ANNUAL REPORT

ON

EXPLORATION LICENCE 9648

December 1 2002 to November 1 2003

AGRICOLA GOLD LTD
W.R. JETTNER
December 2003
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1. INTRODUCTION

Exploration Licence EL 9648 was granted to Markaranka Selected Seed Co. Pty. Ltd. 70% and to William Andrew Jettner 30%, on 11\textsuperscript{th} November 1996 for a period of 6 years.

EL 9648 was transferred to Agricola Gold Ltd. on 17\textsuperscript{th} January, 1997.
2. LOCATION AND DESCRIPTION

Exploration Licence No. 9648 is located around and near a prominent landmark called Lost Hill and extends to the northern extremity of the Great Northern mining area.

The tenement is located approximately 140 kms south east of Darwin and is accessed via the Stuart Highway thence via Fisher Road to near the western boundary of the Licence. Mt. Ringwood Road traverses the tenement allowing good access throughout the dry season.

The tenement lies between 131°23 'W and 131°26'E and 13°11'S and 13°12'S.
Refer to this map as:

14/2-II

ARGARET RIVER

EL 9648

EL A 959

EL 8139

AGRICOLA GOLD LTD

EL 9648

TENEMENT MAP

GEO: WA Jettner  DATE: Dec 10 00 REPORT: 9648-2

DRAWN: DME  SCALE: 1:50 000  PLAN: FIG 2
3. GEOLOGY

The tenement area is underlain throughout by the Lower Proterozoic Burrell Creek Formation, and consists of a grey-wacke to mud-stone suite representing a series of cyclic turbidity events throughout the Finnis River Group depositional history.

EL 9648 lies within WMC Ltd.’s Central Zone which was explored in the mid-late 1980’s as part of their regional programme on ground surrounding the Goodall Mine. As part of that exploration effort, a great deal of work was done on the depositional and deformational history of this area which represents the deepest part of the Pine Creek Geosyncline.

The stratigraphic sequence is similar to that found around the Goodall Mine (Hancock and Ward, 1988), and consists of:

**Upper Wacke Sequence:**

- **Thickness:** \( \geq 1500 \) m
- **Description:** Comprises medium grained, clast-supported, buff-weathering quartzo-feldspathic, tufaceous wackes, silts and lesser lithic pebble conglomeratic turbidity. The lower portion is a relatively distinctive, but-weathering wacke.

**Red Silty Unit:**

- **Thickness:** \( \geq 600 \) m
- **Description:** A relatively poorly exposed unit dominated by distinctive red-brown weathering phyllitic metasiltstone, graded and bedded phyllite, distinctive laminated phyllite and matrix-supported medium-grained quartzo-feldspathic wacke. Laminated chlorotic phyllite with thin tufaceous interbeds form a distinctive association in the unit. The unit can be internally considered as comprising a lower unit dominated by phyllite and matrix-supported wacke and an upper unit distinguished by laterally persistent wacke units, which include clast-supported lithologies similar to those that dominate the overlying wacke-rich unit. The top boundary is gradational in detail but defined by a thin but continuous wacke unit traceable around the structure in the area mapped in detail.

**Bundey Sequence:**

- **Thickness:** \( \geq 1000 \) m
- **Description:** Boldly outcropping, medium grained, tufaceous, quartzo-feldspathic wacke with matrix chlorite and muscovite and interbedded chlorite-sericite-quartz phyllitic metasiltstones. Graded, medium grained, clast-supported wacke dominant, and a distinctive sub-zone of wackes with nodules to 5 - 8 cm of quartz-ex-diagenetic chert occurs near the top. Thick phyllitic metasiltstones, often with local epidote and ex-cordierite spotting occur.

**Lower Transitional Zone:**

- **Thickness:** \( \approx 500 \) m
- **Description:** Not mapped in detail, but reconnaissance observations structurally beneath the Bundey Sequence in the axial zone of the Howley Anticline indicate poorly outcropping, mixed successions of medium grained, quartz-feldspar wacke and significant thicknesses of ferruginous, probably ex-graphitic phyllite, reminiscent of the underlying Mt. Bonnie Formation.
The units above show alterations in the abundance of sand and silt, but rarely, if ever, to the exclusion of either lithology. The change in character probably reflects the changes in the character of the provenance area of detritus, as bed organisation and the depositional environment area similar in both the clast-supported and matrix-supported (Red Silty Unit) lithologies.

Elements of all the above units may be found in the EL area, with variants from the quartz pebble conglomerate to the fine, matrix-supported Red Silty Unit in areas of sub-crop to postulated alluvium-covered areas.

Structural elements of the Great Western and Great Northern Lines of mineralisation extend into the tenement from the south and north respectively.
4. PREVIOUS EXPLORATION

Limited systematic exploration was done in this region prior to the Goodall discovery. Since then exploration has been carried out on or near EL 9648 by the following companies:

<table>
<thead>
<tr>
<th>EL</th>
<th>Company</th>
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<tbody>
<tr>
<td>6630</td>
<td>Dominion Mining</td>
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<td>5011</td>
<td>Zapopan</td>
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<tr>
<td>1049</td>
<td>Western Mining Corporation</td>
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5. **WORK DONE IN THE CURRENT LICENCE YEAR 2003**

While awaiting the availability of bulk handling facilities at the Goodall Mine site, further surface sampling was carried out on the eastern slope of the Lost Hill region.

Apart from a narrow central, other prospective are isolated but have some significant gold showings.

This area requires a dozen assistants to establish a clearing to operate a drill rig. This is planned as soon as permission is granted for this work and when weather conditions permit.

Three small prospects have been located on the area northward from the old Great Northern Mining area and are ready for bulk sampling when permission is obtained for this exercise. See attached maps.
### 6. **EXPENDITURE** (for licence Year 2003)

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<td>Geologist (3 days)</td>
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<td>Field staff</td>
<td>$2,500.00</td>
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<tr>
<td>Field stores and vehicle</td>
<td>$680.00</td>
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<tr>
<td>Camp stores</td>
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<td>Report and mapping</td>
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<td>Administration</td>
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Total: $5,740.00
7. PROPOSAL FOR CURRENT YEAR 2004

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<td>Bulk sampling on eastern block</td>
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<td>Bulk sampling on Lost Hill block</td>
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<tr>
<td>Laboratory tests</td>
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</table>
EL9648
2 BLOCKS
6.3 sq kms

Lost Hill

Fig. 3

131°23'

Prospect Areas

47.16 Au assays in p.p.m.

New Prospect Areas 2003

McAlum Creek

Track

47.16, 130.35

330, 31

Former Great Northern Mining Field