FINAL SURRENDER REPORT

EL29360 and EL29364

For Period Ending 1st October 2013

Target commodity: Gold
NT 1:250,000 map series – Pine Creek SD52-8
NT 1:100,000 map series – Pine Creek 5270

Distribution:-

1. DOR Darwin NT
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1 EXECUTIVE SUMMARY

Group reporting status was granted to the Pine Creek One project, GR307/13, on the 31st May 2013 and includes EL29360, EL29364 and EL29520. Desktop literature reviews of the tenements and historic work undertaken on them has indicated that EL29360 and EL29364 hold limited prospectivity for significant gold mineralisation and it is recommended that they be surrendered in their entirety with only EL29520 to remain in the group.

The tenements of GR307/13 lie approximately 225km SSE of Darwin along the Stuart Highway centred around the town of Pine Creek. Access is via good sealed roads from Darwin to Pine Creek and from thence via station tracks. The tenements surround areas of extensive gold mineralisation associated with the Pine Creek Shear Zone.

The tenements are dominated by granites of the Cullen Supersuite, including the Tabletop Granite, Bonrook Granite, Allamber Springs Granite and the McMinns Bluff Granite with lesser occurrences of the Burrell Creek Formation of the Finniss River Group. The Burrell Creek Formation interpreted as a sequence of fine to coarse marine sediments and appears to be part of continuous sedimentation process. Due to the lack of marker horizons and poor exposure the width of the unit is unknown but is thought to be >1000m. This Formation is considered prospective for large low-grade gold deposits and has the potential for small high-grade deposits.

No field work was undertaken on the surrendered tenements and work has been restricted to desktop reviews of previous exploration. On this basis and reflecting the consolidation of the company’s tenement holding the decision to relinquish the tenements has been made.
2 COPYRIGHT

This document and its content are the copyright of Primary Gold Ltd (PGO). The document has been written by Ben Cairns for submission to the Northern Territory Department of Resources as part of the tenement reporting requirements as per Regulation 86 of the Minerals Titles Act.

Any information included in the report that originates from historical reports or other sources is listed in the “References” section at the end of the document.

Primary Gold Ltd authorise the department to copy and distribute the report and associated data.

This report may be released to open file as per Regulation 125(3)(a).
Figure 1 - Tenement location map
3 INTRODUCTION

Group reporting status was granted to the Pine Creek One project, GR307/13, on the 31st May 2013. The reporting period for the title group is 1st July to 30th June, the grant dates of the titles within the reporting group are:

- EL29520 – 15th January 2013
- EL29360 – 23rd October 2012
- EL26364 – 2nd November 2012

This report documents the exploration activities conducted on EL29360 and EL29364 from the date of grant of the tenements until the date of surrender on 1st October 2013.

The tenements lie within and adjacent to the Pine Creek Shear Zone which plays host to significant mineralisation within the Pine Creek Orogenic Belt.

4 LOCATION AND ACCESS

The tenements lie approximately 225km SSE of Darwin along the Stuart Highway (Figure 1) centred around the town of Pine Creek. Access is via good sealed roads from Darwin to Pine Creek and from thence via station tracks. These tracks provide good access for 4WD vehicles during the dry season, however these tracks may become impassable after heavy rain, and therefore access is restricted during the wet season from November to March.

The tenements surround areas of extensive gold mineralisation associated with the Pine Creek Shear Zone.

Figure 1 shows the location of all GR307/13 tenements.

5 TENEMENT DETAILS

<table>
<thead>
<tr>
<th>Lease</th>
<th>Area (blocks)</th>
<th>Sq. Km</th>
<th>Applied Date</th>
<th>Grant Date</th>
<th>Expiry Date</th>
</tr>
</thead>
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<td>EL29360</td>
<td>5</td>
<td>16.74</td>
<td>1-Feb-12</td>
<td>23-Oct-12</td>
<td>22-Oct-18</td>
</tr>
<tr>
<td>EL29364</td>
<td>12</td>
<td>40.176</td>
<td>1-Feb-12</td>
<td>2-Nov-12</td>
<td>1-Nov-18</td>
</tr>
</tbody>
</table>

In late February 2013 Hydrotech International purchased 100% of the shares in Primary Minerals NL and changed its name to Primary Gold Ltd (PGO). All tenements were granted in the name of Primary Minerals NL which is now a wholly owned subsidiary of Primary Gold Ltd.

