

**EXPLORATION LICENCE 22515
HUCKITTA PROJECT
NORTHERN TERRITORY**

**PARTIAL RELINQUISHMENT REPORT
FOR THE PERIOD ENDED
13 MARCH 2006**

*Data presented in
GDA 94 Datum*

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SUMMARY

The Huckitta Project comprises 11 tenements for 12,241 square km and is situated between 200 and 300 km east of Alice Springs. This partial relinquishment report relates to the surrendered portion of Exploration Licence 22515. The project is a joint venture between BHP Billiton and Sumitomo Metal Mining Oceania Pty Ltd, with BHP Billiton managing the exploration work.

Work on the project during 2004-2005 included ground gravity on Exploration Licences 22516, 23997 and 24000 following up targets generated by the *FALCON™* airborne gravity survey flown in April 2004. Owing to the lower potential of EL22515, work has been limited to geological interpretation and re-evaluation of prospectivity. No on-ground exploration was completed on the surrendered portions of EL22515.

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1. INTRODUCTION

The following report describes work completed on the portion of Cheetah tenement (EL22515) of the Huckitta Project surrendered in 2006. This tenement is centred about 270km east-northeast of Alice Springs and 50km east of Jervois, Northern Territory. Access is gained by travelling east on the Plenty Highway then turning south on to station tracks approximately 40km east of Jervois.

The Huckitta project is a joint venture between BHP Billiton and Sumitomo Metal Mining Oceania Pty Ltd, where BHP Billiton is the manager of exploration work. The northern portion of the project area contains outcrop of the Strangways Metamorphic Complex, with the southern portion overlain by the Mesozoic Eromanga Basin, and in the EL24103 area, the Amadeus Basin. Exploration is focused on discovery of Iron Oxide Copper Gold (IOCG) mineralisation associated with the Proterozoic basement rocks beneath more recent Proterozoic and Mesozoic sedimentary cover.

2. TENURE

Table 1 lists the tenements of the Huckitta Project, with the Cheetah tenement highlighted.

Table 1: Tenement Details

EL	Name	Blocks	Application Date	Grant Date	Expiry Date
22515	Cheetah	88	13/04/2000	14/12/2001	13/12/2007
22516	Leopard	352	13/04/2000	15/08/2005	14/08/2011
22517	Elephant	460	13/04/2000	15/08/2005	14/08/2011
23996	Black Diamond	485	02/09/2003	15/08/2005	14/08/2011
23997	Ilogwa	372	02/09/2003	15/08/2005	14/08/2011
23998	Indiana	96	02/09/2003	13/05/2004	12/05/2010
23999	Simpson	332	02/09/2003	13/05/2004	12/05/2010
24000	Christmas Creek	390	02/09/2003	15/08/2005	14/08/2011
24103	Andado	478	05/12/2003	05/08/2004	04/08/2010
24104	Simpson 2	495	05/12/2003	11/08/2004	10/08/2010
24105	Simpson 3	497	05/12/2003	11/08/2004	10/08/2010

An application was made for exemption from the 50% reduction of the Cheetah lease owing to the unavailability of drill rigs, but government rejection has resulted in a further reduction to 44 blocks in 2006.

3. GEOLOGY

The Arunta Inlier is one of the most extensive Paleoproterozoic & Mesoproterozoic terrains in Australia. The inlier stretches across the entire width of the Northern Territory, centred on Alice Springs. The Huckitta Project lies at the eastern end of the Inlier.

