METEORIC RESOURCES NL

RELINQUISHMENT REPORT

WARREGO NORTH PROJECT
EL24364

TENNANT CREEK – NORTHERN TERRITORY

PERIOD 23-5-05 TO 23-5-06

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INTRODUCTION

The Warrego North Project an area consists of Exploration Licence E24364 located near Tennant Creek in the Northern Territory (Table 1). The Tennant Creek goldfield, which has past production of 4.7Mt of gold from 16.3Mt of ore, is renowned for the high grade of its ore bodies. The project tenement is located immediately north of the largest mine in the field, the Warrego Mine, which produced 1.3Moz of gold and 91,500t of copper. Warrego had overall recovered grades of approximately 8g/t gold and 2% copper and was characterised by hight grade gold zones averaging 20g/t (Chisholm).

TABLE 1

Tennant Creek – Tenement Summary				
Project	Number	Grant Date	Area (km^2)	Annual Expenditure Requirement
Warrego North	E24364	23-05-05	65	$8000

The Warrego North Project tenement is interpreted to cover the northern extension of the favourable stratigraphy, which hosts the Warrego Mine. The Last Hope Mine, where gold was first discovered in the Tennant Creek goldfield, is located near the project area. During the exploration year, Meteoric concentrated its exploration effort on the adjoining tenement EL23764 to the south which was granted earlier and has native title clearances in place. EL24364 has not as yet had that clearance. Both tenements have been grouped together as the Warrego North Project.

Copper – gold ore bodies in the Tennant Creek goldfield are commonly associated with magnetite – rich ironstones within the Warramunga Formation, a sequence of greywacke, siltstone, shale and felsic volcanics of Proterozoic age. There is evidence that the mineral deposits are structurally controlled and occur within more ferruginous horizons of the Warramunga Formation. Significantly, there is more recent evidence that copper – gold mineralisation is also associated with less magnetic, haematite rich ironstones such as at Nobles Nob and Chariot copper – gold deposits. At Chariot the deposit is coincident with a strong and shallow gravity response, which is separate from the Chariot magnetic response (Chisholm).

Meteoric Resources NL (“Meteoric”) recognised that while the use of magnetics have in the past been the primary exploration tool used by explorers its use in conjunction with the use of gravimetric surveying is becoming increasingly important in identifying new exploration targets. Meteoric has carried out extensive gravity and ground magnetic surveys over target areas, as identified from review and reinterpretation of the exploration database of previous explorers (Meteoric Prospectus).

Structural controls of mineralisation are considered to be important in the Tennant Creek area and it is noted in the Warrego North project area that pronounced structural corridors interpreted from aeromagnetics are evident trending N – S through the Warrego Mine and NW – SE through the Gecko Mine. These features together with others evident from the aeromagnetics identify a number of prospective corridors, which include several of the targets identified by Meteoric.
. Deeper drilling in these areas appears to be quite limited in extent, however the reported occurrences of haematite and magnetite alteration provided encouragement for further exploration, particularly when combined with the results of the Meteoric gravity and magnetic surveys on the adjoining tenement. Airborn magnetics and gravity were reprocessed along with a complete review of geochemical sampling carried out by previous explorers to generate exploration targets. During 2004 Meteoric carried out an extensive programme of reverse circulation drilling, mapping and down hole geophysical surveys on the adjoining EL23784 and continues to be a very active explorer in the immediate area.

GEOLOGY

The project area is located in the Tennant Creek Inlier, an area of Proterozoic rocks consisting of three distinct geological provinces; the Davenport Province to the southeast, the central Tennant Creek Block and the Tompkinson Creek Province to the northwest. The Inlier is comprised of a gneissic basement overlain by Proterozoic sediments of the Warramunga Formation, Hatches Creek Group and the Tompkinson Creek Beds. The sequence of Proterozoic sediments was intruded by younger Proterozoic granitoids around 1858 Ma to 1845 Ma during the Barramundi Orogeny. The Proterozoic rocks were subsequently overlain by Cambrian sediments of the Georgina Basin. The Tennant Creek goldfield is located within the central block where the oldest rocks are the metasedimentary rocks of the Warramunga Formation, which are the host to the ironstone – gold – copper – bismuth mineralisation of the Tennant Creek goldfield.

