ONEVA EXPLORATION PTY LTD
ACN 072 908 582

YEAR 2
AMALGAMATED ANNUAL REPORT

GR 246/12
EL27628 and EL27751
EPENARRA
NORTHERN TERRITORY, AUSTRALIA

For The Period 8/4/2011 to 7/4/2012
by
Geoff Bogie (MD) June 2012

Targets: Gold, Tin, Tungsten, Lithium
Fluorspar

1:100,000 Hatches Creek 5956
1:250,000 Frew River SF 53–03
GDA94 Zone 53

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INTRODUCTION

BACKGROUND

The Epenarra prospect comprises two back-to-back exploration licences, historically encompassing redundant scheelite diggings at Woodenjerri near Wutunugurra (Epenarra community) and additionally, gold, copper, zinc, weak lead and uranium mineral commodities have been reported across the general area. Located westerly across the Frew River on the historical Kurinelli Goldfield, small gold lodes in quartz veins were historically mined using light stampers. And further south by 40 km to Hatches Creek, gold, wolframite, scheelite, tungstite and bismuthite with some molybdenite, crysocolla and copper was historically mined.

Oneva Exploration Pty Ltd (Oneva) was granted EL27628 on 8th April 2010 for 6 years. A second smaller area: EL27751 was later granted in July 2010. Our objective was to combine both licences and sample prospective formations across the overall northern, central and southern areas, chiefly in search of gold and tungsten.

Regrettably, heavy rainfall, the second highest ever-recorded readings in central Australia delayed Oneva’s scheduled soil sampling fieldwork through the entire first year of tenure.

SUMMARY

Phase-1 orientation sampling yielded 98 off Ionic soil samples from 6 targeted areas. Assay data indicated primary gold at three of these areas and anomalous base metals with elevated (anomalous) REE were recorded across most areas.

From follow-up Phase-2 superimposed gridlines, 238 Ionic soil samples collected from the same three gold anomaly Area’s 1 (Purple), 2 (Jugular) and 5A (Principal Hill) assays returned extremely positive results indicating further anomalous and contiguous gold from a primary source across each of these grids. An additional annexed target Area 1C (Winks) also assayed positive primary gold signatures. A total of 52 Ionic soil samples registered primary gold response. As a result, 15 off drill targets are proposed pending further infill sampling and geological evaluation.

LOCATION and ACCESS

EL27628 and EL27751 Epenarra is located some 530 km N N-E from Alice Springs within the Barkly region and accessed via the Stuart Highway, Kurundi-Epenarra Road, then by station tracks. The area is also accessed via Murray Downs Station, thence northwards via Hatches Creek and Old Police Station Waterhole Road.

See location image at right and tenure map on Page 4.
All marked-up areas 1 to 6 were soil sampled during Phase-1 orientation, then 5 off superimposed grid areas were soil sampled in Phase-2 (yellow hatched areas)
TOPOGRAPHY

The Epenarra prospect area consists of flat sandy and scrubby terrane, interrupted by rocky ridges of the Davenport Ranges in the south to the rocky Epenarra volcanic Clough Range in the north. Both sparse and thick clumped spindly mulga and scrubby bush occupy the flat country. Spinifex and grasses are found across the reliefs and whitegum eucalypts populate the watercourses.

Drainage on the licence area west boundary is via the north-flowing Frew River and the Teatree Creek situated at the extreme eastern area also discharges northerly. Numerous permanent and semi permanent waterholes occupy the watercourses, especially the Frew River, found flowing generally after good rains.

CLIMATE

The southern NT climate is arid, with cold winters and hot summers. The average rainfall is about 230mm per year, most rain falling through summer months.

In the 2010–2011 season, the central Australia Region recorded a very unusual yet second highest ever-recorded rainfall of 770mm. Moderate rains were received in the 2012 summer season.

LAND TENURE

EL27628 and EL27751 are back-to-back mineral exploration licences. EL27628 was granted by the Department of Resources to Oneva Exploration Pty Ltd in April 2010. EL27751 was additionally granted to Oneva in July 2010 after surviving a competitor application.

The tenements are located within the pastoral lease boundaries of Kurundi Station NT Portion 716 and Epenarra Station NT Portion 4030.

NATIVE TITLE

As far as Oneva is aware, there are no registered Native Title Claims.

ABORIGINAL SACRED SITES

Oneva has completed a Search of the Register for Aboriginal Sacred Sites and Sites of Significance covering the areas occupied by EL27628 and EL27751, and conducted a viewing of Authority Certificates issued through the Aboriginal Areas Protection Authority (AAPA).

5 Sacred Sites or Sites of Significance are recorded in relation to the area covering EL27628 only.
LOCAL GEOLOGY

Palaeoproterozoic rocks of the Frew River area covering Oneva’s licences are dominantly arenite, siltstone, sandstone and chert. Plains and valleys are generally sandy alluvium soils throughout where hilly outcrop tallus or lag quickly disappears beneath soil cover.

