

**EL 27274**

**PARTIAL RELINQUISHMENT REPORT**

for period ending

**December 13, 2012**

**1:250,000 map sheets: SF53-16 Hay River**

**Licensee: Red Metal Limited**

G. McKay

Red Metal Limited

2 January 2013

## TENEMENT REPORT INDEX

HOLDER / OPERATOR:	Red Metal Limited
TENEMENT:	EL 27274
PROJECT:	South Hay River #1
REPORTING PERIOD:	December 14, 2009 to December 13, 2012
AUTHOR:	G. McKay
LATITUDE:	137° 10' to 137° 58'
LONGITUDE:	-23° 45' to -24° 00'
1:250,000 SHEET:	SF53-16 Hay River
1:100,000 SHEET:	Caroline 6350, Field River 6450
MINERAL PROVINCE:	Eastern Arunta Province (Irindina)
COMMODITIES:	Base metals
KEYWORDS:	Regional geological analysis, aeromagnetic data review.

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EL27274\_2012\_01 Partial Relinquishment Report.pdf (This report)

## **SUMMARY**

EL 27274 was acquired to investigate airborne magnetic anomalies within the Neoproterozoic Eastern Arunta Province, considered to have potential for copper-nickel mineralisation in a continuation of the new style of pyrrhotite copper-cobalt mineralisation discovered in the region by Mithril Resources.

The work carried out on the relinquished portion of EL 27274 included a regional review of geology and existing airborne geophysical data.

Red Metal Limited considers the relinquished blocks have lower exploration potential.

## 1.0 INTRODUCTION

This report summarises exploration activities undertaken over the relinquished portion of EL 27274 from grant until December 13, 2012.

## 2.0 LOCATION AND LAND USE

EL 27274 is located 400 km east of Alice Springs, in the northern Simpson Desert, 180km south of the Plenty Highway (Figure 1). Access is via unsealed roads and tracks within a pastoral lease. The tenement area has low relief, with clay pans in the east and dune sand ridges up to 10 metres.

