



Final Surrender Report

Exploration Licence 26087

19th March 2008 to 18th March 2014
Northern Territory, Australia

Holder: Merlin Diamonds Limited

Operator: Merlin Diamonds Limited

Reporting Period: 19th March 2008 to 18th March 2014

Sheet Reference: Katherine (SD53-09) & Urapunga (SD53-10) 1:250,000

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Author:	M Kammermann
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SUMMARY

This final surrender report outlines exploration activities undertaken by Merlin Diamonds Limited (MDL) on Exploration Licence 26087 between the 19th March 2008 and 18th March 2014.

EL 26087 is located on the Katherine (SD53-09 and Urapunga (SD53-10) 1:250,000 map sheets. Access to each lease is via the Central Arnhem Highway, however no direct access tracks off the highway exist.

A review of historical data and a regional exploration program identified an anomalous base metal area within EL26087, located 150km east of Katherine in the Northern Territory. Ground geological investigations and sampling over an area of approximately 1.5 by 1km, returned anomalous Zn/Pb assays with maximum values of 1779ppm Zn and 509ppm Pb. Original rock types of dolomitic siltstones commonly show visible galena, pyrite, and also contain bituminous and oil bearing vugs. Rock chip geochemistry, hydrocarbons, combined with regional and local geological settings, indicate a possibility exists for the presence of Mississippi Valley Type Pb/Zn mineralisation.

Funding constraints and the focus of the Company's resources to progressing the mining operation at the Merlin Diamond Mine on ML1154 resulted in no field activity being undertaken on EL26087 during the 2013-2014 reporting period. After a review of data for EL26087, it was decided to surrender the Licence.

The exploration expenditure attributed to EL26087 during the total reporting period was a total of \$286,132.75

1.0 INTRODUCTION

This final surrender report outlines exploration activities undertaken by Merlin Diamonds Limited (MDL) on Exploration Licence 26087 between the 19th March 2008 and 18th March 2014.

2.0 LOCATION AND ACCESS

EL 26087 is located on the Katherine (SD53-09 and Urapunga (SD53-10) 1:250,000 map sheets. Access to each lease is via the Central Arnhem Highway, however no direct access tracks off the highway exist. A tenement location map is provided as Figure 1.

3.0 LICENCE DETAILS

EL26087 currently consists of 101 blocks, and was granted to Merlin Diamonds Ltd on 19th March 2008 for six years. During 2012 the Licence underwent a statutory area reduction and was reduced by 50% retaining 101 blocks. The Licence details for EL26087 are outlined in Table 1 below.

Table 1: Licence details for EL26087.

Name	Status	Effective Date	Grant Date	Expiry Date	Blocks	Holder	Percentage
EL26087	Grant	19/3/08	19/3/08	18/3/14	101	Merlin Diamonds	100

4.0 GEOLOGY

EL26087 is contained by mildly deformed rocks of the Katherine River, Mount Rigg, and Roper Groups within the McArthur Basin (Fig. 2). Local faulting appears to be strike slip, trending generally NE and ENE. Large areas are covered by Cenozoic laterite, soils, sands, and alluvium. The Conways Prospect is hosted by Paleo-proterozoic dolomitic mudstones of the McCaw Formation (1720 to 1730Ma) below a conformable contact with the Gundi Sandstone (1710 to 1720Ma), both belonging to the Katherine River Group.

5.0 EXPLORATION COMPLETED DURING REPORTING PERIOD

Previous exploration for diamonds has been undertaken in this area by both Stockdale Prospecting and Normandy Poseidon, but no positive results were reported. A total of 10 reconnaissance samples were collected during the 2007-2008 period. The results for these were negative for diamonds and kimberlitic indicator minerals.

A total of 12 reconnaissance samples, including 8 stream and 4 loam, were collected during the 2009-2010 reporting period. In addition 8 reconnaissance stream geochemical samples were collected. Results for these samples are shown in Table 2.

During the 2010-2011 reporting period a total of 20 stream gravel samples and 20 soil geochemical samples were collected during the current reporting period. The stream gravel samples were processed for kimberlitic indicator minerals through the company's laboratory in Perth. Results from these samples are detailed in Table 3. The chromites were probed and are not considered to be of kimberlitic origin. Soil geochemical results are included in Table 3.

During the 2011-2012 reporting period a total of 8 stream gravel samples were collected and sent to the company lab in Perth for indicator mineral processing. The results reported 1 positive sample and 7 negative samples. Details for these samples are shown in Table 4. A further 19 stream geochemical samples were collected and sent for geochemical analysis. The results for these samples are shown in Table 5.

Exploration in 2011-2012 identified an area of anomalous lead, gold and uranium in stream geochemical samples. The diamond prospectivity for the area is considered low and the focus for future exploration was to be for base metals.

The Company conducted stream sediment sampling in 2011 and identified minor lead and zinc anomalies within and near the Conways prospect. The location of the prospect close to the Central Arnhem Highway determined that a ground investigation could proceed in April 2012 before the end of the wet season, consisting of basic geological assessment, and collection of soil and rock samples. Anomalous results from this investigation determined that a more thorough investigation was warranted in August of 2012, consisting of collection of rock samples and a more thorough geological assessment. Results (Fig. 3.) indicate low level base metal anomalism over a relatively wide area, which appears to be contained within dolomitic mudstones of the McCaw Formation.

Evidence of oil, gas and bitumen (Fig. 4.) within the McCaw formation was found over an

open strike of about 5km in and around the vicinity of the Conways Prospect. The occurrence of hydrocarbons supports the proposition that the area is prospective for base metal mineralisation; in particular, Mississippi Valley Type (MVT) deposits. Basins producing gas in addition to oil, as demonstrated by the McCaw Formation, are likely to have produced MVT deposits (Burkhard, et al., 1994).

During the 2012-2013 reporting period a total of 12 samples were collected from various sites within the Licence and sent for geochemical analysis. The sample data is shown in Table 6 with the geochemical results shown in Table 7. Sample locations are shown on Figure 5.

