

# Molyhil Mining Pty Ltd

## Year 4 Annual Technical Report for EL 24392 Thring Creek



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Map Sheet: Huckitta 1:250,000 (SF53-11)

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## 1.0 Introduction

Thring Creek (EL24392) is located 340km by road ENE of Alice Springs approximately 24km east of the company owned Molyhil W-Mo Project on EL22349 (figure 1.1). Molyhil is a magnetite-rich skarn that has a bulls eye shaped aeromagnetic anomaly associated with it. Previous exploration has suggested that aeromagnetic anomalies over the Thring Creek tenement represent similar magnetite skarn bodies to that found at Molyhil (figure 1.2).

Thring Creek is located within the eastern Arunta region of the NT on the Huckitta 1:250K map sheet. Locally the geology contains a W-NW trending sequence of high grade metamorphic and granitic rocks, Elua Range sediments and cross cutting Oorabra quartz reefs (with occurrences of barite and fluorite). Minor occurrences of scheelite (e.g. Ultraviolet, Jericho) have been documented in the tenement area.

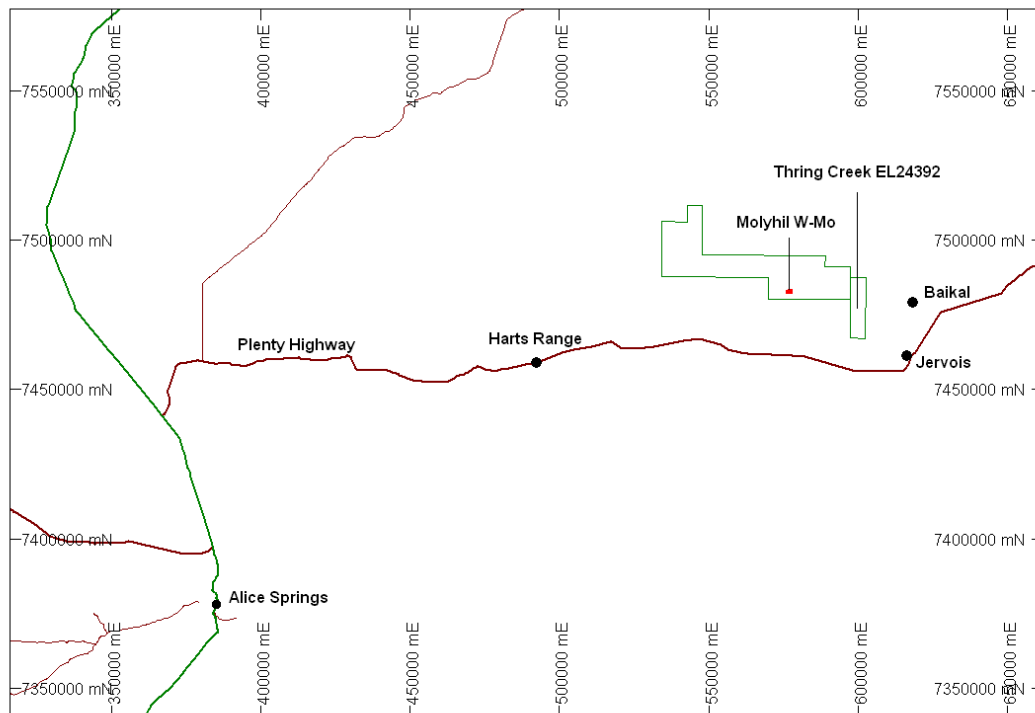


Figure 1.1 Location Map of Thring Creek

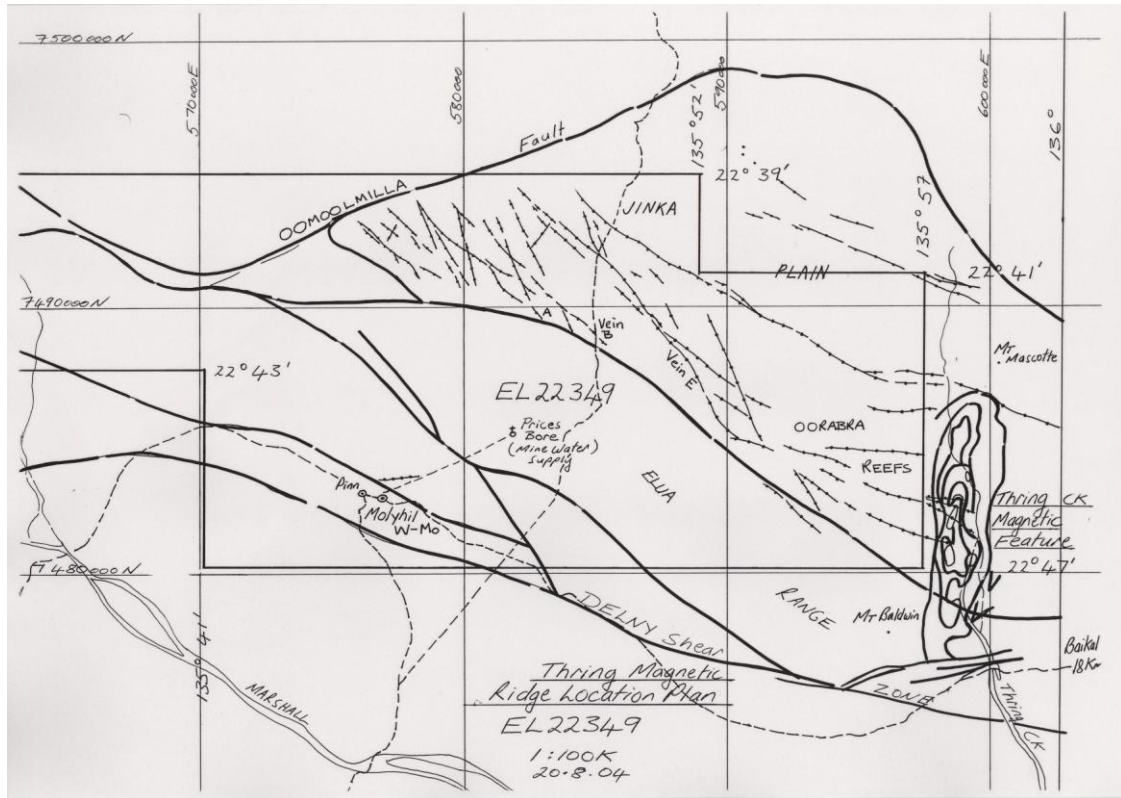


Figure 1.2 Location of Thring Creek Magnetic Anomaly

## 2.0 Tenure

The decreased potential for economic molybdenum and tungsten mineralisation together with the age of the tenement led to the southern half being surrendered in Year 4. A total of 17 graticular blocks were surrendered at the southe end leaving 16 graticular blocks remaining.

Table 2.1 Tenure Details

Tenement	Owner	Date Granted	Tenure	Size	Rent Year 5	Expenditure Commitment
EL 24392	100% Molyhil Mining Pty Ltd	5/12/2005	6 Years	16 blocks	\$1,408	\$15,000

## 3.0 Previous Work

In December 2005, Sunsphere completed a 2 week, 1 man, 25m x 200m ground magnetic survey over the regional NT aeromagnetic anomaly (see figure 2.1). The aim of the survey was to confirm the location of the regional aeromagnetic anomalies and to carry out a depth to source interpretation of the magnetic bodies. This resulted in nine high order magnetic anomalies worthy of drill follow up (figure 3-6).

