MOUNT EBENEZER GRAVITY SURVEY

GEOPHYSICS COLLABORATION

Between

NORTHERN TERRITORY GOVERNMENT

And

QUASAR RESOURCES PTY LTD

EL 26243 MT EBENEZER

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1:250,000 MAP SHEETS: KULGERA SG53-05
HENBURY SG53-01

1:100,000 MAP SHEETS: ANGAS 5347
EBENEZER 5447
SEYMOUR 5448
WALLERA 5348

DATUM: GDA 94
PROJECTION: MGA Zone 53

Distribution: Quasar Resources (1)
DRDPIFR (1)
Submitted by:

Accepted by:

CR00011

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Executive Summary

This report describes the 2008 Mt Ebenezer gravity survey conducted under the Drilling and Geophysics Collaboration program, a component of the NTGS’s “Bringing Forward Discovery” initiative.

A precision Gravity/GPS survey was carried out by Daishsat Geodetic Surveyors over EL 26243 Mt Ebenezer exploration licence held 100% by Quasar Resources Pty Ltd (QSR). A total of 1,544 gravity stations were collected at a nominal spacing of 1km. The survey was carried out between 12 and 17 of November 2008.
**Proponent Details**

The operator for the exploration licence is Quasar Resources Pty Ltd.

**Address**

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**Contact Person**

Joy Barnes – Executive Assistant/Tenement Manager

**Technical Contact**

John Caon – Senior Geophysicist
1. Location and Access

EL 26243 is situated on the Henbury SG5301 and Kulgera SG5305, 1:250,000 map sheets of Northern Territory. The tenement covers 498 blocks and totals 1,539 km² and is located west of Erldunda crossing the Lasseter Highway. (Figure 1)

Access from Alice Springs is via the sealed Lasseter Highway, which bisects the southern portion of the tenement area. Within the tenement access is by formed gravel roads and pastoral station tracks.

2. Tenement Details

QSR holds 100% interest in EL 26243, which was granted on the 23 March 2008. The land tenure of the licence is Perpetual Pastoral Lease and (Figure 2) (see table below).

<table>
<thead>
<tr>
<th>NT Portion</th>
<th>Type No</th>
<th>Owner’s Name</th>
<th>Owner’s Address</th>
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<tr>
<td>01991</td>
<td>PPL 1140</td>
<td>Fogarty Holdings</td>
<td>Palmer Valley Station, via Alice Springs NT 0872</td>
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<tr>
<td>00680</td>
<td>PPL 1056</td>
<td>Fogarty Holdings</td>
<td>Palmer Valley Station, via Alice Springs NT 0872</td>
</tr>
<tr>
<td>03336</td>
<td>Estate in fee simple</td>
<td>Impanpa Development Association Incorporated (Mt Ebenezer Roadhouse)</td>
<td>C/- Phil Ralfe – CLC PO Box 3321 Alice Springs NT 0872</td>
</tr>
<tr>
<td>01230</td>
<td>Estate in fee simple</td>
<td>Impanpa Community Incorporated (Community Living Area)</td>
<td>C/- Phil Ralfe – CLC PO Box 3321 Alice Springs NT 0872</td>
</tr>
<tr>
<td>03350</td>
<td>PPL 1088</td>
<td>John Garnaut Stanes</td>
<td>C/- Lyndavale Station, PMB, Alice Springs NT 0872</td>
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<tr>
<td>03351</td>
<td>PPL 1031</td>
<td>Ailbern Pty Ltd</td>
<td>Erldunda Station via Alice Springs NT 0870</td>
</tr>
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</table>

3. Geology

Targeting the sandstone-hosted potential of the Palaeozoic clastic succession, including Devonian sandstones. This licence is located on an intrabasinal structural culmination in the southern part of the basin, and the exploration play is based largely on petroleum-style concepts.

There is potential for brine-basement interactions, and early Cambrian arkoses derived from the Musgrave Block during the Petermann Orogeny (Mt Currie Conglomerate, Multijulu Arkose, Arumbera Sandstone) are possible higher level uranium source rocks.

Seismic data suggests the potential for the focusing of deep basinal, saline and oxidative brines derived from a thick evaporate section of the Neoproterozoic Bitter Springs Formation into high level mixing zones and trapping with hydrocarbons. Such saline fluids are known to be effective in leaching and transporting uranium. (Heinrich et al., 1995)
4. Gravity Survey

A precision GPS-Gravity survey was conducted by Daishsat Geodetic Surveyors between 12 and 17 November 2008. A total of 1,544 stations were collected at a nominal grid spacing of 1km x 1km. Figure 2 shows the location of the gravity stations collected for this survey in relation to the exploration license.

This survey was conducted as part of a larger survey covering three explorations licenses operated by QSR. A full logistics report which details the acquisition methodology and data processing by Daishsat is included in Appendix A. Figure 3 shows the Bouguer gravity image derived from the 1km spaced data.

Stations were accessed using a Robinson R-44 Helicopter and Yamaha Rhino ATV’s. Gravity measurements were made using Scintrex CG-3, Scintrex CG5 and LaCoste & Romberg Type-G gravity meters. Position and level data was obtained using Leica 1230GG geodetic grade GPS receivers collecting GPS and GLONASS positional information operating in post-kinematic mode. Data was processed by Daishsat using standard reductions to the ISOGAL84 gravity network using Geosoft GRAVRED software.

5. Conclusions and recommendations

Significant improvement in the gravity coverage of the area has been achieved from this survey. The existing sub-standard data only showed two broad gravity anomalies. Greater detail in the new data shows the nature of the east-west thrust and how it terminates against a north-west trending structure. The high gravity responses shown in Figure 3 are related to intrabasinal fold and thrust structures of the Palaeozoic clastic succession of the Larapinta and Pertnjara group. The detail of these structures shown in this data is not seen in other datasets. This has highlighted new exploration targets as these features can now be are tracked from their outcropping positions under cover.

6. References

Heinrich, C.A. & 5 others, 1995. Fluid and mass transfer during metabasalt alteration and copper mineralisation at Mount Isa, Australia. Economic Geology, 90, 705-730
