SEL9061 Annual Report
Year Ending 3rd January 2002

NORTHERN TERRITORY

NT Dept of Business Industry and Resource Development	**x**	**1**	
Julia Corporation Limited	**x**	**1**	**Don Horn**
Graham Chrisp	**x**	**1**	**December 2001**

CONTENTS

TABLES

FIGURES

PLANS

PLANS etc..

23.	Centurion Cross Section	8250N	1:250		
24.	Northern Reward Plan View		1:1500		
25.	Northern Reward Costean Geology	Horiz	1:100	Vert.	1:500 (Sheet 1)
26.	Northern Reward Costean Geology	Horiz	1:100	Vert.	1:500 (Sheet 2)
27.	Northern Reward Costean Geology	Horiz	1:100	Vert.	1:500 (Sheet 3)
28.	Northern Reward Cross Sections	7350N	1:150		
29.	Northern Reward Cross Sections	7400N	1:250		
30.	Northern Reward Cross Sections	7450N	1:250		
31.	Northern Reward Cross Sections	7475N	1:250		
32.	Northern Reward Cross Sections	7500N	1:250		
33.	Northern Reward Cross Sections	7525N	1:250		
34.	Northern Reward Cross Sections	7550N	1:250		
35.	Northern Reward Cross Sections	7575N	1:250		
36.	Northern Reward Cross Sections	7600N	1:250		
37.	Northern Reward Cross Sections	7625N	1:250		
38.	Northern Reward Cross Sections	7650N	1:250		
39.	Northern Reward Cross Sections	7675N	1:250		
40.	Northern Reward Cross Sections	7700N	1:250		
41.	Northern Reward Cross Sections	7725N	1:250		
42.	Northern Reward Cross Sections	7750N	1:250		
43.	Northern Reward Cross Sections	7775N	1:250		
44.	Northern Reward Cross Sections	7800N	1:250		
45.	Northern Reward Cross Sections	7825N	1:250		
46.	Northern Reward Cross Sections	7850N	1:250		
47.	Northern Reward Cross Sections	7875N	1:250		
48.	Northern Reward Cross Sections	7900N	1:250		
49.	Northern Reward Cross Sections	7925N	1:250		
50.	Northern Reward Cross Sections	7950N	1:250		
51.	Northern Reward Cross Sections	7975N	1:250		
52.	Northern Reward Cross Sections	8000N	1:250		
53.	Northern Reward Cross Sections	8025N	1:250		
54.	Northern Reward Cross Sections	8050N	1:250		
54a.	Northern Reward Cross Sections	8075N	1:250		
55.	Northern Reward Cross Sections	8100N	1:250		
56.	Northern Reward Cross Sections	8150N	1:250		
57.	Northern Reward Cross Sections	8200N	1:250		
58.	Northern Reward Cross Sections	8250N	1:250		
59.	Trojan Plan View		1:1000		
60.	Trojan Cross Section	7100N	1:250		
61.	Trojan Cross Section	7150N	1:250		
62.	Trojan Cross Section	7200N	1:250		
63.	Trojan Cross Section	7250N	1:250		
64.	Trojan Cross Section	7350N	1:250		
65.	Hacket & Parsons Plan View		1:1000		
66.	Hacket & Parsons Cross Section	6800N	1:250		
67.	Hacket & Parsons Cross Section	6850N	1:250		

PLANS etc..

68.	Hacket & Parsons Cross Section	6900N	1:250
69.	Hacket & Parsons Cross Section	6950N	1:250
70.	Hacket & Parsons Cross Section	7100N	1:250
71.	Hacket & Parsons Cross Section	7150N	1:250
72.	Pandanus Plan View		1:1000
73.	Pandanus Cross Section	7350N	1:100
74.	Pandanus Cross Section	7400N	1:100
75.	Pandanus Cross Section	7450N	1:100
76.	Angers Prospect Plan View		1:1000
77.	Angers Cross Section	11875E	1:500
78.	Angers Cross Section	11900E	1:500
79.	Angers Cross Section	11925E	1:500
80.	Angers Cross Section	11950E	1:500
81.	Angers Cross Section	11975E	1:500
82.	Angers Cross Section	12000E	1:500
83.	Angers Cross Section	12025E	1:500
84.	Beatas Prospect Plan View		1:500
85.	Beatas Cross Section	5725N	1:500
86.	Beatas Cross Section	5750N	1:500
87.	Beatas Cross Section	5775N	1:500
88.	Beatas Cross Section	5800N	1:500

APPENDICES.

APPENDIX 1. Multi element graphs from soil sampling orientation traverses at Beatas and Hatchers Prospects (Leviathan Group)

APPENDIX 2. Digital Files containing drill and costean digital data sets for 2001 exploration. SEL9061_(assay, collar, geol, soil & survey)_2001.txt

APPENDIX 3. Plans above are included separately on

1.0 CONCLUSIONS AND RECOMMENDATIONS

Exploration completed by Julia Corporation Limited in 2001 at SEL9061 resulted in an outline of preliminary tantalite resources estimated at 315,000 tonnes at an average grade of 175ppm tantalum (NOT JORC classified resource figures). These occur over 3 separate prospects within SEL9061.

These prospects were included in a group of ten on which Julia Corporation Limited commenced evaluation work in 2001.

There are at least another 17 known prospects within the tenement which had no work completed during the year. If Julia can finalise an extension of the Option Agreement with the SEL9061 tenement holder, it is recommended that work continue on these areas to delineate other mineralised pegmatite bodies as well as new discoveries at SEL9061 in 2002.

2.0 INTRODUCTION

This report details work carried out by Julia Corporation Limited during the year 2001 at SEL9061 in the Northern Territory of Australia. This tenement is included in an Option To Purchase Agreement between Julia and Corporate Developments Pty Ltd of Adelaide, South Australia. A Heads of Agreement was signed by both parties on the 6th November for a 12 month option exercisable on the 31st December 2001. A copy of this Agreement has been registered with the Mines Department in Darwin.

Collectively, the tenements in this agreement are known as the Bynoe Tantalite Project. SEL 9061 contains at least 27 known pegmatite occurrences referred to as the Leviathan Group.

The tenement is located approximately 90 km by road from Darwin to the south south-west. Access is via the sealed Cox Peninsular Road and the Dundee Beach gravel road (See Figure 1.)

Figure 1. Map showing the location of the Leviathan Group

3.0 TENURE

The Option Agreement at Bynoe initially covered approximately 140 square kilometres of tenements and tenement applications. These tenements include SEL9061 and one other granted exploration licence, one (1) EL application, five (5) granted mining claims, twelve (12) mining claim applications, one (1) granted mining lease and one (1) mining lease application. Julia lodged seven (7) exploration licence applications over additional ground during 2000 and 2001 to secure areas of interest at Bynoe. The details of all the Bynoe tenements, which currently cover approximately 834 square kilometres, are summarized in Table 1. and shown plotted in Figure 2. below:

TABLE 1.

