



# GIANTS REEF EXPLORATION

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## EXPLORATION LICENCE 8773

*LASSO*

### FIFTH ANNUAL REPORT

*8 March 2003 - 7 March 2004*

*LICENSEE:*

**SANTEXCO PTY LTD**

A.B.N. 002 910 296

*AUTHOR:*

**J. L. CAHILL**

*April, 2004*

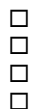
#### DISTRIBUTION:

Department of Business Industry & Resource Development

Central Land Council

Santexco Pty Ltd

Giants Reef Mining Limited



*SE53-14*

*TENNANT CREEK 1:250 000*

*5759*

*FLYNN 1:100 000*

## SUMMARY

This report records exploration undertaken by Santexco Pty Ltd (Santexco) a wholly owned subsidiary of Giants Reef Mining Limited (Giants Reef) on Exploration Licence 8773 *Lasso* for the period from the 8<sup>th</sup> March 2003 to the 7<sup>th</sup> March 2004.

Targets are ironstone-related gold-copper deposits.

No geophysical modelling has been completed by Giants Reef on the magnetic anomalies identified in EL 8773. Preliminary research and assessment has shown that these anomalies are one of a number of anomalies of similar intensity along a subtle east-west "magnetic ridge.

Mining has recommenced at the Edna Beryl mine, located just south of EL 8773. This will aid in greater geological understanding of the area, and generate significant interest in the vicinity.

At present Giants Reef are actively seeking a partnership which will focus target generation and exploration over EL 8773.

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1. EL 8773 Location and Surrounding Tenements

## 1. INTRODUCTION

This report records exploration undertaken by Santexco Pty Ltd (Santexco) a wholly owned subsidiary of Giants Reef Mining Limited (Giants Reef) on Exploration Licence 8773 *Lasso* for the period from the 8<sup>th</sup> March 2003 to the 7<sup>th</sup> March 2004.

Targets are ironstone-related gold-copper deposits.

## 2. LOCATION & ACCESS

Exploration Licence 8773 *Lasso*, lies approximately 40km north of the Tennant Creek township and straddles the Phillip Creek floodplain immediately to the east of the Stuart Highway. Access is via the Stuart Highway and the unsealed all weather track which runs out to the Edna Beryl mine.

The summer period is hot with seasonal heavy rainfall between January and March making access very difficult during these periods.

EL 8773 is located on the Flynn 1:100 000 scale map sheet (5759).

Figure 1 shows the EL 8773 and surrounding tenements.

## 3. TENURE

Exploration Licence 8773 consists of two graticular blocks (approximately 5.7 km<sup>2</sup>) and was granted to Normandy Tennant Creek Pty Ltd (now Santexco) on the 8<sup>th</sup> March 1999 for a period of six years.

The Licence falls on Inalienable Aboriginal Freehold land held by the Warrumungu Land Trust. An Agreement referred to as the Areas of Interest Deed for Exploration was signed by the Central Land Council (CLC), Traditional Landowners and NTC on the 9<sup>th</sup> December 1998. This agreement established land access for mineral exploration upon Warrumungu Land Trust areas, including EL 8773.

In June 2001, Giants Reef Mining Limited (Giants Reef) purchased all the assets of Normandy Tennant Creek Pty Ltd (NTC), EL 8773. After the purchase, Normandy Tennant Creek Pty Ltd was re-named Santexco Pty Ltd and is now a wholly-owned subsidiary of Giants Reef Mining Limited.

At the end of the third, fourth and fifth tenure year a waiver of reduction was granted for EL 8773.

## 4. GEOLOGY

### 4.1 Regional Geology

Papers contained in AusIMM Monograph 14 (Geology of the Mineral Deposits of Australia and Papua New Guinea, Volume 1, pp. 829-861) give a good introduction to the regional geology and styles of gold-copper mineralisation of the area.

More recently, the regional geology of the Tennant Creek Inlier has been described in the 1:250,000 Tennant Creek geological map and its explanatory notes, published by the Northern Territory Geological Survey in 1999.

### 4.2 Local Geology

The Exploration Licence is almost entirely covered by Quaternary alluvial deposits of the broad Phillip Creek drainage system. Outcrops of Flynn Sub-group units (Wundirgi and Brumbreu Formations) occur to the south and the north. These formations probably underlie the alluvial deposits.

## 5. WORK CARRIED OUT IN YEAR FIVE

### 5.1 Targets and Concepts

A brief assessment by Santexco late in 2001 indicated that target(s) identified within the EL by NTC were probably a cluster of magnetic anomalies within the centre of the Licence area. While not of high amplitude, these east west elongated features stand out noticeably against the magnetically subdued surroundings. Giants Reef's initial interpretation is that the magnetic features represent basic dykes or sills, probably related to the more numerous and more extensive similar features seen a few kilometres further north. These are assumed to be basic dykes or sills within the Flynn Sub-group.

