



MEMORANDUM

TO : JOHN EVANS

COPY : PAUL LAURICELLA

FROM : STEVEN OXENBURGH

DATE : 01/02/2012

SUBJECT : RELINQUISHMENT RECOMENDATION EL26908

EL26908 is a two block tenement in the SW corner of the Borroloola Project. It is recommended that we relinquish this tenement due to high proportion of outcrop, poor geological prospectivity, and lack of elevated geochemical response. A reduction of one block is required and we do not have any good reason to hang onto the single block.

Attached are the following images:

- Location and geology;
- Satellite image; and
- Stream sediment plans on outcrop of copper, lead and zinc.

This area in general is dominated by high proportion of outcrop and I recommend that we complete broad field traverses during the 2012 field season and make a decision on this region of the project.

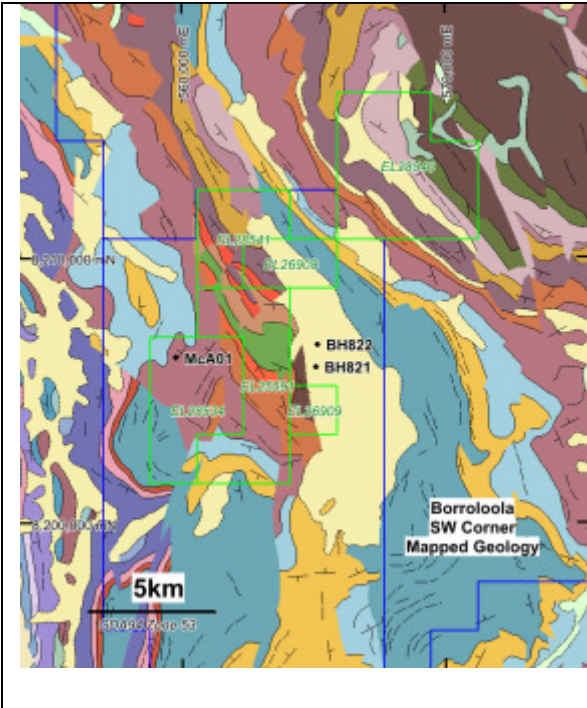


Figure 1 – EL26908 Location and Geology

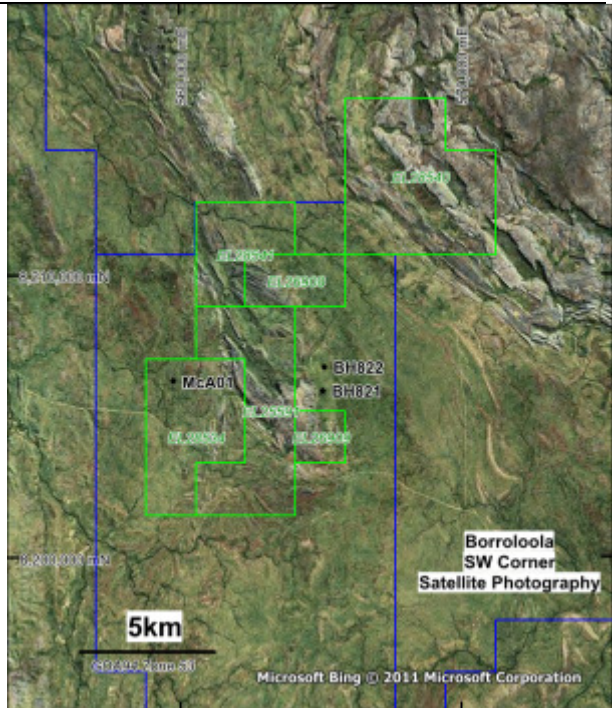


Figure 2 – EL26908 Location and Satellite Image

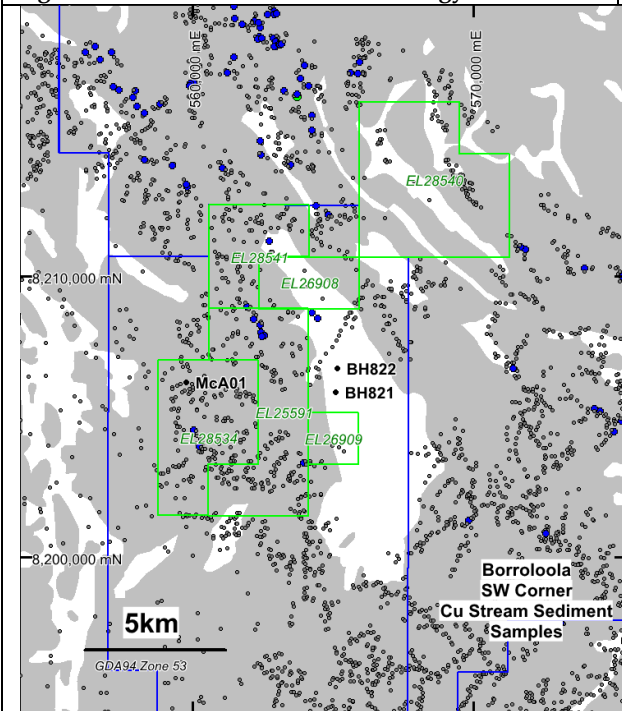


Figure 1 – Outcrop and Stream Sediment Copper

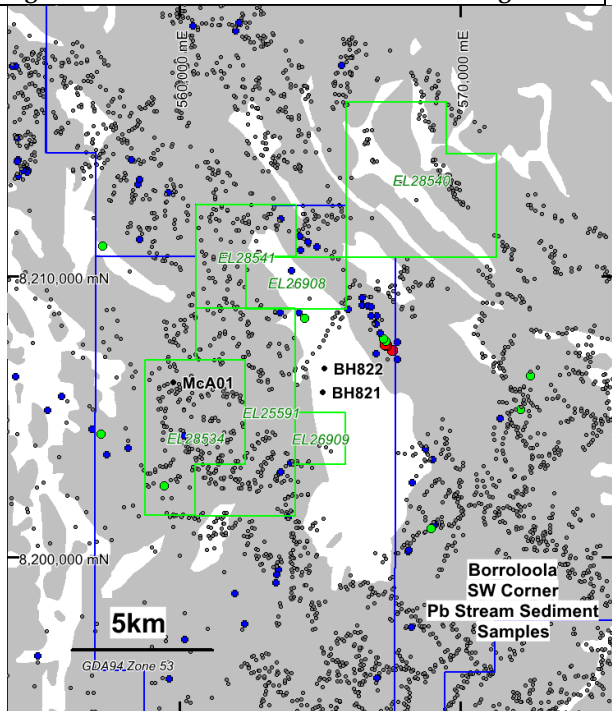


Figure 1 – Outcrop and Stream Sediment Lead

