

North
Australian
Diamonds
Limited

ABN 86 009 153 119

Partial Relinquishment Report

EL26087

19th March 2008 to 18th March 2012

Holder: North Australian Diamonds Limited

Operator: North Australian Diamonds Limited

Reporting Period: 19th March 2008 to 18th March 2011

Sheet Reference: Katherine (SD 53-09) 1:250,000 & Urapunga (SD 53-10) 1:250,000

Due Date: 15th May 2012

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NADL Office

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SUMMARY

This report details exploration activity for diamond bearing kimberlite intrusives carried out by North Australian Diamonds Limited (NADL) on the relinquished portion of Exploration Lease EL26087 for the period 19th March 2008 to 18th March 2012.

EL 26087 is located on the Katherine (SD53-09 and Urapunga (SD53-10) 1:250,000 map sheets. Access to each lease is via the Central Arnhem Highway, however no direct access tracks off the highway exist.

During the reporting period a several programs of stream gravel sampling for diamond exploration and stream geochemical sampling for non-diamond exploration were completed.

Chromite was recovered but not considered to be derived from a kimberlite and hence was of no further interest. The stream geochemical results reported no anomalous results indicative of non-diamond mineralisation.

1.0 INTRODUCTION

This report details exploration activity carried out by North Australian Diamonds Limited (NADL) on the relinquished area of Exploration EL 26087 for the period 19th March 2008 to 18th March 2012. The target for exploration within this lease is diamond bearing kimberlite intrusives, however non-diamond commodities are also being explored for.

2.0 TENEMENT HISTORY

EL 26087 was applied for on the 23rd April 2007, and has just reached the end of its fourth year of tenure.

3.0 LICENCE DETAILS

EL 26087 is located on the Katherine (SD53-09 and Urapunga (SD53-10) 1:250,000 map sheets. Access to each lease is via the Central Arnhem Highway, however no direct access tracks off the highway exist. A tenement location map is shown as Figure 1.

Table 1: Tenement Details

Project Name	Tenement No	Application Date	Grant Date	Blocks
Arnhem Land	EL 26087	23/04/2007	19/03/2008	101

4.0 GEOLOGY

The tenement is located on the tectonically stable Arnhem Shelf, that part of the northwestern McArthur Basin characterised by comparatively mild deformation and a thin stratigraphic succession relative to the meridional troughs/fault zones. The oldest rocks are Proterozoic age and include laminated, stromatilitic dolostones and cherts and sandstones of the Mount Rigg Group.

5.0 PREVIOUS EXPLORATION

Previous exploration for diamonds has been undertaken in this area by both Stockdale Prospecting and Normandy Poseidon, but no positive results were reported. Two stream

gravel samples and one loam sample were collected in the relinquished area during the 2009-2010 reporting period. The results for these were negative.

During the 2010-2011 reporting period two stream gravel samples were collected in the relinquished area. Sample 10-028-005 reported a positive result containing one chromite grain however it was considered to be derived from a non-kimberlite source and is of no interest. Six geochemical samples were also collected with no anomalous results indicative of non-diamond mineralisation. The results are shown in Table 3.

6.0 EXPLORATION COMPLETED DURING THE CURRENT REPORTING PERIOD

Three geochemical samples were collected in the relinquished area during the 2011-2012 reporting period. No anomalous results were reported indicative of non-diamond mineralisation. Results from these samples are shown in Table 4.

7.0 REFERENCES

Sweet I P, Brakel, A T, Rawlings, D J, Haines, P W, Plumb, K A & Wygralak, A S, (1999), Mt Marumba SD53-06 1:250,000: Explanatory Notes, *Northern Territory Geological Survey, Darwin*.

Reddicliffe, T.R. (2009) North Australian Diamonds Limited, Annual Exploration Report - Year 1, 2008-2009 for EL26087, NADL Ref: 09-017.

Reddicliffe, T.R. (2010) North Australian Diamonds Limited, Annual Exploration Report - Year 2, 2009-2010 for EL26087, NADL Ref: 10-017.

Reddicliffe, T.R. (2011) North Australian Diamonds Limited, Annual Exploration Report - Year 3, 2010-2011 for EL26087, NADL Ref: 11-015.

Kammermann, M. (2012) North Australian Diamonds Limited, Annual Exploration Report - Year 4, 2011-2012 for EL26087, NADL Ref: 12-018.