However, it is possible that the target anomalies in EL 8773 could represent, or may include, ironstone bodies (possibly haematite dominated) within the Warramunga Formation, such as are found at Giants Reef's Troy copper deposit less than 1km from the south-west corner of EL 8773, or at the Edna Beryl gold mine, 1km to the south-east.

### 5.2 Strategic Review

Work completed over EL 8773 in the fifth tenure year involved no on-ground exploration. The geology and prospectivity of the Licence area was assessed and the Licence was recommended to be included in a package of tenements to be Joint Ventured out.

Mining has recommenced at the Edna Beryl mine, located just south of EL 8773. This will aid in greater geological understanding of the area, and generate significant interest in the vicinity.

At present Giants Reef are actively seeking a partnership which will focus target generation and exploration over EL 8773.

Santexco envisages that once a Partnership or Alliance is established the magnetic anomalies identified within EL 8773 will be geophysically modelled. If the modelling results are encouraging then individual anomalies will be tested by drilling.

## 6. REHABILITATION

No work that could cause substantial disturbance was conducted on EL 8773, so no environmental rehabilitation work was carried out during the reporting period.

## 7. CONCLUSIONS

No geophysical modelling has been completed by Giants Reef on the magnetic anomalies identified in EL 8773. Preliminary research and assessment has shown that these anomalies are one of a number of anomalies of similar intensity along a subtle east-west "magnetic ridge."

Mining has recommenced at the Edna Beryl mine, located just south of EL 8773. This will aid in greater geological understanding of the area, and generate significant interest in the vicinity.

At present Giants Reef are actively seeking a partnership which will focus target generation and exploration over EL 8773.

## 8. EXPENDITURE FOR YEAR FIVE

The proposed expenditure for the fifth year of EL 8773 was \$6,000. Actual expenditure was as follows:

	\$ Year 4	\$ Year 5
1. Geology .....	2,105	999
2. Geochemistry .....	0	0
3. Geophysics.....	726	0
4. Surveying .....	0	0
5. Data Integration.....	71	183
6. Drilling .....	0	0
7. Analytical .....	0	0
8. Administration .....	271	198
9. Tenement Management .....	1,902	699
10. Rehabilitation.....	0	0
<b>TOTAL</b>	<b>\$5,076</b>	<b>\$2,079</b>

Total expenditure was an estimated \$2,079. As the minimum expenditure for the year was not met, an application for variation of the expenditure accompanies this report.

During the year a payment of \$3,087 was made to the CLC for land access to EL 8773 under the terms and conditions of the Area of Interest Deed for Exploration.

## 9. PROPOSED PROGRAM AND EXPENDITURE FOR YEAR SIX

	\$
1. Geology .....	3,000
2. Geochemistry .....	0
3. Geophysics.....	1,700
4. Surveying .....	200
5. Data Integration.....	0
6. Drilling .....	0
7. Analytical .....	0
8. Administration .....	200
9. Tenement Management .....	700
10. Rehabilitation.....	200
<b>TOTAL</b>	<b>\$6,000</b>

Expenditure for this work is expected to be in the vicinity of \$6,000. Exploration programs can be affected by results, and while this is the proposed program and expenditure, specific activities may vary according to the results achieved.

J L CAHILL  
EXPLORATION GEOLOGIST



# GIANTS REEF MINING LIMITED

## ***HARD COPY REPORT META DATA FORM***

REPORT NAME:	EL 8773 <i>Lasso</i> , FIFTH ANNUAL REPORT 8 <sup>TH</sup> MARCH 2003 - 7 <sup>TH</sup> MARCH 2004
PROSPECT NAME(S):	LASSO, FIRST LIGHT
GROUP PROSPECT NAME:	
TENEMENT NUMBERS(S):	EL 8773
ANNIVERSARY DATE:	8 MARCH 2004
OWNER/JV PARTNERS:	SANTEXCO PTY LTD
AUTHOR(S):	J.L. CAHILL
COMMODITIES:	GOLD, COPPER, BISMUTH
MAPS 1:250 000:	TENNANT CREEK SE53-14
MAPS 1:100 000:	TENNANT CREEK 5758
MAPS 1:25 000:	
TECTONIC UNIT(S):	TENNANT CREEK INLIER
STRATIGRAPHIC NAME(S):	WARRAMUNGA FORMATION FLYNN GROUP
AMF GENERAL TERMS:	
AMF TARGET MINERALS:	GOLD, COPPER
AMF GEOPHYSICAL:	MAGNETIC MODELLING
AMF GEOCHEMICAL:	
AMF DRILL SAMPLING:	
HISTORIC MINES:	
DEPOSITS:	EDNA BERYL
PROSPECTS:	TROY
KEYWORDS:	EL 8773, LASSO,