In the south, the Gum Ridge Formation (Emg) of the Georgina Basin comprises ferruginised chert, concentrically banded siltstone, sandstone, dolostone, limestone and local basal conglomerates. At Principal Hill feature area, the outcrop expression is noted with brecciated ferricrete as rounded boulders with angular clasts and sheet spreads with ferruginous conglomerates and chert on both the top and sides of ridges/hills. Compositions of laminar and rough rocky arenite is located in soils immediately at foot within this domain and reveal primary gold and base metals on assays.

Kurinelli Sandstone (Pok) of the Ooradidgee Group is represented immediately north from Principal Hill where soil samples at Headmasters feature area have assayed base metal and REE anomalies. The area comprises feldspathic, lithic and quartzose arenite with siltstone.

Andagera Formation (Pud) of the Mopunga Group is located immediately north again. This formation comprises scattered conglomerates, quartz, sandstone, siltstone – thinly to thickly bedded parallel and cross bedded and is noted to form mesas and valley fill (Frew River). Here, higher horizon ridgetop soil sample assays indicate anomalous base metals and REE at the Southern Cross feature area. Parallel lenticular silcrete can be seen hugging the foot of ridgelines where brecciated ferricrete and ferruginous conglomerates populate the horizon above. Also here, cross-cutting, sheared arenite/gneissic/sandstone is viewed on higher alteration terrane. Each formation described above appears separated only by a narrow relief or valley between folds.

Most of the central area is occupied by the Gum Ridge Formation (Emg), described above, or Rooneys Formation of the Ooradidgee Group. Rooneys Formation comprises feldspathic and lithic arenite and laminated to thin bedded siltstone.

The northern area comprises a complex mix of various formations and subgroups. At Winks feature area, the zone is represented by the Wauchope Subgroup (Pdl). Cross cutting schistose lenses of granitic sandstone dolerite and arenite, breccia and scattered quartz with chert and chlorite alteration is visible and extensive. Laminar bedded arenite is commonly found at the B horizon where neutral to slightly alkaline alluvium soils (as opposed to the remainder of property where sampled being acid) are registering primary gold from assays. The lower plain horizon exhibits some rare calcrete, the higher (low) rises loose calcrete and gain a higher granitic appearance. Schist lenses are short, measuring only a few metres long at most, with outcrop height rarely exceeding 300mm.

The Wauchope Subgroup is surrounded by Cenozoic rocks (Czf) of ferricrete, manganocrete and ferruginous rock, the area also occupied by alluvium and colluvial soils. However, the southern Winks area is immediately abutted by the Rooneys Formation (Pon) as described above and hosting primary gold and additionally believed the primary host formation at the westerly neighbouring historical Kurinelli Goldfield.

The northern licence areas are either occupied by or under the influence of the Epenarra Volcanics (Por) of the Ooradidgee Group, comprising cleaved felsic tuff, porphyritic lava, volcanioclastic arenite and conglomerate and mafic tuff and lava. At the combined 1A and 1B feature area called Purple, lithic laminar arenite and powdered lithic arenite (distinctly purple colour) within alluvium plain soils and from soils on low rises of limited outcrop are producing primary gold signatures.
The author cannot verify the underlying structures are Epenarra Volcanics or intruding Rooney's Formation, as sediments from both are represented.

The Jugular feature area is contained within Epenarra Volcanics at the south foot of an eastern extension of the Clough Range. The higher Jugular area comprises brecciated ferricrete and volcaniclastic ferruginous materials, lenticular breccia dykes and massive in-situ brecciation infills or intrusive ferruginous ferricrete bomb-dykes. Ionic surface acidic soil assays indicate primary gold below ferruginous arenite slope lag and alluvial plains soil beyond gravity lag.

MINERAL EXPLORATION by PREVIOUS EXPLORERS

  Detailed report on Battery Prospect & Horse Paddock Prospect – Kurinelli Bore

- CR19890713 1989 Australian Energy & Gold NL
  Reporting on Long Pound area, west & north from Hatches Creek. Minimal work.

- CR19900151 1990 Wentwel Pty Ltd
  Two areas southwest from Epenarra flanking the Frew River were taken up but then relinquished without securing a JV interest.

- CR19920364 1992 John May
  Area directly south from Epenarra. Eight costeans in close proximity to the Frew River banks were completed to 2mt depths, testing for gold and covering a distance of 12 km. Composite pan concentrates from No 2 and No 8 costeans revealed colour. No further work.

- CR19920381 1992 JW Shields (Geologist)
  Shields sampled exposed quartz veins in an area adjoining the west boundary of Oneva’s EL27628, west from the Frew River and Rooney Yard/waterhole. Gold was assayed peaking at 1.15g/Tonne from a 1 km long quartz vein over 500 mt. Shield interpreted the gold response to occur at, or be hosted either in dolerite/gabbro or in siltstone, or arenite belonging to Rooney’s Formation. Iron rich gibber flat ground sampling produced values of 0.30% Ti.

- CR19930260 1993 JW Shields (Geologist)
  In Shields 2nd year, mapping and ground magnetic prospecting (magnetometer) was engaged with hammer seismic refraction to identify the existence of shallow depth paleochannels after anomalous gold was located in the 1st year. The survey results indicated the possibility of a paleochannel system, (where tested). Also eight of 2 kg BLEG near surface samples were collected; however, the scale of work was somewhat limited and yielded non-conclusive results.