Bynoe Project Tenement Summary

HOLDER	TENEMENT	HA	SB	EXPCOM	GRANT DATE	EXP. DATE	COMMENTS
Corporate Developments Pty Ltd	EL 8500	7,001	25	0	6/06/01	5/06/01	AP.9/12/93:
Corporate Developments Pty Ltd	EL 9061	2,009	6	0	14/01/96	3/01/02	
Corporate Developments Pty Ltd	EL 9905	4,200	13	0	/ /	/ /	AP.11/6/97
Julia Gold Pty Ltd	EL 22830		29	31,200	/ /	/ /	AP.6/11/00: BYNOE 1
Julia Gold Pty Ltd	EL 22831		81	85,800	/ /	/ /	AP.6/11/00: BYNOE 2
Julia Gold Pty Ltd	EL 22832		19	19,500	/ /	/ /	AP.6/11/00: BYNOE 3
Julia Gold Pty Ltd	EL 22833		55	58,500	31/07/01	30/07/07	AP.6/11/00: BYNOE 4
Julia Gold Pty Ltd	EL23109		10		31/07/01	30/07/07	
Julia Gold Pty Ltd	EL23289		43		/ /		
Julia Gold Pty Ltd	EL 23044		1				AP 12/02/01
Corporate Developments Pty Ltd	MCN 1052	20		0	26/02/88	31/12/00	EXT.LGD.10/00
Corporate Developments Pty Ltd	MCN 3818	39		0	13/02/91	12/02/01	
Corporate Developments Pty Ltd	MCN 3819	39		0	13/02/91	12/02/01	
Corporate Developments Pty Ltd	MCN 4540	15		0	/ /	/ /	AP.25/6/93
Corporate Developments Pty Ltd	MCN 4877	40		0	/ /	/ /	AP.29/9/94
Corporate Developments Pty Ltd	MCN 4879	20		0	/ /	/ /	AP.29/9/94
Corporate Developments Pty Ltd	MCN 4880	33		0	/ /	/ /	AP.29/9/94
Corporate Developments Pty Ltd	MCN 4881	39		0	/ /	/ /	AP.29/9/94
Corporate Developments Pty Ltd	MCN 4900	40		0	/ /	/ /	AP.5/12/94
Corporate Developments Pty Ltd	MCN 5010	24		0	/ /	/ /	AP.29/8/95
Corporate Developments Pty Ltd	MCN 5011	4		0	/ /	/ /	AP.29/8/95
Corporate Developments Pty Ltd	MCN 5092	40		0	8/10/96	31/12/05	
Corporate Developments Pty Ltd	MCN 5093	40		0	8/10/96	31/12/05	
Corporate Developments Pty Ltd	MCN 5097	8		0	/ /	/ /	AP.6/8/96
Softwood Plantations Pty Ltd	MCN 5123	40		0	/ /	/ /	AP.27/9/96
Softwood Plantations Pty Ltd	MCN 5124	9		0	/ /	/ /	AP.27/9/96
Softwood Plantations Pty Ltd	MCN 5125	21		0	/ /	/ /	AP.2/10/96
Corporate Developments Pty Ltd	MLN 0813	8		0	11/06/98	31/12/02	
Corporate Developments Pty Ltd	MLN 1148	238		0	/ /	/ /	AP.23/8/95

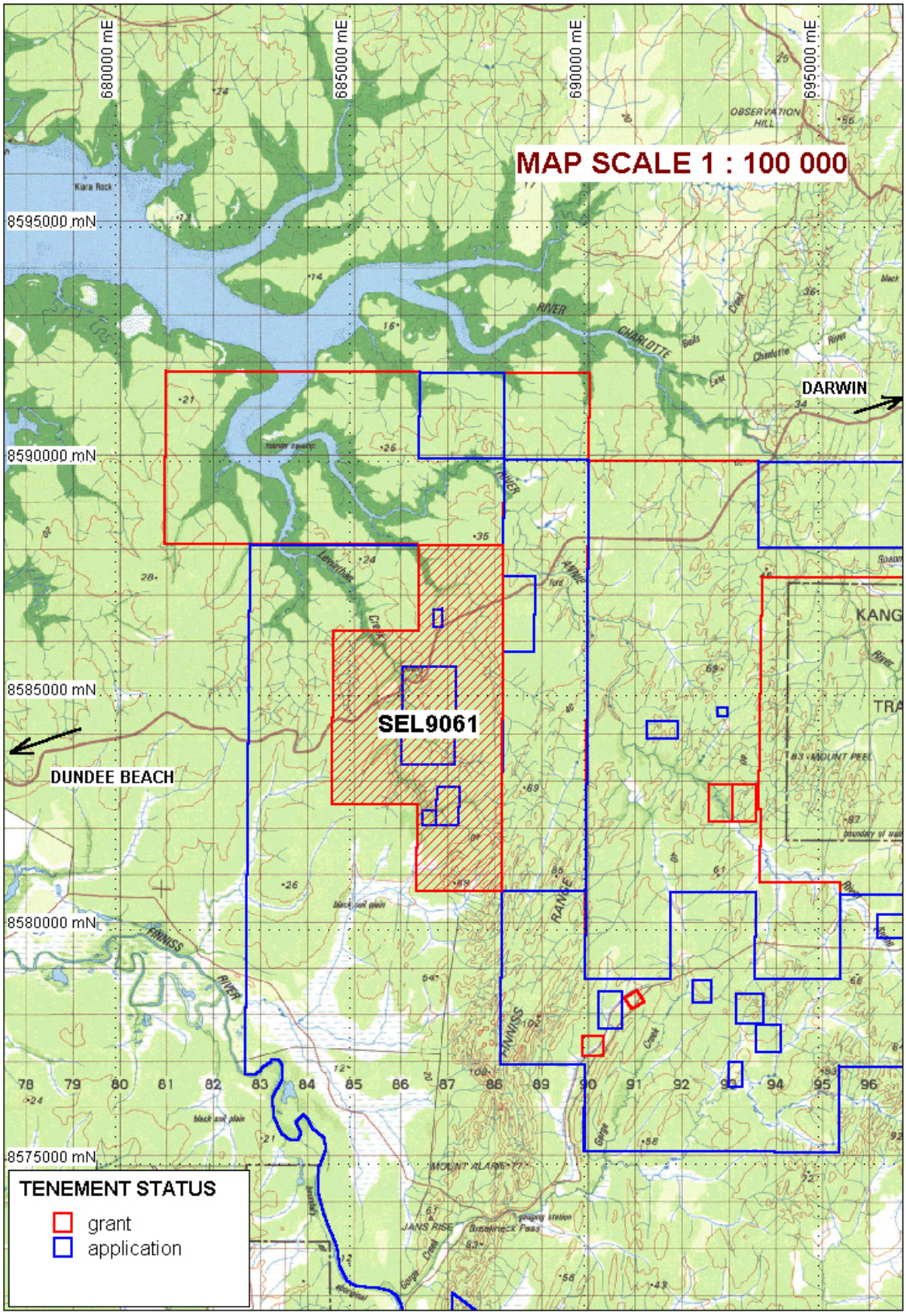

Figure 2. Map showing the location of tenements at the Bynoe Tantalite Project.

