PARTIAL SURRENDER REPORT
EL 23655 ‘LANDER’
From 12 June 2003 to 11 June 2009

REYNOLDS RANGE PROJECT

Holder Select Resources Pty Ltd
Operator Tanami Exploration NL, Deep Yellow Ltd
Author J Rohde
Date August 2009
Email joe.rohde@tanami.com.au
Target Commodity Gold, Uranium
Datum/Zone GDA94/ MGA Zone 53
250,000 mapsheet Mount Peake, Napperby
100,000 mapsheet Giles, Mount Peake, Denison, Reynolds Range

Distribution:
- DRDPIFR - digital
- Central Land Council - digital
- Select Resources Pty Ltd - digital
- Tanami Gold NL - Perth (1)
- Deep Yellow Ltd - digital

File: jr26dpifmRR2007_23655 Lander
1.0 Summary .................................................................................................................... 1

2.0 Introduction............................................................................................................... 2

3.0 Tenure..................................................................................................................... 2

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

5.0 Exploration Completed ...................................................................................................... 3
  5.1 Year 1.................................................................................................................... 3
  5.2 Year 2.................................................................................................................... 3
  5.3 Year 3.................................................................................................................... 3
    5.3.1 Geological and Regolith Mapping / Interpretation ...................................... 3
    5.3.2 Rock Chip Sampling..................................................................................... 4
    5.3.5 Drilling ....................................................................................................... 4
  5.4 Year 4.................................................................................................................... 4
  5.5 Year 5.................................................................................................................... 4
  5.6 Year 6.................................................................................................................... 4
    5.6.1 Airborne Electromagnetic Survey................................................................. 5
    5.6.2 Night Time Thermal Infrared Data Interpretation ........................................ 7
    5.6.3 Drilling ....................................................................................................... 8

6.0 Bibliography............................................................................................................... 8

TABLES
Table 1  Exploration Summary
Table 2  Tenement Details

FIGURES
Figure 1  Tenament Location 1 : 2,000,000
Figure 2  Tenament Locality 1 : 250,000
Figure 3  AEM Survey Flight Area Not to scale
Figure 4  Regional U-channels Anomalies Not to scale
Figure 5  EM –Depth Slices: 50m, 60m, .80m, 100m Not to scale
Figure 6  Interpreted palaeo channels on an airborne radiometrics U-channel image Not to scale

PLATES
Plate 1  Drill hole & Surface Sample Locations on Regional Geology 1 : 100,000
Plate 2  Interpreted Regolith 1 : 100,000
Plate 3  Reprocessed Aeromagnetics 1 : 100,000
## DIGITAL APPENDICES (supplied on CD)

<table>
<thead>
<tr>
<th>FILE</th>
<th>DESCR</th>
</tr>
</thead>
<tbody>
<tr>
<td>LJV_WASL3_COLL_2009P</td>
<td>Collars</td>
</tr>
<tr>
<td>LJV_WADG3_DHSAMP_2009P</td>
<td>Downhole Samples and Assays</td>
</tr>
<tr>
<td>LJV_WADL3_ALT_2009P</td>
<td>Alteration</td>
</tr>
<tr>
<td>LJV_WADL3_DHASSAY_2009P</td>
<td>Drilling Assays (Normalised)</td>
</tr>
<tr>
<td>LJV_WADL3_GEOL_2009P</td>
<td>Drilling Geology</td>
</tr>
<tr>
<td>LJV_WADL3_VEIN_2009P</td>
<td>Veining</td>
</tr>
<tr>
<td>LJV_WADL3_WEAT_2009P</td>
<td>Weathering</td>
</tr>
<tr>
<td>LJV_WADS3_DHSURV_2009P</td>
<td>Downhole Survey</td>
</tr>
<tr>
<td>LJV_WASG3_SURF_2009P</td>
<td>Surface Sampling Coordinates, Results</td>
</tr>
<tr>
<td>LJV_WASG3_SSASSAY_2009P</td>
<td>Surface Sampling Assay Method Details</td>
</tr>
</tbody>
</table>
1.0 SUMMARY

Tanami Gold NL identified the potential for quartz-vein-hosted gold mineralisation in the Proterozoic basement rocks of the Reynolds Range area. EL 23655 was granted to Select Resources Pty Ltd (Select) on 12 June 2003 and, subject to a Joint Venture Agreement, is being explored by Tanami Exploration NL (TENL) as part of their Reynolds Range Project. TENL is a wholly owned subsidiary of Tanami Gold NL (TGNL), a publicly listed company. In 2008 TENL introduced a third party, Deep Yellow Limited (DYL), to the joint venture. DYL explored the tenement for the potential of uranium mineralisation.