- CR19930344 1993 JW Shields (Geologist)
  Report on relinquished area – as described above.

- CR19940224 1994 JW Shields (Geologist)
  Another two adjoining licences were granted to Shields but further mapping and sample collection utilising BLEG analysis did not return desired results.

Shields makes mention throughout reports of various mineral claims either on or near his exploration areas, worked by modern prospectors with metal detectors that have been viable and rewarding.
Later, the grading or front-end loader pushing of gravels has proven equally successful. Breaking of identified quartz lumps with small earthmoving equipment has apparently also proved worthwhile in liberating gold for electronic detection or panning off scalped fines.

- CR19950199 1995 JW Shields (Geologist)
  Shields final report indicates geological mapping, sample collection for BLEG assaying, chip sampling, ground magnetic surveying, magnetic modelling and refraction surveying were each collectively tried to evaluate gold potential. Final term rockchip collection and assays realised low values. Shields considered that future seismic work should be useful in determining the configuration of host rock for mineralisation at depth.

- CR19940459 1994 RG Williams
  Seems he never got excited about anything.

- CR19950191 1995 Orian Resources NL
  Orian’s exploration covered most of Oneva’s EL27628 and EL27751. Orian utilised available radiometric and TMI data supplied with the 1:100,000 geological map and interpreted some 25 off targets selected on a range of criteria, including sub-circular features, less than about 1 km in diameter and based on felsic intrusives, proximity to lineaments, etc. A consultant assisted in reprocessing the mag and radiometric data. Of all 25 targets generated, eight were field checked, mapped and tested by means of ground magnetometer, soil and rockchip sampling. Four targets were radiometric uranium potentials. All geochemistry values obtained were low order.
  Three targets not field checked reside on Oneva’s current tenements. Orian’s Target 4 (Purple area) within volcaniclastic arenite units and Target 7 (Oneva’s EL27751 Area 4A) within colluvium and close to granite contact. Orian’s Target 10, S S-W from Area 4A comprises one third only of this overall target area on EL27628, within Cambrian conglomerates and granite.

- CR19950496 1995 Orian Resources NL
  Orian drilled 3 targets: 1, 3 and 11, however, the 3 drill targets were off (east and south) from Oneva held ground. The drill target anomalies did not provide satisfactory results. Before further work was undertaken, Orian was not able to secure a larger footprint with adjoining applications, thereafter they withdrew from the overall project.

- CR20040190 2004 Tanami Exploration NL (TENL)
  TENL’s exploration licence covered the northern quarter of Oneva’s property. After completing desktop mapping, TENL defined a linear magnetic high running east-west immediately below the western Clough Range quartzite. Field reconnaissance indicated this magnetic high represents a gabbroic unit mostly covered by Aeolian sand. At other selected targets, soil sampling returned low grades for Au, As, Pt, Pd, Cu, Pb, and Zn.
  At the Woodenjerrie tungsten workings, four rockchip samples peaked at Au 99 ppb, As 1.4 ppm with low value anomalous Pb. Reported geochemistry excluded W and rare earth elements.

- CR20050061 2005 Tanami Exploration NL (TENL)
  TENL’s 2nd Year exploration involved collecting 8 off rockchips and completing 80 off vacuum drillholes. The first seven drillholes were located west of the Frew River, below Clough Range, the remainder east from the Frew River positioned mostly below 20° 30’ southing.
  Drilling penetrated depths of 10mt to 20mt maximum for 1398 mts. Drill intersection composite geochemistry was disappointing, highest value: 3mt Au 28 ppb. Best results came after resampling selected 1mt intervals: Au 199 ppb from 12mt and Au 128 ppb from 15mt at drillhole EPV011, located some 3680mt east from the Frew River.
• CR20050170 2005 Asian Minerals Pty Ltd
Asian Minerals area covered about 1500mt only of the northern sector of property now held by Oneva. Completing no work and with no JV interests secured, the area was relinquished.

• CR20050641 2005 Arafura Resources NL
Arafura’s Frew River exploration area covered almost all of Oneva’s EL27628 below Epenarra Station and pertaining to Kurundi Station. Arafura acquired the tenement from McCleary Investments Pty Ltd in 2002, five days after McCleary was originally given grant. Arafura contracted Explormin (John Goulevitch) to effect collections of 236 samples, grided at 500mt x 500mt spacings across an area of approximately 105 sq kms. Goulevitch states that at each site, two soil size fractions were collected. A ~80 mesh fraction for Cu, Pb, Zn, Co and Ni, and a ~2 mm fraction for low level Au, Pt and Pd for analysis. This staggered (boomerang shaped) grid, occupies the area from 2 or 3 km below Fat Bullock Bore, thence N-W towards Rooneys Yard, thence easterly past the Northeast corner of EL27751, by some 2800mt.
(a) 117 sites returned a value above a 1 ppb detection limit;
(b) 12 sites returned a value of 3 ppb or more;
(c) Highest recorded value was 8 ppb
Goulevitch reported that the Au 3 – 8 ppb range is possibly anomalous and defines a coherent zone of elevated gold-in-soil, covering an area of about 6 sq kms.
Base metals geochemistry was low order and with 2 off Pt / Pd values, scraping in at 4 and 2 ppb.
Goulevitch recommended that Arafura extend exploration via infill soil sampling the Au anomaly zone.