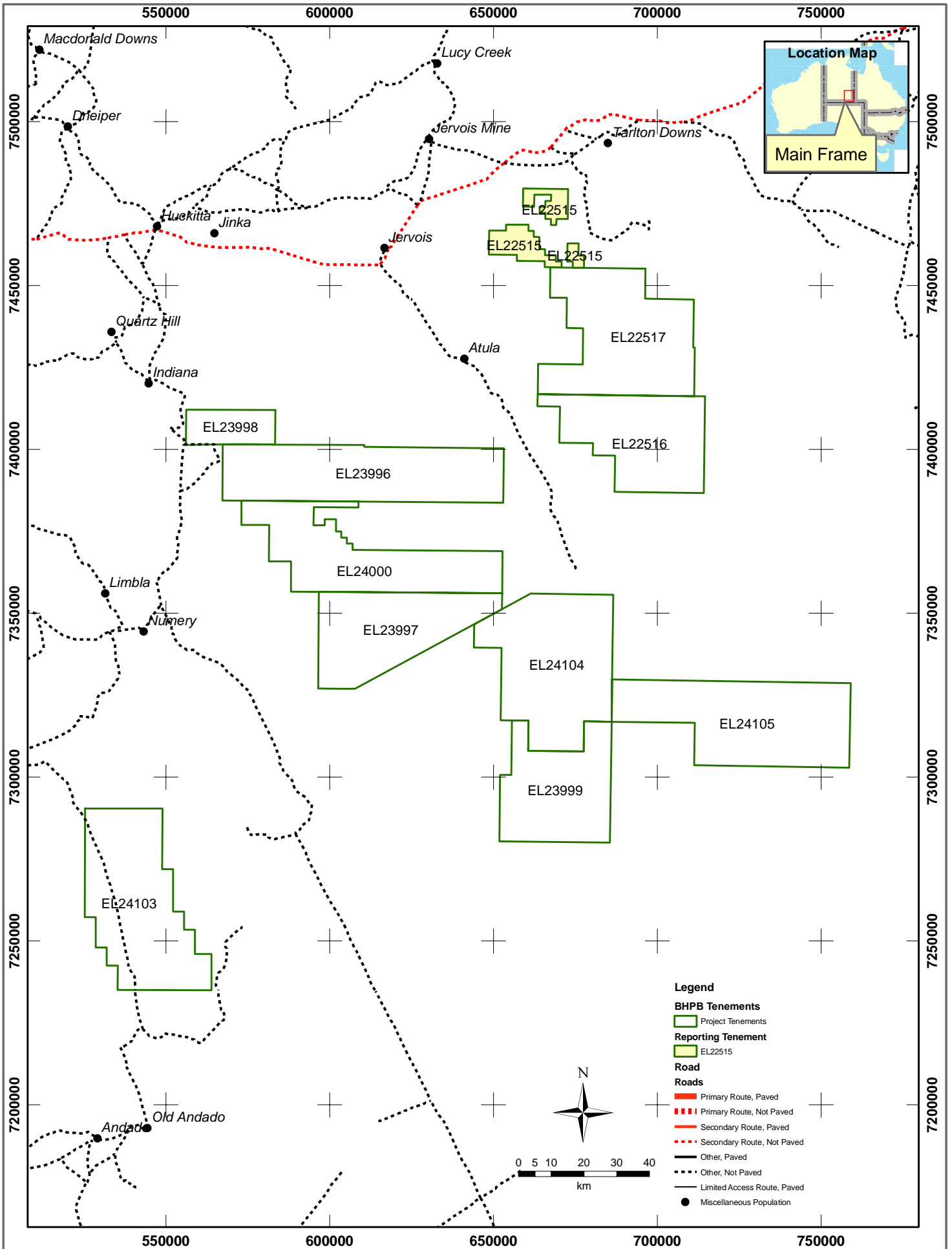
The Arunta Inlier has had a long and complex history of sedimentation, deformation, metamorphism and plutonism. Meta-sedimentary and meta-igneous units ranging from greenschist to granulite facies occur throughout and are intruded by granites and other igneous rocks ranging in age from 1880-1060 Ma. The metamorphic sequences are not well understood and have complex geological and structural histories. There are significant areas of both Proterozoic outcrop and younger cover sequences. The region