The tenements of the Reynolds Range Project lie in Central Australia centred approximately 245 kilometres north-northwest of Alice Springs (Figure 1). EL 23655 is situated in the central part of the Aileron Province of the Arunta Region and is covered by the Mount Peake and the Napperby, 1:250,000 Geological Sheets.

At the end of the sixth year of term 155 blocks were relinquished from the tenement area prior to renewal. (Figure 2). Exploration on relinquished tenement portions of EL 23655 by Select and TENL as well as DYL is listed in Table 1.

This report covers all exploration carried out on the relinquished tenement portions for the period 12 June 2003 to 11 June 2009.

Table 1: Exploration Summary

<table>
<thead>
<tr>
<th>Activity</th>
<th>Relinquished area of EL 23655</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rock Chip Sampling</td>
<td>3 samples, 2006</td>
</tr>
<tr>
<td>Aircore Drilling</td>
<td>22 holes, 887 metres, 2006 (TGNL)</td>
</tr>
<tr>
<td>RAB Drilling</td>
<td>16 holes, 390 meters, 2006 (TGNL)</td>
</tr>
<tr>
<td>Aircore Drilling</td>
<td>28 holes, 638 metres, 2009 (DYL)</td>
</tr>
<tr>
<td>Regolith Mapping</td>
<td>2005</td>
</tr>
<tr>
<td>Geological Mapping</td>
<td>2005</td>
</tr>
<tr>
<td>Airborne Electromagnetic Survey Completed &amp; Interpreted</td>
<td>2009 (DYL)</td>
</tr>
<tr>
<td>Night Time Thermal Infrared Data Interpretation</td>
<td>2009 (DYL)</td>
</tr>
</tbody>
</table>

As part of a regional study of the Reynolds Range area TENL completed an interpretation of the regional geology, reprocessed aeromagnetic data and carried out regolith mapping.

The DYL generated AEM survey and NTIR data interpretation resulted in the identification of paleo-channels, which were subsequently drill tested in parts, where access was allowed. The drilling intersected oxidised and clay-prone colluvium without finding any sandy or calcified paleodrainage. Therefore the uranium prospectivity of this tenement is considered downgraded and unattractive for further sediment-hosted exploration.

No significant results were received from either the surface sampling nor the 2006 RAB (gold) and the 2009 Aircore drilling (uranium). The best 2009 Aircore drilling result came from hole RRAC 220 with a 5m intercept of 11ppm U₃O₈.
2.0 INTRODUCTION

EL 23655 is explored as part of TENL’s Reynolds Range Project, which is located approximately 225 kilometres north-northwest of Alice Springs (Figure 1). The licence area lies within the Mt Peake, and Napperby 1:250,000 map sheets and is situated about 200 km southeast of the Granites mine.

Access to the Reynolds Range project area is via the Stuart Highway, and then a major gravel road between Aileron and Yuendumu. Various station tracks provide further access throughout the licence area. The Lander River truncates the tenement. Good outcrop and subcrop is found over much of the eastern part of the Lander tenement providing good geological exposure. This area is dominated by the Yindjirbi, Yundurbulu, and Giles Ranges, whilst the western area of the Lander the tenement is mostly covered by aeolian sands over flat plains (Messenger, 2004).

This report covers all exploration carried out on the 155 relinquished blocks for the period 12 June 2003 to 11 June 2009.

3.0 TENURE

EL 23655 was granted over an area of 480 blocks to Select, a private exploration and investment company, on 12 June 2003. TENL entered into the Lander Project Farm-in and Joint Venture Agreement with Select on 17 December 2004. Under the terms of the agreement, TENL has earned a 60% beneficial interest in EL23655 and currently manages exploration within the licence area.

In 2008, TENL introduced a third party, DYL, which has the right to explore for uranium within EL 23655.

At the end of the fourth year of term 282 blocks were relinquished from EL23655. Waivers were approved from the requirement to relinquish blocks at the end of the second, third and fifth years of term.

A further 155 blocks were relinquished at the expiry of the initial term of EL23655 with 43 blocks being retained for renewal (Figure 2). Renewal of the reduced area was approved on 20 August 2009.

Tenement details are shown below in Table 2.

