

HARTZ RANGE MINES PTY LTD

ACN: 084 999 413

EL 24358

Annual and Final Report

**FOR THE PERIOD ENDING
15th March 2010**

Submitted By

Gulf Mines Pty Ltd
41 Cavendish Street
PO Box 92E
Earlville
QLD 4870

Distribution

Department of Primary Industry,
Fisheries and Mines (1)
Hartz Range Mines Pty Ltd (1)
Lagoon Creek Resources Pty Ltd (1)

Telephone +61 7 4033 1805
Facsimile +61 7 4033 6415

Author: Dean Williamson
Date: 20th April 2010

**CALVERT HILLS SE5308
Northern Territory, Australia**

ABSTRACT

The annual report of EL24358 was carried out in 15th of May 2010. This report summarises the work carried out by Hartz Range Mines Pty Ltd ("HRM") and Lagoon Creek Resources Pty Ltd ("LCR").

A review of all data was carried out to help determine if the tenement meets our current exploration goals. Following this review it was decided that EL24358 should be surrendered,

Keywords: NT, McArthur Basin, Debbil Debbil Uranium Project, Branch Creek Diamond Project, copper, uranium, diamond, airborne geophysical survey, Landsat, SPOT.

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INTRODUCTION

Hartz Range Mines Pty Ltd ("HRM") holds three Exploration Licences, EL10335, EL22579, and EL24358 at Wollogorang Station on the Northern Territory/Queensland border. Collectively these are known as the Wollogorang Project. EL24358 is wholly covered by the Debbil Debbil JV. Under this Joint Venture agreement LCR are able to explore for uranium, base metals and gold. HRM retains the right to explore for diamonds within EL24358. Figure 1 shows the location of EL24358.

TENEMENT DETAILS

<u>LICENCE</u>	<u>APPLIED</u>	<u>GRANTED</u>	<u>EXPIRY</u>	<u>BLOCKS</u>	<u>AREA (km²)</u>
EL24358	5 Aug 2004	16 Mar 2005	15 Mar 2011	70	229.2

<u>Block</u>	<u>Sub-Blocks</u>
SE531365	GHJKMNOPRSTUWXYZ
SE531366	BCFGHLMNQRSVWX
SE531437	BCDE
SE531438	A

Table 1 – Tenement Block Details

	<u>Relinquished Blocks</u>
<u>Block</u>	<u>Sub-Blocks</u>
SE531365	GHJKMNOPRSTUWXYZ
SE531366	BCFGHLMNQRSVWX
SE531437	BCDE
SE531438	A

Table 2 – Relinquished Tenement Block Details

NATIVE TITLE

AAPA Authority Certificate C2006/107 was issued on the 30th October 2006 after amendment to include track and drill pad construction and drilling.

The JV area is affected by Native Title Claim DC02/11, Wollogorang South, made on behalf of the Gudidiwalia and Binanda Garawa People and accepted for registration by the National Native Title Tribunal on 19/07/2002.

The southern and south western boundary abuts Aboriginal Freehold Land (NT Portion 2006) administered by the Waanyi/Garawa Land Trust.

REGIONAL GEOLOGY

The project area is located within the Wearyan Shelf tectonic domain of the south eastern parts of the Pelaeoproterozoic McArthur Basin. The McArthur Basin is a succession of essentially unmetamorphosed sedimentary and lesser volcanic rocks, deposited largely in shallow marginal marine and lacustrine settings (see Figure 2).

The tenements cover a sequence of sediments and volcanics of the mid-Proterozoic Tawallah Group which flank the northern margin of the Lower Proterozoic Murphy Inlier. The Murphy Metamorphics are a sequence of isoclinally folded greenschist facies metasediments which are unconformably overlain by a felsic volcanic/pyroclastic sequence (Cliffdale Volcanics), intruded by granite/adamellite of the Nicholson Granite Complex. The Tawallah Group overlies the igneous and metamorphic complexes of the Murphy Inlier with angular unconformity and disconformity. The Tawallah Group is the oldest group of the McArthur Basin sequence. The Westmorland Conglomerate is the oldest unit of the Tawallah Group and consists of a thick sequence (up to 1800m) of fluvial arkosic conglomerate and quartz arenite. The Seigal Volcanics conformably overlie the Westmorland Conglomerate and occurs as a series of tholeiitic basaltic lavas and minor tuffaceous interbeds along the southern margin of the project area. The McDermott Formation conformably overlies the Seigal Volcanics along the southern margin and forms a narrow, poorly outcropping unit characterised by alternating beds of shallow-water marine arenites, shale and dolostone.

The carbonate rocks of the McDermott Formation are conformably overlain by the Sly Creek Sandstone sequence which grades upwards into glauconitic sandstone named the Aquarium Formation. The conformable units encompass the majority of the project area and are characterised by a series of open folds with north-east oriented axes.

