JINKA MINERALS LIMITED

RELINQUISHMENT REPORT

SEL 25429 “JERVOIS”

Northern Territory

Relinquishment Report for the period ending 1 February 2010

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KEY WORDS

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PROTEROZOIC
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DRILLING
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SUMMARY

AIM
To explore and evaluate the potential for economic base and precious metal mineralisation.

OBJECT OF REPORT
To document exploration activities and results achieved on the relinquished portion of Substitute Exploration Licence 25429 “Jervois” and to report these to the Department of Primary Industry, Fisheries and Mines. Information from adjacent leases and claims is also included.

LOCATION
SEL 25429 is located 380 kilometres northeast of Alice Springs on the Huckitta 1:250,000 map sheet (SF53-11) and is adjacent to the mineral leases which cover the gossanous outcrop of the Jervois Mine and its extensions.

TENURE (See figure 1)

Figure 1
The tenement was transferred from Reward Minerals Ltd to Jinka Minerals Ltd during November 2009.
WORK CARRIED OUT WITHIN SEL 25429 FROM GRANT TO 1 FEBRUARY 2010

No work was conducted within the surrendered portion of SEL 25429
JINKA MINERALS LIMITED

SEL 25429 "JERVOIS"
NORTHERN TERRITORY

Relinquishment Report for the Period Ending 1 February 2010

1. INTRODUCTION

Substitute Exploration Licence 25429 "Jervois", is located in the Proterozoic terrain of the Arunta Inlier. The tenement is to the east and south of the mineral leases which cover the gossanous outcrop of the Jervois Mine and its extensions along strike. SEL 25429 has a total area of approximately 110.9km$^2$ (35 blocks).

MIM Exploration Pty Ltd (MIMEX) applied for the original tenement (EL10149) in September 1999 and was both manager and operator of the subsequent Joint Venture project. Exploration conducted by MIMEX focused on finding structurally controlled high grade Mt Isa-style copper and Broken Hill-style base metals mineralisation, as well as Fe-oxide associated copper-gold mineralisation. Following the termination of the joint venture, the tenement reverted to Solbec Pharmaceuticals as per the JV agreement.

The purpose of this report is to detail exploration conducted by Jinka Minerals Limited within the surrendered portion of SEL 25429 during the period ending 1 February 2009.

This report does not describe the previous exploration at Jervois, as this was set out in some detail in previous years’ reports.

2. LOCATION and ACCESS

SEL 25429 is located 380 kilometres north east of Alice Springs on the Huckitta 1:250 000 map sheet (SF53-11), and lies to the west of the mineral leases which cover the gossanous outcrop of the Jervois Mine and its extensions (See Figure 1).

Access is via the Stuart and Plenty Highways to the Lucy Creek Station Road, with the tenement located approximately 20km north of this turn off. Historical exploration and mine tracks, as well as limited station tracks provide local access throughout the tenement which is located over a portion of the Jervois Pastoral Lease.
3. **TENURE (See Figure 1)**

![Figure 1](image.png)

An application to reduce the area by 12 blocks was submitted to the Dept. The blocks to be dropped are:

- 2283 P
- 2284 L,M,N,S,X
- 2355 P
- 2356 C,H,N,L,M

A total of 12 blocks remain.
4. GEOLOGICAL SETTING

SEL 25429 lies on the Huckitta 1: 250 000 map sheet (SF 53-11), for which geological notes are available. The tenement is located mainly within the Palaeo-Proterozoic Bonya Schist on the north eastern boundary of the Arunta Orogenic Domain. The Arunta Orogenic Domain in the north western part of the tenement is overlain unconformably by Neo- Proterozoic sediments of the Georgina Basin.

The prospective lithologies within the tenement are considered to be contained within the Bonya Schist, Division 2 of Arunta Orogenic Domain (Freeman, 1986). This unit is made up of quartzo- feldspathic muscovite and sericite schists, ranging from pelitic to psammo- pelitic in composition, and has local occurrences of cordierite, sillimanite, garnet and andalusite. The mine sequence, in addition to these lithologies, also contains chlorite schist, garnet ± magnetite, quartzite, magnetite quartzite, calc-silicates, and impure marbles.

5. PREVIOUS EXPLORATION

Following the discovery of the Jervois mineralisation in the 1920s, some small-scale mining of the oxides took place and concentrates were transported to Mt Isa for treatment. Since then there have been many phases of exploration by large and small companies, as detailed in last year’s report and summarised below:

- 1961-1965 New Consolidated Goldfields
- 1969-1973 Petrocarb
- 1973-1974 Petrocarb Joint venture with Union Corporation
- 1980-1983 Plenty River Mining
- 1983-1984 Plenty River Mining - Anaconda Joint Venture
- 1991-1996 Plenty River Mining – Normandy-Poseidon Joint Venture
- 1997-1999 Britannia Exploration
- 1999–2002 MIM Exploration

A comprehensive bibliography is appended.

6. INTERDEPENDENCE OF ALL TENEMENTS IN THE PACKAGE

Reward currently holds tenure over the historic Jervois Mine area (Marshall-Reward to Bellbird, (Figure 1) as well as over a large tract of similar geology which is less well understood. On the basis of the known geology this outer area could well host a large base metal deposit.

It is hoped that work carried out in the mineralised zone between Marshall-Reward and Bellbird will lead to an economic discovery in that vicinity, but it may also provide a key to exploration within the broader area currently held as exploration licence SEL 25429. Current drilling at the Marshall-Reward and Bellbird prospects is providing new information regarding the lithological and metamorphic setting of the mineralisation and its structural geometry all of which can be applied to SEL 25429.

7. CURRENT EXPLORATION IN THE VICINITY OF THE MINES

8. CURRENT EXPLORATION ON SEL 25429

No work was conducted within the surrendered portion of SEL 25429.

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