COMBINED RELINQUISHMENT REPORT

EL 23923 ‘Mt Treachery’

EL 23924 ‘Anmatjira’

REYNOLDS RANGE PROJECT

From 1 June 2004 to 31 May 2007

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Distribution:
- Department of Business, Industry, & Resource Development (1)
- Central Land Council (1)
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1.0 SUMMARY

Tanami Gold NL identified the potential for Palaeoproterozoic gold mineralisation in the basement rocks of the Napperby and Reynolds Range areas in 2001. EL’s 23923 and 23924 were both granted on 1 June 2004 to Tanami Exploration NL (TENL), a wholly owned subsidiary of Tanami Gold NL (TGNL), a publicly listed company. After three years of tenure partial relinquishments were completed on both tenements. Exploration on the relinquished areas is the subject of this report.

EL’s 23923 and 23924 lie in Central Australia approximately 250 km north-northeast of Alice Springs (Figure 1). They are situated near the boundary of the Arunta Region and the Southern Georgina Basin.

Exploration consisted of a regional desk top study, regolith mapping and field reconnaissance with one rockchip sample taken on EL 23924. No elevated gold value was returned.

2.0 INTRODUCTION

EL’s 23923 and 23924 are located approximately 250 km north-northeast of Alice Springs. Access to the tenement area is via the Stuart Highway and Tanami Highway (Figure 1). Station tracks provide further access throughout the area.

This report describes exploration carried out on the relinquished tenement portions of EL’s 23923 and 23924.

3.0 TENURE

EL’s 23923 and 23924 were granted to Tanami Exploration NL in June 2004 (Figure 2). A compulsory partial surrender was completed after three years of tenure. Under the terms of a Heads of Agreement signed in June 2005, the remaining areas of both licences were transferred to Deep Yellow Limited in August 2007. Tenement details are shown below in Table 1.

Table 1: Tenement Details

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Tenement No.</th>
<th>Blocks Granted</th>
<th>Block Relinqu</th>
<th>Blocks Retained</th>
<th>Grant Date</th>
<th>Expiry Date</th>
</tr>
</thead>
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<td>Mt Treachery</td>
<td>EL 23923</td>
<td>372</td>
<td>162</td>
<td>210</td>
<td>1-Jun-04</td>
<td>31-May-10</td>
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<tr>
<td>Anmatjira</td>
<td>EL 23924</td>
<td>458</td>
<td>289</td>
<td>169</td>
<td>1-Jun-04</td>
<td>31-May-10</td>
</tr>
</tbody>
</table>

4.0 GEOLOGY

EL 23923 ‘Mt Treachery’ and EL 23934 ‘Anmatjira’ are situated in the Aileron Province of the northern Arunta region near the southwestern margin of the Georgina Basin. The tenements are interpreted to be underlain by undifferentiated Palaeoproterozoic basement and Mesoproterozoic granitoids (Plate 1). No MODAT (mineral) occurrences are situated within the relinquished tenement area.

The surface geology has been mapped and described by the Northern Territory Geological Survey (NTGS) in the 1:250 000 scale Mount Peake (SF53-05), Napperby (SF53-09), and Mount Theo (SF52-
08) sheets. About 30% of the tenement area comprises outcrop of Palaeoproterozoic Arunta basement rocks, with the remaining areas covered by recent transported sediments.

5.0 TENL EXPLORATION

In the first year of tenure a regional assessment of the Reynolds Range project area was completed including a brief reconnaissance, access and logistics trip.

In the second year of tenure the geophysical data of the Reynolds Range area was reprocessed by Resource Potentials, demonstrating a definite improvement from the previous data (Plate 2). Steve Hill from CRC-LEME, Adelaide University and TENL geologists undertook a regional regolith mapping program. Regolith units and descriptions in the Reynolds Range area are shown on Plate 3. One rock chip sample was taken on EL 23924, which is shown on Figure 3 and analysed by Genalysis Laboratory Services Pty Ltd for whole-rock analyses. All sample and assay data are included in the digital appendix. No elevated results for gold were received.

A re-assessment of geological and geophysical data led to the relinquishment of a considerable portion of both EL 23923 and EL 23924.

6.0 BIBLIOGRAPHY

AGES, 2003. Annual Geoscience Exploration Seminar, NTGS.


