EL 25993 MILLIONAIRES WELL PROJECT

FINAL REPORT

FOR THE PERIOD

19 NOVEMBER 2007 TO 3 NOVEMBER 2011

Author: P. Penna & B. Townrow
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EXECUTIVE SUMMARY

EL 25993 is located about 200km north of Alice Springs and forms part of the Mt Skinner Base Metal Project, and the adjacent Millionaires Well Tungsten Project.

The tenement was granted to Uramet Minerals Limited (Uramet) on 19 November 2007. Work within the tenement from time of grant until surrender includes a literature search of open file reports and other available data including regional geophysics, field reconnaissance and water bore analysis.

The EL (as it was in 2011) was incorporated into SEL28527, therefore EL25993 was surrendered.
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1 INTRODUCTION

EL 25993 is located about 200km north of Alice Springs (Figure 1). The tenement is close to the historical Millionaires Well tungsten workings (also known as Stirling tungsten prospect), which were mined initially in the 1940’s.

This report details work undertaken by Uramet within the surrendered portion of the tenement since granted in November 2007.

2 SITE ATTRIBUTES

2.1 Location

The tenement is located on the Stirling cattle station, approximately 200km north of Alice Springs in the Northern Territory (Figure 1). The project area falls within the Barrow Creek (SF5306) 1:250,000 map sheet.
2.2 Climate

The project area is situated in the Central Australian Desert climatic zone with a variable wet season from November to March. As for most of the southern Georgina Basin the area is classified as semi-arid with between 250 mm and 500 mm of rainfall per year, however, rainfall can be highly variable within a season and from season to season. The climate of the project area can be loosely divided into a dry season generally from April to October, and a wet season from November to March. Unseasonal rain can however occur at any time. Maximum daily temperatures generally exceed 35°C between October and April. The normal exploration field season runs from April to October.

2.3 Environment

The project area occurs within the Stirling pastoral lease, the primary land use being cattle grazing.

A search of the Sacred Site Registry has shown a number of sacred sites to occur within and adjacent to the tenement. Uramet does not yet hold an Authority Certificate from the Aboriginal Areas Protection Authority (AAPA), however Uramet ensures that all sacred sites are avoided. No ground disturbing work has been conducted within the tenement to date.

2.4 Infrastructure

Access to the tenement from Alice Springs is normally by travelling north via the sealed Stuart Highway, then via station tracks (Figure 1). Most of the station tracks are generally in good condition however the 15km section of track leading to the historical workings at Millionaires Well is in poor condition, with much of it overgrown. The track is badly eroded in places adjacent to drainages.

3 TENURE

EL 25993 was granted to Uramet on 19 November 2007, originally comprising 81 blocks, covering an area of 258km². A 50% reduction in area was made in 2009, reducing the tenement area down to 41 blocks and an area of 131 km². A subsequent reduction of 50% in 2010 further reduced the area down to 21 blocks for an area of 131 km². Figure 2 illustrates the 2009 and current tenement boundaries.
4 GEOLOGY

4.1 Regional Geology

The Project area lies at the boundary between Proterozoic-aged basement of the Arunta domain and the younger southern Georgina Basin. Kruse et al have described the Georgina Basin as a 330,000km² erosional remnant of a series of originally interconnected central Australian intracratonic basins that range in age from Neoproterozoic to Palaeozoic. In excess of 1.5km of Neoproterozoic sedimentary rocks are preserved in downfaulted blocks and half-grabens on the southern margin of the Georgina Basin in the NT. Depocentres and synclines contain up to 2.2km of Cambrian to Devonian section.

The Arunta basement is dominated by folded and faulted Palaeoproterozoic-age felsic gneiss and metasedimentary rocks (biotite schist, quartzite and calcsilicate), intruded by syn- to post tectonic granitoids.

In early Palaeozoic times the area was a stable platform on which carbonate, clastic and evaporitic units were deposited. The intracontinental, compressional Alice Springs Orogeny (370-310 Ma) affected the Georgina Basin and other central Australian Basin but resulted in little metamorphism (Dunster et al. 2007).

4.2 Local Geology

The geology of the project area (Figure 3) is dominated by Neoproterozoic and Cambrian clastic sedimentary rocks of the Central Mount Stuart and Octy Formations, and Paleoproterozoic Barrow Creek Granite Complex, with localised occurrences of early to mid Proterozoic Bullion Schist, and Ledan Schist. The latter three units are part of the Arunta Domain, and generally outcrop poorly in comparison with the Central Mt Stuart Formation.
Strike directions mainly trend NW-SE, sub-parallel to regional faults and shears such as the northwest trending Stirling Fault Zone. A secondary set of faults cross-cut the stratigraphy with a northeast strike.

The Neoproterozoic Central Mount Stuart Formation covers most of the north-eastern and eastern part of the area. The Cambrian Octy Formation is unconformable on the Neoproterozoic sandstones. The succession is part of a tilted fault block dipping gently towards a major geophysically defined bounding fault trending NW-SE. The Neoproterozoic sedimentary rocks range in thickness from a veneer at the base of the Cambrian (Dunster et al., 2007) in the north, to an interpreted 1200m depth to the south.

