EL29306 First Annual and Final Surrender Report

For Period 16th September 2012 to surrender on 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
NT 1:100,000 map series – Tipperary 5170

Distribution:-

1. DOR Darwin NT
2. Primary Gold Ltd

Ben Cairns
October 2013
TABLE OF CONTENTS

1 EXECUTIVE SUMMARY ........................................................................................................3
2 COPYRIGHT......................................................................................................................4
3 INTRODUCTION.................................................................................................................6
4 LOCATION AND ACCESS.................................................................................................6
5 TENEMENT DETAILS ........................................................................................................6
6 GEOLOGICAL SETTING.......................................................................................................7
  6.1 Regional Geology .........................................................................................................7
  6.2 Local Geology ................................................................................................................7
7 EXPLORATION ACTIVITY period ENDING 1st October 2013.................................10
8 RECOMMENDATIONS AND CONCLUSIONS..............................................................10
9 REFERENCES.....................................................................................................................10
1 EXECUTIVE SUMMARY

Tenement EL29306 lies approximately 185km SSE of Darwin along the Stuart Highway and approximately 40km north west of the town of Pine Creek, Figure 1. The tenement can be accessed via the Stuart Highway on the eastern side and via Oolloo Road on the western side although internal access is restricted to limited 4WD tracks. The tenements lie immediately east of the extensive gold mineralisation associated with the Pine Creek Shear Zone.

The geology of EL29306 and is dominated by Mesoproterozoic Tolmer Group sediments of the Birrindudu Basin, namely the Depot Creek Sandstone and Stray Creek Sandstone.

The Tolmer Group is not considered prospective for Pine Creek style gold mineralisation nor is it considered prospective for mineralisation associated with the broader Birrindudu-McArthur-Tomkinson Basins. There are no logged surface geochemical samples or drill holes for the tenement area in the DIPS database and the regional magnetic data is relatively benign and without significant structure and as such the tenement was surrendered on the 1st October 2013.

This report being a combined First Annual and Final Surrender Report for EL29306.
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 Mines and Energy as part of the tenement reporting requirements in
accordance with the Mineral 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.

The department is authorised 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

Exploration License 29306 was granted to Primary Minerals NL, a wholly owned subsidiary of Primary Gold Ltd on the 16th October 2012.

This report documents the exploration activities conducted from the date of grant of the tenements until 1st October 2013 when the license was surrendered.

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

4 LOCATION AND ACCESS

Tenement EL29306 lies approximately 185km SSE of Darwin along the Stuart Highway and approximately 40km north west of the town of Pine Creek and is approximately 12km NE of the Douglas Hot Springs, Figure 1. The tenement can be accessed via the Stuart Highway on the eastern side and via Ooloo Road on the western side although internal access to the tenement is restricted to limited 4WD tracks. These tracks may become impassable after heavy rain, and therefore access is restricted during the wet season from November to March. The tenement is traversed by numerous well dissected creeks broadly draining to the south west.

The tenements lie immediately to the west of the extensive gold mineralisation in the Pine Creek Shear Zone.

Figure 1 shows the location of EL29306.

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>
<tbody>
<tr>
<td>EL29306</td>
<td>18</td>
<td>60.3</td>
<td>10-Jan-12</td>
<td>16-Oct-12</td>
<td>15-Oct-18</td>
</tr>
</tbody>
</table>

EL29306 was granted to Primary Minerals NL in October 2012 and in late February 2013 Hydrotech International purchased 100% of the shares in Primary Minerals NL and changed its name to Primary Gold Ltd (PGO). Primary Minerals NL is a wholly owned subsidiary of Primary Gold Ltd.

The tenement is located on Pastoral Lease 306 and falls within the Pine Creek 1:250,000 map sheet and straddles the Pine Creek 1:100,000 and Tipperary 1:100,000 map sheets.
6 GEOLOGICAL SETTING

6.1 REGIONAL GEOLOGY

Tenement EL29306 is located on the south western margin of the Archean to Palaeoproterozoic Pine Creek Orogen (PCO) where it is overlain respectively by the Palaeo-Mesoproterozoic Birrindudu and Cambrian /Ordovician Daly Basins, Figure 2. The weakly deformed lower to sub greenschist facies sediments of the Birrindudu Basin are thought to be part of a much larger basinal feature which includes the McArthur and Tomkinson Basins linked at depth below the overlying Carpenteria, Georgina, Wiso and Daly Basins.

The PCO is 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 km² 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.

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.

In the project area the Meso-proterozoic Birrindudu Basin is characterised by sediments of the Tolmer Group, more particularly the basal units of this group, The Depot Creek Sandstone and the Stray Creek Sandstone. Regionally this group is found in the south – south west of the Pine Creek map sheet and forms a continuous tableland and ridge belt of gently SW dipping sediments that mark the contact between Early Proterozoic basement of the PCO in the east and the Cambro-Ordovician sediments of the Daly Basin to the west.

6.2 LOCAL GEOLOGY

The local geology of EL29306 (Figure 3) trends NW dipping gently to the SW at between 15-30°. The tenement is dominated by the Depot Creek and Stray Creek Sandstone of the Tolmer Group. The basal Depot Creek Sandstone lies unconformably on pink and grey coarse grained porphyritic biotite-hornblende granite to fine to coarse grained biotite granite of the Cullen Supersuite and is a 450m thick sequence of pink to brown thickly bedded medium to coarse grained quartz sandstone.

The Depot Creek Sandstone is conformably overlain by the Stray Creek Sandstone. In complete section this is a 450m thick interbedded laminated to thinly bedded unit of brown quartzite, limonitic micaceous siltstone, shale, micaceous sandy siltstone and minor white quartzite.

In the west of the tenement the Stray Creek Sandstone is either unconformably overlying, or in fault contact with, the Jindare Formation of the Daly Basin. Previously described as the upper part of the Stray Creek Sandstone the Jindare Formation is now thought to be part of the Cambrian sequence and consists mostly of interbedded purple
or orange brown pebbly quartzite, purplish brown siltstone and shale and minor limonitic silicified carbonate breccia and laminated silicified sedimentary carbonate.

Figure 2 – Regional geology of the project area.
Figure 3 General geology of EL29306 from Pine Creek SD 52-08, 1:250,000 map (GDA94 Z52)
7 EXPLORATION ACTIVITY PERIOD ENDING 1ST OCTOBER 2013

There has been no on ground exploration activity competed on EL29306 during the reporting period. Work has been limited to desktop reviews and data compilation using available NTGS data sets. These data sets, along with the records of previous explorers, have proved invaluable in the first pass evaluation of the tenement.

8 RECOMMENDATIONS AND CONCLUSIONS

The geology and structure of the project area is benign and it appears unlikely that significant gold or base metal mineralisation exists within the tenement. As a result of the review of the publically available geological, geochemical and geophysical data and a critique of the work conducted by previous explorers the tenement is recommended for surrender.

9 REFERENCES