4.0 GEOLOGY

The project covers the majority of the Bynoe Tin/Tantalite Field within the most north western extent of the Pine Creek Geosyncline. The tin/tantalite mineralisation is associated with Mid to Late Proterozoic pegmatite intrusions related to the Twin Sisters Granite of similar age which occurs immediately to the west and south-west.

The pegmatites have intruded Early Proterozoic metasediments consisting of interbedded shale, sandstone and conglomerates of the Burrell Creek Formation. These sedimentary units are variably metamorphosed to form quartz + mica schists $\pm$ tourmaline and chlorite.

The pegmatites are extremely varied in their geometry however the majority form lenticular bodies that have intruded along foliations and bedding planes. These occur as narrow veins or dykes of up to 60 metres across and a kilometre in strike length. Sill like geometries and blind complex intrusions have also frequently been encountered in recent Julia exploration as well as previously documented work.

The pegmatites show fractional zoning during emplacement which effects the distribution of mineralisation. Generally but not always, the wall rocks are more mica rich with cores consisting of kaolinite rich zones (weathered feldspar) and sometimes barren milky quartz. Best grades, generally appear to be associated with the kaolinite rich zones and not the micaceous pegmatitic material.

Mineralisation consists of fine to very coarse grained tantalite, cassiterite and columbite. Specimens of up to 39kg have been recovered from previous exploration and mining in the area. These minerals are present in varied proportions from one body to the next and are also unevenly distributed throughout most of the pegmatites themselves. This erratic distribution of mineralisation is typical of pegmatite and poses some problems in delineation of ore as well as mining and processing.

Figure 3. is a map showing the bedrock geology and the location of known pegmatite occurrences at Bynoe. The brown unit marked as Pf is the Burrell Creek meta-sediments and the pink Pg unit represents the Two Sisters Granite.

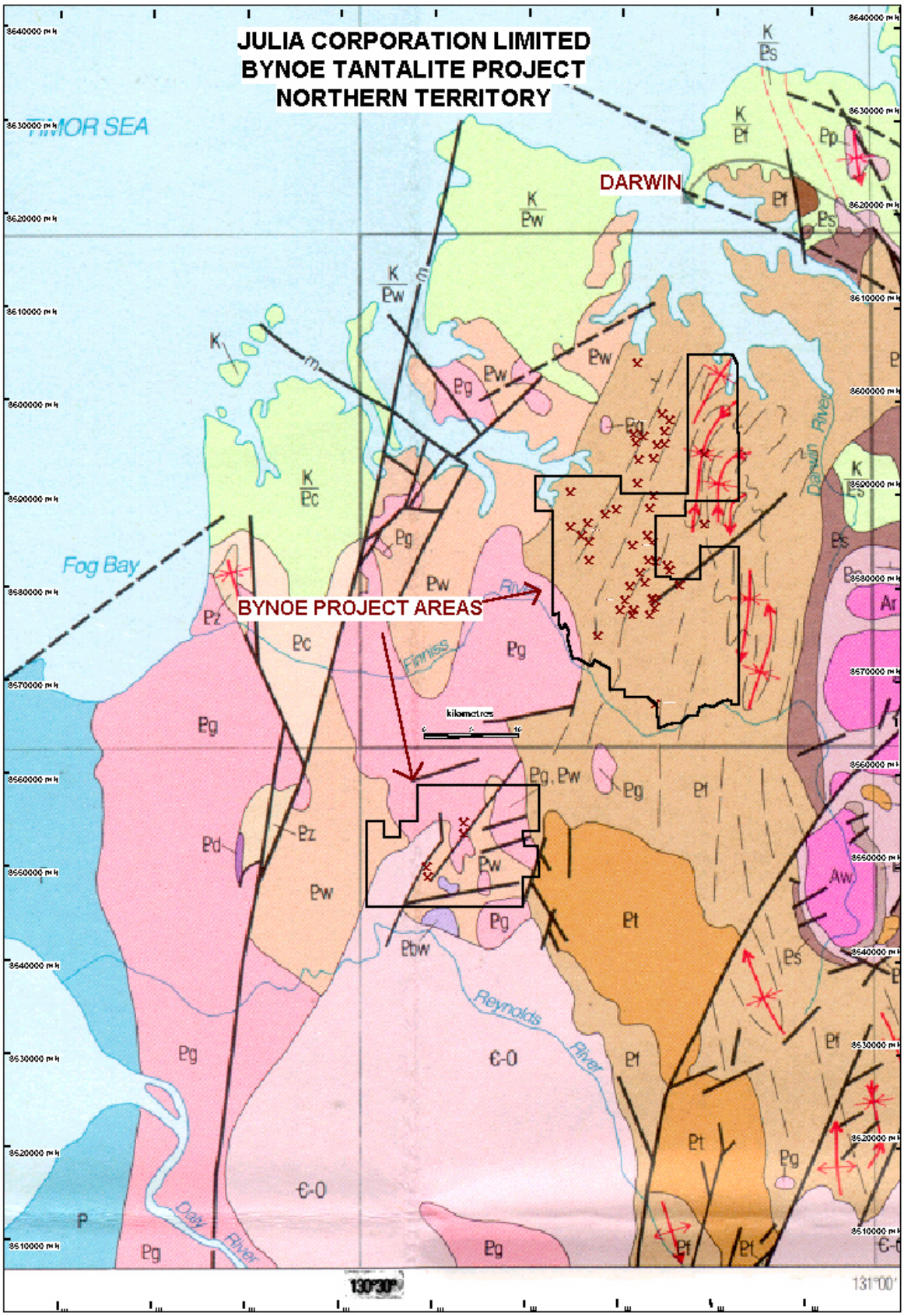

Figure 3. Map showing the basement geology and pegmatite swarms at Bynoe.

5.0 EXPLORATION COMPLETED DURING 2001

Julia began collecting all readily available and useful data sets for the Bynoe area upon signing of the HOA letter by both parties. As the northern wet season had already commenced for 2000, no field work was practical until March 2001. The technical data sets and reports kept by Corporate Developments were copied and transferred to Julia's' Perth Office. Extra copies were made for a project office to be established in Darwin.

5.1 DATA PURCHASES

Julia acquired various open file reports and other data sets for the Bynoe Project in late 2000.

TM Landsat

Landsat data over the whole project area was purchased and processed in Perth by International Earthscan Pty Ltd. A total of 6 images were produced which include the 7,5,3 bands (shown in Figure 4.) and other ratio images to enhance geology. This data will help in determining regolith types, outcrop geology, structural information, the location of some pegmatite and also helpful topographic information. The resolution of this data is 15 metres.

