Kajeena Mining Company Pty Ltd

Partial Relinquishment Group Report
for

Exploration Licences:
10383, 10385, 10386, 10387

LICENCEE: Kajeena Mining Company Pty Ltd
OPERATOR: Pacific Consulting Services Pty Ltd
MAP SHEETS:
Mount Liebig SF5216  1:250K
Mount Rennie SF5215  1:250K
AUTHOR: Pacific Consulting Services Pty Ltd
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Kajeena Mining Company Pty Ltd
AMETS
Contents

1. Introduction ................................................................................................... 3
2. Location & Environment ............................................................................ 3
3. Relinquished Areas ..................................................................................... 4
4. Geology ...................................................................................................... 6
5. Exploration Undertaken on the Relinquished Areas .............................. 7
6. References ................................................................................................. 8

List of Figures

Figure 1: Location Plan of Relinquished Areas............................................. 3
Figure 2: Detailed relinquished area plan, formerly part of EL10383 ............ 4
Figure 3: Detailed relinquished area plan, formerly part of EL10385 .......... 5
Figure 4: Detailed relinquished area plan, formerly part of EL10386 .......... 5
Figure 5: Detailed relinquished area plan, formerly part of EL10387 ........... 6
Figure 6: Soil and leaf and locations on relinquished areas of EL10387 ....... 7

Appendix 1: Detailed Relinquished Areas of Tenements
Appendix 2: Surface Geochemistry
1. Introduction

An agreement between Teck Australia Pty Ltd and Kajeena Mining Company was established in 2002 to explore for base metals (Zn, Cu, Pb) and nickel over numerous tenements in the Warumpi Province of the Arunta. A Deed with the Central Land Council was executed in 2008 following successful negotiation with Traditional Owners to explore tenements 10383, 10385, 10386 and 10387. As of June 2011, Pacific Consulting Services Pty Ltd was employed as consultants to Kajeena Mining Company.

Negotiations with Traditional Owners to grant the tenements were successful, with the tenements granted on 2nd September 2008 following execution of an Access Deed with the Central Land Council.

Following preparation and submission of a work plan, a heritage survey was coordinated with the assistance of the Central Land Council over EL’s 10386 and 10387. The resulting report excluded areas from exploration. Without the possibility of accessing the areas, the ground was relinquished.

This partial relinquishment group report details the areas relinquished in 2011 and any exploration associated with said areas.

2. Location & Environment

The areas relinquished are located approximately 270km W-NW of Alice Springs and extend non-contiguously to the Western Australian border, a further 220km as shown in Figure 1. The area is semi-arid with variable vegetation, casuarina, wattle and eucalypts. Significant outcrop is generally limited to resistive Heavitree Quartzite and soils are Aeolian with occasional areas of lag and calcrete. Termite mounds are infrequent.

![Figure 1: Location Plan of Relinquished Areas](image-url)
3. Relinquished Areas

In 2011, Kajeena Mining Company reduced the size of the 4 tenements, as summarised in Table 1. It was considered the areas retained were more favourable for mineralisation than the areas relinquished.

<table>
<thead>
<tr>
<th>EL #</th>
<th>Status</th>
<th>Reduced Area (SBKS)</th>
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<tbody>
<tr>
<td>10383</td>
<td>2/09/2008</td>
<td>01/11/2011 96</td>
</tr>
<tr>
<td>10385</td>
<td>2/09/2008</td>
<td>01/11/2011 104</td>
</tr>
<tr>
<td>10386</td>
<td>2/09/2008</td>
<td>01/11/2011 34</td>
</tr>
<tr>
<td>10387</td>
<td>2/09/2008</td>
<td>01/11/2011 86</td>
</tr>
</tbody>
</table>

Table 1: Relinquished Area Summary Table

Further details of the blocks and sub-blocks relinquished can be found in Appendix 1.

96 sub-blocks were relinquished from EL10383.