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Tenement No</th>
<th>Blocks Granted</th>
<th>Blocks Relinquished 2009</th>
<th>Blocks Retained</th>
<th>Grant Date</th>
<th>Expiry Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lander</td>
<td>EL 23655</td>
<td>480</td>
<td>155</td>
<td>43</td>
<td>12 Jun 03</td>
<td>11 Jun 11</td>
</tr>
</tbody>
</table>

4.0 GEOLOGY

The tenements of the Reynolds Range Project cover Palaeoproterozoic metasediments and intrusives in the central Aileron Province of the Arunta Region. The surface geology has been mapped and described by the Northern Territory Geological Survey (NTGS) in the 1:250 000 scale Mount Peake (SF53-05), Napperby (SF53-09) and Mount Theo (SF52-08) sheets. About 30% of the tenement area comprises outcrop of Palaeoproterozoic Arunta basement rocks, with the remaining areas covered by recent transported sediments.
The following description of regional and local geology has been taken from Messenger, 2004. Ahmad (2001) presented the 2nd generation 1 : 2.5M scale geological map of the NT with revised terminology and geological concepts. Under this new scheme the north Arunta forms part of the Central Australian Mobile Belt (CAMB) and the Lander Rock beds are classified as P4, ie correlatives of the Killi Killi Formation in the adjoining North Australian Craton (NAC). The correlation between the Lander Rock beds and Killi Killi Formation follows from Hendrickx et al. (2000). In effect, the major WNW-trending suture zone that separates the NAC and CAMB forms a deformation gradient of increasing metamorphic grade to the south from the greenschist facies NAC to the upper amphibolite-granulite facies central and southern CAMB. This suture zone with its prevalent WNW to NW-trending crustal-scale structures may prove to have substantial, as yet unreised economic potential.

At the district or project scale, EL 23655 straddles the contact zone between a granite-gneiss terrain (P6 - 1800 to 1700 Ma) to the north and a meta-turbidite terrain (P4 Lander Rock beds - 1880 to 1850 Ma) to the south. These terrains are separated by 1850 - 1800 Ma P5 granite. Most mineralisation outlined to date is hosted by upper greenschist to lower amphibolite facies phyllite, dolerite, greywacke and hornfels of the Lander Rock beds. Important structures trend 320°, 030° and 065° forming thrusts and conjugate compressional fault sets.

The interpreted regional geology and prospect locations for EL 23655 are shown on Plate 1.

5.0 EXPLORATION COMPLETED

5.1 Year 1 - to 11 June 2004

Select completed a literature review, data compilation of previous exploration of the licence area and preliminary negotiations with the Central Land Council and Aboriginal Owners in the first year of tenure. A detailed discussion of exploration prior to EL 23655 is found in Messenger, 2004. Several prospects were defined, which are shown on Plate 1.

5.2 Year 2 - to 11 June 2005

In the second year of tenure TENL completed a regional desktop study of the Reynolds Range project comprising regional bedrock geological interpretation of geophysical data. The study identified that a major Trans-Tanami structural corridor runs through the region and is prospective for hosting Palaeoproterozoic gold mineralisation in Lander Group metasediments.

5.3 Year 3 -- to 11 June 2006

5.3.1 Geological and Regolith Mapping / Interpretation

In the 2005/2006 reporting period geological field and regolith mapping and interpretation was conducted at Reynolds Range in September 2005. A geological interpretation including EL 23655 is shown on Plate 1. It was undertaken to develop a geological history and mineralisation model of the area. In brief, the model suggests that vein-related gold mineralisation was emplaced late in the Stafford tectono-thermal event (ca.1800 Ma) and so mineralisation was deformed (folded, sheared, boudinaged) during the Yambah event (ca. 1760 Ma), which folds the Reynolds Range Group.

Steve Hill from CRC-LEME, Adelaide University and TGNL geologists undertook a regional regolith mapping program in September 2005. Regolith units and descriptions in the Reynolds Range area are
shown on Plate 2. This outlined the areas of cover and bedrock with the aim to assess the successfulness of the surface geochemistry and shallow drilling. Also the geophysical data at Reynolds Range was reprocessed by Resource Potentials, demonstrating a definite improvement from the previous data Plate 3.

5.3.2 Rock Chip Sampling

A total of three rock chip samples were collected on EL 23655 at the Hawkshead Prospect and submitted to Genalysis for multi-element analyses. Sample locations are shown on Plate 1, while all sample and assay data are listed in the digital Appendix. No elevated results were received.

5.3.5 Drilling

RAB/Aircore drilling commenced at the Red Hackle East prospect area in May 2006 with RAB and Aircore drilling comprising three lines of drilling at 2000m x 200m along strike to the east of surface gold anomalism on the Red Hackle trend.

A total of 16 RAB holes for 390m and 22 Aircore holes for 887m were completed within the relinquished tenement area, testing the eastern strike extension of the Red Hackle trend. Drill hole locations are shown on Plate 1 with drill and assay data located in the digital Appendix.

