ANNUAL & FINAL REPORT

EXPLORATION LICENCE 24403 (MOUNT DOUGLAS)

9 September 2005 to 18 July 2013

PINE CREEK NT

G. R. Orridge.

This document and its content are the copyright of G. Orridge, M. Teelow, and H. Pinniger. The document has been written for submission to the Northern Territory Department of Mines and Energy as part of the tenement reporting requirements as per the Mineral Titles Act (NT). 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. All relevant authorisations and consents have been obtained. Authorisation is hereby given to the department to copy and distribute the report and associated data.
ABSTRACT

Four Exploration Licences, ELs 23517, 23532, 24403 and 25119 (the TOP/TOC Project Areas), in the Pine Creek Geosyncline, were located between 110km and 150km southeast of Darwin. They were granted to M Teelow, G Orridge and G Clarke (the TOC syndicate) and M Teelow, G Orridge and H Pinniger (the TOP syndicate) between May 2003 and October 2006. The main commodity to be sought was gold, with uranium and base metals as other possible targets.

In the first two years tenure exploration work was undertaken by the Titleholders, but later operations were taken over by Terra Gold Mining P/L, GBS Gold Australia P/L, Element 92 P/L and Crocodile Gold Australia P/L under various option and split-commodity agreements with the titleholders. The Terra/GBS Group went into liquidation in 2009/10. Repeated changes in operators exploring the TOC/TOP tenements resulted in discontinuities and limitations in field operations and reporting. No significant new mineral discoveries were made.

Since early in 2013, when Element 92 Proprietary Limited withdrew from its options on EL’s 23517, 23532, 24403 and 25119, the Titleholders Holders (TOP/TOC) have been seeking new partnerships to proceed with ongoing exploration, emphasising basic fieldwork, including mapping, sampling and drilling, which had been largely neglected by the previous operators.

No suitable parties having indicated interest in relation to EL24403 the TOP Syndicate surrendered the Title on 18th July 2013.
CONTENTS

1. Introduction.

2. General Geology and Mineralisation of the Project Area.

3. Historical Review of Exploration Activities Within the area of EL 24403

4. List of References.

5. List of Figures and Attachments.
1. INTRODUCTION.

At the time of reporting the TOC/TOP project area consists of four Exploration Licences, with a combined area of approximately 898 square kilometres, situated between 100km and 150km southeast of Darwin (Figure 1). Access can be obtained (under dry conditions) by bush tracks from Mt Ringwood Station in the north, and from the old Mt Wells tin battery in the south. Vegetation is open savannah woodlands in well drained areas and hills, and grasslands in the low lying plains and seasonally flooded swamps.

The following table summarises the former Tenement holdings: *M Teelow, G Orridge, G Clarke (TOC).*

<table>
<thead>
<tr>
<th>Location</th>
<th>Licence Number</th>
<th>Blocks</th>
<th>Area</th>
<th>Granted Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watts Creek</td>
<td>EL23517</td>
<td>10</td>
<td>33 sq.km</td>
<td>4/4/2003</td>
</tr>
<tr>
<td>N. Ringwood</td>
<td>EL23532</td>
<td>25</td>
<td>83 sq.km</td>
<td>13/2/2003</td>
</tr>
<tr>
<td>Douglas Ck.</td>
<td>EL25119</td>
<td>27</td>
<td>89 sq.km</td>
<td>4/10/2006</td>
</tr>
</tbody>
</table>

*M Teelow, G Orridge, H Pinniger (TOP).*

<table>
<thead>
<tr>
<th>Location</th>
<th>Licence Number</th>
<th>Blocks</th>
<th>Area</th>
<th>Granted Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mt. Douglas</td>
<td>EL24403</td>
<td>210</td>
<td>693 sq.km</td>
<td>09/9/2005</td>
</tr>
</tbody>
</table>

2. GENERAL GEOLOGY AND MINERALISATION OF THE PROJECT AREAS.

The Project areas are mainly underlain by low grade metamorphic rocks derived from clastic sediments (shales, siltstones and greywackes) of turbidite facies, assigned to the Burrell Creek Formation in the upper section of the Early Proterozoic Pine Creek Orogen.

At Watts Creek, in the southeast, an older sequence is also present, including the Mt. Partridge and South Alligator Groups, which comprises felsic tuffs, carbonaceous shales, cherts and sandstones, intruded by sills of Zamu Dolerite (now metadolerite).

The metasediments are tightly folded about axes which trend between N-S and NNW and mainly plunge at low angles.

A small faulted inlier of younger Proterozoic Kombolgie Formation occurs at Mt Douglas in the SE of EL24403.

Gold mineralization, associated with minor sulphides, is found within systems of quartz veining forming saddle reefs, fissure veins and stockworks, usually located in anticlinal axial zones. These were the principal target of the TOC/TOP project.
The Mt Douglas Kombolgie outlier has geological similarities to the South Alligator mineral field and has speculative potential for uranium, gold and platinum group metals.

