ANNUAL COMBINED REPORT (GR-066/09)

ON

EL 24879, EL 24928, EL 24929

NGALIA PROJECT, NT

FOR THE PERIOD ENDING

21 SEPTEMBER 2012

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SUMMARY

Exploration Licences (ELs) 24879, 24928 and 24929 are situated in the central part of the Ngalia Basin, a known province for uranium mineralisation. These tenements were granted to Strike Resources Limited (75%) and Hume Mining Limited (25%) in 2006, and were rolled over to Alara Resources Ltd subsequently. On 14 May 2009, Thundelarra Exploration Limited entered into a formal joint venture agreement with Alara Resources Ltd to earn a 70% interested in this group of tenements.

The project area is located in the northern part of the Ngalia basin which is an intracratonic basin, and contains a thick succession of Neoproterozoic to Ordovician shallow marine and fluvi-glacial clastic, carbonate and evaporitic rocks, overlain by Devonian and Carboniferous fluvial to continental sandstone, siltstone & shale. Geology of the project area is dominated by the presence of the Mount Eclipse Sandstone. Uplift and erosion of the Arunta Region rocks bordering the Ngalia Basin at 350 – 370 Ma marked the start of deposition of the Mount Eclipse Sandstone, the youngest unit preserved in the sequence. The Mount Eclipse Sandstone is dominated by medium to coarse-grained arkosic sandstone, containing conglomerate lenses and contain wide spread uranium (+ vanadium) mineralisation.

During the year under review, an appraisal of geological data was undertaken along with processing and interpretation of recently flown high resolution geophysical data. Modeling of geological data indicates that Mt Eclipse sandstones were derived from granitic source. Uranium mineralisation took place early in the cycle before cementation. Dispersion into overlying units or other parts of the depositional system may occur as secondary re-mobilisation (e.g. Tertiary uranium deposits). Processing and interpretation of AEM and gravity data have identified paleochannel system within the project area, and it is highly like that this system may host significant uranium mineralisation. Combined gravity and AEM images offered the best opportunity to define paleochannel system.

In the next reporting Period, ground radiometric survey of the project area will be undertaken together with soil/rock chip sampling and assaying program. An important part of the program will be drill-testing the selected targets located within paleochannels. During drilling, chip samples will be retrieved from each meter interval and will be assayed for uranium and base metals.
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1.0 INTRODUCTION

Exploration Licences (EL) 24879, 24928 and 24929 are situated within the Ngalia Basin, a geological province known for uranium mineralisation. In 2011, this group of tenements was granted group reporting status (GR066-09). Element 92 Pty Ltd/Thundelarra Pty Ltd are exploring these tenements for uranium and other commodities, and in this communication exploration program undertaken during 2011 – 12 is reported.

2.0 LOCATION AND ACCESS

These tenements are located about 330 km NW of Alice Springs and about 1200 km SW of Darwin (Figure 1). This group of ELs can be approached by Stuart Highway, which turns into Tanami Road at about 110 km north of Alice Springs. Tanami Road is partly sealed and then on formed gravel tracks either via Newhaven or Yuendumu-Nyirrpi roads. Vehicle access within the tenements is possible by station tracks, which may be impassable during wet season.

3.0 TENEMENT DETAILS

EL 24879 was granted to Strike Resources Limited (75%) and Hume Mining Limited (25%) on 15 August 2006 and will expire on 14 August 2012. Both EL 24928 and EL 24929 were granted to Strike Resources Limited (75%) and Hume Mining Limited (25%) on 21 August 2006 and will expire on 20 August 2012. In 2007, these tenements were rolled over into Alara Resources Limited. Details of these tenements are given in Table 1. On 14 May, 2009 Thundelarra Exploration Limited entered into a formal joint venture agreement with Alara Resources Limited to earn a 70% interested in this group of tenements. A request for an extension for two years period for each EL has been lodged with NT Department of Mines and Energy.

