red metal limited
ACN 103 367 684

Level 15, 323 Castlereagh Street , Sydney NSW 2000
Phone [61-2] 9281 1805 Fax [61-2] 9281 5747

EL 25340

ANNUAL REPORT

for period ending

February 7, 2008

1:250,000 map sheet: SE53-14 Tennant Creek

Licensee: Red Metal Limited

G. McKay

Red Metal Limited

27 February 2008

TENEMENT REPORT INDEX

HOLDER / OPERATOR:	Red Metal Limited
TENEMENT:	EL 25340
PROJECT:	Illogwa Creek
REPORTING PERIOD:	February 8, 2007 to February 7, 2008
AUTHOR:	G. McKay
STATE:	NT
LATITUDE:	135º 15’ to 135º 25’
LONGITUDE:	-23º 19’ to –23º 32’
1:250,000 SHEET:	Illogwa Creek SF53-15
1:100,000 SHEET:	Quartz 5951
MINERAL PROVINCE:	Eastern Arunta Province; Harts Range
COMMODITIES:	U, base metals
KEYWORDS:	Literature review, reconnaissance rockchip sampling

Table of Contents

List of Tables

List of Figures

List of Digital Files

EL25340_2008_01 Annual Report.pdf (This report)
EL25340_2008_02 Rock sample assays.txt

SUMMARY

EL 25340 was acquired to investigate airborne radiometric uranium anomalies within the Palaeoproterozoic eastern Arunta Province.

The work carried out on EL 25340 during the first 12 months included a review of geophysical data and a helicopter-assisted reconnaissance sampling program over airborne radiometric anomalies.

Further work is warranted on the EL to follow-up radiometric anomalies under cover.

1.0 INTRODUCTION

This report summarises exploration activities undertaken over Exploration Licence 25340 for the first 12 months of tenure to February 7, 2008.

2.0 LOCATION AND LAND USE

EL 25340 is located 150 km east of Alice Springs in the Harts Range region. Access is via sealed and unsealed roads and tracks within a pastoral lease. The tenement area has generally rugged relief, with the dominant historical and current land use being cattle grazing.

3.0 TENEMENT STATUS

EL 25340 was granted to Red Metal Limited on February 8, 2007 for a period of six years.

Details of EL 25340 are shown in Table 1. Location of the tenement is shown in Figure 1.

Table 1 - Tenement Details

TENEMENT	HOLDER	GRANTED	EXPIRY	Sub Blocks	AREA
EL 25340	Red Metal Limited	February 8, 2007	February 7, 2013	129	425 km²

3.0 TENEMENT GEOLOGY

The tenement is located in the Irindina Province of the eastern Arunta Block. It covers an outcropping area of early Proterozoic Harts Range Group gneiss and metamorphics and Paleozoic pegmatite. Proterozoic units include Irindina Gneiss, Bruna Gneiss and Stanovos Gneiss as well as metamorphosed norite and gabbro. Lithologies include schistose garnet-biotite-quartz-plagioclase gneiss, quartzo-feldspathic gneiss, porphyroblastic feldspar gneiss and layered amphibolite. Numerous documented mineral occurrences of pegmatite mica occur in the district.

The area is considered by Red Metal to have potential to host pegmatite-style uranium mineralisation.

4.0 HISTORICAL EXPLORATION

Several companies have explored this region of the Harts Ranges including the area of EL 25340 for base metals, gold and uranium.

Licence	Years	Company	Reports
EL1056	1976-79	Agip Australia	1979-0063
EL1956	1979-83	Hillrise Properties/CRAE	CR1981-0064
EL7991	1993-96	PNC Exploration	CR1996-0286

Licence	Years	Company	Reports
EL9189	1995-97	Pasminco Australia	CR1997-0235
EL10268	2001-03	Gutnick Resources	CR2004-0166
EL22919	2002-05	Tanami Exploration	CR2005-0484
EL23190	2003-04	Tanami Exploration	CR2004-0238

5.0 CURRENT EXPLORATION PROGRAM

The work carried out on EL 25340 during the first 12 months included a review of geophysical data and a helicopter-assisted reconnaissance sampling program over airborne radiometric anomalies. The main zone of high radiometrics was traversed with an Exploranium GR135 spectrometer and 8 rock chip samples were taken for multi-element analysis at ALS Chemex laboratories in Alice Springs. The maximum uranium value assayed was 5.4 ppm in a sheared quartz-feldpspar-tourmaline vein.