Funding constraints and the focus of the Company's resources to progressing the mining operation at the Merlin Diamond Mine on ML1154 resulted in no field activity being undertaken on EL26087 during the 2013-2014 reporting period.

6.0 EXPENDITURE STATEMENT

The exploration expenditure attributed to EL26087 during the total reporting period was a total of \$286,132.75

Year	Amount
Year 1 2008-2009	\$55,540
Year 2 2009-2010	\$53,589
Year 3 2010-2011	\$74,000
Year 4 2011-2012	\$47,700.77
Year 5 2012-2013	\$36,582.88
Year 6 2013-2014	\$18,720.10
Total	\$286,132.75

7.0 CONCLUSION

It is concluded that the potential for kimberlites is low and no further diamond exploration is proposed or recommended. Whilst the tenement is considered prospective for base metal mineralization it is not part of the Company's core focus and as such no further base metal exploration is proposed or recommended.

9.0 REFERENCES

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Burkhard, N.E., Tompkins, L.A., Cathles, L.M., Barley, M.E., Groves, D.I., 1994. Mississippi Valley-type deposits: Products of brine expulsion by eustatically induced hydrocarbon generation? An example from northwestern Australia. *Geology*, 22, 315-318.

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Reddicliffe, T.R. (2011) Annual Exploration Report for EL26087, Year 3, 2010-2011, NADL Ref: 11-015, Merlin Diamonds Limited.

Kammermann, M. (2012) Annual Exploration Report for EL26087, Year 4, 2011-2012, NADL Ref: 12-018, Merlin Diamonds Limited.

Kammermann, M. (2013) Annual Exploration Report for EL26087, Year 5, 2012-2013, NADL Ref: 13-007, Merlin Diamonds Limited.

Table 2. 2009-2010 Sample Data

SAMPLE	TYPE	EASTING	NORTHING	DATUM	ZONE	RESULTS	DIAMONDS	CHROMITES
09-207-001	LOAM	332664	8429550	GDA94	53	NEGATIVE	0	0
09-207-002	STREAM	320035	8443544	GDA94	53	NEGATIVE	0	0
09-207-003	STREAM	323875	8449858	GDA94	53	NEGATIVE	0	0
09-207-004	STREAM	324728	8429721	GDA94	53	NEGATIVE	0	0
09-207-005	STREAM	342476	8444482	GDA94	53	NEGATIVE	0	0
09-207-006	STREAM	351094	8451565	GDA94	53	NEGATIVE	0	0
09-207-007	STREAM	355105	8448066	GDA94	53	NEGATIVE	0	0
09-207-008	LOAM	338978	8449602	GDA94	53	NEGATIVE	0	0
09-207-009	LOAM	331128	8449517	GDA94	53	NEGATIVE	0	0
09-207-010	LOAM	316793	8429294	GDA94	53	NEGATIVE	0	0
09-207-011	STREAM	313038	8449005	GDA94	53	NEGATIVE	0	0
09-207-012	STREAM	345633	8434328	GDA94	53	NEGATIVE	0	0

Table 3: Sample Data 2010-2011

SAMPLE	TYPE	COLLECTED	EASTING	NORTHING	DATUM	ZONE	RESULT
10-028-001	STREAM	6/07/2010	311625	8425826	GDA94	53	NEGATIVE
10-028-002	GRAVEL	6/07/2010	317388	8427589	GDA94	53	NEGATIVE
10-028-003	GRAVEL	6/07/2010	310821	8433473	GDA94	53	POSITIVE
10-028-004	STREAM	6/07/2010	311206	8436793	GDA94	53	NEGATIVE
10-028-005	GRAVEL	6/07/2010	321149	8434486	GDA94	53	POSITIVE
10-028-006	STREAM	6/07/2010	321368	8438765	GDA94	53	NEGATIVE
10-028-007	GRAVEL	6/07/2010	324799	8429693	GDA94	53	POSITIVE
10-028-008	STREAM	6/07/2010	329217	8437138	GDA94	53	NEGATIVE
10-028-009	STREAM	6/07/2010	330716	8429978	GDA94	53	POSITIVE
10-028-010	STREAM	7/07/2010	345950	8437571	GDA94	53	NEGATIVE
10-028-011	GRAVEL	7/07/2010	345749	8436295	GDA94	53	NEGATIVE
10-028-012	GRAVEL	7/07/2010	327653	8446295	GDA94	53	NEGATIVE
10-028-013	STREAM	7/07/2010	344261	8438243	GDA94	53	NEGATIVE
10-028-014	GRAVEL	7/07/2010	348967	8452912	GDA94	53	POSITIVE
10-028-015	STREAM	7/07/2010	342694	8445044	GDA94	53	NEGATIVE
10-028-016	GRAVEL	7/07/2010	334866	8433679	GDA94	53	NEGATIVE
10-028-017	STREAM	7/07/2010	353510	8448523	GDA94	53	NEGATIVE
10-028-018	STREAM	7/07/2010	348253	8445856	GDA94	53	NEGATIVE
10-028-019	STREAM	8/07/2010	327914	8450107	GDA94	53	NEGATIVE
10-028-020	GRAVEL	8/07/2010	317667	8443938	GDA94	53	NEGATIVE