• CR20060138 2006 Tanami Exploration NL (TENL)
Tanami relinquished interest.

• CR20060254 2006 Arafura Resources NL
Kelvin Hussey reports that infill sampling of an anomalous Au zone from the previous year work provided effect for 137 sample sites at 50mt intervals along 250mt spaced N-S lines, where 500g samples of ~2mm soil fraction were collected and analysed for low level gold. The results indicated that low level gold is present in the Phase 2A area from 131 sites sampled.
(a) Only 3 sites returned a value below a 1 ppb detection limit,
(b) 32 sites returned an average Au value of 3 ppb or more,
(c) 4 sites returned an assay of 10 ppb or more, 3 of these averaged above 10 ppb Au,
(d) Highest average Au 13 ppb.
Hussey considered the results of Au 3 – 13 ppb range as possibly anomalous, confirming the previous Year 1 geochemical soil sampling. Hussey reports some Phase 1 sites were resampled and these samples confirmed they were repeatable. Hussey indicates the work was not successful in defining high level Au anomalist but has identified a broad 1000 x 500 mt Au anomaly, open to the east and north-east that may warrant additional infill soil sampling.

• CR20070431 2007 Arafura Resources NL
Sarah Dixon reports relinquishment of Arafura’s area, without further work on the anomalous Au zone reported by Hussey. The company considered their adjoining Kurinelli western exploration area of higher interest.
WORK COMPLETED by ONEVA EXPLORATION

(a) Review of previous company exploration reports plus printout of all relevant maps
(b) Studies of Frew River Geological sheet (hard & digital copies) including explanatory notes
(c) Desktop review and selective screen captures of available satellite images
(d) Interpretation of feature areas based on: Satellite topo, Geomapped faults & lineaments, including a close review of Arafura work
(e) Plot sample targets for Ionic soil geochemical analysis, within feature zones interpreted
(f) Replot (re-establish) exact sample targets points onto economic fieldwork orientation lines
(g) Reconnaissance soil sampling
(h) Plot Phase-2 gridlines superimposed across geochemical derived orientation anomalies
(i) Assay all collected Ionic soils by partial leach – multi element analysis
(j) Plot-up assays into formulated element response ratios against background level

Feature areas were interpreted and outlined from a variety of geological and historical data modelling. A vast amount of time went into reviewing and interpreting historical data, then plotting economic orientation lines, mostly as single run lines, designed to maximise the potential of striking most targets. Feature areas were assigned numbers from 1 to 6 in total. Each area was selected from topography, faults, lineaments and geological position viewed on NTGS Geoscience maps. Outlined areas in Figure 3 (white) are numbered. See main commodities shown as at April 2012.

In phase-1 orientation Ionic soil sampling program, 98 samples were collected. In phase-2 work, 238 Ionic soils were collected. Samples were all 200 gram minus 5mm sieved coarse fraction and accommodated in pre-numbered white face plastic snap seal bags. Orientation sampling intervals varied at each location area; generally from 65 to 200mt and taken below 200mm to 250mm depth. Across the property Oneva originally targeted Au, Bi, Co, F, Li, Sn, Ti, W, Zn.

Orientation (Phase-1) soil sampling assays provided very encouraging results across all the sampled areas, marked in Figure 3. The only media representation submitted for analysis was B horizon Ionic soils and the prioritised analytical scheme used throughout was an ALS partial leach scheme: ME–MS23. This scheme provided 57 elements, including gold.

Phase-1 assays indicate primary gold at 3 off 6 sampled locations; Purple (Area 1B), Principal Hill (Area 5A) and Riverside (Area 6). Assays covering the remaining areas indicate anomalous base metals, principally As, Co, Cr, Li, Pb and Zn indexation. These same areas also reveal strong associations of REE Sc, Hf+Zr indexation, with the strongest REE signatures indicated at Areas 1 & 2.

Phase-2 follow-up work commenced with desktop gridding across the combined Area of 1A/B now Purple, Area 2: Jugular, Area 5A: Principal Hill and Area 6: Riverside. As our budget would not stretch the whole distance, we superimposed grids over the indicated primary gold response areas.

Geological Models – Sampling – Analytical Results (1) = 1 event (2) = 2 events

Purple (2) EL27751 (Phase-1 + phase-2 events) Selected on geological component and geometry from a gold anomaly area Arafura Resources first reported in 2005 to the S-W. The author will now refer to this former Arafura identified area as Oneva’s area “Winks”.

Oneva’s Purple area was convened by combining Areas 1A and 1B for Phase-2 and subsequent work. Purple was named for the extraordinary purple coloured laminar arenite, bedding on an acid based B horizon without a revealing surface expression, save for scattered mafic ferruginous and lithic ferricrete cobbles and mottled breccia.