Traversing across the anomaly revealed thin colluvium and alluvium with abundant augen gneiss and amphibolite boulders and tourmaline lag in a matrix of red-brown soil. Protruding through the colluvium were sporadic outcrops of sheared coarse-grained granitic augen gneiss containing porphyroblasts of tourmaline, minor pegmatite and amphibolite.

6.0 CONCLUSIONS

EL 25340 was acquired to investigate airborne radiometric anomalies. Reconnaissance sampling was inconclusive and the source of the radiometric anomaly is unknown. Shallow trenching across the soil covered areas is recommended.

7.0 References/Bibliography

Illogwa Creek SF 53-15 Geological Map and Explanatory Notes. BMR / *Northern Territory Geological Survey* 1985.

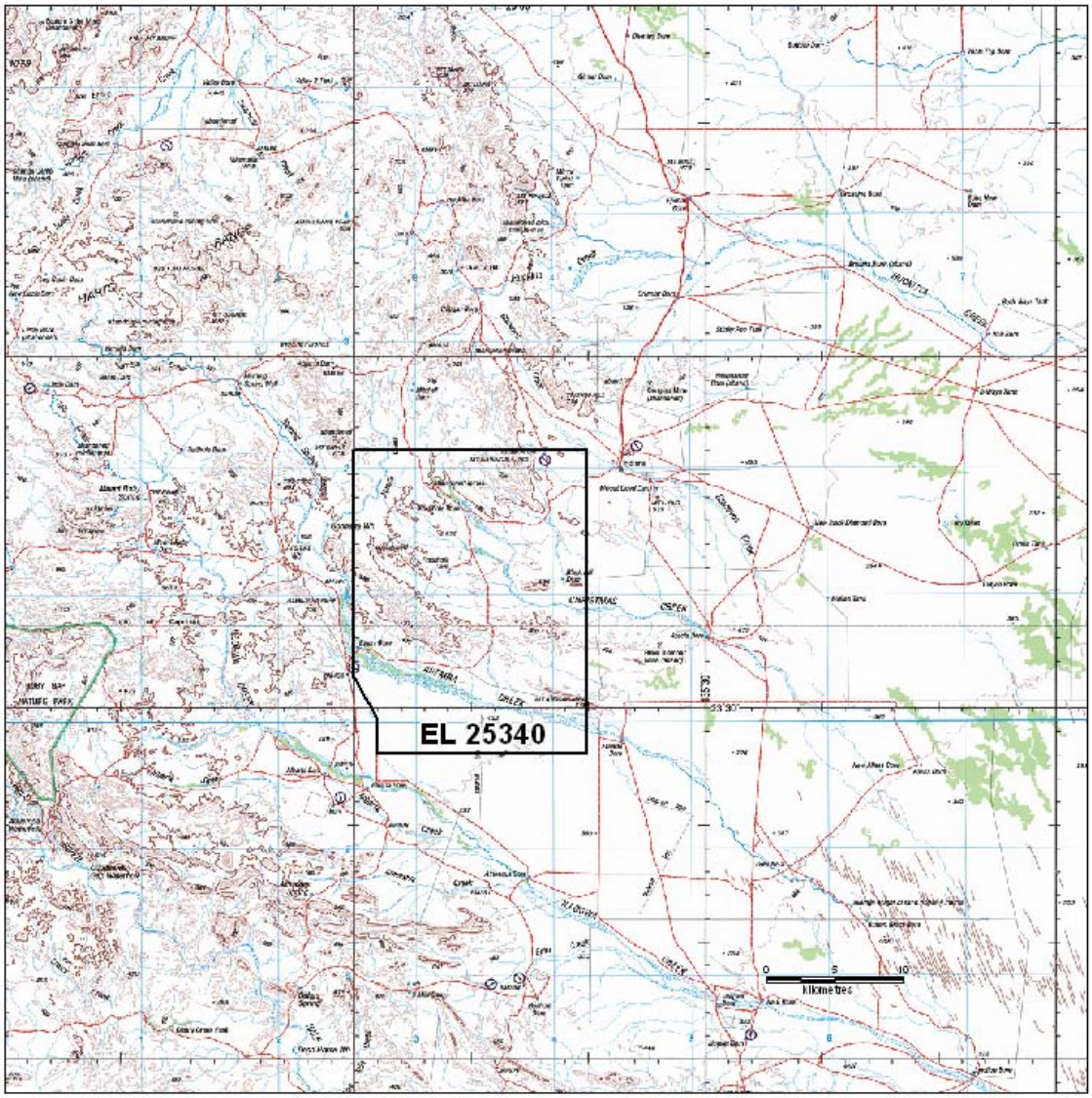

Figure 1: tenement location

Figure 2: sample locations

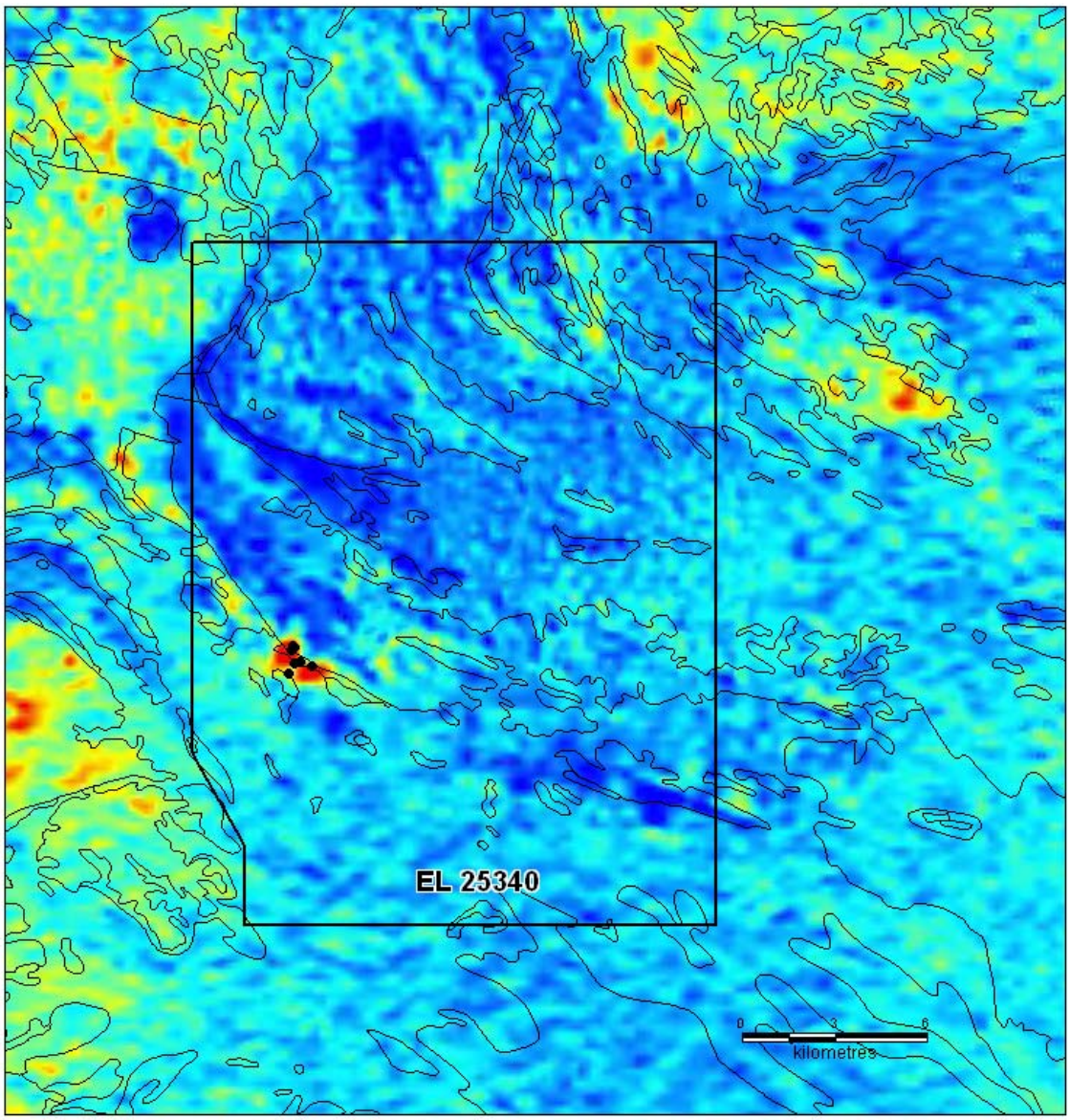

Figure 3
Sample locations on airborne uranium radiometric image with geological units