Table 4: Geochem Sample Data 2010-2011

ELEMENTS UNITS	Au ppb	Ag ppm	As ppm	Be ppm	Bi ppm	Ce ppm	Co ppm	Cu ppm	La ppm	Mo ppm	Ni ppm	Pb ppm	Pd ppb	Pt ppb	Th ppm	U ppm	V ppm	Zn ppm
DETECTION	1	0.2	2	0.1	0.01	0.01	0.1	1	0.01	0.1	1	2	1	1	0.01	0.01	1	1
METHOD	FA25/M S	A/M S	A/M S	A/M S	A/M S	A/MS	A/M S	A/M S	A/MS	A/M S	A/M S	A/M S	FA25/M S	FA25/M S	A/M S	A/M S	A/OE S	A/OE S
SAMPLE																		
NUMBERS																		
10-105-001	X	X	X	0.3	0.09	24.08	3.1	8	12.79	0.7	5	5	X	X	6.87	1.29	25	5
10-105-002	1	X	X	1	0.12	53.98	13.9	33	26.44	0.7	13	15	X	X	7.14	1.64	138	41
10-105-003	1	X	2	0.2	0.08	31.81	1.5	7	17.81	1.2	4	5	X	1	7.68	1.14	13	4
10-105-004	X	X	2	0.2	0.24	29.73	4.2	11	13.23	1.4	11	11	X	X	8.28	1.24	70	4
10-105-005	1	X	X	0.2	0.09	23.8	3.2	8	12.53	0.9	5	5	X	X	6.78	1.29	24	3
10-105-006	1	X	2	0.8	0.09	29.51	17	16	14	1.1	11	7	X	3	4.85	1.05	139	25
10-105-007	1	X	X	0.2	0.1	18.52	1.2	6	10.07	0.8	3	4	X	X	5.71	1.23	28	5
10-105-008	1	X	X	1.8	0.17	72.71	5.2	14	34.74	0.8	8	9	X	X	11.1	2.33	45	6
															3			
10-105-009	2	X	2	2	0.28	70.09	19.6	39	34.99	0.8	41	8	X	X	18.7	5.28	95	23
															3			
10-105-010	1	X	3	0.7	0.23	32.46	27.7	46	16.28	1	12	30	X	X	7.15	1.79	253	108
10-105-011	1	X	3	0.5	0.14	30.05	4.4	15	17.15	1.2	7	17	X	X	7.46	1.47	32	27
10-105-012	2	X	3	0.5	0.24	32.06	6.4	18	15.67	2.1	9	11	X	X	7.57	1.32	82	15
10-105-012B	1	X	X	0.8	0.2	42.33	15.5	19	20.81	0.7	12	11	X	X	7	1.33	73	10
10-105-013	3	0.2	6	1.4	0.33	52.09	11.7	34	27.8	1.9	16	49	1	X	9.94	5.06	85	72
10-105-014	4	X	3	1.1	0.31	52.65	7.4	18	25.01	1.1	7	11	X	X	10.5	1.99	86	4
															3			
10-105-015	1	X	2	0.8	0.09	41.65	28	45	19.93	1.8	11	22	X	X	5.37	1.4	433	115
10-105-016	X	X	X	0.2	0.16	18.43	3	7	10.88	1	4	6	X	X	4.12	0.73	31	4

10-105-017	1	X	2	0.5	0.22	28.29	4.3	10	13.84	1.6	8	9	X	2	6.59	1.06	64	9
10-105-018	X	X	X	X	0.12	17.77	2.2	5	9.75	0.8	4	5	X	X	3.72	0.72	31	3
10-105-019	X	X	X	0.2	0.21	29.82	3.9	8	14	1.1	8	10	X	X	6.89	0.97	65	7
10-105-020	X	X	X	0.8	0.16	46.32	6.2	14	22.36	0.7	8	5	X	X	8.93	2.28	44	9
10-106-001	X	X	X	X	0.23	13.49	2	4	7.34	0.8	4	5	X	X	4.93	0.66	32	6
10-106-002	X	X	X	0.3	0.2	25.6	4.7	8	11.02	0.8	10	6	X	X	7.25	1.25	58	6
10-106-003	X	X	2	1.3	0.49	60.63	10.2	11	28.39	0.4	11	10	X	X	13.8	2.17	65	25
															4			
10-106-004	1	X	X	X	0.23	13.94	1.9	4	7.35	0.8	4	6	X	X	5.04	0.79	33	2
10-106-005	X	X	X	0.4	0.27	77.71	9.3	21	42.06	1.2	15	20	X	X	13.0	2.01	45	36
															8			
10-106-006	X	X	X	X	0.13	32.71	3.1	7	13.78	1	5	6	X	1	4.85	0.86	33	5
10-106-007	1	X	3	0.3	0.27	49.49	9.1	11	18.16	1.2	14	13	X	1	9.93	1.7	82	7
CHECKS																		
10-105-001	X	X	X	0.3	0.09	25.76	3	6	13.46	0.7	5	3	X	X	7.22	1.36	24	4
10-105-020	X	X	X	0.8	0.16	46.76	6.4	14	22.61	0.7	11	5	X	X	8.41	2.23	44	8
STANDARDS																		
OREAS 45P		0.4	11	0.7	0.21	46.25	124.	716	23.31	2.1	379	21			9.61	2.02	264	127
							1											
OREAS13P	51												70	48				
OREAS13P	50												70	47				
MPL-4		16.2	665	10.6	16.3	470.5	75	1601	258.3	8.8	1525	1533			89.1	10.1	144	1076
					2	1			1						7	7		
BLANKS																		
Control Blank	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Acid Blank		X	X	X	X	X	X	X	X	X	X	X			X	X	X	X

