1.0 SUMMARY

The Plenty Highway Project is located in the Plenty River area about 125km northeast of Alice Springs. The project is part of two contiguous tenements that cover about 1,200km$^2$ of the Tertiary Waite and Huckitta Basins within the Proterozoic Arunta Block, which are prospective for palaeo drainage hosted uranium mineralisation. The Plenty Highway passes through the south of the Plenty Highway project area. The prospective areas within the tenement are topographically flat and are covered by scrubland and grassland.

The project area covers part of the Tertiary Waite and Huckitta Basins which are relatively shallow sedimentary basins; the central portions of which were probably lakes during most of the time of deposition of their sediments. The basins were fed from both the Harts Range metamorphic rocks in the south and by various channels that drain areas of Proterozoic granitic and metamorphic rocks to the north. The sedimentary sequence within the basin is dominated by clays and sandy clays, with lesser amounts of sands. Lignite and evaporite horizons are also present. The sediments were subject to slight uplift during the late Pliocene and the upper parts of the sequence have been eroded in part. The sequence is poorly known, with the approximate 1,200km$^2$ of basin within the project areas having been tested by only about 15 drill-holes. Within the Plenty Highway tenement basement was reached in only one hole and the basin is known to be in excess of 200m vertical depth at it’s deepest point.

Early stratigraphic information was obtained by the BMR, which drilled two holes into the basin during the 1960s.

Alcoa explored the basins for uranium during 1979 and 1980. Alcoa drilled 71 holes to maximum depths of 200m for a total of 6,260 metres. Of these holes, six were drilled within the area of EL24810 and a further six within that the adjacent tenement EL25378. Significant uranium intersections were only achieved in four holes, drilled outside Hale Energy’s project areas. The best intersection, at a depth of 104m, was of 45ppm U$_3$O$_8$ within a reducing horizon of pyritic carbonaceous silt.
2.0 INTRODUCTION

This report covers all exploration completed on EL24810 for the period 2nd August 2006 to 1st August 2007. Exploration Licence EL 24810 is comprised of 235 graticular blocks (733 km²) and was granted to Harfort Nominees Pty Ltd on 2nd August 2006. On the 16th June 2006 Harfort Nominees Pty Ltd underwent a name change to Hale Energy Pty Ltd. Hale Energy Pty Ltd became a wholly owned subsidiary of Thor Mining Pty Ltd when the company listed on the ASX on 27th September 2006.

3.0 LOCATION AND ACCESS

EL 24810 is located on the Alcoota 1:250,000 map sheet (SF53-10) 160km northeast of Alice Springs (Figure 1.0). Access is via the Stuart Highway for 70km north of Alice Springs, then east for 90km along the Plenty Highway. The area of the licence is well served by station roads and tracks.

Figure 1.0 – Plenty Highway Location Plan

4.0 NATIVE TITLE AND SITE CLEARANCE

A search of the AAPA database has been completed which identified several recorded sites in the area. An application to obtain clearance had been forwarded to Maria McCoy at the CLC.
5.0 GEOLOGY

The Plenty Highway project area (EL 24810) covers part of the Tertiary Waite and Huckitta Basins which are relatively shallow sedimentary basins; the central portions of which were probably lakes during most of the time of deposition of their sediments. The basins were fed from both the Harts Range metamorphic rocks in the south and by various channels that drain areas of Proterozoic granitic and metamorphic rocks to the north.

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6.0 PREVIOUS EXPLORATION

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7.0 YEAR 1 EXPLORATION

Plenty Highway (EL 24810) was granted on the 2nd August 2006. GPX Airborne Services were contracted to complete an airborne electromagnetic survey over the area. Extensive open file and report data was also reviewed.

In late November of 2006, a helicopter borne time domain electromagnetic survey (HoistEM) was flown over the tenement. The survey consisted of 126 traverses with 400m line spacing, collected in a North-South Orientation for a total collection of approximately 1800 line km of data.

The HoistEM Data was then modelled and interpreted by Dave McInnes of Montana GIS Pty Ltd. His report was forwarded to the company in April. A drill programme to test the anomalies identified from the HoistEM survey was scheduled for September 2007.
8.0 YEAR 2 PROPOSED EXPLORATION

Proposed exploration for year 2 is to test anomalies identified by the HoistEM survey with aircore drilling. Follow up drilling may be required depending upon results.

9.0 CONCLUSIONS

The HoistEM survey was a technical success and outlined several conductive shells in an extensive palaeo drainage system which is considered to be prospective for uranium. Drilling will be undertaken in the next year of tenure to determine the source of the conductive shells and if there is any associated mineralisation.
ATTACHMENTS