

EL 24007
ANNUAL REPORT
for period ending
October 7, 2005

1:250,000 map sheet: SE53-14 Tennant Creek

Licensee: Red Metal Limited

G. McKay
Red Metal Limited
27 October 2005

TENEMENT REPORT INDEX

HOLDER / OPERATOR:	Red Metal Limited
TENEMENT:	EL 24007
REPORTING PERIOD:	October 8, 2004 to October 7, 2005
AUTHOR:	G. McKay
STATE:	NT
LATITUDE:	134° 44' to 134° 51'
LONGITUDE:	-19° 26' to -19° 31'
1:250,000 SHEET:	Tennant Creek SE53-14
1:100,000 SHEET:	Barkly 5859
MINERAL PROVINCE:	Tennant Creek Inlier
COMMODITIES:	Cu Au
KEYWORDS:	Gravity survey

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List of Digital Files

EL 24007 Annual Report 2005.pdf (This report)
EL 24007 Gravity Data 2005.txt

SUMMARY

EL 24007 was acquired to investigate intense magnetic anomalies within the Palaeoproterozoic basement rocks with potential for ironstone associated gold-copper-bismuth mineralisation.

The work carried out on EL 24007 during the first 12 months included a gravity survey comprising 1141 stations at 100m intervals on 400m spaced lines.

Further work is warranted on the EL to drill test the combined magnetic/gravity anomalies.

1.0 INTRODUCTION

This report summarises exploration activities undertaken over Exploration Licence 24007 for the first 12 months of tenure to October 7, 2005.

2.0 LOCATION AND LAND USE

EL 24007 is located 65 km northeast of Tennant Creek. Access is via unsealed roads and tracks within a pastoral lease. The tenement area has generally low relief, with the dominant historical and current land use being cattle grazing.

3.0 TENEMENT STATUS

EL 24007 was granted to Red Metal Limited on October 8, 2004 for a period of six years. It covers vacant crown land under native title claim.

Details of EL 24007 are shown in Table 1. Location of the tenement is shown in Figure 1.

Table 1 - Tenement Details

TENEMENT	HOLDER	GRANTED	EXPIRY	Sub Blocks	AREA
EL 24007	Red Metal Limited	October 8, 2004	October 7, 2010	31	97.3 km ²

3.0 TENEMENT GEOLOGY

The tenement covers an area of thin Cainozoic cover overlying Middle Cambrian Gum Ridge Formation (chert, limestone, calcimudstone). Palaeoproterozoic basement units are considered to be the source of the magnetic and gravity anomalies and the potential host to ironstone associated gold-copper-bismuth mineralisation.

4.0 HISTORICAL EXPLORATION

Licence	Years	Company	Reports
EL 4251	1983-89	AOG Minerals	CR1985-0038; CR1986-0068
EL 4254	1983-89	Ashton Mining	CR1985-0039; CR1986-0070
EL 4258	1983-89	Aust Diamond Expl	CR1985-0006; CR1986-0075

5.0 CURRENT EXPLORATION PROGRAM

The work carried out on EL 24007 during the first 12 months included a review of geophysical data and a detailed ground gravity survey comprising 1141 stations at 100m intervals on 400m spaced lines.

Red Metal is processing the gravity data and propose to drill test the targets defined on the survey areas. It is initially proposed to drill two RC holes totalling 500m to test the anomalies.

6.0 CONCLUSIONS

EL 24007 was acquired to investigate intense airborne magnetic features. A gravity survey was conducted to provide focus for drillhole targeting. If a drill rig can be secured, drilling will commence in late 2005 or early 2006.

7.0 References/Bibliography

Donnellan, R S., *et al*, 1999 Tennant Creek SE 53-14 Geological Map and Explanatory Notes. *Northern Territory Geological Survey*