Table 5: Sample Details for 2011-2012

SAMPLE	Type	TENEMENT	EASTING	NORTHING	DATUM	ZONE	RESULT	CHROMITE	DIAMOND
11-013-002	STREAM GRAVEL	EL26087	339244	8435574	GDA94	53	POSITIVE	4	0
11-013-003	STREAM GRAVEL	EL26087	342134	8439500	GDA94	53	NEGATIVE	0	0
11-013-004	STREAM GRAVEL	EL26087	340956	8446023	GDA94	53	NEGATIVE	0	0
11-013-005	STREAM GRAVEL	EL26087	339562	8441791	GDA94	53	NEGATIVE	0	0
11-013-006	STREAM GRAVEL	EL26087	349347	8443207	GDA94	53	NEGATIVE	0	0
11-013-007	STREAM GRAVEL	EL26087	352195	8449642	GDA94	53	NEGATIVE	0	0
11-013-008	STREAM GRAVEL	EL26087	345874	8451220	GDA94	53	NEGATIVE	0	0
11-013-009	STREAM GRAVEL	EL26087	335729	8444801	GDA94	53	NEGATIVE	0	0
11-102-004	STREAM GEOCHEM	EL26087	331485	8431824	GDA94	53	n/a	n/a	n/a
11-102-005	STREAM GEOCHEM	EL26087	332079	8435520	GDA94	53	n/a	n/a	n/a
11-102-006	STREAM GEOCHEM	EL26087	334539	8437457	GDA94	53	n/a	n/a	n/a
11-102-007	STREAM GEOCHEM	EL26087	331857	8440425	GDA94	53	n/a	n/a	n/a
11-102-008	STREAM GEOCHEM	EL26087	332793	8439217	GDA94	53	n/a	n/a	n/a
11-102-009	STREAM GEOCHEM	EL26087	333053	8438925	GDA94	53	n/a	n/a	n/a
11-102-010	STREAM GEOCHEM	EL26087	336808	8437746	GDA94	53	n/a	n/a	n/a
11-102-011	STREAM GEOCHEM	EL26087	337469	8442671	GDA94	53	n/a	n/a	n/a
11-102-012	STREAM GEOCHEM	EL26087	337938	8444537	GDA94	53	n/a	n/a	n/a
11-102-013	STREAM GEOCHEM	EL26087	338992	8445588	GDA94	53	n/a	n/a	n/a
11-102-014	STREAM GEOCHEM	EL26087	338954	8440910	GDA94	53	n/a	n/a	n/a
11-102-015	STREAM GEOCHEM	EL26087	339597	8441866	GDA94	53	n/a	n/a	n/a
11-102-016	STREAM GEOCHEM	EL26087	340296	8442354	GDA94	53	n/a	n/a	n/a
11-102-017	STREAM GEOCHEM	EL26087	341104	8442658	GDA94	53	n/a	n/a	n/a
11-102-018	STREAM GEOCHEM	EL26087	340607	8441238	GDA94	53	n/a	n/a	n/a
11-102-019	STREAM GEOCHEM	EL26087	0	0	GDA94	53	n/a	n/a	n/a
11-102-020	STREAM GEOCHEM	EL26087	341684	8440200	GDA94	53	n/a	n/a	n/a

11-102-021	STREAM GEOCHEM	EL26087	341126	8440776	GDA94	53	n/a	n/a	n/a
11-102-022	STREAM GEOCHEM	EL26087	343165	8441088	GDA94	53	n/a	n/a	n/a

Table 6: 2011-2012 Geochem Results

SAMPLE	TENEMENT	Au_ppm	Ag_ppm	Al_ppm	As_ppm	Ba_ppm	Be_ppm	Bi_ppm	Ca_ppm	Cd_ppm	Co_ppm	Cr_ppm	Cs_ppm	Cu_ppm
11-102-004	EL26087	0.001	0.3	45275	3	298	1.8	0.57	726	X	16.1	149	4.6	87
11-102-005	EL26087	x	X	61793	2	573	1.9	0.08	2283	X	40.7	109	2.2	51
11-102-006	EL26087	0.001	X	59647	3	142	1.3	0.28	219	X	20.9	75	4.1	29
11-102-007	EL26087	x	0.2	30684	3	205	1.1	0.25	423	X	8.2	39	3.1	27
11-102-008	EL26087	0.002	0.7	36781	4	136	1	0.3	516	X	8.5	214	2.3	27
11-102-009	EL26087	0.003	0.1	28214	6	170	1.6	0.21	804	X	9.1	89	1.9	19
11-102-010	EL26087	0.002	0.2	39914	2	137	0.6	0.19	1743	X	4	197	1.7	14
11-102-011	EL26087	0.004	0.2	67865	5	302	1.9	0.31	726	X	14.2	50	3.3	32
11-102-012	EL26087	0.003	0.1	55221	7	234	1.3	0.34	1338	0.1	19.5	95	3.5	38
11-102-013	EL26087	0.003	0.2	50219	13	1636	1.4	0.5	9356	0.13	17.6	50	4.5	157
11-102-014	EL26087	0.003	0.4	59459	8	322	2.4	0.29	3025	0.19	20.3	128	4.5	47
11-102-015	EL26087	0.001	0.2	46511	4	363	1.2	0.17	2732	X	17.6	64	2.2	47
11-102-016	EL26087	0.003	0.1	50285	4	441	1.6	0.15	2653	0.07	26.1	121	2.8	34
11-102-017	EL26087	0.001	0.1	31692	3	262	1.2	0.18	2049	X	16.1	37	2	28
11-102-018	EL26087	0.006	0.5	71833	8	456	2.5	0.33	863	0.14	16.8	72	6.5	53
11-102-020	EL26087	0.003	0.4	54763	17	358	2	0.43	9042	0.47	12.1	42	6.7	46
11-102-021	EL26087	0.006	0.9	67729	44	348	3	0.46	42568	1.21	20.1	63	9.1	59
11-102-022	EL26087	0.002	0.2	64909	3	386	3.1	0.11	810	0.12	15.5	70	3.9	28
SAMPLE	Fe_%	Ga_ppm	Ge_ppm	Hf_ppm	In_ppm	K_ppm	Li_ppm	Mg_ppm	Mn_ppm	Mo_ppm	Na_ppm	Nb_ppm	Ni_ppm	P_ppm
11-102-004	2.85	10.9	1.1	4.5	0.05	9859	18.3	2046	495	0.7	401	12.2	14	323
11-102-005	9.77	17.9	0.7	9.9	0.12	19900	19.9	5836	2095	1.3	1902	77.7	12	775
11-102-006	3.3	13.8	1.4	5.6	0.07	1776	16.6	600	300	0.7	284	24.9	14	273
11-102-007	1.61	7.3	1.1	9	X	8325	12.4	1286	210	0.4	346	16.9	6	139
11-102-008	2.56	8.6	1.2	9.5	0.11	6998	16.8	946	338	1	175	21.6	8	287