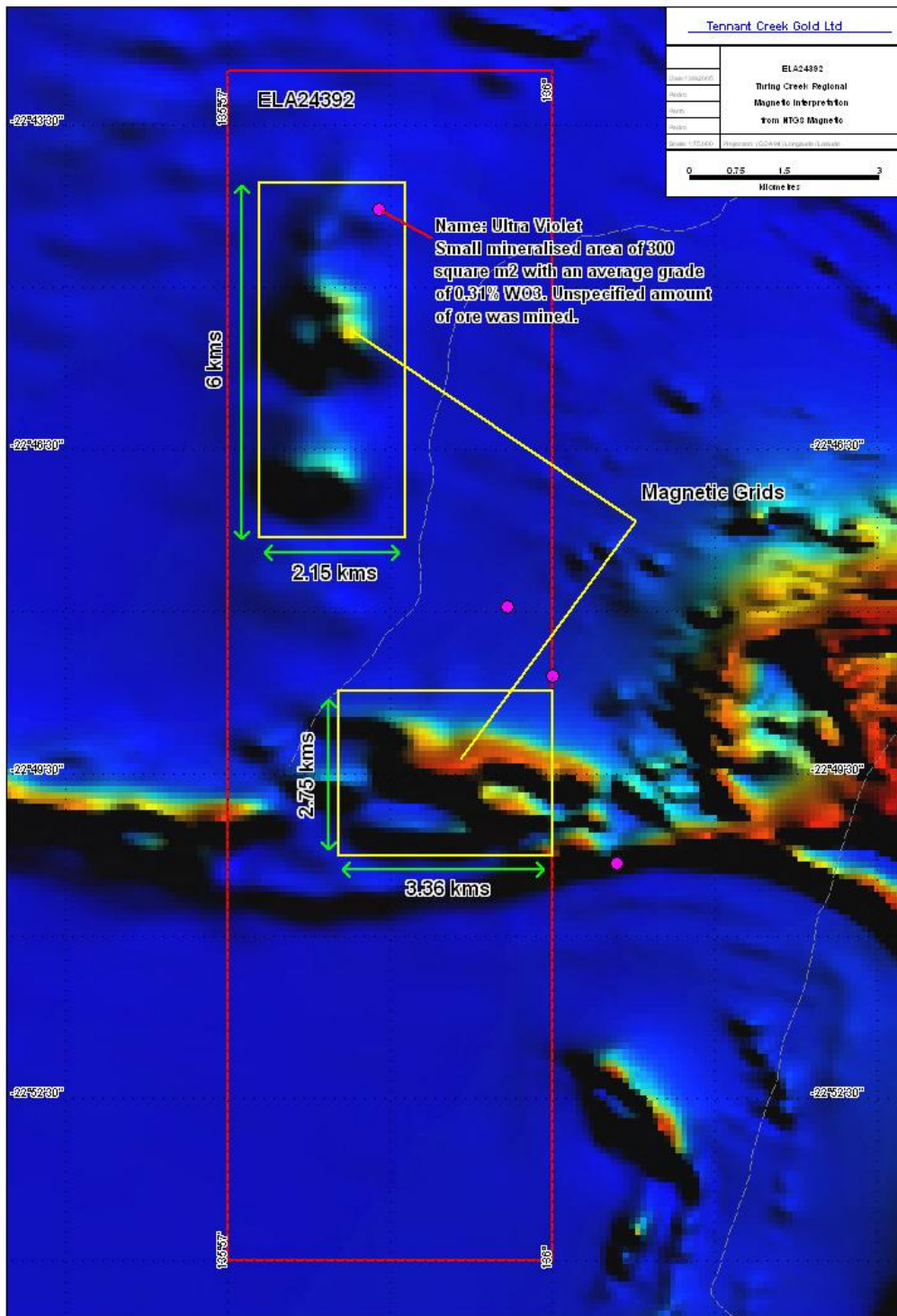


Figure 2.1 Regional Vertical Derivative Map

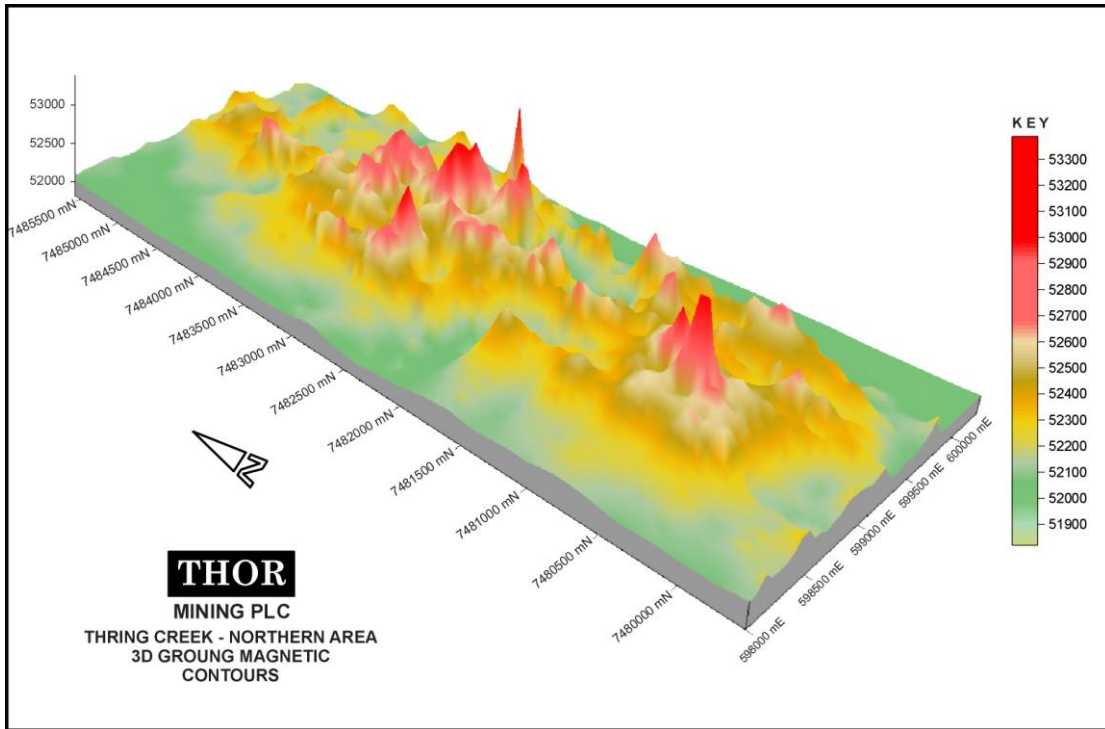


Figure 2.2 3D Ground Magnetic Contours for Northern Area

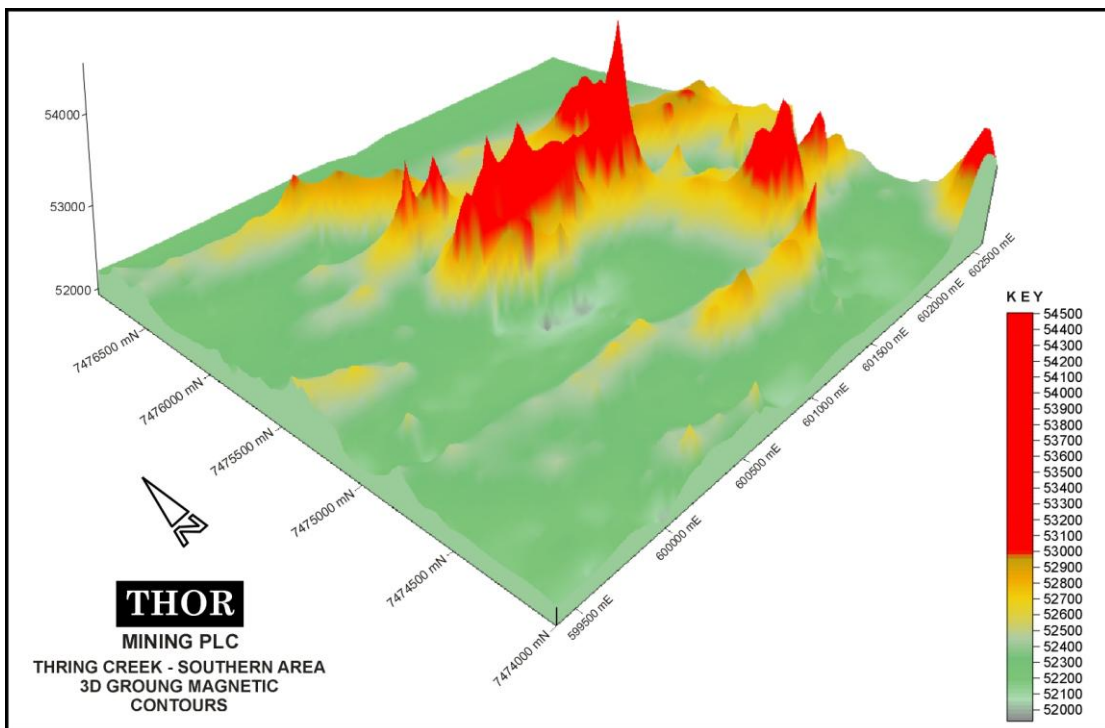