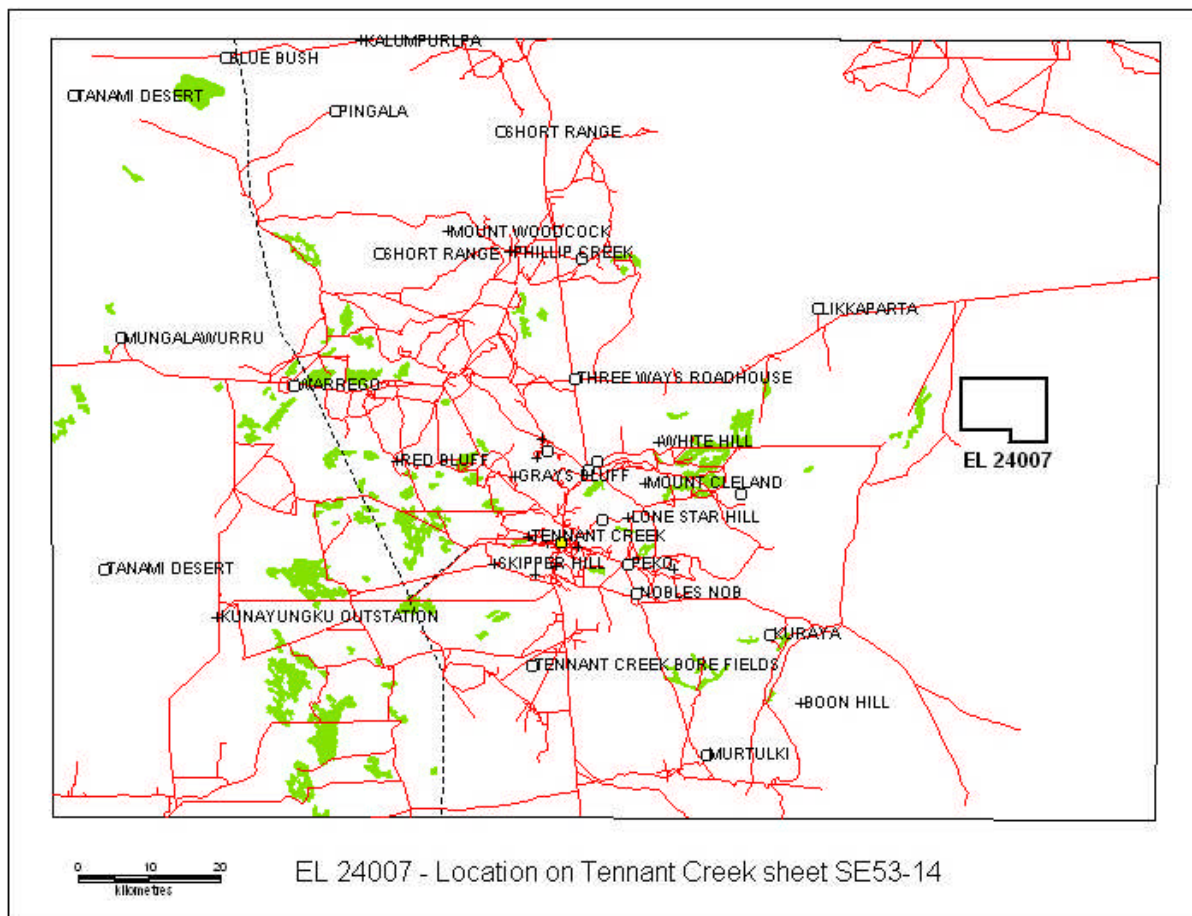


Figure 1

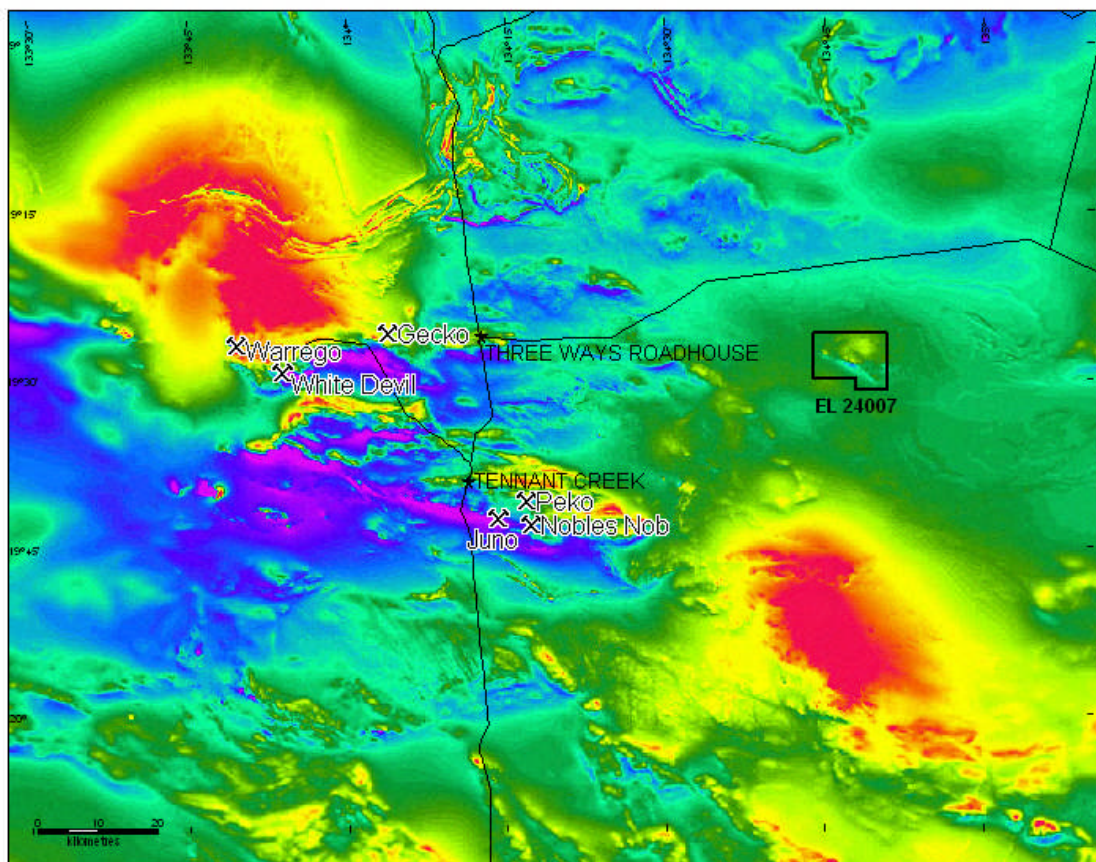


Figure 2