See Figure 3, Landsat overlay map with marked areas & anomalies
Jugular
Sample prefix EP2XXX
Au+As+Ag+Be+Cr+La+Li+Nb+Pb
+Pd+Ti+Zn
Primary Gold,
Arsenic, Chrome, Lithium, Zinc,
REE: Scandium, Hf+Zr

Purple
Sample prefix EP1XXX
Primary Gold,
As, Co, Ti, Zn
+ REE

Primary Gold

EP3113 & EP3114
As+Br+Ca+Li+Mg+Se+Sr
Arsenic, REE

EP4006 & EP4020
Silver+Zinc

EP5319 – EP5331
Cr+Mn+Nb+Pb+Pd+Ti
REE: Scandium, Hf+Zr

Epenarra EL27628 & EL27751
Sample ID’s and Anomalies
Drawn: GB. April 2012
Oneva Exploration Pty Ltd
Alice Springs NT

Principal Hill
Sample prefix EP5XXX
Au+As+Sn+W, U
Primary Gold

Headmasters (Area 5B)
EP5301 – EP5314
Co+Nb+Pb+Ti
REE: Scandium, Hf+Zr

Figure 3

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**Purple Sampling & Results:**
Area 1A is positioned 600mt north from Area 1B. Parallel ori lines were spaced at 120mt with 100mt intervals providing 12 soil samples. Assays yielded elevated As, Co, Cr, Fe, Pd & Sn.

Area 1B: Four orientation lines produced 16 soil samples at 100 x 100mt intervals. Assays indicate primary gold from four close sample sites.

Purple Phase-2 work tethered the 1A/B area combined. A superimposed grid was extended 1200mt south over Area 1B by 900mt width on an approximate overall grid of 100 x 100mt. Purple ionic sampling yielded 7 anomalous and contiguous gold hits to the N-W. At the central S-E zone, another 5 closely associated gold hits indicate repeatability from Phase-1 work, for a total of 16 primary gold sites identified at Purple.

**Jugular (2) EL27628**
Appearing as a semi-circular exhalative feature on the eastern extends of Clough Range, the author selected to sample a possible throat or perhaps otherwise now, the lag apron spaying southwards and additionally E-W dykes to the west. Brecciated lenticular E-W dykes lay across a southerly apron strike of this interesting volcanic feature, yet in parallel sympathy with range direction. Angular feldspathic clasts are seen in rounded brecciated ferricrete and ferruginous conglomerate bombs (to 500mm diameter) with brecciated (dolerite?) forming dykes.

**Jugular Sampling & Results:** Across an overall distance of 800 x 400mt, 17 orientation soils were collected at various intervals along the range southern slope. An abundance of base metals + REE are recorded on assays plus 1 off gold hit: EP2205 on the eastern limb of an E-W lenticular intrusive exposed dyke system within the southbound apron feeder.

In phase-2 follow-up work a 100 x 100mt grid was established mainly covering the EP2205 gold anomaly and extending across the exhalative apron feeder and 300mt south. From 15 samples collected overall, another 2 gold hits resulted, contiguously again on the apron – south. The first gold hit south from EP2205 is EP2330 located on low inclined hillslope or final exposed feed lag off <200mm boulders. The third gold hit: EP2326 is located another 100mt south S-E, now into red sandy grassed plain soil. Assays also indicate moderate responses of As, Cr, Fe, Li, Nb, Sn, Ti Hf+Zr. PS: No arsenic recorded on E-W dykes.

**Winks (1) EL27628**: (Area 1C) sampled during Phase-2 work. Winks is positioned across an area formally identified by Arafura as a low gold-in-soil anomaly. Oneva's southern sampled site: EP1505 is located on Rooneys Formation (Pon) sediments of the Epenarra Volcanics package where lithologies of arenite and siltstone are host to gold across this region, first recognised locally at Kurinelli within quartz veins and conformable gabbro/dolerite.

Winks area extends northerly and immediately into rocks of the Wachope Subgroup (Pdl) – for all other sampled sites. Sediments comprise arenite, dolerite, gabbro, some silicates – epidote (although none viewed), with carbonate and chloritic alteration.

**Winks Sampling & Results:** A gold hit recorded immediately at EP1505. Assays indicate yet another 4 gold hits bringing a total off 5 primary gold sites recorded from 8 soils collected on non fixed intervals across 380mt E-W width by 635mt N-S grid. Generally all the area reveals chloritic alteration and with B horizon bedding revealing laminar arenite, same at the foot of invading short sandstone/siltstone cross-cutting schist lenses.

**Area 3 (1) EL27628:** Central area selected on Rooneys Formation (Pon) in contact with the Andagera Formation (Pud) and Georgina Basin’s – Gum Ridge Formation. During fieldwork, a bushfire had only just roared through this area.

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Area 3 Sampling & Results: From a 30 sample staggered grid, 2 ionic sandy soils were collected at 200mt interval on the Canteen Creek road. Sample EP3113 assay reveals highly elevated As, Br, Li.

Area 4A (1) EL27751: Historical records reveal Orian Resources selected this area/target 7 on colluvium plain country as a magnetic high, close to granite contact. Orian later downgraded the site as a “broad poor target” without going further. Oneva visited the site and found thick Spinifex above head height, not burned in district bushfires, making access impractical and near impossible.