Table 1: Details of Tenements – Ngalia Group

<table>
<thead>
<tr>
<th>EL No</th>
<th>Date Granted</th>
<th>Expiry Date</th>
<th>Area</th>
<th>Covenant</th>
<th>Comments</th>
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<td>15/08/2006</td>
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<td>27 blocks</td>
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<td>20/08/2012</td>
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<td>$20,000.00</td>
<td>Strike Resources Ltd 75% Hume Mining NL 25%</td>
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Figure 1: Location of the Project area
4.0 GEOLOGICAL SETTING

The Project area is located in northern part of the Ngalia Basin which is an east-west trending intracratonic basin. It contains a thick succession of Neoproterozoic to Ordovician shallow marine and fluvio-glacial clastic, carbonate and evaporitic rocks, overlain by Devonian and Carboniferous fluvial to continental sandstone, siltstone & shale. Seismic data indicate that the basin is asymmetric and attains a maximum thickness of approximately 4.5km. Sedimentation was terminated by the Alice Springs Orogeny, which was initiated in the Early Carboniferous.

This orogenic event produced widespread folding and faulting, with deformation being focussed on the northern margin of the Basin. Mesoproterozoic post-tectonic granitoids of the Southwark Granitic Suite and older, high grade metamorphic rocks (together representing the Arunta Inlier), form the basement to the Ngalia Basin. The granitic rocks are known to be anomalously rich in uranium, and are likely to be the ultimate source of the widespread uranium mineralisation in the Basin.

In the central and southern portions of the basin the Proterozoic and Palaeozoic rocks are covered by a veneer of discrete Cretaceous to Tertiary basins that locally exceed 220m in thickness. The Tertiary sequence in this area is poorly described; however other such basins in the Alice Springs area are thought to be the result of two distinct periods of deposition (Senior et al 1994). The Lower Tertiary consists of an upward fining sequence, with flowing channel sands at the base locally capped by dark grey & black carbonaceous mudstones and green swelling clay. A zone of calcrete, silcrete or laterite separates this sequence from pervasively oxidised and locally magnetic Upper Tertiary sands and gravels.

Geology of the project area is dominated by the presence of the Mount Eclipse Sandstone (Figure 2). Uplift and erosion of the Arunta Region rocks bordering the Ngalia Basin at 350 – 370 Ma marked the start of deposition of the Mount Eclipse Sandstone, the youngest unit preserved in the basin (Young et al., 1995). The Mount Eclipse Sandstone is dominated by medium to coarse-grained arkosic sandstone, containing conglomerate lenses, which may be broadly divided into three types. Coarse-grained, poorly bedded sandstone is predominant and is interbeded with medium-grained, well-bedded along with quartz pebbles in places. Grey-purple hematitic sandstone is mainly confined to the base of the formation (Young et al., 1995). Carbonaceous material is common, and 7 m of lignite has been intersected in drilling (Spark, 1975). Deposition is interpreted to have occurred in a continental fluvial environment, sourced mainly from uplifted rocks of the Arunta Region.
Figure 2: Geological Setting of the project area
5.0 URANIUM MINERALISATION AND EXPLORATION MODEL

The principal target of Thundelarra’s exploration efforts within the Western Ngalia Basin is uranium mineralisation that is amenable to ISR and which is hosted by the Tertiary sediments that cover large portions of the basin. A secondary target is Bigrlyi-type uranium mineralisation hosted by the Carboniferous Mt Eclipse Sandstone (Figure 3).

**Figure 3: Schematic cross section through the Ngalia Basin looking west (modified after Young et al 1995) showing target uranium mineralisation styles.**

Tertiary-hosted uranium deposits

Thundelarra has discovered significant and widespread uranium at depth within the basal Tertiary channelling sands where they come into contact with carbonaceous mudstones and sandy clays (more below).

Tertiary sediments cover large portions of the central and southern Ngalia Basin, and indeed around 99% of the Thundelarra tenure. The Tertiary sequence has been found to exceed 220m in drilling conducted by AGIP close to the southern margin of the Basin (hole SR9R). The Tertiary sediments have two excellent uranium source rocks – the Mt Eclipse Sandstone, and the older Southwark Suite granites. The Mt Eclipse is a particularly good source rock because:

- It hosts widespread uranium anomaly (see Figure 2).
- It was exposed throughout the Tertiary to erosion (i.e. reworking into Tertiary sediments) and oxidation.
- The uranium is physically accessible to oxidising ground-waters as it is found within the Mt Eclipse coating sand grains.
- The uranium is in the form of uraninite, which can be easily leached by oxidised waters.
- The Mt Eclipse is exposed in the north, and groundwater flow is to the south, and into the Thundelarra licenses.
Thundelarra will actively search for suitable hydro-geological & chemical traps within this Tertiary sequence. To this end, Thundelarra has:

- Mapped a substantial & structurally controlled Tertiary sub-basin in the south-eastern part of the Ngalia Basin.
- Processed satellite (ASTER night-time) temperature mapping data.
- Conducted a airborne magnetic/radiometric surveys.
- Conducted 1km-spaced gravity survey,
- Commenced follow-up mud rotary & diamond drilling.