Aerial Photography

A total of 136 colour 1 : 25 000 aerial photographs were purchased covering all tenements north of the Finniss River. These are part of aerial survey work in 1997 and consequently they show current tracks, roads and other access. The quality is good enough to recognise pegmatite geology that has not had any surface disturbance carried out to date.

Digital Topography

The Department of Lands, Planning and Environment produced a subset of the digital topography for the Bynoe area produced in-house from the aerial photography. This includes 5 metre contours, roads, tracks and drainage as shown in Figure 5.

Open File Data

Two sets of all the reports held by Corporate Developments in Adelaide were copied for the Perth and Darwin offices.

Julia's' draftsman, David Maxwell, has compiled a detailed 1:25 000 geological mosaic map from draft NT Geological Survey maps and includes the location of known pegmatite. Every effort was made throughout the year to keep with existing naming however there are several inconsistencies apparent in the company reports on file.

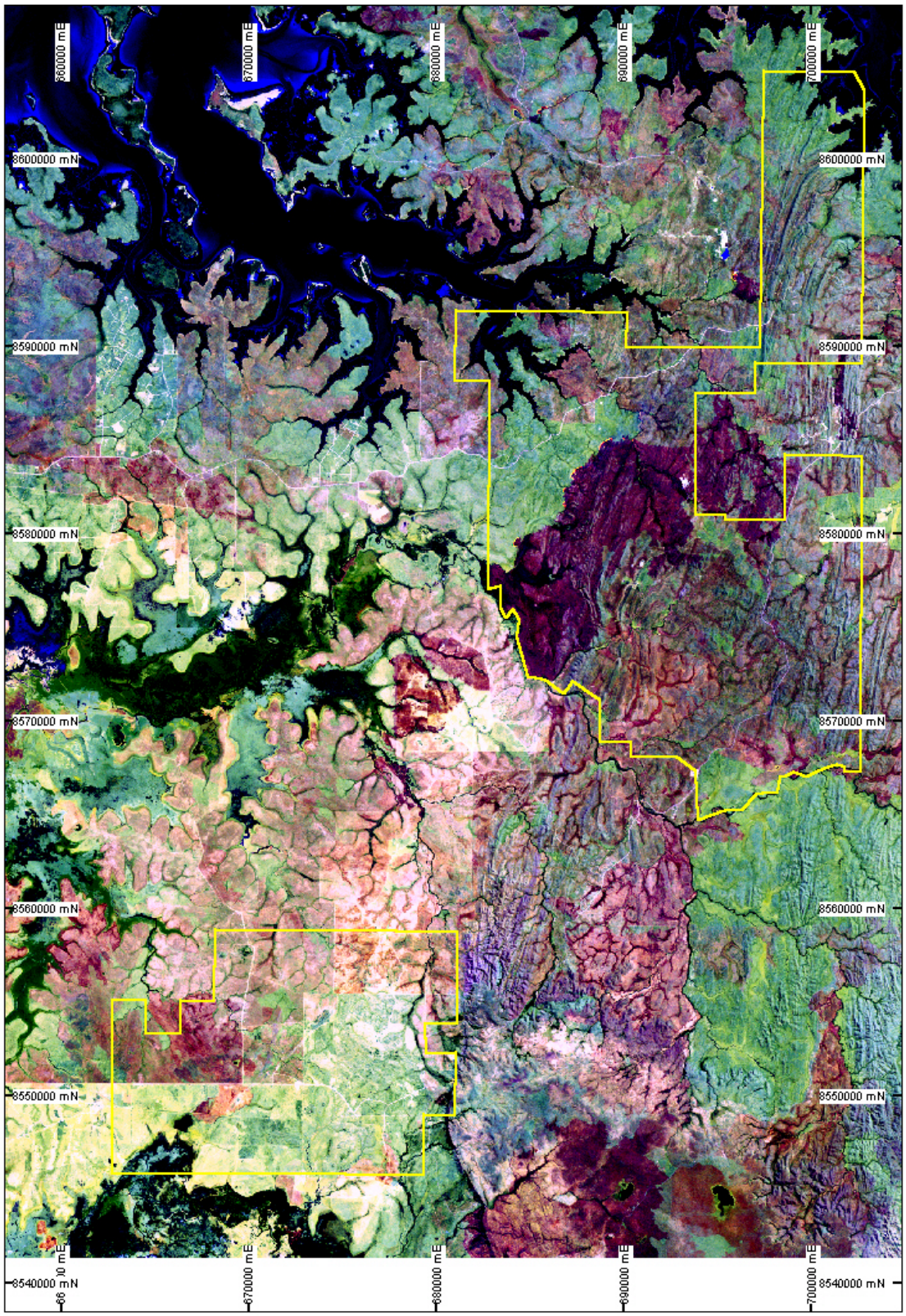

Figure 4. TM Landsat 753 Band Image with Bynoe Project Tenement Outline

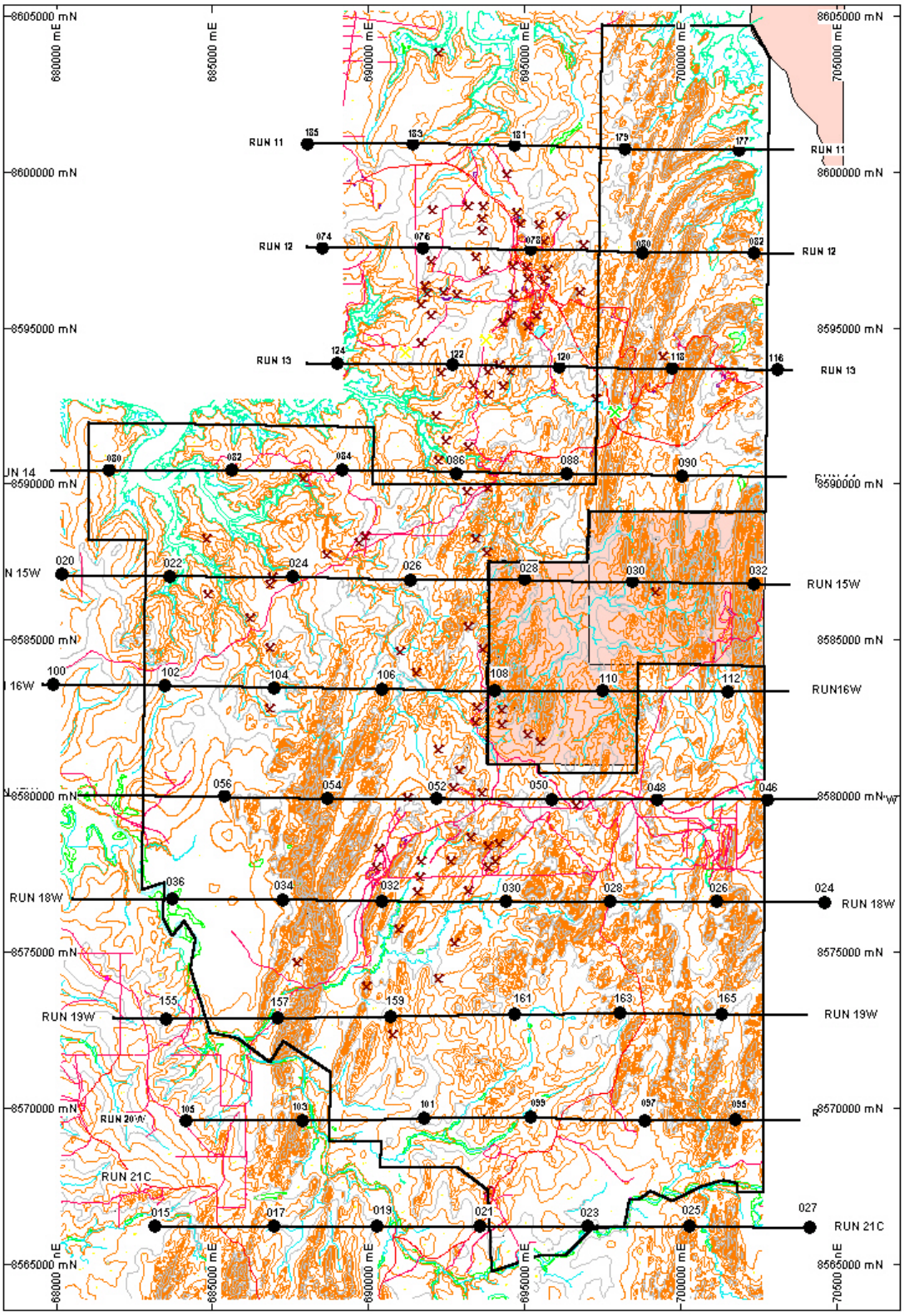

Figure 5. Bynoe Project Digital Topography and Air Photo Flight Path Index

5.2 LEVIATHAN PEGMATITE GROUP

A considerable proportion of Julia's field work for the year at Bynoe was carried out on the Leviathan Group of pegmatite bodies within SEL9061. This area contains approximately 27 known prospects (see Figure 7.). Many of these pegmatite bodies have old workings on them such as eluvial scrapes or small shafts.

The whole of SEL 9061 was gridded at a spacing of 200 x 100m on a baseline bearing of 30 degrees magnetic or 25.5 degrees true. The location of the prospects and cultural mapping was completed during the gridding process.

A number of the prospects were prioritised for follow-up evaluation based on ; field inspections , previous sampling and subsequent grades and the potential for large tonnage eluvial and weathered pegmatite. A program of costeaning, detailed geological mapping, costean sampling and drilling was commenced in early 2001. A total of 2,786m of costeans, 218 channel samples, 84 soil samples and 3,580m of RC drilling were completed at the Leviathan Group (includes Leviathan, Centurion, Northern Reward, Trojan, Hacket's and Parsons, Angers, Beatas and Pandanus prospects). Table 2. below summarises the field work carried out at the Leviathan Group of pegmatites:

Table 2. Activity Summary for the Leviathan Group

Prospect	Costeans	Channels	SG Samples	RC Drilling	Soil Sampling
Leviathan	4 (366m)	39	6	17 (822m)	
Centurion (Centaur)	6 (361m)	44	8	10 (506m)	
Northern Reward	19 (1,070m)	79	36 (2.28 av.)	24 (949m)	
Trojan	4 (376m)	25	14 (2.27 av.)		
Hacket and Parsons	6 (288m)	7			
Pandanus	3 (140m)	17	9 (2.22 av.)		
Angers	4 (185m)	7	4 (2.35 av.)	25 (1,083m)	
Beatas				5 (220m)	84

Costeans were sampled by vertical channels in the costean walls through the pegmatite. These channels often contained two separated samples depending on the nature of the regolith exposed by the costean. Normally an upper and lower sample were collected above and below a regolith boundary eg, upper eluvial component and a lower weathered insitu pegmatite sample.