11-102-009	5.4	7.1	0.9	8.7	0.09	3118	13.7	986	562	0.8	284	15.5	5	495
11-102-010	2.57	9	0.7	6.4	0.06	2118	8.9	1038	191	1	203	10	8	489
11-102-011	4.19	16.8	1.4	5.6	0.08	8426	23.4	2735	782	0.8	310	22.8	13	459
11-102-012	4.24	13.6	1.3	6.3	0.08	5366	21.5	1599	1557	1.5	308	28.6	12	403
11-102-013	4.2	12.5	1.5	6.2	0.08	10087	26.1	6812	2157	1.7	290	28.5	13	275
11-102-014	5.42	16	1.4	6	0.09	11762	28.3	3259	1136	1.4	325	34.3	14	591
11-102-015	7.06	11.6	1	8.8	0.09	11555	16.9	2398	926	1	2003	44.9	2	984
11-102-016	6.09	13.7	1.2	6.8	0.08	11079	21.6	5552	1006	1.1	1676	33.8	8	762
11-102-017	4.21	8.9	0.8	5.4	X	6215	21.7	3149	812	0.7	725	21.1	4	151
11-102-018	3.69	17.4	1.3	5.3	0.09	29262	21.1	4137	481	1.3	410	19.9	19	612
11-102-020	3.25	13.4	1.4	4.1	0.05	27513	33.9	6098	1484	1.3	497	12.5	19	388
11-102-021	4.33	16.2	0.9	3.2	0.07	33530	35.3	26223	2985	1.3	464	8.8	36	390
11-102-022	5.27	16.7	1	16.9	0.08	31319	17.9	5051	201	0.7	273	29.4	11	884
SAMPLE	Pb_ppm	Pd_ppm	Pt_ppm	Rb_ppm	Re_ppm	S_ppm	Sb_ppm	Sc_ppm	Se_ppm	Sn_ppm	Sr_ppm	Ta_ppm	Te_ppm	Th_ppm
11-102-004	14	x	x	71.6	X	196	1.1	11	X	2.5	26.3	0.85	X	13.89
11-102-005	17	x	x	62.9	X	55	0.1	27	X	1.4	49.3	3.74	X	8.65
11-102-006	23	x	x	19.4	X	125	0.6	15	X	2.6	22.3	1.63	X	14.36
11-102-007	12	x	x	43.4	X	82	0.5	9	X	1.5	26.7	1.09	X	11.23
11-102-008	15	x	x	35.3	X	112	1.1	14	X	2.4	17.3	1.28	X	13.83
11-102-009	13	0.001	x	21.8	X	269	0.9	9	X	1.8	16.4	0.96	X	11.97
11-102-010	14	0.001	x	17.7	X	483	0.6	7	X	2.3	29.6	0.76	X	11.05
11-102-011	30	x	x	53.2	X	175	0.6	16	X	2.8	36.3	1.47	X	13.27
11-102-012	43	x	x	49	X	231	0.8	15	X	2.7	28	1.87	X	13.84
11-102-013	52	0.001	x	67.8	X	387	1.2	13	X	2.7	26.7	1.8	X	13.23
11-102-014	50	x	x	77.7	X	184	1	17	1	2.6	37.4	1.93	X	11.31
11-102-015	28	x	x	45.8	X	217	0.2	19	X	1.6	37.1	1.56	X	10.45
11-102-016	33	x	x	52.4	X	204	0.7	15	X	2.1	38.7	1.88	X	9.69

11-102-017	42	x	x	41.2	X	93	0.2	12	X	1.2	22.6	0.34	X	9.78
11-102-018	134	0.001	x	113.9	X	205	1.7	18	X	2.5	32.5	1.33	X	12.74
11-102-020	94	0.001	x	126.5	X	313	1.7	9	X	2.6	26.5	0.89	X	11.38
11-102-021	533	0.003	0.002	145.7	X	64	4.6	10	X	2.9	43.9	0.69	X	11.25
11-102-022	13	x	x	98.1	X	140	0.7	21	1	2.5	28.9	1.87	X	17.08
SAMPLE	Ti_ppm	Tl_ppm	U_ppm	V_ppm	W_ppm	Y_ppm	Zn_ppm	Zr_ppm						
11-102-004	6067	0.44	4.32	65	1.5	23.5	24	165.5						
11-102-005	42697	0.28	1.56	265	0.8	34.6	78	416						
11-102-006	11074	0.23	2.91	82	1.8	33.8	19	202.8						
11-102-007	7373	0.27	3.59	55	1.3	26.6	13	340.5						
11-102-008	9932	0.18	3.36	66	2	26.7	13	361.4						
11-102-009	8189	0.18	2.85	65	1.3	28	19	332.9						
11-102-010	4578	0.12	2.1	43	1.3	18.3	16	234.5						
11-102-011	10852	0.42	3.87	85	1.5	31	41	215						
11-102-012	14927	0.59	4.03	113	1.6	27.6	49	237.1						
11-102-013	16154	0.64	4.11	113	1.8	22.4	65	231						
11-102-014	15688	0.52	4.71	127	1.3	40.1	110	244						
11-102-015	28558	0.27	2.43	174	0.6	25.1	89	344.7						
11-102-016	17340	0.37	3.53	125	1.1	25.6	78	278						
11-102-017	14158	0.33	3.46	97	0.2	27.1	58	211.1						
11-102-018	9300	0.71	5.35	117	1.4	35.2	109	202.1						
11-102-020	5463	1.22	6.03	80	1.6	20.9	202	152						
11-102-021	3182	1.48	7.32	77	1.8	19.5	327	111.9						
11-102-022	12682	0.41	4	103	1.5	59.8	21	658.8						

Table 7. 2012-2013 Sample Data

SAMPLE	TYPE	EASTING	NORTHING	DATUM	ZONE
12-101-001	GEOCHEM	343012	8440257	GDA 94	53
12-101-002	GEOCHEM	342633	8440289	GDA 94	53
12-101-003	GEOCHEM	342582	8440324	GDA 94	53
12-101-004	GEOCHEM	342378	8440334	GDA 94	53
12-101-005	GEOCHEM	341948	8440498	GDA 94	53
12-101-006	GEOCHEM	340580	8441255	GDA 94	53
12-101-007	GEOCHEM	340383	8440986	GDA 94	53
12-101-008	GEOCHEM	340320	8440544	GDA 94	53
12-101-009	GEOCHEM	339602	8440630	GDA 94	53
12-101-010	GEOCHEM	339027	8440532	GDA 94	53
12-102-015	GEOCHEM	339814	8440655	GDA 94	53
12-104-001	GEOCHEM	342198	8442402	GDA 94	53

