EXPLORATION LICENCE 23409

MOUNT PEAKE PROJECT

ANNUAL EXPLORATION REPORT

FOR THE PERIOD

15 OCTOBER 2004 TO 14 OCTOBER 2005

BY

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TENEMENT REPORT INDEX

OPERATOR: Astro Mining NL
PROJECT: Mt Peake
TENEMENTS: Exploration Licences: EL23409
JOINT REPORT PERIOD: 15 October 2004 to 14 October 2005
DUE DATE: 14 November 2005
AUTHOR: K. Washburn & L. Bowyer
STATE: Northern Territory
LATITUDE: S21°22’ – S21°42’
LONGITUDE: E133°23’ – E133°50’
MGA mN: 7600000 - 7635000
mE: 330000 - 380000
1 : 250,000 SHEET: SF53-05 Mount Peake, SF53-06 Barrow Creek
1 : 100,000 SHEET: 5555 Conical Hill, 5655 Crawford, 5654 Barrow
MINERAL FIELD:
COMMODITY: Diamonds, gold
KEYWORDS: Aeromagnetic survey, Landsat Interpretation, data review, geology
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   1:500,000, A4, Landscape

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1 SUMMARY OF EXPLORATION ACTIVITIES
Exploration carried out over the EL23409 during the reporting period included GIS compilations, data reviews and target generation.

2 TENEMENT STATUS
Astro Diamond Mines NL (formerly Astro Mining NL) applied for EL23409 on 2 October 2001, the tenement was granted on 15 October 2003 covering an area of 731.63 km².

3 LOCATION AND ACCESS
Exploration Licence 23409 lies in the Tanami Desert of south central Northern Territory between Rabbit Flat and Barrow Creek. Access to the area would be through Barrow Creek for the eastern area and Willowra Station and other aboriginal lands for the central and western areas.

4 GEOLOGY
The project area lies along the southern margin of the North Australian Craton (NAC) where remnants of the North Australian Platform Cover (NAPC), the Lander Rock Beds (equivalent to the Hatches Creek Group of the Tennant Creek Inlier, Ahmad 2000), have been intruded by granitic and mafic rocks at about 1820 Ma (Hendrickx et al 2000). This age of intrusion correlates with the intrusions in the Halls Creek Orogen and Vandenberg et al (2001) comments that the Tanami Event (1845-1830 Ma) reflects the collision of the North Australian Craton with the Kimberley Craton. In the King Leopold Orogen, in the West Kimberley, 1800 Ma age granitic and mafic rocks also occur within a zone of steeply dipping thrust faults (Griffin et al 1995). The West Kimberley lamproites occur in a similar structural setting to the Mount Peake Project area.

Previous exploration by Normandy NFM Limited indicates that outcrop of the Proterozoic rocks is very sparse in the area and is dominated by Quaternary aeolian sands and red soils, with minor Tertiary laterites. The Proterozoic bedrock in the region comprises the Lower Proterozoic Bullion Schist, which consists of metamorphosed shelf sediments and minor volcanics. These are overlain by Middle Proterozoic sediments and intruded by granites, and subsequently overlain by Late Proterozoic sediments. The Cenozoic cover can vary from less than one metre, to over 50 m in large Tertiary palaeochannels. Previous workers have noted the occurrence of a number of extremely dense and magnetic circular bulls-eye aeromagnetic features that are probably concealed mafic plugs.
5

EXPLORATION

5.1 DATA REVIEW

The aeromagnetic data has been reviewed and compared with geology at 1:250,000. It is believed that a large proportion of the tenement is underlain by granite with roof pendants of Bullion Schist remaining. Larger magnetic highs reflect contact altered schist adjacent to granite. Discreet pinpoint magnetic highs (of which there are many) have been found by previous explorers to be ultramafic plugs. There are at least two discreet magnetic lows. These are rare throughout the Tanami and are considered to be anomalies. They may be reverse polarized plugs as above, but still warrant assessment for possible kimberlite or lamproite.

Large outcrops of quartz are oriented on northwest and northeast trends, and are testament to subsequent fault movement. One of these is mapped as a quartz breccia which may be of interest for metals such as gold.

The data review has highlighted the fact that the tenement covers a portion of the Georgina Basin, an intracratonic basin/depression derived from Proterozoic granite and schist. This is very similar to the Ngalia Basin to the south where economic uranium concentrations have been delineated. The southeast portion of the tenement covers Late Proterozoic arkoses and feldspathic and lithic sandstones of the Tops Member of the Central Mount Stuart Formation. Total count and potassium radiometrics suggest there is reason to investigate this area further.

5.2 TARGET GENERATION

Discreet magnetic targets, both positive and negative, should be assessed with ground magnetics and possibly gravity.

Quartz outcrops along significant regional structures should be assessed for metal content.

Further assessment of the potential of the Central Mount Stuart Formation in the southeast of the tenement is necessary now that the price of uranium is high.

5.3 PROPOSED EXPLORATION

Vehicle access to these areas is quite good, with the presence of station tracks in the areas of interest. The next phase of exploration would involve rock chip sampling and limited stream sediment sampling. Ground radiometric traversing will be carried out over the Central Mount Stuart Formation.
6 BIBLIOGRAPHY