![Figure 3 Simplified Geology of Project Area (compilation of various published maps)](image)

### 4.3 Geomorphology

The Landsat image of Figure 4 highlights the variable geomorphology of the area. The topography is generally dominated by the hills of the outcropping Central Mount Stuart and Octy Formations represented as dark blue in the Landsat image.

Sand-plains usually show as light green to light brown, to light purple in the image. The sand-plain shown in the very southern part of the image (light purple) converges into the calcretised Wilora Paleochannel to the west of EL 25993.

Sand dunes can be seen in the north-eastern part of Figure 4.

Part of the alluvial plain, channels and clay pans of the Hanson River (white colour), being the largest drainage system in the area, can be seen in the north-western part of Figure 4.
The vegetation ranges from savanna woodland near the creeks, to gidgee and acacia scrub to annual grasslands. The vegetation is consistent with a semi-arid regime.

Figure 4 Landsat image (742) of the project area showing the original tenement boundary

4.4 Geological Model

The style of mineralisation being targeted is quartz vein-hosted tungsten (scheelite/wolframite). At the historical Millionaires Well workings in adjacent tenement EL 26543 a WSW-trending quartz-carbonate vein set hosts the tungsten mineralisation. The vein system occurs near a contact between Barrow Creek Granite and what is interpreted to be Bullion Schist. Other tourmaline-rich vein sets appear to be barren.

The project area may also be prospective for calc-silicate-skarn-hosted tungsten, stratabound base metals, and for shear-zone-hosted gold.

5 PREVIOUS WORK (by Other Companies)

Previous work within the area includes the small-scale mining at Millionaires Well in the 1940’s, CRA in the early 1990’s, and Normandy mid to late 1990’s.
No production statistics have been located for the Millionaires Well workings; however the workings are of relatively small scale, following veins up to 0.5m wide over a total strike length of about 170m. In a brief report for the Northern Territory Geological Survey (NTGS) by D. Moore in 1978, Moore suggested that a lack of permanent water in the area may have been a contributing factor for the abandonment of the mining.

CRA explored the area nearby for stratabound base metals and uranium in the late 1970’s (mostly to the south of the tenement). Work by CRA included mapping and rock chip sampling. CRA reported uranium rock chip results up to 620 ppm U, and a rock chip sample with 780 ppm W, supposedly within a calc-silicate rock.

Normandy explored for shear hosted gold between 1995 and 2000 to the south of the tenement. Work by Normandy included:

- 97 rock chip samples, with one sample returning 5.52ppm Au, another returning 1.36 ppm Au.
- 130 lag samples (no significant gold or base metal values).
- vacuum drilling; 457 holes, usually on a 200m by 800m pattern (no significant gold or base metal values were reported).
- RAB; 36 holes for 896m (no significant gold or base metal values).

It should be noted that Normandy did not assay for tungsten in any of the drill samples.

6 URAMET ACTIVITIES

Work undertaken by Uramet within the surrendered portion of the tenement includes a data review and field reconnaissance.

6.1 Data Review

Data reviewed by Uramet includes the following open file reports:

GS1978-014 (NTGS 1978)
CR19800027 (CRA 1979)
CR20010003 (Normandy 1995 to 2000)

Other available data sets including satellite imagery (Figure 4), and government gravity (4km spaced stations), aeromagnetic (400m line spaced), and radiometric data were utilised.

The gravity data (Figure 5) is useful for regional interpretation, but being too coarse to be of use for detailed interpretation.

The regional magnetics show the rocks of the Arunta Domain as generally having a much stronger magnetic signal than the sediments of the Georgina Basin (Figure 6).
The radiometric data corresponds well with the uranium anomalies located on the ground by CRA (Figure 7).

Figure 5 Regional (4km spaced stations) bouguer gravity image showing the original boundary of EL25993

Figure 6 Regional (400m line spaced) aeromagnetic TMI image showing the original tenement boundary.
6.2 Field Reconnaissance

Field reconnaissance was undertaken within the tenement during several campaigns. This field work did not help define any exploration targets within the surrendered portion of the tenement.

6.3 Water Bore Samples

A water bore sample was collected within the south-eastern part of EL 25993 (Ooralingie Bore, refer to Figure 2 for location) to determine if there was anomalous uranium within the ground water.

Conductivity, Total Dissolved Salt, pH, and Temperature Readings were measured prior to the samples being dispatched to Genalysis Laboratory Services of Perth for analysis of K, Na, S, U, and V. Results are presented in Table 1.

<table>
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<th>Sample No</th>
<th>Bore Name</th>
<th>E MGA Z53</th>
<th>N MGA Z53</th>
<th>Conductivity (mS)</th>
<th>TDS (ppk)</th>
<th>pH</th>
<th>K (mg/l)</th>
<th>Na (mg/l)</th>
<th>S (mg/l)</th>
<th>U (mg/l)</th>
<th>V (mg/l)</th>
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<td>MWWW01</td>
<td>Ooralingie Bore</td>
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<td>26</td>
<td>293.8</td>
<td>99.5</td>
<td>11.543</td>
<td>X</td>
</tr>
</tbody>
</table>

No highly anomalous levels of uranium were detected.
7 CONCLUSIONS AND RECOMMENDATIONS

The EL (as it was in 2011) was incorporated into SEL28527, therefore EL25993 was surrendered.

8 REFERENCES