Table 8. 2012-2013 Geochem Sample Results

ELEMENTS	Au	Ag	Al	As	Ba	Be	Bi	Ca	Cd	Co	Cr	Cs	Cu	Fe	Ga
UNITS	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm
DETECTION	1	0.1	50	2	1	0.5	0.05	50	0.05	0.1	5	0.1	1	0.01	0.1
METHOD	FA25/MS	4A/MS	4A/OE	4A/MS	4A/MS	4A/MS	4A/MS	4A/OE	4A/MS	4A/MS	4A/OE	4A/MS	4A/OE	4A/OE	4A/MS
12-101-001	2	0.2	18569	11	161	0.6	0.22	79045	0.08	2.9	11	1.7	38	1.42	4
12-101-002	1	0.3	9817	15	223	X	0.12	157290	0.88	5.5	9	0.9	29	2.84	2.2
12-101-003	1	X	12464	X	238	X	X	786	0.05	3	9	0.6	9	0.75	2.9
12-101-004	1	X	13166	4	110	X	0.1	147630	0.51	2.9	7	1.4	30	2.13	3.1
12-101-005	2	X	7925	2	91	X	0.08	167025	6.48	2	X	0.8	24	1.78	2.1
12-101-006	1	0.1	66535	28	211	2.4	0.19	1284	0.06	20.8	77	1.2	29	30.78	28.3
12-101-007	4	0.3	89525	16	64	0.6	0.16	737	X	7.2	45	0.3	5	31.37	34.4
12-101-008	3	0.1	23017	9	31	0.6	0.05	385	X	5.1	75	0.2	5	20.1	7.3
12-101-009	2	0.2	88315	18	324	1.1	0.2	386	X	10.9	109	0.9	14	26.9	31.4
12-101-010	2	0.7	48053	26	399	1.6	0.28	14202	1.25	10.9	32	4.6	46	3.81	10.1
12-102-015	X	0.3	94679	14	124	1.2	0.1	490	X	15.7	87	0.4	16	27.23	45.1

ELEMENTS	Ge	Hf	In	K	Li	Mg	Mn	Mo	Na	Nb	Ni	P	Pb	Pd	Pt
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppb	ppb
DETECTION	0.1	0.1	0.05	20	0.1	20	1	0.1	20	0.1	1	50	1	1	1
METHOD	4A/MS	4A/MS	4A/MS	4A/OE	4A/MS	4A/OE	4A/OE	4A/MS	4A/OE	4A/MS	4A/OE	4A/OE	4A/MS	FA25/MS	FA25/MS
12-101-001	0.8	1	X	16456	16.1	42870	1625	1.7	352	2.6	6	194	469	1	X
12-101-002	0.4	0.6	X	9774	4.8	83136	2878	1	320	1.6	5	287	11	X	X
12-101-003	0.8	1.8	0.06	2124	6.5	1385	1065	0.3	64	1.8	2	81	7	X	X
12-101-004	0.5	0.6	X	12455	7.6	83906	2447	0.5	287	1.9	3	346	46	X	X
12-101-005	0.5	0.5	X	7775	5.7	87573	2168	0.8	243	1.2	5	234	48	X	X
12-101-006	1.8	5.8	0.12	957	8	992	373	3.5	47	22.6	9	1281	54	2	2
12-101-007	1	6.9	0.15	215	2.6	730	230	2.8	32	31	X	504	35	1	X

12-101-008	2.3	2.7	0.06	254	4.3	342	36	0.7	40	5.7	X	447	17	1	2
12-101-009	1.7	7.1	0.14	750	7.6	856	347	4.1	49	33.1	4	834	50	1	1
12-101-010	1.6	2.1	0.06	44096	25.4	4746	2515	2.3	323	6	28	689	49	1	1
12-102-015	1.5	8.5	0.19	182	4.3	786	636	2.8	37	36.4	X	838	30	X	X

ELEMENTS	Rb	Re	S	Sb	Sc	Se	Sn	Sr	Ta	Te	Th	Ti	Tl	U	V
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
DETECTION	0.1	0.05	50	0.1	1	2	0.1	0.5	0.05	0.1	0.05	5	0.02	0.05	1
METHOD	4A/MS	4A/MS	4A/OE	4A/MS	4A/OE	4A/MS	4A/MS	4A/MS	4A/MS	4A/MS	4A/MS	4A/OE	4A/MS	4A/MS	4A/OE
12-101-001	47.4	X	148	1.5	3	X	1.2	17.4	0.23	X	3.3	781	0.3	3.79	57
12-101-002	24.2	X	231	1.5	2	X	0.8	14.5	0.14	X	2.01	433	0.16	2.11	44
12-101-003	12.9	X	X	0.6	2	X	0.9	8	0.18	X	4.84	472	0.2	0.86	11
12-101-004	32.4	X	X	0.6	2	X	0.9	15.1	0.17	X	2.65	563	0.23	2.72	54
12-101-005	18.5	X	490	0.4	2	X	0.8	15.1	0.11	X	1.64	337	0.19	2.84	48
12-101-006	10.3	X	503	1.9	23	3	1.9	23.3	1.51	0.2	9.81	11077	0.11	4.56	375
12-101-007	2.5	X	212	0.5	43	4	2.3	20.7	2.01	0.2	8.46	15084	0.03	3.16	650
12-101-008	1.7	X	119	0.5	19	3	1	9.9	0.41	X	3.87	2798	X	2.03	132
12-101-009	10	X	127	0.9	23	5	3.2	72.6	2.2	0.2	11.37	18506	0.08	3.02	368
12-101-010	99	X	X	2.3	9	X	2	32	0.49	X	8.1	1828	0.61	3.52	55
12-102-015	3.2	X	71	0.5	30	4	2	55.5	2.33	0.1	11.33	18998	0.03	1.91	449