Figure 2: Detailed relinquished area plan, formerly part of EL10383
104 sub-blocks were relinquished from EL10385.

Figure 3: Detailed relinquished area plan, formerly part of EL10385

34 sub-blocks were relinquished from EL10386.

Figure 4: Detailed relinquished area plan, formerly part of EL10386
86 sub-blocks were relinquished from EL10387.

Figure 5: Detailed relinquished area plan, formerly part of EL10387

4. Geology

EL10383 predominantly comprises geology of the Aileron Province, with the south-western corner straddling the Warumpi Province and part of the Amadeus Basin extending to the north-west. Beneath the drift, the Aileron Province geology is typically indicated to comprise metamorphic schists and metagreywackes occasionally intruded with mafic amphibolite sills (Lander Rock Beds), and further intruded by doleritic-gabbronitic dykes (Du Faur Suite). The remaining geology comprises metamorphosed foliated quartzite (Warumpi Province Sandy Blight Quartzite), and sedimentary conglomeritic sandstone and interbedded siltstones (Amadeus Basin Heavitree Quartzite).

EL10385 comprises geology of the Warumpi Province, with the north-western and southern extents comprising part of the Amadeus and Canning Basins. Beneath the drift, the Warumpi geology generally comprises a combination of mafic and felsic igneous granodiorite (Waluwiya Suite), charnockite (Russel Charnokite of Waluwiya Suite) gabbro (Yaya Domain), and calc-silicates (Yaya Metamorphic Complex). In addition, intrusive granites (Gunbarrel Granite of the Illili Suite) are present in the south-west. The remaining geology comprises sedimentary conglomeritic sandstones and interbedded siltstones (Amadeus Province Carnegie Formation), and sandstone breccias (Canning Basin Ligertwood Beds).

EL10386 geology is predominantly of the Warumpi Province and Amadeus Basin. Underlying the drift, the geology is indicated to comprise a combination of igneous intrusives (Warumpi
Province Waluwiya Suite) across the northern part, and calc-silicates (Warumpi Province Yaya Metamorphic Complex) across the mid-area. The southern part of the tenement is likely to comprise a combination of granites (Warumpi Province Udeor Granite) and sandstone conglomerates (Amadeus Heavitree Quartzite).

The majority of EL10387 geology comprises Warumpi Province, with part comprising the Amadeus Basin. Beneath the drift, the majority of the Warumpi geology is made up of felsic igneous granodiorites (Yaya Domain), granites; leucogranites; and metamorphic schists (Udor Granite; Peculiar Complex; and Putardi Quartzite of the Haasts Bluff Domain). The Amadeus geology is conglomeritic sandstones (Heavitree Quartzite).

5. Exploration Undertaken on the Relinquished Areas

PCS is not aware of any exploration undertaken on the relinquished areas from EL10383, EL10385 and EL10386. PCS is aware, however, of some minor exploration undertaken on the northern and southern areas relinquished from EL10387.

The exploration was undertaken by Teck Australia Pty Ltd in 2009 and comprised 25 sample points where leaf and soil samples were acquired. Leaf-only sample locations.

The assay results of these samples did not reveal any significant indication of mineralisation. The electronic file of sample locations and assays can be found in Appendix 2.

![Figure 6: Soil & leaf locations on relinquished areas of EL10387.](image)
6. References


Frater in prep 2006, Mineral Potential of the 1690-1600 Ma Warumpi Province.


NTGS 1:250K Explanatory Notes, Mount Leibig, Mount Rennie, NTGS (various)


Scrimgeour et al 2006, High-T granulites and poly metamorphism in the southern Arunta Region, central Australia: Evidence for a 1.64Ga accretional event.

Appendix 1

Detailed Relinquished Areas of Tenements
Appendix 2

GR117-09_2011_GP_03_SurfaceGeochem
GR117-09_2011_GP_04_SurfaceGeochem