Across the Project, a number of paleochannel targets have been interpreted from the ASTER and airborne magnetic data. Visual porosity estimates from core samples indicates that excellent hydro-geological conditions exist for in-situ recovery (ISR) mining techniques, with mineralised sands being capped by an impervious mudstone.

Good potential therefore exists for ISR-amenable paleochannel-style deposits within the Tertiary sediments of the Ngalia Basin. Similar deposits are found in the Frome Embayment of South Australia (Beverley, Four Mile, Honeymoon etc), and these mines tend to have low operating costs and very low environmental impact. Recent AEM survey has been able to detect the paleochannel systems that host the Tertiary mineralisation. This survey has provide direct targets for stratigraphic drilling in areas of thick cover where the conductivity data suggests the presence of channels (dendritic patterns) and carbonaceous mudstone units (high conductivity layers). A regional map of the thickness of the Tertiary sediments will be interpreted, along with the location of channel systems, and this will target further drilling across the Project area.

**Carboniferous sandstone-hosted uranium deposits**

Bigrlyi-type uranium mineralisation, hosted by coarse feldspathic sandstones in the Mt Eclipse Sandstone is another target. Significant uranium is also known at the Minerva (2.43 Mlbs U3O8 - AGIP 1983), and Walbiri occurrences (1.49 Mlbs U3O8 – NTGS Orestruck Uranium Factsheet, Nov 2009).

The principal host to uranium mineralisation in the Ngalia Basin is the Mt Eclipse Sandstone – a thick, synorogenic sequence of non-marine sandstone and shale, deposited in piedmont and subaerial deltaic environments (Questa, 1989). The uranium mineralisation at Bigrlyi is known to be related to those parts of the Mt Eclipse Sandstone that contain abundant carbonaceous material. However other parameters, related to fluid flow during the mineralising event (e.g. alteration, paleo-porosity & structural setting) are also important facets of the Thundelarra exploration program.
The Bigryli deposit has been described as a tabular deposit formed by the interaction of uranium-bearing, oxidising fluids with reducing carbonaceous matter in a permeable sandstone formation. Fidler et al. (1990) have suggested that Bigryli was formed in the Mt Eclipse Sandstone prior to the completion of diagenesis. Uranium-bearing fluids are proposed to have originated from weathering profiles of granites in the exposed Arunta complex and to have migrated into the Ngalia Basin. Within this model, diagenesis of the Mt Eclipse Sandstone would have ‘fixed’ the uranium deposits. Subsequent faulting and fracturing have modified the distribution of mineralisation to a limited extent.

Significantly, the final stages of deposition of the Mt Eclipse Sandstone occurred synchronously with the culmination of major structural movements in the Ngalia Basin, during the Alice Springs Orogeny (ASO); a tectonic event with widespread & profound structural / metallogenic significance. It appears that the ASO-related thrusting within the Ngalia basin might have played a critical role in the formation of these deposits in a variety of ways such as:

Acting as the driving force for the movement of fluids responsible for alteration and mineralisation,

- Creating favourable conduits for the movement of fluids,
- Producing repetitions of the favoured traps (e.g. carbonaceous horizons) within the Mt Eclipse Sandstone,
- Acting as a tectonic “fixing” agent, creating a fossilised redox system by the dewatering action of structural tilting.

The uranium mineralisation within the Mt Eclipse is likely the result of a variety of processes acting in concert, and consequently a variety of deposit styles can be expected as these processes compete for relative dominance. This is certainly the case in other sandstone-hosted uranium provinces such as the Colorado Plateau in the USA or the Frome Embayment in South Australia. One fundamental parameter, however, is the porosity of the host rocks. In clastic sediments the porosity is initially a function of grain size. A classic demonstration of the control that grain-size may have on mineralisation is found in South Texas (Figure 4), where uranium deposits are spatially associated with the coarser sediment, the distribution of which is controlled by the overall structure of the basin. This primary porosity can be markedly reduced during diagenesis and compaction as groundwaters fill the pore space with carbonate cement. This diagenetic event is likely to have coincided with both the Alice Spring Orogeny and the main uranium mineralising event.
Figure 4. Sandstone-percentage map of the Oakville (Miocene) bedload fluvial system, South Texas Coastal Plain, illustrating coincident distribution of uranium mineralisation and coarse grain size (Modified from Galloway and Hobday 1999). The gravity ridge that runs through Project area is thought to have been a basement high that resulted in an analogous grain size distribution in the Mt Eclipse.