Figure 2.3 3D Ground Magnetic Contours for the Southern Area

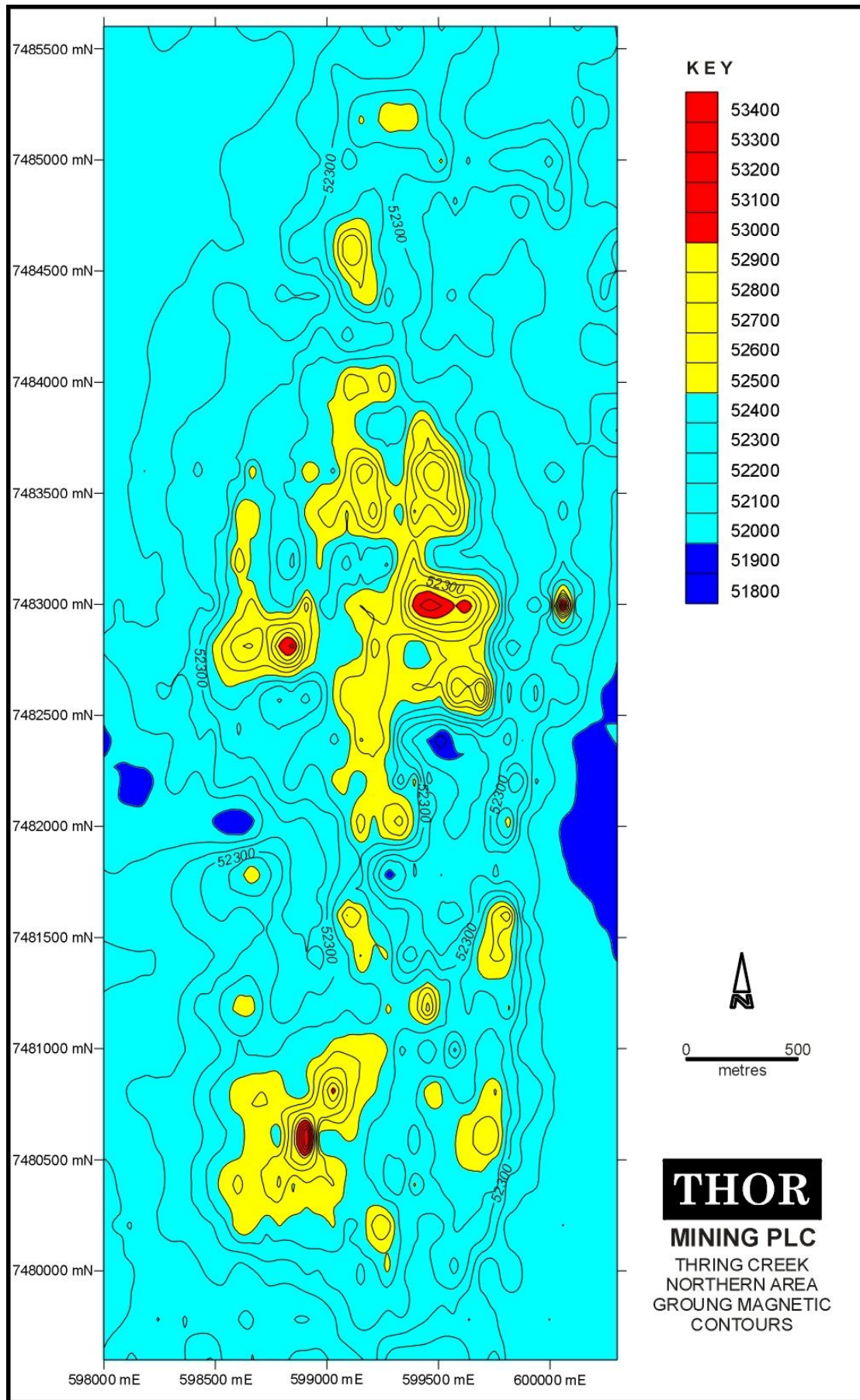


Figure 2.4 2D Ground Magnetic Contours for Northern Area

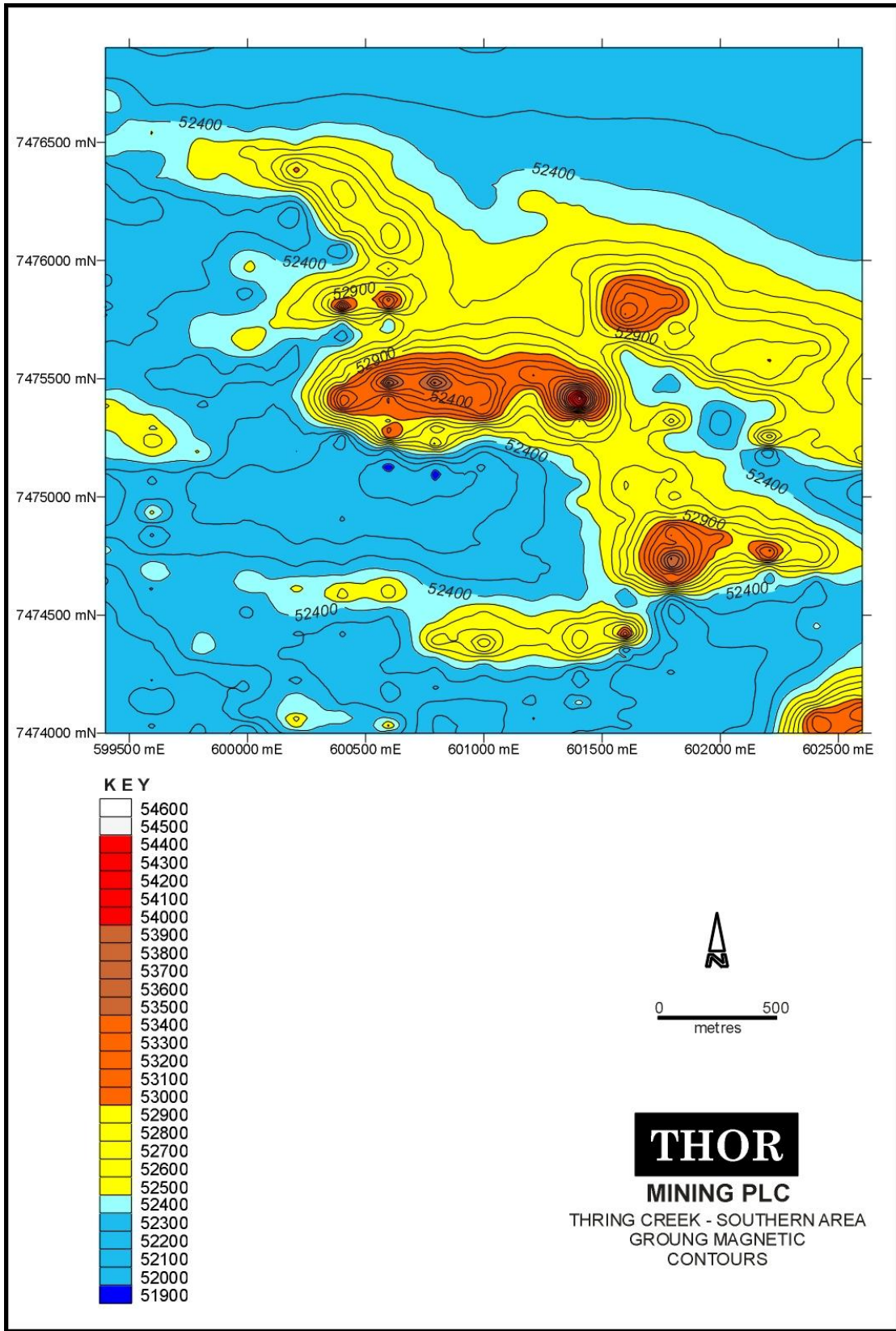


Figure 2.5 2D Ground Magnetic Contours for Southern Area



Bostech Drilling of Perth, Western Australia, was contracted to undertake the RAB drilling programme in 2006. The RAB drilling was completed with 4.5" blade and hammer bits. In areas where there was significant water, the rig converted to RC drilling using a crossover hammer. About 30-40% of the samples were wet, particularly in the southern area.