3. HISTORICAL REVIEW OF EXPLORATION ACTIVITIES WITHIN THE AREA OF EL24403.

3.2 Mount Douglas EL 24403.

This is a very large tenement enclosing an area of approximately 693 square kilometres. It surrounds EL23532 and adjoins EL25119 in the southeast and 23516 in the west.

There are no recorded mineral deposits within the tenement limits apart from an unnamed tin occurrence close to the Margaret Granite contact zone in the southwest.

Encouragement for gold exploration was provided by the cluster of small gold deposits (hardrock and alluvial) enclosed by EL23532 (North Ringwood) and proximity to former gold mines in the Goodall field to the west, and Tom’s Gully and Rustlers Roost to the north. Between 1984 and 2000 a number of companies (including Carpentaria Gold, Dominion, Western Mining and Northern Gold) carried out reconnaissance work, such as soil and lag sampling and RAB drilling, in areas which overlapped portions of EL24403 in the north and west. Although a number of soil geochemical gold anomalies were reported follow up works failed to provide indications of significant mineralization.

Areas of the Tenement in the east and southeast, bordering the McKinlay River, are almost entirely covered by soils and alluvium and no company exploration is recorded, except for uranium search in the vicinity of the Kombolgie outlier in the southeast (refer to EL25119 section).

A brief summary of previous company exploration follows:

**EL2362, Western Mining Corporation Ltd, 1984/85.** This has a small overlap in the NW corner of 24403: two soil sampling gold anomalies were recorded (C1 and C2).

**EL 5346, Carpentaria Gold Pty Ltd, 1989/90.** Sampling of stream sediments and rock chips in areas north and northwest of White’s Pelican prospect produced negative results.

**EL 8050, Territory Goldfields NL, Dominion Gold Operations Pty Ltd, 1995.** Soil sampling produced only disappointing results.
EL8488, Minotaur Gold, 1994/2000. This EL had significant overlaps to the west of EL24403. Aeromagnetic interpretation, lag sampling, was done but follow up by RAB drilling did not support gold anomalies in the lag sampling.

EL8703, Dominion Gold Operations Pty Ltd and Northern Gold NL 1994/2000. This overlaps twelve blocks in the north of EL24403, but no significant work was done in the area of overlap.

EL9122, Northern Gold NL, 1995/2001. This covered a fourteen block overlap in the west of 24403. Soil sampling produced no significant anomalies.

Exploration activities undertaken under the present Title, in the period from 08 September 2005 to 03 June 2012, are summarised as follows:-

1). During the time from the grant of Title to September 2010 (which included the liquidation of Terra Gold and GBS Gold) work was restricted to general technical reviews of records of past explorers, field reconnaissance, valuations and reporting (refer Bajwah Z, 2007/2, 2008/3 & 2009/2).

2). In 2010 exploration work was taken over by Element 92 Pty Ltd under a new option agreement. Detailed low level aerial magnetic and radiometric surveys were executed over southern portions of EL24403 and adjacent parts of EL’s 23532 and 25119. The survey was designed to improve the Company’s understanding of the structures controlling uranium and gold mineralisation and to identify potential exploration targets associated with these structural controls. Remote sensing data were used to prepare new geological and geomorphological interpretations of the tenement area (Bajwah Z. 2012).

3). In September 2011 56 blocks in the northwest corner of 24403 were surrendered after appraisals of old exploration data and field reconnaissance failed to provide any indications of significant mineral potential (Bajwah Z. 2011).

4). In the retained area, during 2011/12, exploration activity comprised geological data interpretation and modelling and geophysical data interpretation (Bajwah Z. 2011)

No significant work is reported for the year ending June 2013 (Orridge 2013).

During the period from June 2013 to the surrender of the Tenement on the 18th July 2013, work was limited to review and revaluation of all exploration data.
4. LIST OF REFERENCES.

Adamson S, 2010(3), EL24403, Annual Report

Bajwah Z, 2007(2), EL24403, Annual Report
Bajwah Z, 2008(3), EL24403, Annual Report
Bajwah Z, 2009(2), EL24403, Annual Report
Bajwah Z, 2010, EL25119, Annual Report
Bajwah Z, 2011, EL24403, Partial Relinquishment Report
Bajwah Z, June 2011, Annual Combined Report EL’s 23506, 23516, 23517, 23532, 24403 & 25119
Bajwah Z, June 2012, Annual Combined Report EL’s 23506, 23516, 23517, 23532, 24403 & 25119

Orridge G, 2004(1), EL23532, Annual Report
Orridge G, 2007, EL 25119 Annual Report
Orridge G, 2013, Annual Combined Report EL’s 23517, 23532, 24403 & 25119
Geological setting of the project area

Figure 2: Geological Setting of the Project Area

- Koolpin Formation
- MT Bonnie Formation
- Gerowie Tuff
- Kombolgie Formation
- Burrell Creek Formation
- EL 23532
- EL 24403

Distances in kilometres:
- 2.5 km
- 5 km
- 10 km