6.0 PREVIOUS EXPLORATION ACTIVITY

The project area has mainly been explored for oil and gas in the past and summary of exploration activities is given below.

EL 24879

A number of historic exploration licenses coincide with the present area of EL24879 EL 24928 and EL 24929. Most of the work on these historic licenses did not involve exploration within the project area. However, two companies did report the results investigations within the license area, including:

- CPM, on ELs 360 and 402, undertook a regional track-etch survey. No anomalies were detected within EL24879.
AGIP, on EL1200 drilled two percussion holes (CFP 12 & 13). These holes were designed to follow-up seismic shot-hole cuttings in which apparently prospective “white facies” of the Mt Eclipse Sandstone were identified. Both hoes were drilled to 100m and gamma-logged, however no mineralisation was intersected.

A number of seismic lines were surveyed by Magellan in 1971 on OP165, with at least 10 of these lines covering EL24879 and are shown in Figure 5.

**Figure 5: Location of seismic lines in the project area**

EL 24928

A number of historic exploration licenses coincide with the present area of EL24928. Most of the work on these historic licenses did not involve exploration within EL24928. However CPM, on ELs 358 and 360, undertook a regional track-etch survey. No anomalies were detected within EL24928.

A number of seismic lines were surveyed by Magellan in 1992 on EP15, with 2 lines (M92-WR02) covering the western strip of EL24928, shown in Figure 5

EL 24929

A number of historic exploration licenses coincide with the present area of EL24929. Most of the work on these historic licenses did not involve exploration within EL24929. The eastern-
most portion of EL24929 is approximately 300m south of drilling conducted by AGIP at the Camel Flat North prospect, which is centered some 3.65km to the northeast of the license boundary. More recently, Energy Metals Ltd has drilled at Camel Flat, and diamond hole CFD1001 returned an intercept of 27.0m @ 4058 ppm eU₃O₈ from 93.5m downhole, including 8.80m @ 10,567 ppm (1.06%) eU₃O₈ (Energy Metals, 2010)

Within EL24929, a number of seismic lines were surveyed by the BMR between 1967 & 1969 (2 lines) and by Magellan in 1971 on OP165 (5 lines) shown in Figure 5.

Thundelarra Exploration Ltd/Element 92 Pty Ltd

During 2009-10 reporting year, Element 92 Pty Ltd undertook desk top study, collection and appraisal of historical data and reconnaissance mapping. It also involved planning of helicopter-assisted gravity surveying, airborne magnetic/radiometric survey and data compilation. Element 92 Pty Ltd/Thundelarra are also participated in the CSIRO-managed Joint Surveys Uranium project, which is examining uranium mineral systems in the Ngalia Basin.

7.0 EXPLORATION ACTIVITY YEAR ENDING 21 SEPTEMBER 2012

The Ngalia Basin is an important geological province for sediment-hosted uranium (+ vanadium) mineralisation. Element 92 Pty Ltd is exploration the region with aggressive exploration program. So far, company has conducted a thorough review of previous exploration data along with high resolution geophysical survey (magnetic, radiometric). Processing and interpretation of these data led to the identification of a number of anomalies within the Tertiary cover rocks, which were drill-tested successfully (Bajwah and Maloney, 2011). In 2009, a gravity survey of some part of the area was also undertaken (Maloney, 2010), which provided sufficient details to image a large structure that has been masked by surficial deposits. This structure linked a series of historical uranium occurrences including Malawiri/Minerva to anomalies within the Thundelarra's other ELs. A series of prospective corridors were defined and drilling of targets has identified significant zones of paleochannel-hosted uranium mineralisation at Afghan Swan (Bajwah and Maloney, 2011). A number of drilling intersections have returned uranium concentrations as high as 1771 ppm. This exploration program costed over $4 Million.
During the year under review, an assessment of previous data was undertaken along with interpretation of geological, geophysical and structural data. In addition a number of field visits were undertaken for ground-truthing and future planning. This group of tenements is located in the immediate vicinity of the Bigrlyi uranium deposit (Figure 2) with a JORC compliant uranium resource of 20.6 Mlb of $U_3O_8$ at a cut-off grade of 500 ppm $U_3O_8$. It also has 38.6 Mlb of $V_2O_5$ credits. The project offers good potential for uranium mineralisation. Towards southeast, drilling campaign has successfully intersected high grade uranium mineralisation at Afghan Swan (EL 25334), where uranium mineralisation is confined to undercover ancient paleochannel system. Processing and interpretation of geophysical data identified extensive paleochannel system at shallow depth within unconsolidated Tertiary sediments with uranium mineralisation.