The drilling was completed using small RC drill rigs which were capable of drilling to depths of approximately 80 metres keeping samples dry and with good recoveries. Samples were collected off the cyclone into green bags. Once a drilling program was completed and holes logged, the pegmatite drill cuttings were sampled by riffle splitting individual metres and combining a representative portion of 3 metre intervals. This composite sample was usually 3-4 kilograms in size. Duplicate samples were collected in the field at the rate of about 1 in 20. The remainder of the drill cuttings were tipped out of bags and dispersed for rehabilitation requirements.

Samples from RC drilling were sent to a preparation laboratory in Pine Creek where they were sorted then dried at 120 degrees for 12 hours. At that point the samples were roll crushed through a Jaques 10 x 8 Rolls Crusher. A one quarter sub-sample was split from the roll crushed product in the range of 800 to 1,400 grams. This sub-sample was milled to a nominal 106U in a Vertical Spindle Pulveriser. After roll mixing on a rubber mat, a 100 gram split was taken for assay. This was air-freighted to Ultratrace Laboratories in Perth for determination of Ta, Sn and Nb. Samples were given another mix after transport then approximately 1 gram of sample was fused with flux (12:22) and then analysed by XRF (10 ppm detection limits). Some of the samples were routinely assayed for U, Th, As and Sb.

Sample preparation for channel samples collected in the costeans underwent slightly different preparation due to the coarser material present. These were initially milled in an LM5 Pulveriser for four minutes rather than a Jaques Rolls Crusher.

Specific Gravity Samples were dried at 50 degrees for 24 hours then cooled to ambient temperature and weighed in the same laboratory. The sample was then coated with a surface lacquer to seal and prevent water absorption, then weighed below the balance totally immersed in water. The SG was then calculated using the formula:

$$SG = \frac{\text{WT SAMPLE IN AIR}}{(\text{WT SAMPLE IN AIR} - \text{WT SAMPLE IN WATER})}$$

5.2.1 Leviathan

All costean sampling results and drill results are plotted on Plans 1 to 10. All digital data for this and all prospects discussed in the report are contained on disk in Appendix 2. This includes drill collar information, assays and drill logs.

Work at Leviathan North defined at least 3 pegmatite intrusions over an area of 200 x 120 metres. These strike at roughly 30 degrees and dip steeply to the south east. The western pegmatite is widest in costeans and drilling and averages approximately 10 to 15m true width. Visual tin and tantalite mineralisation can be observed in the costeans, particularly at the western end of costean LVCO001. However, drill results are disappointing and show little potential for economic grades in this area. These dykes almost certainly extend for a further 100 metres or more to the north as evidenced by old workings in the area. These extensions are at present low priority targets for follow-up in 2002 given the grades from work to date.