EL 24007 on regional TMI image

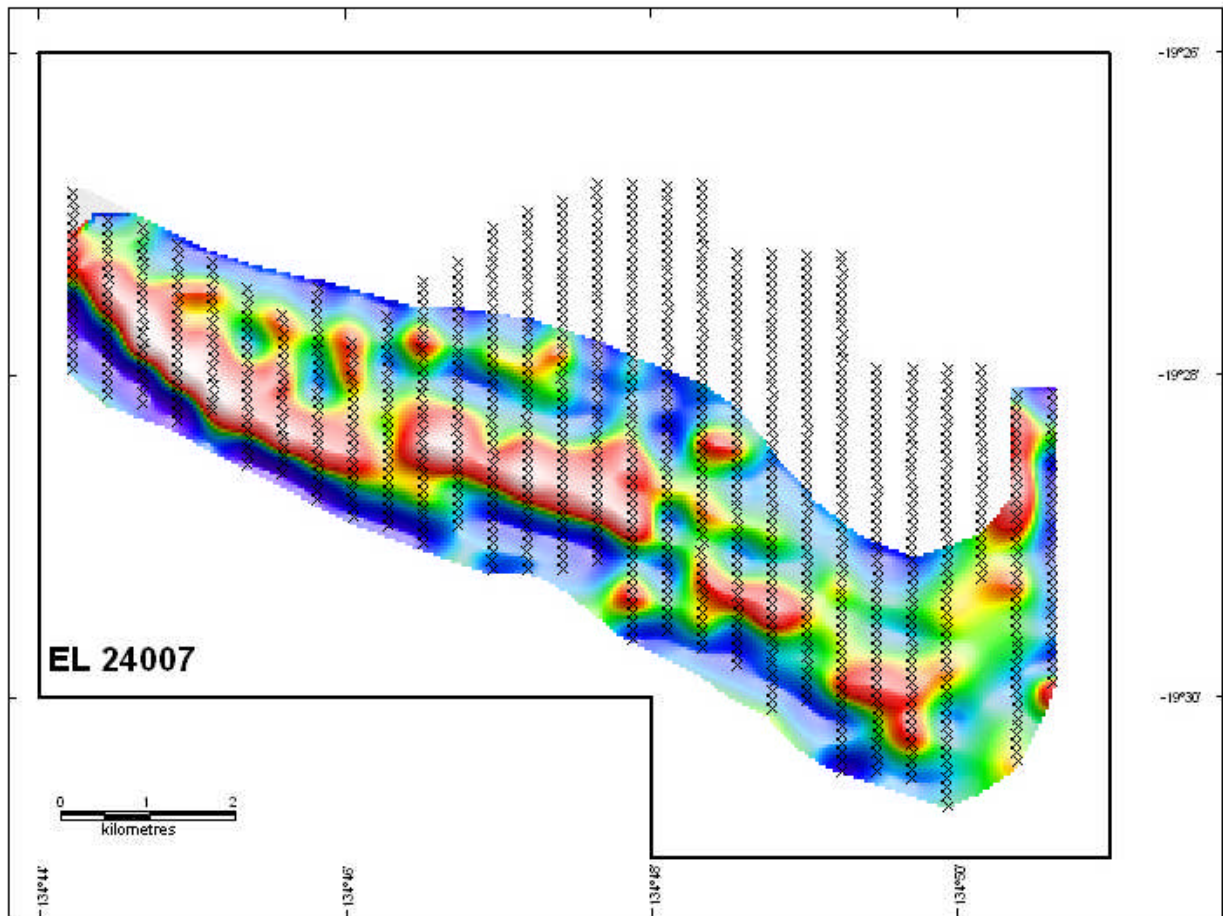


Figure 3
Gravity survey points
on residual bouguer image