ELEMENTS	W	Y	Zn	Zr
UNITS	ppm	ppm	ppm	ppm

DETECTION	0.1	0.1	1	0.5
METHOD	4A/MS	4A/MS	4A/OE	4A/MS
12-101-001	0.9	7.9	44	31.9
12-101-002	0.4	12	300	19.1
12-101-003	0.4	5.4	13	61.4
12-101-004	0.4	12	99	20.6
12-101-005	0.3	12.1	1779	15.1
12-101-006	0.9	12	62	229.7
12-101-007	0.9	8.3	31	264.3
12-101-008	0.5	4.6	20	95
12-101-009	1.2	7.5	30	276.8
12-101-010	1.3	12.2	481	69.4
12-102-015	0.7	5.7	53	332.6

ELEMENTS	Au	Ag	Al	As	Ba	Be	Bi	Ca	Cd	Ce	Co	Cr
UNITS	ppb	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm
DETECTION	1	0.05	20	1	1	0.05	0.01	0.01	0.01	0.01	0.1	1
METHOD	AR25/MS	AR25/MS	AR25/OE	AR25/MS	AR25/MS	AR25/MS	AR25/MS	AR25/OE	AR25/MS	AR25/MS	AR25/MS	AR25/OE
12-104-001	3	X	1954	16	61	X	0.58	8.19	0.23	37.65	3.2	5

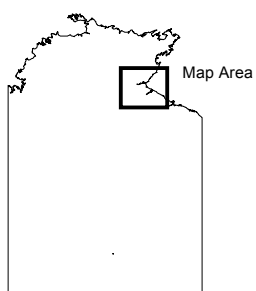
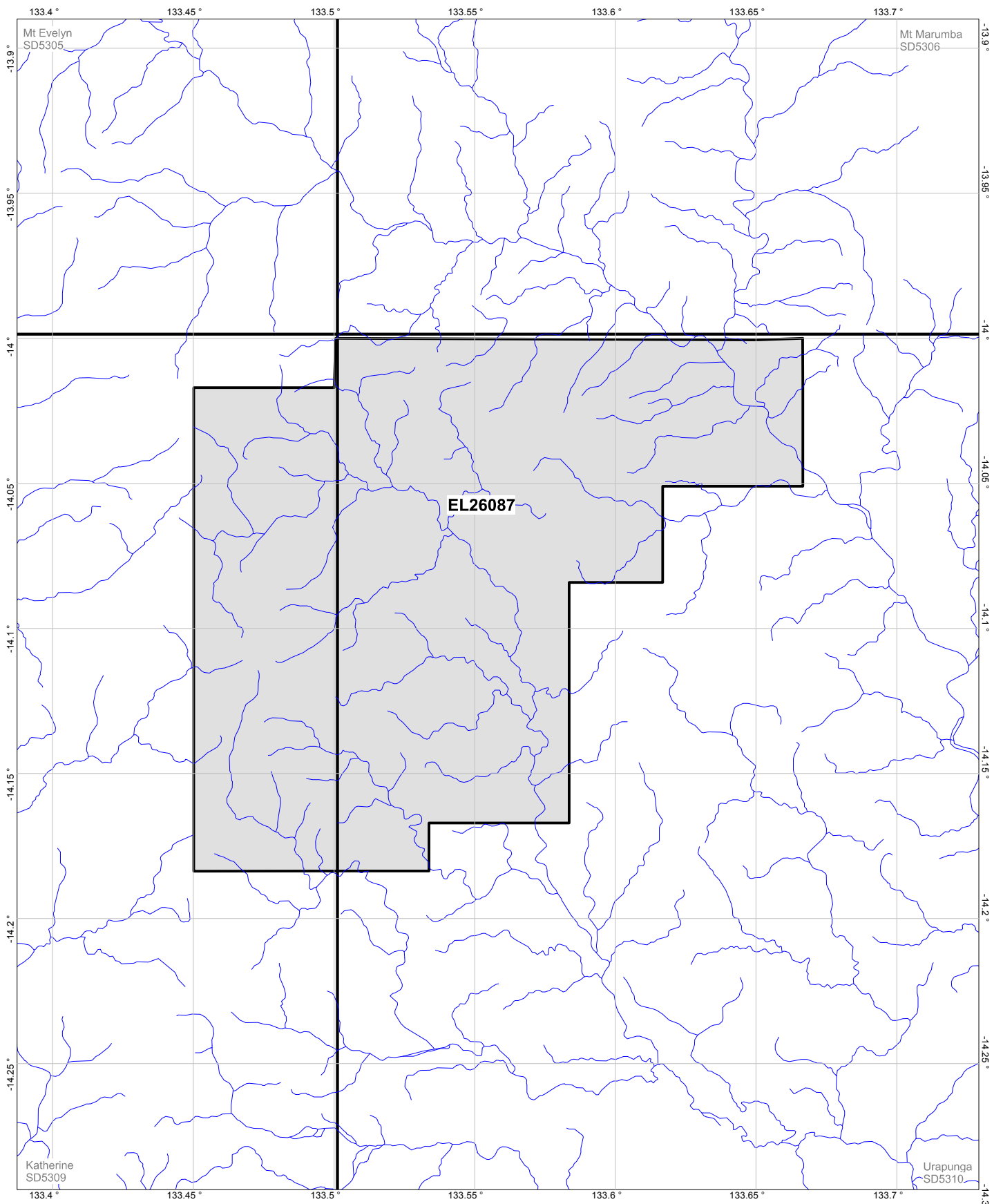
ELEMENTS	Cs	Cu	Fe	Ga	Hf	In	K	La	Li	Mg	Mn	Mo
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UNITS	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm
DETECTION	0.01	0.5	0.01	0.05	0.01	0.005	20	0.01	0.1	0.01	1	0.1
METHOD	AR25/MS	AR25/OE	AR25/OE	AR25/MS	AR25/MS	AR25/MS	AR25/OE	AR25/MS	AR25/MS	AR25/OE	AR25/OE	AR25/MS
12-104-001	0.31	4.3	1.71	0.91	0.03	0.012	1053	12.89	2.2	4.35	1335	0.6