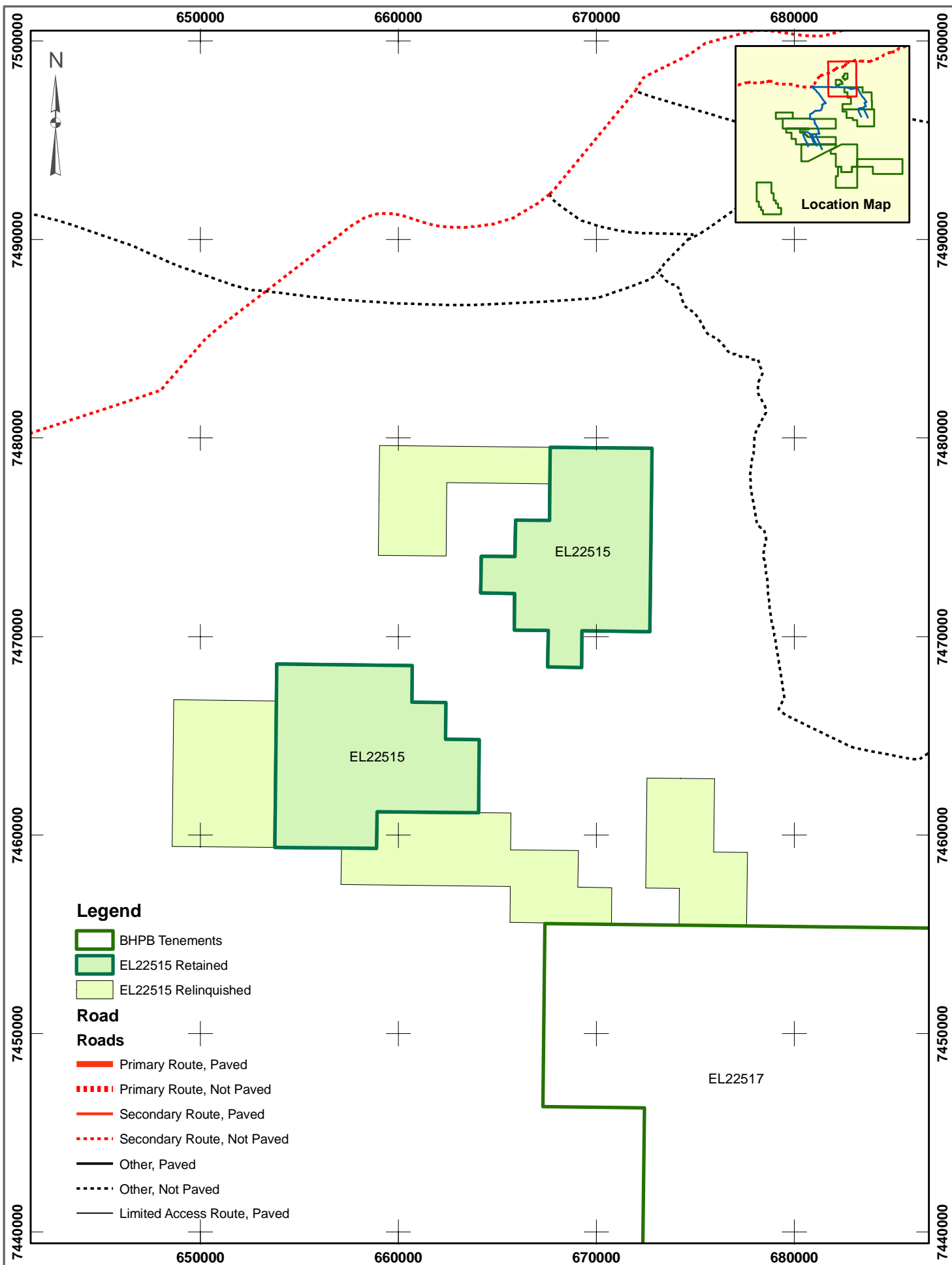
hosts numerous small base metal and gold occurrences. Most areas have received minimal modern exploration work.

The northern portions of the Huckitta Project cover areas of outcropping rocks of the southeast-trending Paleo-Proterozoic Strangways Metamorphic Complex. The Georgia Amadeus Basins bound and overlie the Strangways Complex to the east and southeast respectively. The Irindina Supergroup overlies the central portion of the Strangways Complex, which is interpreted to continue beneath Mesozoic Eromanga Basin in the southern Huckitta area. It's possible that an outlier of the Strangways Complex is situated beneath the Eromanga and Amadeus Basins in the area covered by EL24103. The Strangways Complex contains the targets believed to be prospective for IOCG mineralisation.

4. EXPLORATION COMPLETED

With the grant of all remaining exploration applications during 2004 and 2005, follow-up ground gravity over targets identified during the *FALCON™* airborne gravity survey of April 2004 was completed on Exploration Licences 22516, 23997 and 24000. Owing to the remote project location and current low availability of drilling contractors, it has been difficult to source a rig for drilling during 2005. As EL22515 contains lower priority targets, work has consisted of geological evaluation and targeting. No physical exploration has been completed on the surrendered portions of EL22515 since grant.





Legend

- BHPB Tenements
 - EL22515 Retained
 - EL22515 Relinquished
- Road**
- Roads**
- Primary Route, Paved
 - Primary Route, Not Paved
 - Secondary Route, Paved
 - Secondary Route, Not Paved
 - Other, Paved
 - Other, Not Paved
 - Limited Access Route, Paved