**Geological and structural constraints**

A recent study has shown that present day Ngalia Basin overlies what were originally much smaller separated graben and half graben structures that were later concealed beneath the much broader sedimentation of the main basin (Schmid et al. 2011). The 3D model of the basin indicates that it is has a very complex architecture. The main architectural features are:

- A central high area which is cut by numerous reverse faults. Many of these faults only affect the higher layers in the sequence (Horizon A, not C).
- A western basin which initially had two main depocentres, one related to the Yuendumu Fault and the other related to the Mt Doreen faults. The Mt Doreen Faults appear to have been inactive during the deposition of the Mt Eclipse Sandstone. Overall the western section of the basin forms a wedge shape which thickens considerably towards the north and is deepest around the junction of the Yuendumu and Waite Creek thrusts (Figure 6).
- An eastern basin which is dominated by a very distinct E-W structural trend. This includes the Bloodwood Trough and shallower troughs that lie along its northern and southern flanks.

The basin is characterised by the presence of large faults along the northern margins and appear to control the internal structure of the basin. These faults may have been formed on reactivation of basement structures.

Within the basin, Mt Eclipse Sandstone is the dominant lithology which appears vertical dipping ridges, whereas mudstones are commonly eroded and form depressions (Young et al.1995). Faults or fractures in sandstones are narrow and show local displacement of sediments and mineralisation. Sediments below the mineralised zone tend to have a higher abundance of gravel and cobble size rounded clasts at the base of channels. Carbonate
Cemented sandstones are distributed heterogeneously throughout the Mt Eclipse Sandstone. Faults within granites trend parallel to basin margin and are highly mylonitic.

Sedimentological study indicates that deposition of Mt Eclipse Sandstone took place in high relief continental basin dominated by episodic rainfall and semi-arid environment. The majority of the fluvial deposits were accumulated in the distal parts of alluvial fans in a semi-arid environment. The common occurrence of groundwater calcrete suggests that evaporation greatly exceeded precipitation. Episodic tectonic activity during the Alice Springs Orogeny led to thick, immature, stacked fluvial channel deposits, intercalated with flood plain playa deposits during time of stagnation.

Mineralogical and petrographic studies indicate that sandstones were mainly derived from a granitic source (Schmid et al. 2011). Uranium mineralisation took place early in the sedimentation cycle before calcite cementation. Uranium is only present in samples that contain V-minerals. Uranium mineralisation occurred in fluvial sandstones with abundant iron-rich detrital clasts (roscoelite, heavy minerals and biotite) prior to carbonate cementation and compaction. Vanadium originates from vanadium-bearing detrital mica (roscoelite) that was transported as clasts and in suspension into the Bigrlyi channels. Oxidising conditions released vanadium out of mica and precipitated as montroseite prior and/or with the onset of calcite precipitation. Compaction and Alice Springs Orogeny reduced porosity and permeability to low or none and caused soft clasts, such as roscoelite clasts, to deform and
alter to smectitic/illitic/chloritic roscoelite and remobilise vanadium and uranium towards the grain contacts. Uranium re-precipitated along adjacent quartz grains and caused them to etch. Radiation damage in detrital quartz and K-feldspars started possibly with the initial mineralising event. Weathering and transport in meteoric/groundwater lead to deposition of vanadium-rich micas and precipitation of uranium (Figure 7).

**Figure 7: Simplified alluvial-fluvial deposition model with impact of water saturation on uranium mineralisation.**

First-stage uranium mineralisation is most likely to occur from lower slopes of an alluvial fan and towards distal extension of the alluvial fan system intercalated with floodplain deposits, where flow rates are slow. Dispersion into overlying units or other parts of the depositional system may occur as secondary re-mobilisation (e.g. Tertiary uranium deposits).
Geophysical Interpretation

During the reporting period, processing and interpretation of geophysical data (AEM and gravity) was undertaken in order to define uranium exploration targets in the project area. GDF formatted AEM and gravity data have already been provided part of annual reports (Bajwah and Maloney, 2011; Bajwah and Mill, 2012).

