N.L.

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PARTIAL RELINQUISHMENT REPORT

EL 22924

'Delny'

ALCOOTA PROJECT

23 December 2002 to 22 December 2003

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1.0 SUMMARY

Tanami Exploration NL identified the potential for Tanami-style gold mineralisation, iron oxide copper-gold (IOCG) mineralisation and Tennant Creek-style copper-gold mineralisation in the Alcoota region of the northern Arunta Block in 1997 leading to the acquisition of the significant tenement package forming the Alcoota Project.

The Alcoota Project lies in the Arunta region of the North Australian Craton approximately 150 kilometres northeast of Alice Springs (**Figure 1**). Access is provided via the Stuart Highway, Plenty Highway and the Sandover Highway, which crosses the Project area.

EL 22922 'Delny' forms part of the Alcoota Project. It was granted on 23 December 2002 to Tanami Exploration NL (TENL). TENL is a wholly owned subsidiary of Tanami Gold NL (TGNL), a publicly listed company. A voluntary surrender of 173 blocks was completed after its first year of tenure. This report describes exploration carried out on the surrendered portions of this tenement (**Figure 2**).

Exploration consisted of a regional assessment of the Alcoota project area including a field reconnaissance trip in November – December 2003. The regional review, carried out by Dr. Jim Anderson, included an evaluation of topography, geology, metallogeny, MODAT occurrences, previous exploration and aeromagnetics together with field reconnaissance.

No samples were taken on the surrendered tenement portions.

Based on the above assessment more than half of the tenement area of EL 22924 was recommended for relinquishment. This ground is either obscured by younger cover of the Waite Formation or quaternary sediments, or occupied by the Mt Swan granite.

2.0 INTRODUCTION

The Alcoota Project comprises nine granted Exploration Licences. They were applied for in 1997 to test the potential for Tanami-style gold mineralisation, iron oxide copper-gold (IOCG) mineralisation and Tennant Creek-style copper-gold mineralisation.

A voluntary surrender was completed for EL 22924 'Delny'. Exploration on this surrendered ground is the subject of this report.

EL 22924 is located approximately 150 kilometres northeast of Alice Springs (**Figure 1**). Access to the tenement is via the Stuart Highway, and the Plenty Highway (**Plate 1**). An extensive network of established roads and station tracks provides further access throughout the tenement area.

3.0 TENURE

EL 22924 was granted to TENL on 23 December 2002. Tenement details are shown below. At the end of the first year of term 173 blocks were identified for relinquishment and subsequently a voluntary partial surrender was lodged in respect of these blocks (**Figure 2**). EL 22921 was reduced to 207 blocks with effect from 22 December 2003.

Table 1: Tenement Details

Tenement	Tenement No.	Blocks Granted	Blocks Relinquished	Blocks Retained	Grant Date	Expiry
Delny	EL 22924	498	173	325	23-Dec-02	22-Dec-08

For the purposes of conducting initial reconnaissance exploration on the Alcoota Project, a 'self clearing' program was granted by the CLC in October 2003 whereby TENL could conduct a geological appraisal of the tenements and wide-spaced non-systematic ('grab') sampling to assess prospectivity. Areas of possible cultural significance recorded within the Aboriginal Areas Protection Authority (AAPA) database were noted and avoided.

4.0 GEOLOGY

The Alcoota Project lies within the Northern Arunta Block of the North Australian Craton. The Arunta basement comprises Palaeoproterozoic – Mesoproterozoic metamorphic rocks and granites. The relinquished portions of EL 22924 are located at the boundary of the 1:250,000 sheet, Alcoota (SF53-10) and Huckitta (SF53-11).

The NTGS Alcoota and Huckitta 1: 250,000 fact mapping indicates that a substantial amount of outcrop is present. Unfortunately, most of the exposure appears to be of unprospective granitic lithologies or the Waite Formation. Field examination confirms that granite (e.g. around Tower Rock) and the younger Waite Formation (especially around Mount Swan station) obscures much of the tenement, particularly in the central and eastern parts. Extensive outcrops of Georgina Basin sediments are also present in the east. Isolated patches of the Ledan Schist are present northeast of Mount Swan.

The bedrock geology of the region is summarised by TENL's interpretative Tanami-Arunta mapping, shown in **Plate 2**, indicates batholithic granites in the north central area of EL 22924, surrounded by extensive areas of metasediment, the Narwietooma Metamorphics. The younger Irindina Metamorphics occur in the southern part of the tenement.

5.0 TENL EXPLORATION

In 2002 the Alcoota tenements were included in an Arunta-wide geophysical interpretation conducted by TGNL consultant geologists Dr Jayson Myers and Dr Nathan Jombwe (Jombwe, 2003). TMI and residual gravity is shown on **Plate 3**.

According to the NTGS openfile data, EL22924 has been extensively prospected by soil and stream sediment geochemistry. No Au anomalous results are apparent, but gold has been rarely assayed. Copper values up to 300 ppm are locally evident.

A regional review of topography, geology, metallogeny and aeromagnetism including field reconnaissance was carried out by Jim Anderson in November – December 2003. Prospective areas of the tenement recognised comprised Palaeoproterozoic meta-sedimentary bedrock units including the low-mid metamorphic grade Ledan Schist.

No geochemical samples were taken on the surrendered tenement portions.

No MODAT occurrences are present on the surrendered tenement portions.

The areas relinquished within EL 22924 comprise areas underlain by unprospective granite bedrock or overlain by thick Tertiary sequences of the Waite Formation which form a significant impediment to exploration of underlying bedrock.

6.0 REFERENCES

Anderson, J., 2003 Alcoota and Alcoota North Project Assessment. Unpublished Tanami Gold NL In-house report.

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