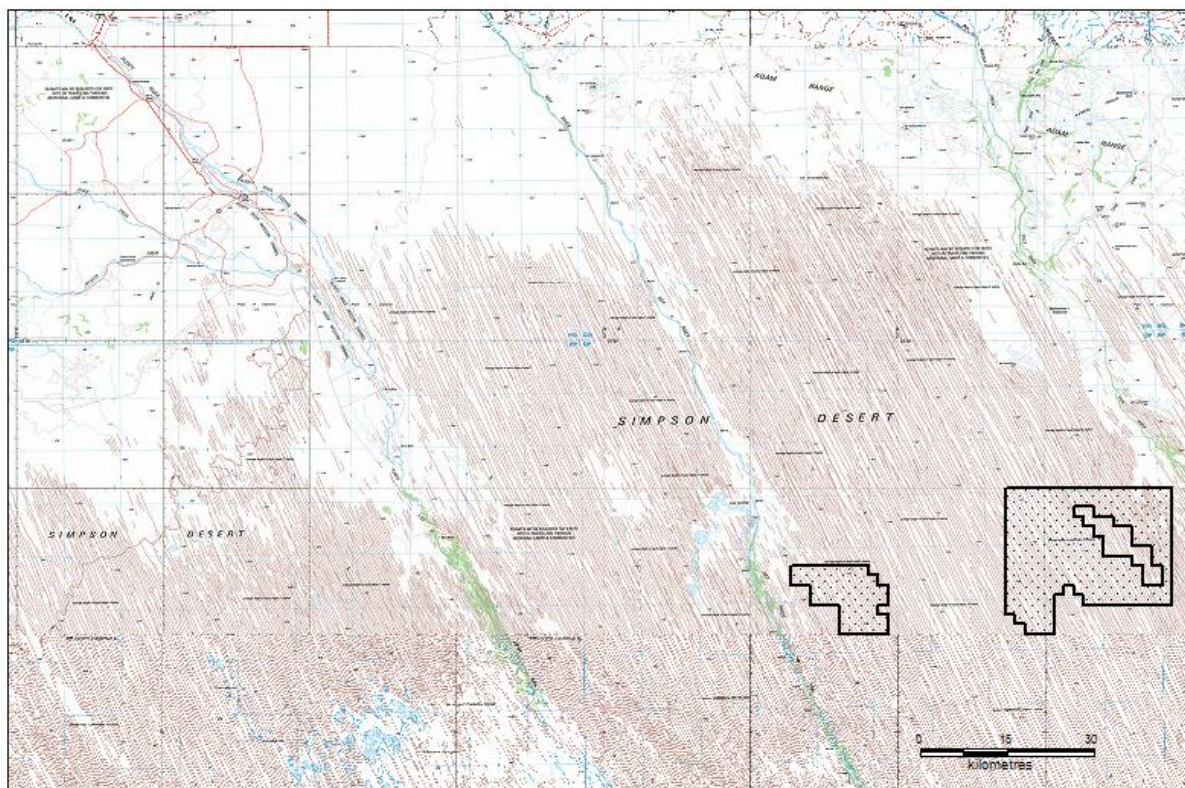


Figure 1: EL 27274 location

## 3.0 TENEMENT STATUS

EL 27274 was granted to Red Metal Limited over 472 blocks on December 14, 2009 for a period of six years. It has been reduced in area to 47 blocks currently.

Details of EL 27274 are shown in Table 1. Location of the tenement is shown in Figure 1.

**Table 1 - Tenement Details**

TENEMENT	HOLDER	GRANTED	EXPIRY	BLOCKS
EL 27274	Red Metal Limited	Dec 14, 2009	Dec 13, 2015	47

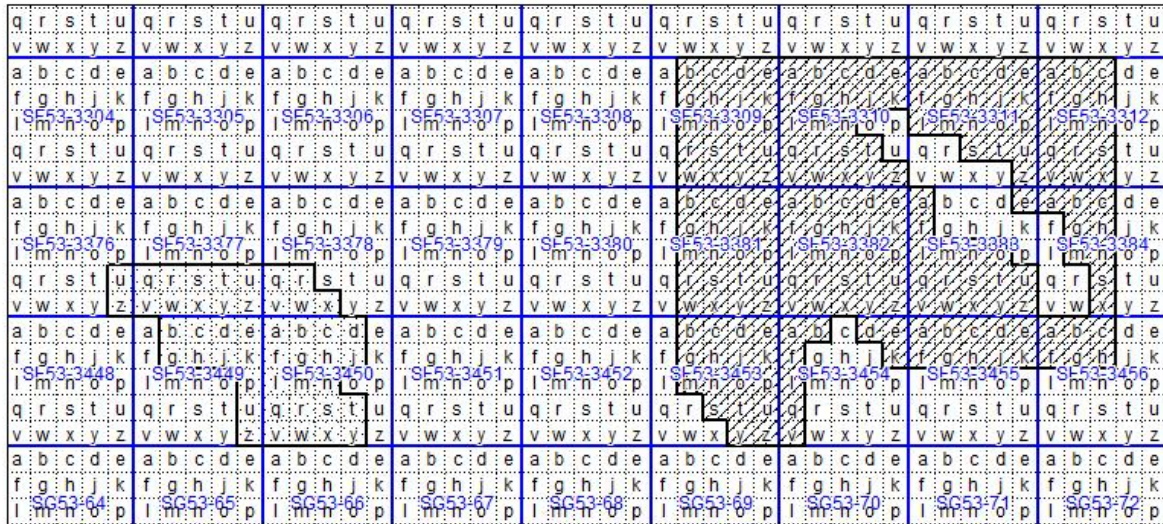


Figure 2: EL 27274 relinquished blocks cross-hatched

### 3.0 TENEMENT GEOLOGY

The tenement is located in the Neoproterozoic Eastern Arunta province. Surface geology comprises Quaternary sediments (north-west trending dune system) of the northern Simpson Desert.

The area was considered by Red Metal to have potential to host intrusive-style copper-nickel mineralisation.

### 4.0 HISTORICAL EXPLORATION

Several mineral companies have attempted exploration within the area of EL 27274.