Area 4A Sampling & Results: Only 2 sandy soil samples were collected from a 30 sample N-S grid at 200mt E-W interval on the Canteen Creek road. Assays indicate anomalous Ag+Zn, Hf. This is one of three areas (1, 2, 4A) where potential sphalerite is most anomalous over the property.

Area 4B (1) EL27751: Cenozoic red sandy surface soil formation, trap test site for alluvial or palaeochannel mineralisation.

Area 4B Sampling & Results: While assays do show some Hf+Zr, Cr, Ti and minor Zn subdued response, the area is downgraded until quantity assays are forthcoming from the nearby Area 4A.

Principal Hill (2) EL27628: Positioned on sediments of the Gum Ridge Formation (Emg) of the Georgina Basin, chert, sandstone, concentrically banded siltstone that can appear likestromatolite, dolostone, limestone and especially ferruginised conglomerates and brecciated ferricrete all reside with a purple coloured laminar to rocky rounded subsurface arenite that appears to be a gold host. Arenite at Principal Hill is for all intends identical with that at Purple, 23km north. There are no Epenarra volcanics mapped in this area. However, a good spread of contiguous gold here might indicate intrusive related gold as Au-Sn-W and background U is present. As is highly abundant here. Gold has been detected congruently embedded with tungsten within ferruginous breccia.

Principal Hill Sampling & Results: 4 soil samples were collected on a single gridline in Phase-1 orientation at various intervals from 65 to 120mt. Each were positioned just under breccia footwall of ferricrete and dolerite horizontal layered/lifted sediments. Rounded shaped breccia conglomerate displaying angular feldspathic clasts and flat sheet spreads of ferricrete lay exposed on surface horizons above. Each Ionic soil sample registered as primary gold.

In Phase-2 sampling, 104 soil samples were collected on a NW–SE projected grid 735mt long by 410mt width, the south-east section of new grid consuming the Phase-1 gridline. Intervals were 60mt NW–SE x 50mt. Another 23 contiguous gold hits are indicated on assays, with arsenic in abundance. A 50mt linear band of tungsten is also present, exactly in parallel tandem with E-W oriented sampling grid, at this stage. Gold, arsenic, tungsten, tin, cobalt and Li+Nb remain open to the north, south and east, with tungsten + arsenic + tin possibly still open to the west. Principal Hill yielded a total of 27 contiguous primary gold hits with As+Sn+W. A possible IRG structure. Sample EP5484 registered the property highest gold response of 26 times above background (Au 1.72ppb).

Headmasters (1) EL27628: The sampled area is influenced by sediments from a number of formations; Andagera Formation (Pud), Kurinelli Sandstone (Pok) and Gum Ridge Formation. All the usual suspects; dolerite, sandstone, siltstone, chert are reasonably commonplace throughout. Flatbed (horizontal) layered sandstone/siltstone and accompanying yet minor dolerite is conspicuous in some outcrop exposures between Headmasters and Southern Cross.

Headmasters Sampling & Results: Soil sampling was generally completed within three clusters of non fixed intervals, 65 to 150mt and covering 1200mt distance by 200 to 280mt cross widths. Ionic soil assays indicate anomalous Co, Nb, minor Pb+Ti, REE: Sc+Zr. Overall, the geochemistry is subdued with elements just above background >5 threshold response ratio.
Southern Cross (1) EL27628: Kurinelli Sandstone (Pok) and the Andagera Formation (Pud) (both mentioned above) are the sediments mostly represented here. Some overlapping of Cenozoic soils in valley fill and Gum Ridge Formation ferruginous conglomerate on higher slopes appear. Ferricrete populates the northwest-bound sampled ridgetop. Sandstone/dolostone/feldspathic lithic quartzose and underlying arenite is viewed across this area. Without a detailed study, the effects of structural breaks and faults was not immediately noted by the author, except for very abrupt prominent ridge cutting creeks that follow structural trends.

Southern Cross Sampling & Results: A straight gridline heading NE-SW yielded 8 soil samples over 1100mt at fixed 160mt intervals. A second angled T intersecting gridline was located NW-SE near a centred position to the first, and across 1100mt on somewhat continuous ridgeline, 5 samples were collected at 220mt intervals. Ionic soil assays for the most indicate anomalous REE and base metals off Cr, Mn, Nb, Pb, Pd, Ti. Contiguous Hf+Zr is indicated as elevated and anomalous.

Riverside (2) EL27628: The surface area consists of Quaternary sandy soils. A dark N-S lens arrears parallel to the Frew River (east side) and is for the most a natural trough or depression, not viewed by Oneva as a subsidiary channel. So we decided to sample it. Surface comprises all fine sandy soil.

Riverside Sampling & Results: Phase-1 orientation soils were collected on a single gridline over 2500mt N-S for 7 samples off approximate equal intervals. Sample EP6103 registered gold at 22 times above background level, the highest response (Au 1.36ppb) over the property during Phase-1. Note ...assays are partial leach digest.

