TANAMI EXPLORATION N.L.
ABN 45 063 213 598

COMBINED
FINAL REPORT
EL 9804 ‘Waite River’
28 October 2002 to 27 September 2007
and
EL 9806 ‘Delmore Downs’
18 November 2002 to 17 October 2007

ALCOOTA PROJECT

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- Central Land Council (1)
- Tanami Gold NL (1)

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CONTENTS

1.0 Summary .....................................................................................................................1

2.0 Introduction ..................................................................................................................1

3.0 Tenure .......................................................................................................................1

4.0 Geology ......................................................................................................................2

5.0 TENL Exploration ......................................................................................................2

6.0 Final Expenditure ........................................................................................................3

7.0 Bibliography ...............................................................................................................3

TABLES
Table 1 Tenement Details
Table 2 EL9804: Expenditure from 28 October 2006 to 27 September 2007
Table 3 EL9806: Expenditure from 18 November 2006 to 17 October 2007

FIGURES
Figure 1 Tenement Location Plan 1: 250,000
Figure 2 Tenement Locality Plan 1: 250,000
Figure 3 Aeromagnetic TMI & Residual Gravity 1: 250,000
Figure 4 Rock Chip Sampling 1: 250,000

PLATES
Plate 1 Interpreted Geology 1: 100,000

DIGITAL APPENDICES (supplied on CD)

<table>
<thead>
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1.0 SUMMARY

Tanami Exploration NL (TENL) identified the potential for Tanami-style gold, iron oxide copper-gold (IOCG) and Tennant Creek-style copper-gold mineralisation in the Alcoota district of the northern Arunta region in 1997 and acquired a significant tenement package to form the Alcoota Project. TENL is a wholly owned subsidiary of Tanami Gold NL (TGNL), a publicly listed company.

The Alcoota Project lies approximately 160 kilometres northeast of Alice Springs in the Arunta region of the North Australian Craton (Figure 1). Access is provided via the Stuart, Plenty and Sandover Highways.

EL 9804 and EL 9806 form part of the Alcoota Project and were granted on 28 October and 18 November 2002 respectively. After five years of tenure the remaining tenement portions of both tenements were surrendered (Figure 2).

Exploration consisted of a regional assessment of the Alcoota project area, including a field reconnaissance trip in November–December, 2003. The assessment included evaluation of topography, geology, metallogeny, MODAT occurrences, previous exploration and aeromagnetics in conjunction with the field reconnaissance.

A total of 9 rock chip samples were taken on the remaining 5th year tenement portions. No significant gold values were returned.

2.0 INTRODUCTION

The Alcoota Project comprised nine granted Exploration Licences in the Alcoota district that were acquired to test for Tanami-style gold, iron oxide copper-gold (IOCG) and Tennant Creek-style copper-gold mineralisation.

EL 9804 and EL 9806 were surrendered in September and October 2007 respectively, after compulsory partial surrenders in 2004 and 2005. Exploration on the remaining area of both Exploration Licences is the subject of this report.

EL 9804 and EL 9806 are located approximately 160 kilometres northeast of Alice Springs (Figure 1). Access to the tenement is via the Stuart, Plenty and Sandover Highways. An extensive network of established roads and station tracks provides further access throughout the tenement area.

3.0 TENURE

EL 9804 and EL 9806 were granted to TENL in 2002. After five years the tenements were surrendered (Figure 2). Previous relinquishments are shown in Table 1 together with tenement details.
Table 1: Tenement Details

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Tenement No.</th>
<th>Blocks Granted</th>
<th>Blocks Relinq 2004</th>
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<tr>
<td>Waite River</td>
<td>EL 9804</td>
<td>144</td>
<td>54</td>
<td>72</td>
<td>-</td>
<td>18</td>
<td>18-Oct-02</td>
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<td>Delmore Downs</td>
<td>EL 9806</td>
<td>202</td>
<td>-</td>
<td>76</td>
<td>34</td>
<td>92</td>
<td>18-Nov-02</td>
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For the purposes of conducting initial reconnaissance exploration on the Alcoota Project, a ‘self clearing’ program was granted by the Central Land Council (CLC) in October 2003, whereby TENL could conduct a geological appraisal of the tenements and wide-spaced non-systematic surface sampling to assess overall prospectivity and define an area of greatest interest. Areas of cultural significance recorded by the Aboriginal Areas Protection Authority (AAPA) were avoided.

4.0 GEOLOGY

The Alcoota Project lies within the northern Arunta region of the North Australian Craton and comprises deformed and metamorphosed Palaeoproterozoic to Mesoproterozoic volcano-sedimentary successions which have been intruded by mafic and granitic bodies. EL 9804 and EL 9806 are located on the 1:250,000 sheet Alcoota (SF53-10) and 1:100,000 sheet Utopia.

The Northern Territory Geological Survey (NTGS) Alcoota 1:250,000 geological mapping show a substantial amount of outcrop. Unfortunately, most of the exposed geology comprises unprospective granitic and gneissic units or Tertiary –aged sedimentary cover belonging to the Waite Formation.

The bedrock geology of the region is summarised by TENL’s interpretative Tanami-Arunta mapping, shown in Plate 1. This mapping suggests that the Narwietooma Metamorphics underlie most of EL 9804 and EL 9806, while Palaeoproterozoic granitoid intrusions are interpreted in the northern and southern tenement portion.

5.0 TENL EXPLORATION

In 2002, the Alcoota tenements were included in an Arunta-wide geophysical interpretation conducted by TGNL consultant geologists Dr Jayson Myers and Dr Nathan Jombwe (Jombwe, 2003). TMI and residual gravity is shown on Figure 3.

A regional review of topography, geology, metallogeny and aeromagnetics, including field reconnaissance with rock chip sampling, was carried out by Dr Jim Anderson in November–December 2003.

No MODAT occurrences for gold or base metals are present on the expired tenements.

A total of 9 rock chip samples were taken from both tenements (Figure 4) from outcrops of the Narwietooma Metamorphics. Samples ALK030-032 were collected near the northern tenement boundary of EL 9804 and ALK070-72, 079 and ALK086-87 from EL 9806. Digital sample and assay data are included in the Appendix.
All samples were analysed for Au, Cu, Pb, Zn, Ag, As and Bi by ALS using multi acid digestion and AAS with a 1 ppb detection limit for Au. The best values were 2 ppb gold from Alk032, 138ppm As from ASK087, 139ppm Cu, as well as 199ppm Zn from ALK086. Otherwise no elevated values were returned from the rock chip sampling.

6.0 FINAL EXPENDITURE

Expenditure for Exploration Licences 9804 and 9806 with respect to the fifth and final year of tenure is shown in Tables 2 and 3 below:

Table 2 – EL9804: Expenditure from 28 October 2006 to 27 September 2007

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<th>Cost Element</th>
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<td>Consultants/Contractors</td>
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<td>Drafting and Computing</td>
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<td>Vehicles/Fuel</td>
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Table 3 – EL9806: Expenditure from 18 November 2006 to 17 October 2007

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7.0 BIBLIOGRAPHY