Licence	Years	Company	Target	Summary
23570	Jun03-Feb07	Ausquest	Broken Hill-style Pb-Zn-Ag	No exploration agreement signed
26161, 26163, 26164	Feb08-Feb09	Uranium Equities (GE Resources)	U	No exploration agreement signed

### 5.0 CURRENT EXPLORATION PROGRAM

The work carried out on EL 27268 during the current year included a review of regional geological and airborne magnetic data.



## 6.0 CONCLUSIONS

EL 27274 was acquired to investigate the potential for intrusive-related copper-nickel mineralisation in a continuation of the new style of pyrrhotite copper-cobalt mineralisation discovered nearby by Mithril Resources. Red Metal Limited considers the relinquished blocks have lower exploration potential.

## 7.0 References/Bibliography

Hay River geological map 1:250 000, 1st edition, *BMR, 1963*.

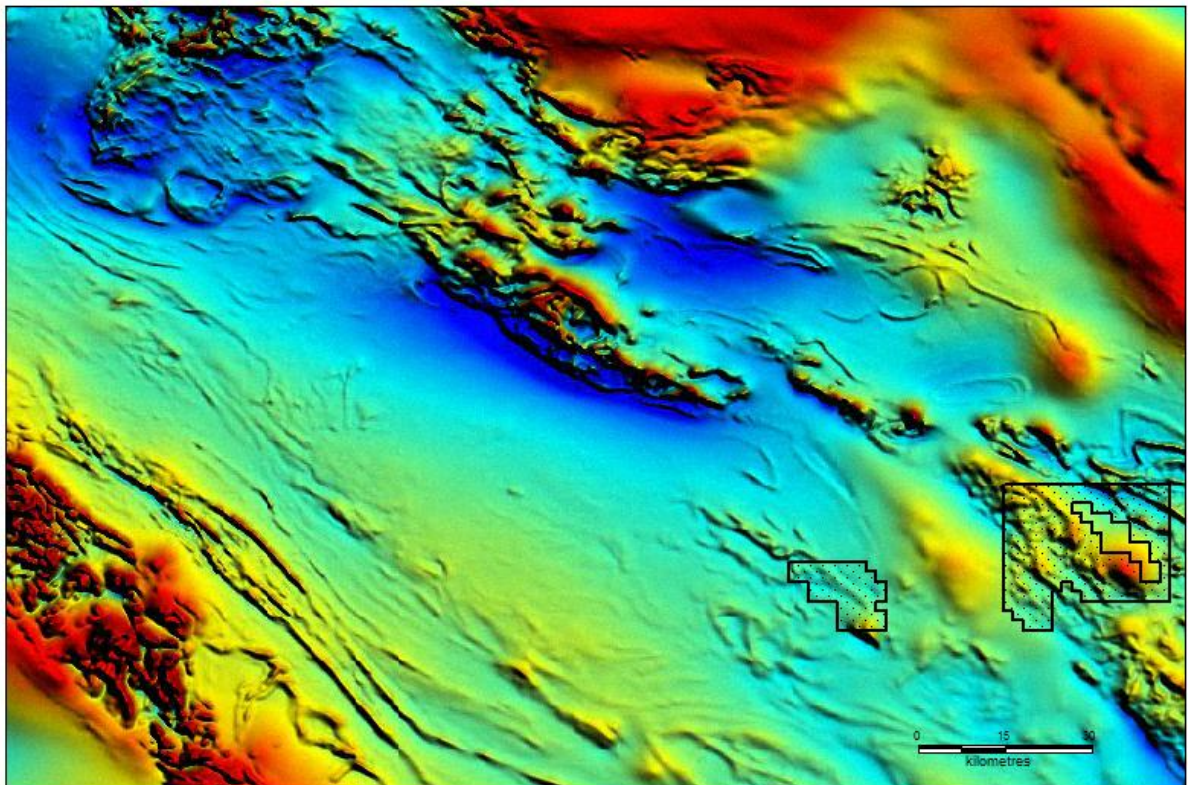


Figure 3: regional magnetic image – TMI