Figure 8 shows AEM Conductivity Depth Image of the Ngalia Basin with Element 92 projects. Three ELs part of the current project are shown in the northern part of the image. In this diagram significant paleochannels are shown which generally runs EW direction. One of the paleochannel systems drill-tested within EL 25334 has returned high level of uranium intercepts at Afghan Swan.

Interpretation of AEM data identified coherent conductive features that were interpreted to be the lower Tertiary paleochannels thought to be the primary hosts of uranium mineralisation. Drilling results appeared to support this theory with mineralisation intersected in holes drilled into the conductor, and no (or minor) mineralisation intersected outside the feature.
However, drilling undertaken within Ngalia project tenements has shown that EM conductors did not always represent the position of the paleochannels. Many drill holes intersected Devonian and Carboniferous rocks such as Mt Eclipse Sandstone and Vaughan Quartzite at relatively shallow depth.

Experience in the Ngalia Basin geophysical data have shown that gravity (TDR) and AEM geophysical data combined image provide the best opportunity to identify paleovalleys and paleochannels which are important features for uranium mineralisation. Figure 9 displays such as image where broad conductors identified by AEM data have been refined and enhanced, and channel-like features can be seen across the basin. Preliminary interpretations of possible paleochannels/palaeovalleys are shown as dashed black lines. EL 24879, EL 24928 and EL 24929 shows well-defined paleochannels which may contain significant uranium mineralisation as found in the eastern part of EL 25336. Company plans to drill-test the paleochannels within the current project area in the next reporting period.

Figure 9: Grid of combined AEM and regional gravity data. The image clearly defines channel-like features across the basin as red to yellow sinuous anomalies. Note that the image is more refined in the east due to the higher resolution of the gravity data in that area.
Within EL 24879 approximately 51.3 kms of features consistent with the conceptual model for Tertiary palaeovalleys have been interpreted from combined AEM/gravity data (Figures 9 and 10). However, geological information suggests that anomalous responses in NE of title sites are related to Mount Eclipse sandstone units, and not Tertiary materials. This is of interest in itself as it indicates that the method has application in mapping this uranium-prospective unit when under shallow cover. In the southern part of the title, the low gravity/high EM feature is probably more interesting in terms of its possible relationship to Tertiary materials. The linear anomaly trends southeast from the northwest corner of the title for a length of approximately 13 kms. There are no Carboniferous materials exposed in this part of the title and structural interpretations from Questa (1989) indicate that the feature is contained within the Naburula Trough, a basin structural feature created by Mount Doreen Thrust and Yuendumu Thrust to the south and north respectively (Figure 10). This might increase the likelihood that significant accumulation of Tertiary materials has occurred within this area. Its proximity to known mapped occurrences of Mount Eclipse Sandstone, which at Bigrlyi is the host of approximately 2770t of contained U, might be significant in terms of a uranium source other than the Proterozoic granites to the north.

**Figure 10:** showing combined AEM and gravity images which appear to define palaeovalleys evident as green to red coloured linear to arcuate features
EL24928 – Within this title, approximately 8 kms of features consistent with the conceptual model for Tertiary palaeovalleys have been interpreted from combined AEM/gravity data. To the west, this feature may be associated with Mount Eclipse Sandstone as outcrop is recorded on the Geological sheet, and may extend to the east also.

EL24929 – Within this title, approximately 4.3 kms of features consistent with the conceptual model for Tertiary palaeovalleys have been interpreted from combined AEM/gravity data. The central feature is a continuation of a major linear to arcuate feature extending from EL24879, and continues this trend by 3.3 kms. This same feature extends into EL 24927. A north-south feature in the central-east of the title lies within the Naburula Trough and this feature also extends south for some distance into EL 24927.

8.0 PROPOSED EXPLORATION ACTIVITY

Processing and interpretation of AEM (Tempest) geophysical data along with gravity data have provided encouragement to explore the project area with a dedicated exploration program. In the next reporting Period, ground radiometric survey of the project area will be undertaken together with soil/rock chip sampling and assaying program. An important part of program will be drill-testing the selected targets located within paleochannels. During drilling, chip samples will be retrieved from each meter interval and will be assayed for uranium and base metals.

9.0 REFERENCES