Phase-2 fieldwork continued by superimposing a small grid over the gold anomaly and aiming west and sampling between two prominent river tributaries of the Frew. A short grid was sampled over 400mt N-S by 300mt EW in the vicinity of the gold anomaly and east from the Frew River. While gold was indicated on assays, no gold registered above background threshold level. A straight westbound gridline at intervals off 250mt between tributaries, as mentioned, from the N-S grid, yielded another 8 soils across a total distance of 3000mt. No rock, no gravel, red very sandy alluvium. Contiguous As+W are the main commodities registering, but strong Cr, Fe, Hg, Li, Nb, Sn and Ti presence is also indicated on assays.

GEOLOGICAL ASSESSMENT

Oneva sought a partial leach assay scheme to analytically test a variety of terranes and formations where some problems or discrepancies has arisen from 4 acid digests reported by others. We are of the view that within the formations and structures we have chosen to test, whole fraction Ionic samples works well as a scheme in identifying mineralisation signatures from mixed media and has a first-pass probable pathfinder advantage over larger quantity pulverised samples. The Ionic leach or MMI scheme can however create a large volume of burdening atypical geochemical values and signatures that require a geochemist or experienced geologist to interpret. As mentioned throughout, Oneva has gained assay insight by formulating response ratios for each assay sample element. This auxiliary procedure does not change or affect the original assay data.

Consultant geochemist and geologist Russell Birrell from Globe-Ex Solutions has compiled a brief report with index graphs covering orientation Ionic soil sampling results. The author is very disappointed that a second promised report at the completion of geochemistry results from phase-2 fieldwork was not forthcoming despite timely assurances.

Globe-Ex Solutions Geological Report, see page 15
This report only covers Phase-1 sampling.
A Review of

Epenarra Reconnaissance Ionic Soil Results

EL 27628 and EL27751,
Northern Territory, Australia

For

Oneva Exploration Pty Ltd
Alice Springs, NT

R.D. Birrell
Geochemist,
22th February, 2012
1.0 Introduction
An orientation ionic soil sampling program was completed by Mr. Geoff Bogie, within EL’s 27628 and 27751 in the Epenarra Area of the Northern Territory. The work was completed on behalf of Oneva Exploration Pty Ltd Alice Springs NT, and analyses completed by ALS Group Perth Laboratory.

The data was provided in both raw and with calculated Response Ratio (anomaly to background) values. This review interpretation was completed by Globex Solutions, and directed by R. Birrell who has considerable experience in interpreting partial extraction ionic geochemical data. The response ratio values supplied by Oneva were used for this interpretation.

2.0 Data Presentation
Summary geochemical index maps for key elements are shown in Figure 1.
To aid interpretation Oneva Exploration Pty Ltd divided the sampling into areas as shown in Figure 2.

3.0 Comments
Based on a preliminary review of the ionic data supplied, there were no obvious issues with its precision and accuracy for interpretation. A detailed statistical review of the data was not undertaken, rather a rapid interrogation to identify obvious trends.

**Gold, and Gold-Silver-Mercury Index**
Three areas (1B, 2, 5 and 6) are showing elevated gold responses with Areas 5 and 6 the most prospective at this stage. The index Au/Ag/Hg represents the strongest Au element association and the index again highlights Areas 5 & 6. While the level of gold response was subdued (highest RR of 22), the strong association of Ag and Hg suggests the presence of primary Au mineralization.

The data set was small which makes definition of an appropriate background sometimes difficult which can in turn lead to application of a background higher than the true natural background for the area being sampled.

**Zinc**
Areas 1, 2 and 3 show very elevated levels of Zn with supporting Cd suggesting sphalerite mineralization in the vicinity.

**Tin**
The Sn response is probably reflecting granitoid (Pegmatitic) affinity.

**Arsenic- Bromine**
This index is primarily designed to highlight structure however in this case care needs to be exercised because of the strong spatial association with Zn (Cd). Again Areas 1, 2 and 3 stand out.

**Copper-Nickel-Strontium-Magnesium Index**
This index is a general element association indicator for mafic lithologies. It clearly identifies Areas 1B, 3, 5 and 6
Map supplied by Oneva Exploration Pty Ltd indicating Au at sampling areas.

Figure 2. Key areas identified by Oneva Exploration Pty Ltd
**Niobium-Beryllium-Lithium-Lanthanum Index**
This index would be expected to identify granitoid/pegmatoid and potential areas with REE affinities. It identifies Areas 1, 2 and parts of 3, 5 and 6.

**Lanthanum**
Areas 1 and 2 have the most anomalous responses for La and other REE’s. Despite their name, REE’s are not that rare geochemically speaking and often their presence is representative of the later phases of granite pluton emplacement.

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**4.0 Conclusions**
The key outcomes from the review of the geochemical data are:

Areas 1B, 5 and 6 appear to have a more mafic character and have elevated levels of primary gold.

Area 1A, 2, and 5 and to a lesser extent Area 6 has a strong Sn response coincident with the granitoid/pegmatoid signature.