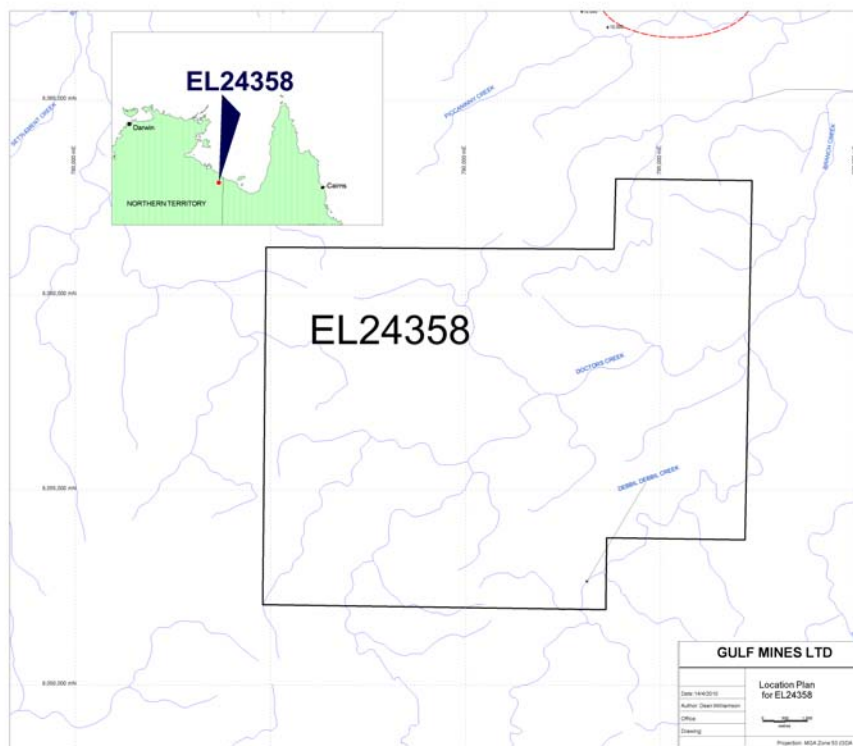


Figure 1. Location Map showing EL24358



Figure 2. EL24358 Sub-blocks

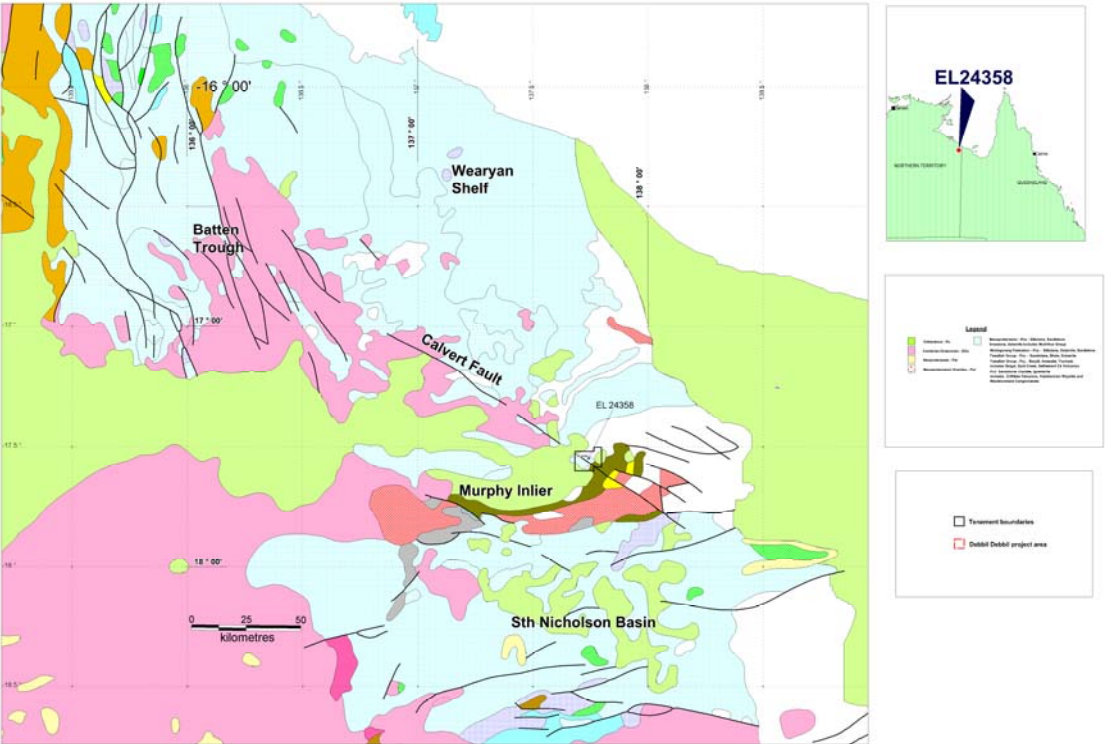


Figure 3. Regional Geological Setting

The continental Settlement Creek Volcanics conformably overlie the Aquarium Formation and consist of a series of basaltic lava flows, sills and siltstone interbeds. Exposure of the volcanics is limited and is obscured by recent alluvium denoting the Settlement Creek valley.

Minor siltstone and sandstone of the Early Cretaceous Mullaman Beds overlie the Tawallah Group sediments. Soils, alluvium and lateritic deposits of Tertiary and Quaternary age mask the underlying Proterozoic lithologies along the major watercourses. (after Jackson *et al*, 1987 and Ahmad & Wygralak, 1989)

EXPLORATION CONDUCTED

A review of all data was carried out to help determine if the tenement meets our current exploration goals. Following this review it was decided that EL24358 should be surrendered,

REFERENCES

Ahmad M and Wygralak AS 1989, 1:250000 Metalogenic Map Series. Explanatory notes and mineral deposit data sheets. Calvert Hills SE 53-08, NT.

Jackson MJ, Muir MD and Plumb KA 1987, Geology of the southern McArthur Basin, Northern Territory, BMR Bulletin 220.