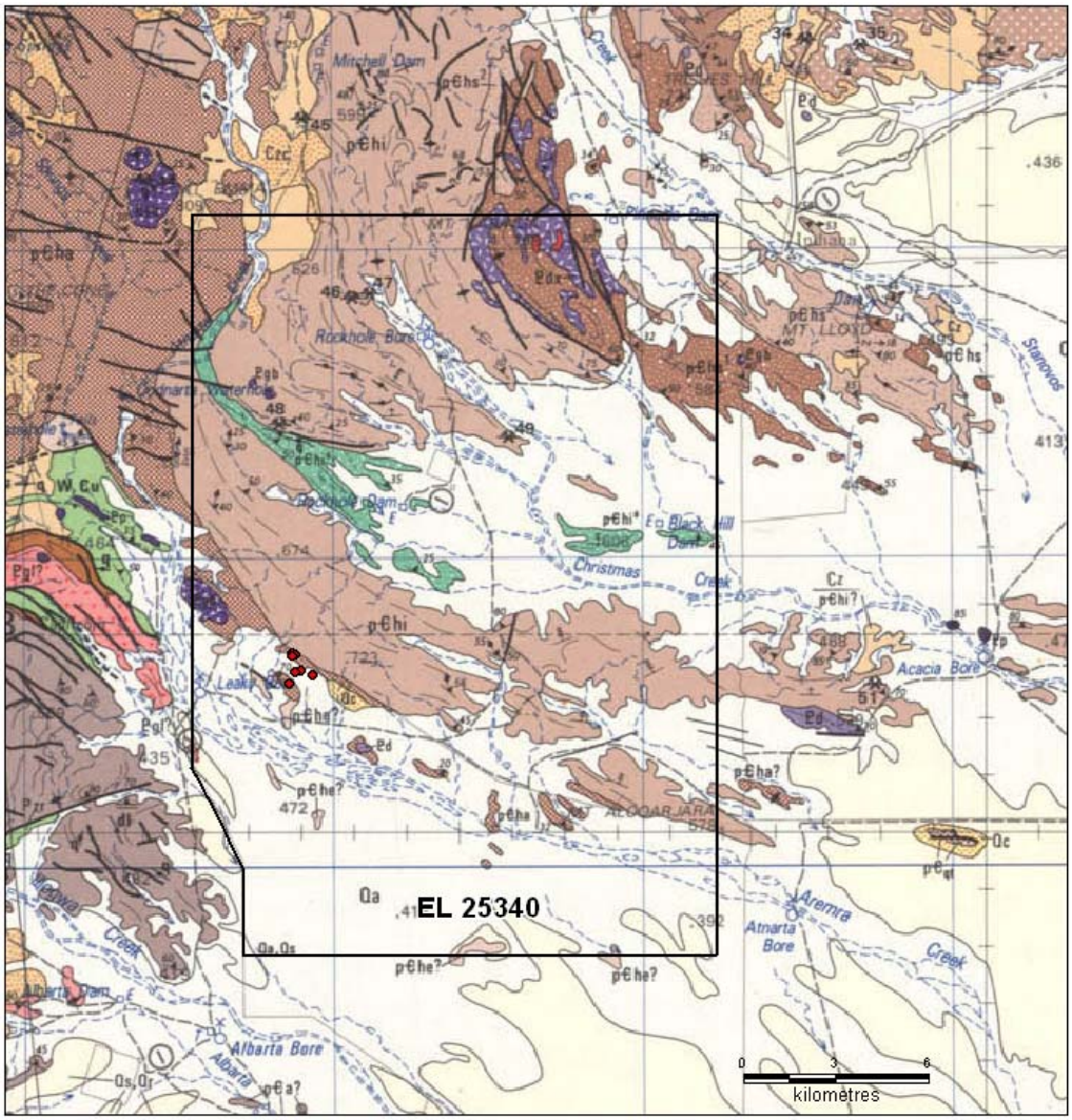

Figure 4
Sample locations on regional geology