Areas 1 and 2 have the strongest As, Br and La response.
The strong Zn/Cd responses suggest sphalerite mineralization and is most anomalous at Areas 1, 2 and 4A.
The overall multi-element geochemistry suggests remnant mafic? lithologies within a more granitic terrain. The mineralization appears to be on or close to contacts. There is some structural component to the results however the sample density at each individual area is not sufficient to draw any firm conclusions.

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**9.0 Recommendations**
The ionic geochemistry results should be plotted and interpreted with available geology and geophysics.

2. The anomalous areas identified with Au/Ag/Hg, La, and Zn/Cd are worthy of further soil sampling to identify potentially mineralized geological units, structures or intrusions.

Russell Birrell
Consultant Geologist

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Figure 1 – Summary maps of results for all samples

Au ppb

- 0 to 0.15
- 0.15 to 0.3
- 0.3 to 0.8
- 0.8 to 2
La ppb

- END BIRRELL GEOLOGICAL REPORT -
CONCLUSION
Assays from Jugular, Purple, Winks and Principal Hill areas are extremely encouraging and significant with cohesive anomalous gold and indicating geochemistry repeatability. Coincident As, Ag, Co, Cr, Li, Nb, Pb, Ti base metal anomalism are generally cohesive throughout. A Hf+Zr index is present throughout all assays, however a greater gold influence would probably override specific targeting of hafnium.

At Jugular, Purple and Winks, cohesive gold-in-soil assay results are viewed as very significant and attractive with contiguous gold response ratios between 5 and 17 times above background level.

Although not concisely marked-up on each sketch map attached herein, tungsten has a trend background presence. Assays indicate tungsten at Jugular, slightly above background threshold level with strong Cr Fe, Sn, Ti signatures but tungsten signatures taper off in the neighbouring Purple and Winks areas where gold is registering at contiguous and higher frequency.

Gold response ratios at Principal Hill are elevated between 5 and 26 times above background and the results are viewed as very significant, repeatable and highly attractive. Arsenic has a very strong presence. Elevated tungsten has an appealing structural coincident factor at the southern section of Principal Hill with cohesive and contiguous gold, tin and low level uranium that appears to exhibit intrusion related gold (IRG).

Riverside area assays indicate gold in a single spike from Phase-1 sampling, not repeated in Phase-2. This is not uncommon when sampling sandy surface alluvium, especially around active channels and without outcrop and where underlying structure depth is unknown. Surprisingly from Phase-2 assays, tungsten is cohesively registering throughout the sampled area, not indicated from a couple of overlapping sites sampled during Phase-1. Nevertheless Phase-2 assays show elevated metals including mercury are present and consistent with tungsten signatures.

The overall survey to date indicates REE is most anomalous at Jugular and Purple, followed in lower order at Area 3 and Southern Cross, then Headmasters. Riverside and Area 4 register minor REE. A possibly sphalerite source is indicated at Purple, Jugular and Area 4A from orientation sampling. Phase-2 assays indicate overall reasonable Zn response and geological appraisal is needed to clarify.

PROPOSAL FOR FURTHER INVESTIGATION
Oneva will implement a geological interrogation study of existing data and establish further gridlines over existing anomalies for both infill and extensional sample collection. We will remain with a partial leach analytical scheme and possibly trial selected sites with an additional scheme.

Based on statistical data, 15 drillholes are proposed targeting gold. These investigation targets are: 8 off drillholes at Principal Hill, 5 off drillholes at Purple and 2 off drillholes at Jugular. Targets at each area are pending further infill sampling and geological evaluation, including the very promising Winks area where 5 off gold-in-soil anomaly sites currently reside.

Geological appraisal of tungsten anomalies is required to optimise further exploration.

Oneva is exploring avenues of joint venture participation. We have already signed confidentiality with an interest group and we are currently in negotiations. At this point, two other interest groups are also appraising our data with the intention of an Option or JV over our licences.
Element values (if indicated herein) are expressed analytically as response ratios (RR). These are element response values of times (X) above background level.

123 ionic soil samples collected. Sandstone/limestone/dolerite/arenite + remnant ferricrete breccia. Gold, Cobalt, Zinc potential

16 ionic soils
Green dots & line: Phase 1 soil samples

Phase 1 (1A) Anomalous Au, Ag, Cr, Li, Nb, Ni, Pd, Sn, Ti, Zn

Phase 1 (1B) Anomalous Au, As, Ba, Ce, Co, Mg, Nb, Ti, Hf – Zr

Primary gold zone

95 ionic soils
Blue dots & dash line: Phase 2 soil samples

Phase 2: Anomalous Au, Ag, Cr, Li, Nb, Ni, Pd, Sn, Ti, Zn

Primary gold zone

Oneva Exploration Pty Ltd
Alice Springs NT
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Element values (if indicated herein) are expressed analytically as response ratios (RR). These are element response values of times (X) above background level.

Sampled area comprises sandstone limestone arenite with cross cutting schist lenses and pegmatite dykes, chloritic alteration across area.
Principal Hill anomalies: Au, As, Cr, Fe, Li, Nb, Pb, Sn, Ti, Hf - Zr

Element values (if indicated herein) are expressed analytically as response ratios (RR). These are element response values of times (X) above background level.
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