Table 2. Sample Data

SAMPLE	TYPE	EASTING	NORTHING	DATUM	ZONE	RESULTS	DIAMONDS	CHROMITES
09-207-002	STREAM	320035	8443543	GDA94	53	NEGATIVE	0	0
09-207-003	STREAM	323874	8449858	GDA94	53	NEGATIVE	0	0
09-207-009	LOAM	331127	8449516	GDA94	53	NEGATIVE	0	0
10-028-005	GRAVEL	321149	8434486	GDA94	53	POSITIVE	0	2
10-028-006	GRAVEL	321368	8438765	GDA94	53	NEGATIVE	0	0
10-105-005	GEOCHEM	321149	8434486	GDA94	53	N/A	0	0
10-105-006	GEOCHEM	321328	8438778	GDA94	53	N/A	0	0
10-105-008	GEOCHEM	329200	8437107	GDA94	53	N/A	0	0
10-105-012	GEOCHEM	327653	8446295	GDA94	53	N/A	0	0
10-105-019	GEOCHEM	327878	8450111	GDA94	53	N/A	0	0
10-105-020	GEOCHEM	317669	8443937	GDA94	53	N/A	0	0
11-102-008	GEOCHEM	332793	8439217	GDA94	53	N/A	0	0
11-102-009	GEOCHEM	333053	8438925	GDA94	53	N/A	0	0
11-102-011	GEOCHEM	337469	8442671	GDA94	53	N/A	0	0

Table 3. 2011 Geochem Results

ELEMENTS	Au	Ag	As	Be	Bi	Ce	Co	Cu	La	Mo	Ni	Pb	Pd	Pt	Th	U	V	Zn
UNITS	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppb	ppb	ppm	ppm	ppm	ppm
DETECTION	1	0.2	2	0.1	0.01	0.01	0.1	1	0.01	0.1	1	2	1	1	0.01	0.01	1	1
METHOD	FA25/MS	A/MS	A/MS	A/MS	A/MS	A/MS	A/MS	A/MS	A/MS	A/MS	A/MS	A/MS	FA25/MS	FA25/MS	A/MS	A/MS	A/OES	A/OES
10-105-005	1	X	X	0.2	0.09	23.8	3.2	8	12.53	0.9	5	5	X	X	6.78	1.29	24	3
10-105-006	1	X	2	0.8	0.09	29.51	17	16	14	1.1	11	7	X	3	4.85	1.05	139	25
10-105-008	1	X	X	1.8	0.17	72.71	5.2	14	34.74	0.8	8	9	X	X	11.13	2.33	45	6
10-105-012	2	X	3	0.5	0.24	32.06	6.4	18	15.67	2.1	9	11	X	X	7.57	1.32	82	15
10-105-019	X	X	X	0.2	0.21	29.82	3.9	8	14	1.1	8	10	X	X	6.89	0.97	65	7
10-105-020	X	X	X	0.8	0.16	46.32	6.2	14	22.36	0.7	8	5	X	X	8.93	2.28	44	9