The Warramunga Formation is comprised of a sequence of argillaceous sedimentary rocks that includes greywacke, siltstone, shale and units of haematitic – magnetite shale. Cross – cutting and conformable quartz – feldspar porphyries occur within the sedimentary sequence.

Following deformation and uplift of the basement, the volcanics and volcaniclastics of the Flynn Sub – Group were erupted (1845 Ma to 1827 Ma), with intrusion of porphyries and minor granitoids into the Warramunga Formation. The Warramunga Formation has been subjected to three phases of deformation, the first of which formed tight to isoclinal folds with an east west axis. The two later phases formed west – northwest trending faults and shear zones, and finally northwest trending faults. The project cover an area of poor outcrop comprised of Cenozoic and Quaternary Aeolian and alluvial sand cover (Chisholm).

HISTORICAL EXPLORATION

Previous explorers of the Warrego North Project area have included a number of companies since the 1970's who have explored the area for gold copper and uranium mineralisation. Earlier exploration in the 1960's was conducted by Peko Mines NL

and Australian Development NL, it is understood that very little data was reported for this period.

Geopeko Limited explored the area during the 1970's to early 1980's period. Their exploration effort used the data from aeromagnetic surveys flown by the Bureau of Mineral Resources to define targets for ground follow up using ground magnetics. Numerous magnetic and geochemical anomalies were identified with only the most obvious magnetic features and highest geochemical values followed up. Included in the work were three diamond drill holes into three anomalies (Explorer 27, 36 and 59). A limonitic gossan containing up to 1500ppm Cu and 800ppm Mo was tested by Hole Number 1 at Explorer 27 prospect. Dispersed chalcopyrite was intersected in the hole from 124 metres to the EOH at 183metres but reports indicate that no core was assayed. A single diamond hole at Explorer 36 intersected alternating diorite and feldspar porphyry containing disseminated magnetite and copper-iron sulphides with best intersections of 1.2m at 0.4g/t Au from 173m and 1.2m at 0.22% Cu from 270m. A diamond hole at the Explorer 59 prospect intersected fresh weakly magnetic diorite.

Uranerz also explored the area for uranium during the 1970's period.

CRA Exploration Pty Ltd and Central Electricity Generating Board Exploration (Australia) Pty Ltd carried out exploration during the 1980's separately exploring for gold and uranium.

Posgold Ltd (Australian Development Ltd) explored the area during the late 1980's and early 1990's. Their work included processing of aeromagnetic surveys flown over the area in 1984 by Aerodata and 1989 by Austirex. In addition to the use of the aeromagnetics they carried out photo geological interpretation drainage geochemical sampling and vacuum drilling with follow up ground magnetics. Ground based gravity surveys were also carried out over selected prospects. Posgold carried out follow up RAB and RC drilling over the better geochemical and geophysical anomalies.

Delta Gold conducted systematic exploration from 1993 to 1996 which included RAB drilling with little encouragement and offered the area for JV to Roebuck Resources in 1996.
Roebuck re-sampled Delta's target areas using the then newly-marketed Mobile Metal Ion (MMI) soil geochemistry. A strong response to gold would have been required to re-vitalise the prospect and in the absence of that, Roebuck withdrew from the JV in 1997.

METEORIC RESOURCES NL EXPLORATION

COMPILATION OF HISTORICAL DATA

Meteoric carried out literature and data searches of historical exploration carried out by others in the Warrego North Project area..

ACQUISITION AND INTERPRETATION OF AEROMAGNETIC DATA

Meteoric acquired data from previous aeromagnetic surveys over the Warrego North Project area. The data was used as a primary tool to identify areas of interest where Meteoric considered conducting ground based magnetic and gravity surveys to define drilling targets. No such targets were generated over the project area that had not been previously tested.

TENEMENT RELINQUISHMENT

Resulting from the examination of past exploration work by others and Meteoric Resources own data base generated from geophysical ground surveys on other tenements in the general area, the tenement was considered to have insufficient prospectivity to warrant further exploration expenditure and, consequently, was relinquished.