ANNUAL REPORT

EXPLORATION LICENCE NUMBER 6389 ( RANFORD HILL )
HELD BY RUSSELL JAMES YOUNG & MOLLY WOODBRIDGE of DARWIN NT.
MINER'S RIGHT NOS 3027 & 3886.

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ENCLOSURES

LOCATION MAPS
Schedule 1  Location
Schedule 2  Plan of Area
1. **INTRODUCTION**

Location & Access:
EL 6389 is 29 km north west of Pine Creek. The Moline Road is bitumen for
the first 27 km & there the road turns north to the airstrip then 1 km to the
southern boundary of EL 6389. The south western half is travelled on
previous tracks but the north east half is granite & only negotiable by foot.

EL 6389 contains approximately 50% Mount Bonnie formation & 50%
Allamba spring granite. Having explored for gold in the previous term
with negative results we have in this period been exploring for granite.
2) WORK CONDUCTED

Our work during this last twelve months has been centred mainly on granite. Early last year we found pink granite on EL6331 & having been advised that pink granite had a considerable market value we contacted Dr Chris Giles, of North Flinders Gold, in S.A. & on his advice we took samples to Adelaide where he then introduced us to Peter D. Martin the managing director of Martins Granite Quarries Pty Ltd & situated at 9-17 Londons Road, Milly End S.A.

Peter Martin then had the samples cut & polished & he found that our Territory granite was excellent as a finished product. The price however seems to rise with the current demand for a particular colour & at this time pink granite is bringing around only $400 per cubic metre as the Asian market has turned to blacks & greys at this time. These two colours are at present bringing a price of between $3000 & $4000 per cubic metre.

We have Peter Martin's assurance that the further samples sent to him will be cut & polished & that in the event of any coming up to a marketable standard that he will enter into a joint venture with us & open up a quarry on site.

We have also entered into the same agreement with Manfred Marx of the quarry division of Poseidon. Poseidon Quarries deal mainly with the German market & once again it seems that at the moment the blacks & greys are the Exploring for different granite colours is very time consuming & on the findings of Martin's Quarries these colours can change within 200 metres of each other. It is this fact that makes it virtually impossible to give a detailed account of our progress other than to say that at this stage we have found no suitable sites.
EXPENDITURE REPORT

1) ADMINISTRATION/OFFICE FEES/TELEPHONE $ 300.00
2) FIELD, CAMPING & ASSOCIATED COSTS, CARAVAN ACCOMODATION & CONSUMABLES $4300.00
3) EXPLORATION DATA, MAPS, REPORTING & MISCELLANEOUS. $ 100.00
4) VEHICLE & EQUIPMENT RUNNING, REPAIR & MAINTAINANCE, FUELS, OILS & REPLACEMENT $2000.00
5) PROSPECTING & FIELD ASSISTANCE, WAGES ETC TRAVEL $1500.00

TOTAL EXPENDITURE FOR PERIOD BEING $8200.00
4) ONGOING WORK PROGRAMME

Currently we are reviewing the ongoing programme for the next twelve months with the intentions of following through with the granite study to the total cost of approximately a further $4000.00.