AUSTRALASIA GOLD LIMITED

EL24142

MOUNT RINGWOOD PROJECT

NORTHERN TERRITORY

Partial Relinquishment Report August 2007

KEY WORDS: Pine Creek SD52-08 1:250,000 Sheet, Batchelor 5171 1:100,000 Sheet, Exploration, Mount Ringwood, Gold, Pine Creek Orogen, EL24142, Australasia Gold Ltd

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Figure 1  Mount Ringwood EL24142 – Location and Blocks relinquished
1. SUMMARY

This report is the Relinquishment Report of EL24142 for the blocks relinquished in August 2007.

Initial reconnaissance comprised a review of historic exploration records and an interpretation of the public domain magnetic data covering the EL.

The only significant magnetic feature within the part of the EL relinquished is exposed and has been adequately tested by surface mapping and geochemical survey conducted by others in earlier phases of exploration.

It is concluded that there is no further exploration warranted on the portion of the EL now relinquished.

2. TENEMENT & OWNERSHIP

EL24142 was granted to Australasia Gold Limited on 4th October 2004. The current term of the tenement expires on 3rd October 2010.

The tenement includes parts of the following land tenure:

- Pastoral Lease 718 Mount Ringwood,
- Perpetual Pastoral Lease 1163,
- Perpetual Pastoral Lease 991,
- Crown Lease in Perpetuity 1222.

Registered Native Title claims DC00/28 Mt Ringwood and DC00/30 Mt Keppel, cover parts of the tenement area.

In August 2007 Australasia Gold relinquished the following 10 blocks of EL 24142 (Figure 1):

- SD 52 929 x, y
- SD 52 1000 c, d, h, j, n, s, x
- SD 52 1001 d
Figure 1. Mount Ringwood EL24142 – Location and Blocks relinquished

Annual Report for EL24142 from 4th October 2006 to 3rd October 2007
3. **OBJECTIVES OF EXPLORATION**

**Generalised Geology**

Palaeoproterozoic sediments of the Finnis River Group (in particular the Burrell Creek Formation) are weakly exposed in the elevated parts of EL24142. Open folds and low angles of dip and plunge are observed in the limited outcrop.

A significant portion of EL 24142 is covered by black soil plains which historically have not been extensively explored under. With regional scale structures cutting the tenement, and limited historical exploration, EL24142 retains considerable prospectivity beneath the black soil plains.

**Program Objectives**

EL 24142 was acquired to generate and explore targets for structurally hosted gold deposits concealed by the blacksoil and alluvial valley fill sediments of the broad, shallow drainages which characterise the region.

4. **WORK COMPLETED**

**Exploration Review**

Open file records of historic exploration were reviewed.

**Geophysical Review**

A review of the regional magnetic data enabled an interpretive geological map to be produced.

5. **RESULTS & INTERPRETATIONS**

**Exploration Review**

The westernmost portion of the EL contains broad areas of weak outcrop and very shallow coverage by transported sediment. It has been subjected to reconnaissance level prospecting without yielding any encouraging geochemical results.

**Geophysical Review**

The magnetics confirm that the extension of the Pine Creek Shear passes through the general area of the EL. The portions relinquished and subject of this report are marginal to the Shear and contain mostly very subdued magnetic responses to stratigraphy.

6. **CONCLUSIONS**

It is concluded that the areas relinquished do not warrant exploration
7. EXPENDITURE

The approximate allocation of staff and consultant effort to this part of EL24142 project is as follows:

Wages/Salaries $5,000
Consultants (geophysicist) $2,000
Administration & office support (15%) $1,000
Total $8,000