Drilling along the Red Hackle trend defined a wide zone of typically shallow-weathered sheared and quartz veined greenschist facies sandstones and siltstones typical of Lander Formation turbidites. No significant gold or arsenic anomalism was returned in assay results.

5.4 Year 4 - to 11 June 2007

No field work took place in the surrender area of the tenement.

5.5 Year 5 - to 11 June 2008

DYL carried out a reconnaissance trip to investigate access to the tenement area, and submitted a Mining Management Plan which included a proposed drilling program for EL23655. No field work took place in the surrender area of the tenement.

5.6 Year 6 - to 11 June 2009

In the sixth year of tenure DYL completed all exploration including reconnaissance field trips, an Airborne Electromagnetic (AEM) survey, a Night Time Thermal Infared (NTIR) data interpretation and an aircore drill programme.
5.6.1 Airborne Electromagnetic Survey

An initial airborne electromagnetic (AEM) survey of 335 line km with 1.5km line spacing was completed by GPX Aeroscience Pty Ltd. The survey flight area is shown on Figure 3.
An interpretation of the reprocessed electromagnetic image by consultant Steven Mudge provided the base to identifying interpreted palaeo-channels as targets for drilling testing on a regional scale but was not helpful for EL 23655 area.\textit{(Figure 4 & 5)}.

\textbf{Figure 4} \hspace{1cm} \textbf{Regional U-channels Anomalies. Cut out from Plate 1 in Rohde, J., 2009.}

\textbf{Figure 5} \hspace{1cm} \textbf{EM –Depth Slices: 50m, 60m, 80m, 100m. Cut out from Plate 1 in Rohde, J., 2009}
5.6.2 Night Time Thermal Infrared Data Interpretation

NTIR data is another geophysical tool for mineral exploration which provides indirect information about concealed palaeomorphologies. Depending on the source data resolution can vary but it is inexpensive an excellent first pass to establishing areas of focus for uranium targeting (Stamoulis V., Chrysoar Exploration). Chrysoar Exploration was commissioned to undertake a night time thermal infrared (NTIR) data review and imagery interpretation with the aim of identifying palaeo-channels and palaeo-ponds. The report identified two palaeo-ponds which do not have apparent direct surface expressions of buried paleochannels (Figure 6). The two palaeo-ponds were subsequently followed up by aircore drilling.

Figure 6
Interpreted palaeo channels on an airborne radiometrics U-channel image. (Rohde, J., 2009 –cut out from Chrysoar Exploration, Vicki Stamouils, 2009)

Legend: NOAA - NTIR satellite data interpretation yellow lines
ASTER - NTIR satellite data interpretation magenta lines
Faults - black dashed lines
Current drainage - blue lines
5.6.3 Drilling

In October 2008 DYL completed a regional wide spaced aircore drilling program of 28 holes for 638m testing for sand or calcrete hosted mineralisation near-surface sheeted or channelised secondary uranium, and deep tabular or channelised redox targets. It was assumed that any first-pass anomalies would be as low as 1.5~2 times the background for near-surface. However a quite variable background radiation was encountered, so, in order not to miss any low amplitude anomalies with the unshielded monitors used, it was decided to chemically assay the top 10 metres via two 5-metre composite samples. This was in part prompted by the historic anomalism outlined at Nintabrinna Bore/Anzac Dam being subtle but potentially significant (Gee).

Drill targets were identified by interpretation of the AEM survey and the NTIR data interpretation in conjunction with areas of little outcrop plus evidence of possible transported material. The air core drill program coverage was constrained by access to existing station tracks and avoidance of Aboriginal Site Exclusion Zones. The Lander River is the focus of a continuous Exclusion Zone; thus exploration focussed on the rolling terrain between the Lander River and the ridges of the Reynolds Ranges.

Drill holes varied in depth from one metre to 45m. The top ten metres of all holes were sampled at 5m intervals using a trowel. All composite samples were submitted to ALS Chemex in Alice Springs and analysed for U and U$_3$O$_8$ by XRF (method ME_XRF_05) with a detection limit of 4 ppm. Drill hole locations are shown on Plate 1 and all drill data and assay results are included in the digital appendix.

The drilling intercepted oxidised and clay-prone colluvium sediments without finding any sandy or calcreted palaeo-drainage or palaeo pond. No significant assay results were returned. The best result came from hole RRAC 220 with a 5m intercept of 11ppm U$_3$O$_8$. Therefore the uranium prospectivity of is considered downgraded and unattractive for further sediment-hosted exploration.

6.0 BIBLIOGRAPHY