The tenements are located on Pastoral Lease 815 and Perpetual Pastoral Lease 1058 respectively and they fall within the Pine Creek 1:250,000 map sheet and on the Pine Creek 1:100,000 map sheet.
6 GEOLOGICAL SETTING

6.1 REGIONAL GEOLOGY

Tenements EL29360 and EL29364 are located within the Archean to Palaeoproterozoic Pine Creek Orogen, one of the major mineral provinces of Australia. The Pine Creek Orogen is a deformed and metamorphosed sedimentary basin up to 14 km maximum thickness covering an area of approximately 66,000 km$^2$ and extending from Katherine in the south to Darwin in the north. It hosts significant resources of gold, uranium and platinum group metals (“PGMs”), as well as substantial base metals, silver, iron and tin-tantalum mineralization.

The Pine Creek Orogen comprises series of late Archean granite-gneiss basement domes, which are overlain by a fluvial to marine sedimentary sequence. Several highly reactive rock units are included within this sedimentary sequence including carbonaceous shale, iron stones, evaporite, carbonate and mafic to felsic volcanic units of the South Alligator and Finniss River Groups. This sequence has been subjected to regional greenschist facies metamorphism and multiphase deformation, which has resulted in the development of a northwest trending fabric. Subsequent widespread felsic volcanism and the intrusion of granitoids caused contact metamorphism, in aureoles between 500 m and 2 km wide that overprint the earlier regional metamorphism. After the granitoid intrusions an extensive array of northeast and northwest trending dolerite dykes intruded the metasedimentary sequence during regional extensional deformation.

Gold mineralization within the Pine Creek Orogen is preferentially developed within strata of the South Alligator Group and lower parts of the Finniss River Group along anticlines, strike-slip shear zones and duplex thrusts located in proximity to the Cullen Granite Batholith. Of particular stratigraphic importance are the Wildman Siltstone, the Koolpin Formation, Gerowie Tuff, Mount Bonnie Formation and the Burrell Creek Formation.

6.2 LOCAL GEOLOGY

EL29360 (Figure 3) is dominantly underlain by the granites of the Cullen Supersuite with minor Cainozoic sands in low lying ground. The Tabletop Granite is a pink coarse to equigranular biotite leucogranite and the Mc Minns Bluff Granite is a pink to green coarse porphyritic hornblende biotite granite. The granites are bordered to the east by flysch sediments (greywackes and shales) of the Burrell Creek Formation hosting the highly mineralised Pine Creek Shear Zone.

EL29364 (Figure 4) is dominantly underlain granites of the Cullen Supersuite; Tabletop Granite is a pink coarse to equigranular biotite leucogranite and Umbrewarra Leucogranite is light grey coarse porphyritic biotite leucogranite. Sandwiched between these two intrusive units is an approximately east-west trending belt of Burrell Creek Formation. The Burrell Creek Formation interpreted as a sequence of fine to coarse marine sediments ranging and appears to be part of continuous sedimentation process. It is described by the Northern Territory Geological Survey as consisting of reddish brown siltstones and shales with a well defined cleavage, greywacke
Figure 2 – Regional provincial geology of the project area.
Figure 3 General geology of EL29360 from Pine Creek 5270, 1:100,000 map (GDA94 Z52)

Figure 4 General geology of EL29364, from Pine Creek 5270, 1:100,000 map (GDA94 Z52)
and quartz pebble conglomerate. Cross cutting quartz veins are prolific and pegmatite is common regionally. Due to the lack of marker horizons and poor exposure the width of the unit is unknown but is thought to be >1000m. This Formation is considered prospective for large low-grade gold deposits and has the potential for small high-grade deposits.

Numerous aplite and pegmatite veins are noted within the granites and these may be the source for the Sn noted in small alluvial working immediately north of the tenement boundary. Depot Creek Sandstone, of the Tolmer Group sediments, unconformably overlies the Burrell Creek Formation on the western end of the tenements.
7 EXPLORATION ACTIVITY YEAR ENDING 26TH SEPTEMBER 2013

There has been no on ground exploration activity competed on EL29360 or EL29364 since the date of grant on 23rd October and 2nd November respectively and the date of surrender on 1st October 2013.

Work has been limited to desktop reviews and data compilation using available NTGS data sets. These data sets have proved invaluable in the first pass evaluation of the tenements and have been used in conjunction with exploration reports published by companies that have previously held tenure over the ground.

8 RECOMMENDATIONS AND CONCLUSIONS

Based on the findings of previous explorers, the publically available geological, geophysical and geochemical data and other reference material tenements EL29360 and EL29364 are thought to have low prospectivity to host significant gold mineralisation and they are recommended for surrender.

9 REFERENCES