From channel sampling to date, eluvial and alluvial pegmatitic material exposed in costean LVCO 002 does not contain significant mineralisation.

Costeans at Leviathan South exposed a pegmatite that extends for at least 70m striking at approximately 20 degrees. The dyke dips steeply to the east and is 10 to 15 metres wide. The dyke was not drilled in 2001. While the results at Leviathan North suggest this area is a low priority target, some further work is recommended to test along strike for zones of better tantalite mineralisation.

Both Leviathan North and South fall within granted SEL9061 but have no current mining claim or application over them.

5.2.2 Centurion (Centaur)

All costean sampling results and drill results are plotted on Plans 11 to 23. A large pegmatite was traced for at least 240 metres in costeans and drilling with average true width up to 20 metres. The pegmatite strikes at approximately 30 to 35 degrees, dips between 50 and 80 degrees to the south-east and is open to the south. Assays show that most of the pegmatite contains very low tantalite grades. Narrow mineralisation is best developed at the contacts with Burrell Creek sediments, particularly the footwall contact on section 8075N. This zone is only estimated to be 2 to 5 metres wide over a strike of 75m. The best result was 6 metres @ 190 g/t Ta2O5 from 61m in CERC007 (8075N/10710E). This zone may represent a resource of about 50,000 tonnes at 150g/t Ta2O5. Further drilling along strike is warranted but of medium priority as the remainder of the assay results from costean sampling and drilling do not indicate potential for large tonnage. Centurion is located within granted SEL9061 and is covered by mining lease application MLN1148 which has pre-Native Title rights enabling it to be granted at short notice.

5.2.3 Northern Reward (Northern Reward, Welcome Surprise, Macka's Reward)

All costean sampling results and drill results are plotted on Plans 24 to 58. The costeans were mapped and detailed geological plans are shown plotted in Plans 25 to 27.

This prospect is actually made up of three smaller bodies known as Northern Reward, Welcome Surprise and Macka's Reward. These three were evaluated as one single body as costeaning showed them to be a continuous zone of pegmatite intrusion over a strike length of at least 800m. The pegmatite consists of up to 3 closely spaced paralleling dykes that pinch and swell on a bearing of 30-35 degrees and dip shallowly to the south east between 45 and 70 degrees. Work to date suggests the intrusion has been closed off to the south but off-set and open to the north. Best true widths are up to 18 metres but average between 5 and 10 metres wide.

Mineralisation is well developed over a 100 metre zone from 7975N to 8075N. Best results include 4m @ 528 g/t Ta2O5 from 10m in NRRC017 (7980N/11015E). It is likely that this zone would contain approximately 115,000 tonnes of material at a grade of 160 g/t Ta2O5 (0.4 pounds/t) to a vertical depth of 50m. While small in size this may provide economic ore to an operation based within close trucking range. Also there is good potential to build on this with further close spaced drilling and also step-out drilling to the north.

Northern Reward is located within granted SEL9061 and is covered by mining lease application MLN1148 which has pre-Native Titles rights enabling it to be granted at short notice.

5.2.4 Trojan

All costean sampling results are plotted on Plans 59 to 64. The costean results showed little potential for any reasonable tonnage and grade at the Trojan prospect. A series of dykes were exposed over a 150m zone. These dykes were commonly 2 to 3 metres wide, however a 10 metre wide body was intersected in two 50 metre spaced costeans. Channel sample results showed only weak tantalite mineralisation to be present and the prospect was not recommended for follow-up drilling until the Pandanus prospect (100m along strike to the north) had been further tested.

5.2.5 Hacket and Parsons

All costean sampling results are plotted on Plans 65 to 71. Costeans intersected a very narrow 1 to 3 metre wide pegmatite dyke striking at approximately 5 degrees over 150 metres. The area was not considered to be of sufficient potential to warrant follow-up drilling.

5.2.6 Pandanus

All costean sampling results are plotted on Plans 72 to 75. The costeans show a 10 to 15 metre wide pegmatite that trends at approximately 30 degrees over a strike length of 100m. This dyke is open to the north and south and would appear to be related to the Trojan pegmatites 100m to the south and possibly the Centurion pegmatite which is 500m along strike to the north. Vertical channel sampling of pegmatite in the costeans at Pandanus (17 samples) produced a peak assay of 348ppm Ta, 140ppm Sn in PACH001 near the western contact with schists. This result would be consistent with the mineralised footwall contact observed at Centurion. If high grade tantalite mineralisation can be intersected in drilling at Pandanus there is a possibility that it is continuous over hundreds of meters and this represents a valid target for exploration at Pandanus, along strike to the south and particularly from Pandanus to Centurion.

The Pandanus prospect is located within granted SEL9061 and is covered by mining lease application MLN1148 which has pre-Native Title rights enabling it to be granted at short notice.

5.2.7 Angers

All costean sampling results and drill results are plotted on Plans 76 to 83. The Angers prospect contains numerous old workings and small pits. These appear to have been associated with Tin mining in the late 1800's as well as more modern tin/tantalite mining in the 1960's or 1970's. The area was of immediate interest to Julia as previous work suggested very high tantalite grades were present from samples collected from pegmatite exposed in the numerous shafts and pits.

From drilling and costeans it was shown that the area contains two main pegmatite zones striking at between 45 and 80 degrees. These zones contain narrow dykes of up to 7 metres width. The dykes form complex geometries, such as interconnected and contorted veins and flat sheets. Both zones are separated by about 20 to 30 metres of Burrell Creek Formation, have been traced for 150m and are open to the south west.

All pegmatite sampled from drilling and costeans at Angers show consistent high grade tantalite/tin mineralisation. Best grades of up to 10m @ 680g/t Ta_2O_5 from35m (ARRC012 6485N/11925E) were intersected. The pegmatites are very deeply weathered (to greater than 60 metres vertical) and are kaolinite-rich with very few micaceous zones. There are no quartz core zones apparent however, a 30 degree quartz vein cuts both pegmatite zones and can be seen in outcrop along the crest of the hill to the south. This area was explored for pegmatite with several shallow drill holes without success.

Further work is warranted at Angers to test for any extensions along strike. Efforts to locate any other pegmatite in the Angers area is also a priority due to the grades shown in work to date. An understanding of the structural controls at Angers may help further exploration. Detailed geophysics will be considered for follow-up in the 2002 field season.

Angers is located within granted SEL9061 and is covered by mineral claim application MCN5123. This application does not have pre-Native Title rights. There would be a considerable delay in obtaining the grant of this application for mining purposes and may require an agreement between the Northern Land Council, traditional landowners, Julia Corporation and Softwood Plantations (Graham Chrisp). There is a remote possibility that a pre-approved freehold application by Graham Chrisp over the area can be exercised which will extinguish Native Title. This is currently being pursued by Graham Chrisp.