Sample recoveries were generally acceptable. The samples were composited into 4 m intervals. The samples were sent to ALS in Alice Springs for sample preparation and the pulps forwarded to Malaga in WA for assaying. The samples were assayed for W, Mo, Pb, Cu, Fe, Zn and As using Me-XRF12 method.

No significant intersections were returned. The highest tungsten intercept was 4m at 60ppm. Almost all tungsten results were below 10ppm. The highest Mo result was 5ppm. Both of these were recorded in hole TCR49. No anomalous Cu, Pb, Zn and As was noted.

No economically viable intercepts were noted however the drilling was a technical success. A source for all the magnetic anomalies with one exception were accounted for. A combination of magnetic granites, magnetite bands in gneissic rocks, and minor magnetite in a quartz-chlorite schist explained all but one of the anomalies. Drill chips and dust attached to a pen magnet were noted coincident with magnetic anomalies. The magnetite occurrences were also confirmed by high magnetic susceptibility readings.

The most significant results were returned from hole TCR49 which intersected 11m of magnetite-biotite rich rock. Minor amounts of Ti and Cr were also noted in the assays. This association appears to have similarities to the magnetite-rich rocks (Ti-V) discovered by Arafura Resources on their nearby Jervois tenement (see [www.arafuraresources.com.au](http://www.arafuraresources.com.au)). One sample from this hole was submitted for whole rock analysis. The small size of the magnetic anomaly, together with the relatively small 11m intersection suggests that it is a small lens in granite.

No ground exploration was under taken other than reconnaissance work and field checking of the area during the third year of tenure (2007-2008) due to a change of management and lacklustre molybdenum prices (caused by the GFC) halting development of the Molyhil deposit immediately to the west of the tenement. An extensive data and open file report review was conducted for the tenement and surrounding tenements to define potential targets.

#### **4.0 Year 4 Exploration**

No ground disturbing exploration activity was under taken during 2008-2009 other than reconnaissance work and field checking of open file data due to a severe economic downturn and cessation of all exploration activities relating to molybdenum and tungsten mineralisation.

The decreased potential for economic molybdenum and tungsten mineralisation together with the age of the tenement led to the southern half being surrendered in Year 4.

The Ultraviolet prospect is considered to be worthy of further trenching and reconnaissance drilling due to the presence of scheelite in magnetite skarn noted in the area in an old exploratory hand dug pit.

## 5.0 Appendix

### Open File Report List

The following open file reports were reviewed containing data that wholly or partially covered the tenement area:

CR19720083	CR19790119
CR19720083	CR19790120
CR19790156	CR19790156
CR19820382	CR19820299
CR19840104	CR19820367
CR19840105	CR19830140
CR19840107	CR19830141
CR19840108	CR19830143
CR19850051	CR19830232
CR19850122	CR19830308
CR19850167	CR19840193
CR19850208	CR19860074
CR19860045	CR19880122
CR19860046	CR19930042
CR19860047	CR19940111
CR19860048	CR19940683
CR19860050	CR19720013
CR19860052	CR19730216
CR19870079	CR19730217
CR19870080	CR19730218
CR19880185	CR19770106
CR19880187	CR19790065
CR19920367	CR19810180
CR19940163	CR19830173
CR19940164	CR19890352
CR19950253	CR19920212
CR19980185	CR19920562
CR19990169	CR19940743
CR20000197	CR19950010
CR20020131	CR19950108
CR19820235	CR19950490
CR19830209	CR19960283
CR19840102	CR19970460
CR19890122	CR19980463
CR19900058	
CR19900059	
CR19710068	
CR19780104	
CR19780114	