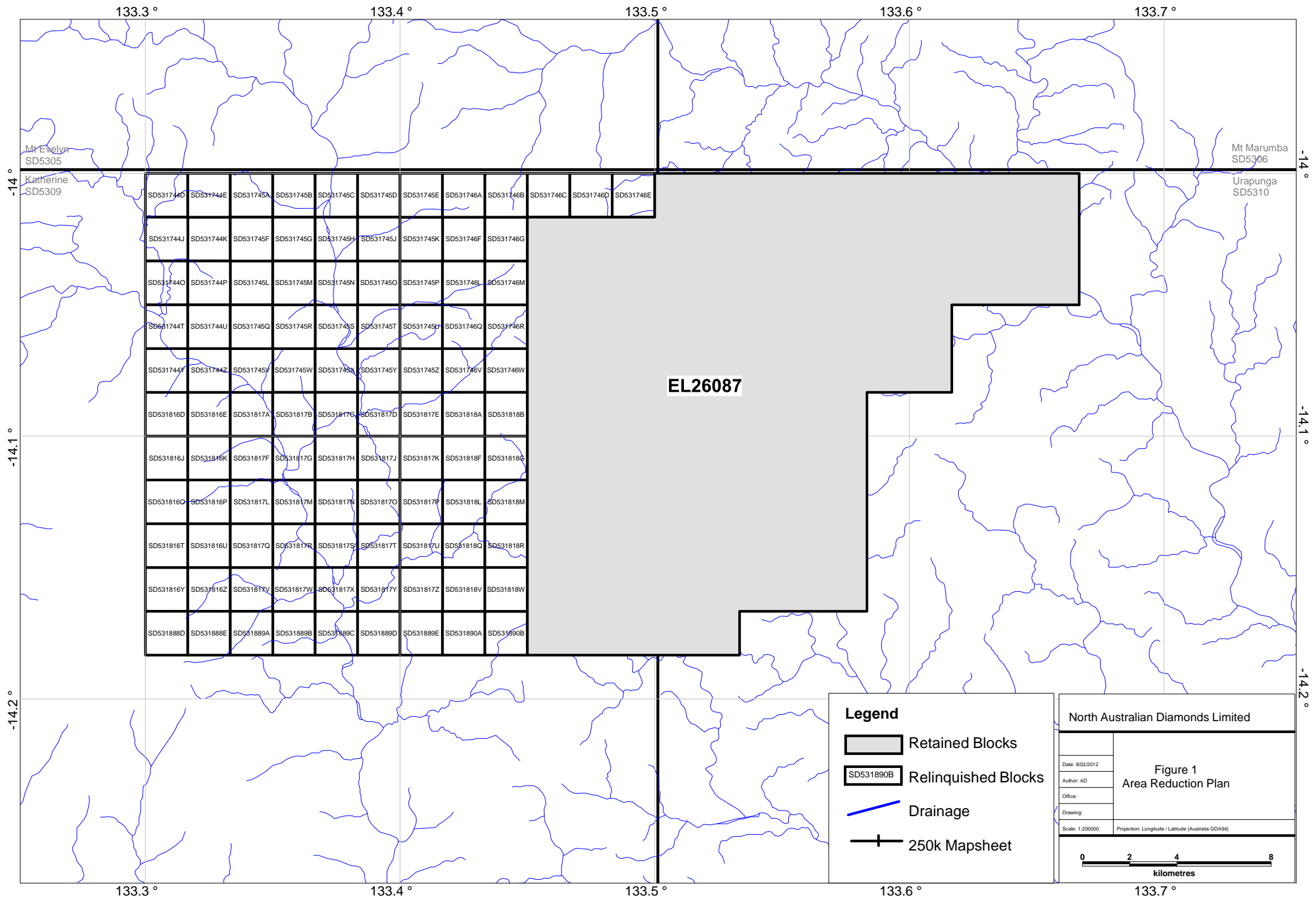
Table 4. 2012 Geochem Results

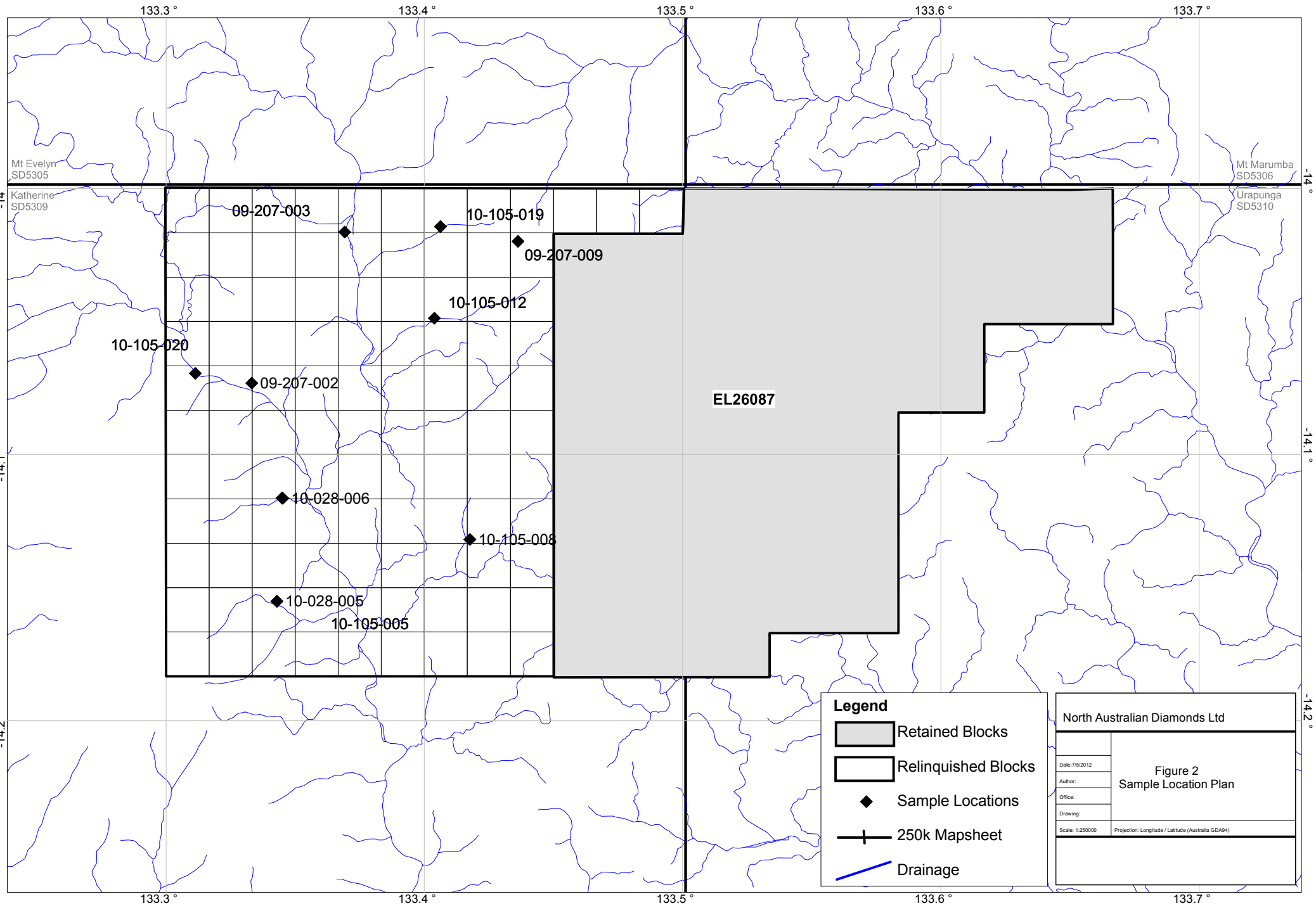
ELEMENTS	Au	Ag	Al	As	Ba	Be	Bi	Ca	Cd	Co	Cr	Cs	Cu	Fe	Ga	Ge
UNITS	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm
DETECTION	1	0.1	50	1	1	0.5	0.05	50	0.05	0.1	5	0.1	1	0.01	0.1	0.1
METHOD	FA25/MS	4A/MS	4A/OE	4A/MS	4A/MS	4A/MS	4A/MS	4A/OE	4A/MS	4A/MS	4A/OE	4A/MS	4A/OE	4A/OE	4A/MS	4A/MS
SAMPLE																
11-102-008	2	0.7	36781	4	136	1	0.3	516	X	8.5	214	2.3	27	2.56	8.6	1.2
11-102-009	3	0.1	28214	6	170	1.6	0.21	804	X	9.1	89	1.9	19	5.4	7.1	0.9
11-102-011	4	0.2	67865	5	302	1.9	0.31	726	X	14.2	50	3.3	32	4.19	16.8	1.4