5.2.8 Beatas

All drill results are plotted on Plans 84 to 88. The Beatas prospect is located approximately 800 metres to the south-west of Angers. Old workings and Julia's drilling show narrow 30 degree trending pegmatite dykes occur over at least 80 metres of strike. The dykes are 1 to 2 metres wide and dip at roughly 70 degrees to the south-east. Assays indicate there is some high grade tin/tantalite mineralisation present. The best result was 3m @ 1,750 g/t Ta2O5 from 9m in BTRC002 (5775N/11700E). Due to the limited size of these dykes however, no further work is recommended for the Beatas area at this time. The results highlight the Angers-Beatas area as having potential to contain undiscovered pegmatites with very high grade mineralisation.

Beatas is located within granted SEL9061 and is covered by mineral claim application MCN5124. This application does not have pre-Native Title rights and is subject to the same freehold application as the Angers prospect.

5.2.9 Soil Sampling

A total of 84 soil samples were collected from two traverses across the Beatas and Hatchers prospects. This sampling was part of an orientation exercise to determine the geochemical dispersion from pegmatite in the area. Samples were collected at 10 metre intervals. At each sample site, 1 to 2 kg of surface lag was collected to a maximum depth of 10cm and, 1 to 2 kg of deflation regolith was collected at a depth greater than 20 cm.

Samples were prepared in the Pine Creek Laboratory and assayed at the Northern Territory Environmental Laboratory in Darwin by fusion, multi-acid digest and ICP-MS finish for :
Ta, Sn, Nb, Be, Li, Mg, Pb, Th, U, and W.

Appendix 1. contains plots of all the assay data for each soil traverse and shows the deflation layer response together with the lag soil response. A number of points can be seen from the graphs and include:

Beatas
The known pegmatite dykes occur at approximately 11700E and 11750E

1. Ta results show little dispersion with a single very high kick in the deflation layer for the 11750E dyke only. There is next to no Ta response in the surface lag layer over either dyke.
2. Sn provides the best response in both lag and deflation with a broad anomaly over both areas peaking at 90ppm for deflation and 65ppm for lag(11705E).
3. Nb shows a broad but generally low amplitude anomaly over the dykes, particularly in the lag samples. There is an anomaly at the end of the line that maybe drainage related.
4. Be, Li, Mg, Pb and W all show obvious anomalies over the dykes in both deflation and lag however, lag responses are slightly lower amplitude. These elements also highlight the eastern drainage feature.
5. U and Th do not show an obvious response in these traverses.

Hatchers
The pegmatite dyke occurs at approximately 12000E

1. Ta results show very high peak responses over the pegmatite in both layers and slight dispersion (“shoulders”) either side of the dyke.
2. Sn shows the best response with a clear peak and good dispersion of up to 20 to 30 metres either side of the dyke.
3. Nb is above background (appears to be 4 – 8 ppm) but responses are “spikey”.
4. Be, Li, Mg, and Pb show clear anomalies associated with the dyke with some displacement of the peak values. For example: Be (11975-11985E), Li (11995E), Mg (12035E), Pb (11975E). A second area at the eastern end of the traverse is anomalous in these elements. Generally, the deflation responses are less noisy than lag for these elements.
5. The Th and U results are more definitive at Hatchers with a coherent anomaly over the dyke and a pronounced eastern feature.
6. W responses show a spectacular one sample peak at 11975E in both lag and deflation samples. Background appears to be very flat and <2ppm. There is a subtle 5 ppm anomaly at 12035E.

The conclusions from this orientation work are that in shallow soil and laterite cover, surface sampling is an effective exploration tool. A modest suite of elements can be used from samples collected from surface to a depth of 10cm. For soil grids in the Leviathan area to locate new individual pegmatites, a sample spacing of 20 to 30 metres is considered the maximum for a 5metre wide target. As most dykes in the Leviathan Group have a strike length in excess of 100m a line spacing of 100 – 150 metres is recommended.

Soil sampling could also be effective in locating new groups of pegmatites using a broad line spacing such as 200 metres and a 50 metre sample interval.

The geochemical responses from surface samples collected in depositional valleys and black soil areas is not known.