ELEMENTS	Hf	In	K	Li	Mg	Mn	Mo	Na	Nb	Ni	P	Pb	Pd	Pt	Rb	Re
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppb	ppb	ppm	ppm
DETECTION	0.1	0.05	20	0.1	20	1	0.1	20	0.1	1	50	1	1	1	0.1	0.05
METHOD	4A/MS	4A/MS	4A/OE	4A/MS	4A/OE	4A/OE	4A/MS	4A/OE	4A/MS	4A/OE	4A/OE	4A/MS	FA25/MS	FA25/MS	4A/MS	4A/MS
SAMPLE																
11-102-008	9.5	0.11	6998	16.8	946	338	1	175	21.6	8	287	15	X	X	35.3	X
11-102-009	8.7	0.09	3118	13.7	986	562	0.8	284	15.5	5	495	13	1	X	21.8	X
11-102-011	5.6	0.08	8426	23.4	2735	782	0.8	310	22.8	13	459	30	X	X	53.2	X

ELEMENTS	S	Sb	Sc	Se	Sn	Sr	Ta	Te	Th	Ti	Tl	U	V	W	Y	Zn
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
DETECTION	50	0.1	1	1	0.1	0.5	0.05	0.1	0.05	5	0.02	0.05	1	0.1	0.1	1
METHOD	4A/OE	4A/MS	4A/OE	4A/MS	4A/MS	4A/MS	4A/MS	4A/MS	4A/MS	4A/OE	4A/MS	4A/MS	4A/OE	4A/MS	4A/MS	4A/OE
SAMPLE																
11-102-008	112	1.1	14	X	2.4	17.3	1.28	X	13.83	9932	0.18	3.36	66	2	26.7	13
11-102-009	269	0.9	9	X	1.8	16.4	0.96	X	11.97	8189	0.18	2.85	65	1.3	28	19
11-102-011	175	0.6	16	X	2.8	36.3	1.47	X	13.27	10852	0.42	3.87	85	1.5	31	41

ELEMENTS	Zr
UNITS	ppm
DETECTION	0.5
METHOD	4A/MS
SAMPLE	
11-102-008	361.4
11-102-009	332.9
11-102-011	215





North Australian Diamonds Ltd

Date: 7/5/2012

Author:

Office:

Drawing:

Scale: 1:250000

Projection: Longitude / Latitude (Australia GDA84)

Figure 2
Sample Location Plan