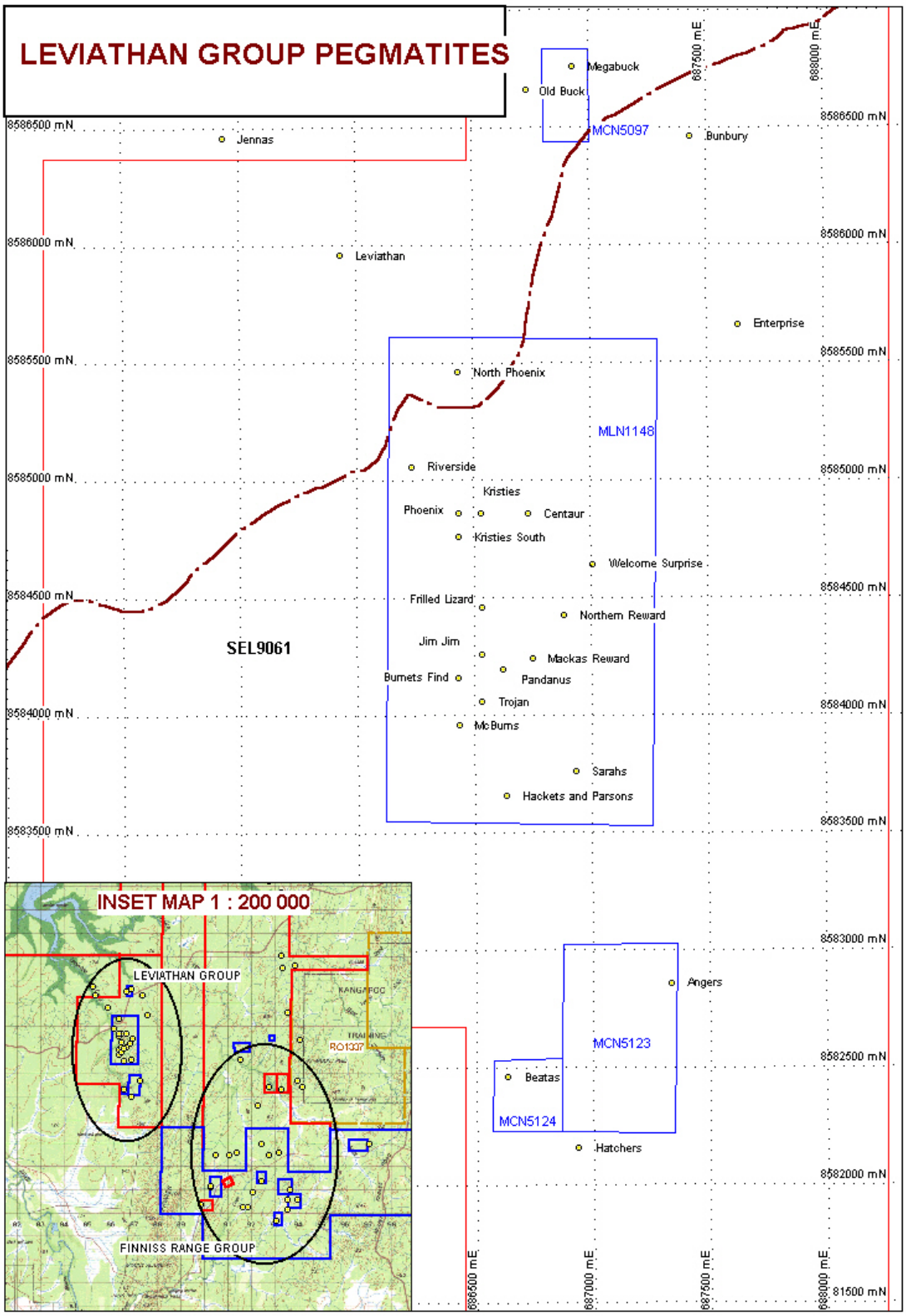

Figure 6. Map showing the location of the Leviathan Group Pegmatites

5.3 LEVIATHAN PRELIMINARY RESOURCE SUMMARY

Table 4. shows the preliminary resource estimates for SEL9061 from the 2001 work. These figures are preliminary and a guide only. None of the figures in the table can be referred to as "Resource Calculations" as defined by the JORC codes. These are yet to be finalised with the necessary data processing.

Table 4. Preliminary 2001 Resource Figures for the Leviathan Area

PROSPECT	PRELIMINARY RESOURCE	COMMENTS
Northern Reward	115,000t @ 130ppm Ta (160ppm Ta_2O_5)	Potential to extend to north and east. Moderate follow-up priority
Centurion	50,000t @ 120ppm Ta (150ppm Ta_2O_5)	Potential to extend south to Pandanus. Moderate follow-up priority
Angers	150,000t @ 230ppm Ta (280ppm Ta_2O_5)	Few areas for extension but local area high priority.
Total	**Approx 315,000t @ 175ppm Ta (210ppm Ta_2O_5 or 0.5 lbs/t Ta_2O_5)**	

5.4 TANTALUM CUT-OFF GRADE CALCULATIONS

Early in the 2001 field season it became necessary to calculate a break-even tantalum cut-off grade for exploration at the Bynoe Project. This took into account the prevailing economic parameters as well as the type of mining operations envisaged for the project at that time and provided a guide for exploration targets.

It was concluded that assuming; mining processing and amortisation costs of Bynoe pegmatite's are on average $15/t ($3M capital costs and minimum of 1 Mt reserves), an exchange rate of A$0.51 and contained tantalum price of US$100/lb, a cut off tantalum grade of 40ppm is recommended for exploration/planning purposes during 2001.

This calculation was done in May 2001. If using the current spot price of US$35/pound, a figure of at least 100ppm tantalum is an approximate break-even grade for the Bynoe Project. It is therefore unlikely that resources with grades of 120 - 130ppm tantalum would be very profitable at current prices.

6.0 EXPENDITURE

Upon signing of the Heads of Agreement letter with the vendor until the end of October 2001, a total of $491,138 has been spent by Julia Corporation Limited at the Bynoe Project. With a 10% overhead administration charge added the total is $540,252. This expenditure is summarised in Table 5. below:

Table 5. Expenditure Figures for the Bynoe Project in 2001

Accommodation and Meals	$ 4,051.17
Aerial Photography	$ 2,392.54
Airfares	$ 4,523.90
Communications	$ 465.57
Consultant Geologist	$ 29,818.18
Contribution to/(Proceeds from) JV	$ 5,270.42
Costeaning	$ 12,537.27
Database Administrator	$ 1,035.00
Drafting photocopy and Plan Printing	$ 2,183.46
Earthmoving	$ 1,890.00
Equipment and Material Purchases	$ 8,842.58
Field Assistant	$ 25,745.46
Field Geologist	$ 69.09
Freight & Transport	$ 760.95
Fuel and Oil	$ 2,817.51
Geochemical	$ 1,251.60
Lag and Soil Assays	$ 1,089.90
Management	$ 16,700.00
Motor Vehicle Expenses	$ 7,441.96
Office Expense	$ 138.06
Power Generation	$ 272.73
Publications and Map Purchases	$ 338.00
Remote Sensing	$ 836.00
Reverse Circulation	$ 41,848.00
Rock Chip and Channel	$ 5,669.70
Sale of Tenement	$ 4,677.90
Senior Geologist	$ 14,805.00
Tenement Application and Pegging fees	$ 815.44
Tenement Management	$ 5,255.24
Tenement Rent	$ 960.00
Travelling Expenses	$ 566.59
Grand Total	**$ 205,069.22**

7.0 PROPOSED PROGRAM AND BUDGET FOR 2002

Work planned for the 2002 field season at SEL9061 will centre on quickly defining more ore reserves for a potential mining operation in late 2002-2003. This will also depend upon factors such as the Freehold application lodged by Graham Chrisp on some of his Crown Perpetual Lease in the area.

Evaluation of known mineralised pegmatites will continue at Northern Reward, Centurion, Pandanus and Angers. Also, soil sampling and detailed geophysics may be used to help define new prospects and groups of pegmatite.

Regional work planned for 2001 originally included a detailed airborne geophysics survey over the Bynoe Project to be flown initially in mid to late 2001. This survey was not completed because of the withdrawal of London Mining Finance from a Joint Venture Agreement over all Julia's Northern Territory tantalite projects.

The survey was to cover 5,990 line kilometres collecting magnetics, radiometrics and radar altitude. Survey specifications were :

Line Spacing :	100 metres
Line Direction:	090 – 270
Tie Line Spacing :	1000 metres
Tie Line Direction :	000 – 180
Sensor Height :	25 metres

The cost of this survey was $50,000 to fly and a total budget of $70,000 was allocated to cover processing, imaging and GST.

The data sets generated are expected to provide useful information on structural controls for emplacement of pegmatite as well as specific new pegmatite targets. The survey must be flown in dry conditions because of the effects of surface water on the radiometric responses. If the survey is to be flown in 2002 it will not be completed until the second half of the year.

Table 5. shows an estimate of the exploration budget for SEL9061 in the 2002 field season.

Assays	$8,000
Staff Costs	$30,776
RAB Drilling	$0
AC Drilling	$0
RC Drilling	$50,000
Diamond Drilling	$0
Vac Drilling	$0
Costeaning	$10,000
Geophysics	$20,000
Field Costs	$11,500
Vehicle Costs	$11,690
Travel	$5,400
Office Expenses	$348
Admin	$8,441
TOTAL	**$156,155**

APPENDIX 1.

Multi element graphs from soil sampling orientation traverses at Beatas and Hatchers Prospects (Leviathan Group)

APPENDIX 2.

Disc containing drill and costean digital data sets for 2001 exploration.
SEL9061_(assay, collar, soil, geol, & survey)_2001.txt