ELEMENTS	Na	Nb	Ni	P	Pb	Pd	Pt	Rb	Re	Sb	Sc	Se
UNITS	%	ppm	ppm	ppm	ppm	ppb	ppb	ppm	ppm	ppm	ppm	ppm
DETECTION	0.01	0.02	0.5	20	0.5	10	5	0.02	0.001	0.02	0.1	1
METHOD	AR25/OE	AR25/MS	AR25/OE	AR25/OE	AR25/MS	AR25/MS	AR25/MS	AR25/MS	AR25/MS	AR25/MS	AR25/MS	AR25/MS
12-104-001	0.05	0.03	3.9	215	27	X	X	4.15	0.002	1.56	2.3	X

ELEMENTS	Sn	Sr	Ta	Te	Th	Ti	Tl	U	V	W	Y	Zn
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
DETECTION	0.05	0.02	0.01	0.01	0.01	5	0.01	0.01	2	0.05	0.02	1
METHOD	AR25/MS	AR25/MS	AR25/MS	AR25/MS	AR25/MS	AR25/OE	AR25/MS	AR25/MS	AR25/OE	AR25/MS	AR25/MS	AR25/OE
12-104-001	0.19	8.26	X	0.02	1.66	9	0.07	0.58	11	X	8.33	28

ELEMENTS	Zr
UNITS	ppm
DETECTION	0.1
METHOD	AR25/MS
12-104-001	0.7



Legend

- Tenement
- 250k Map Sheets
- Drainage

Merlin Diamonds Limited

Figure 1 Location Plan

Date: 11/03/2014

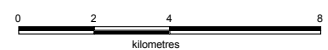
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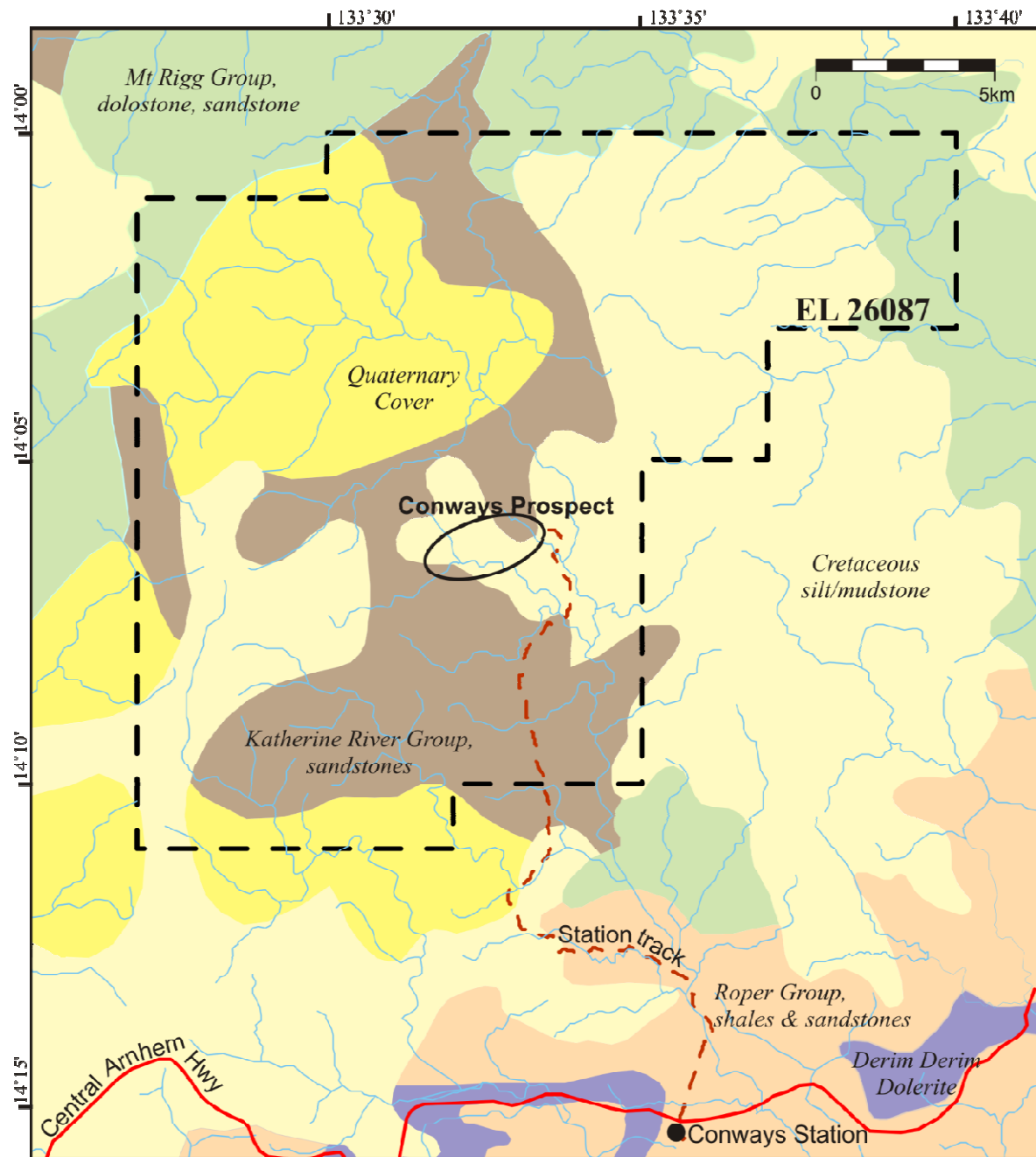


Fig. 2. Basic geological units of EL26087 showing the proposed Conways Prospect and access track (source: NT 1:2500k geology).

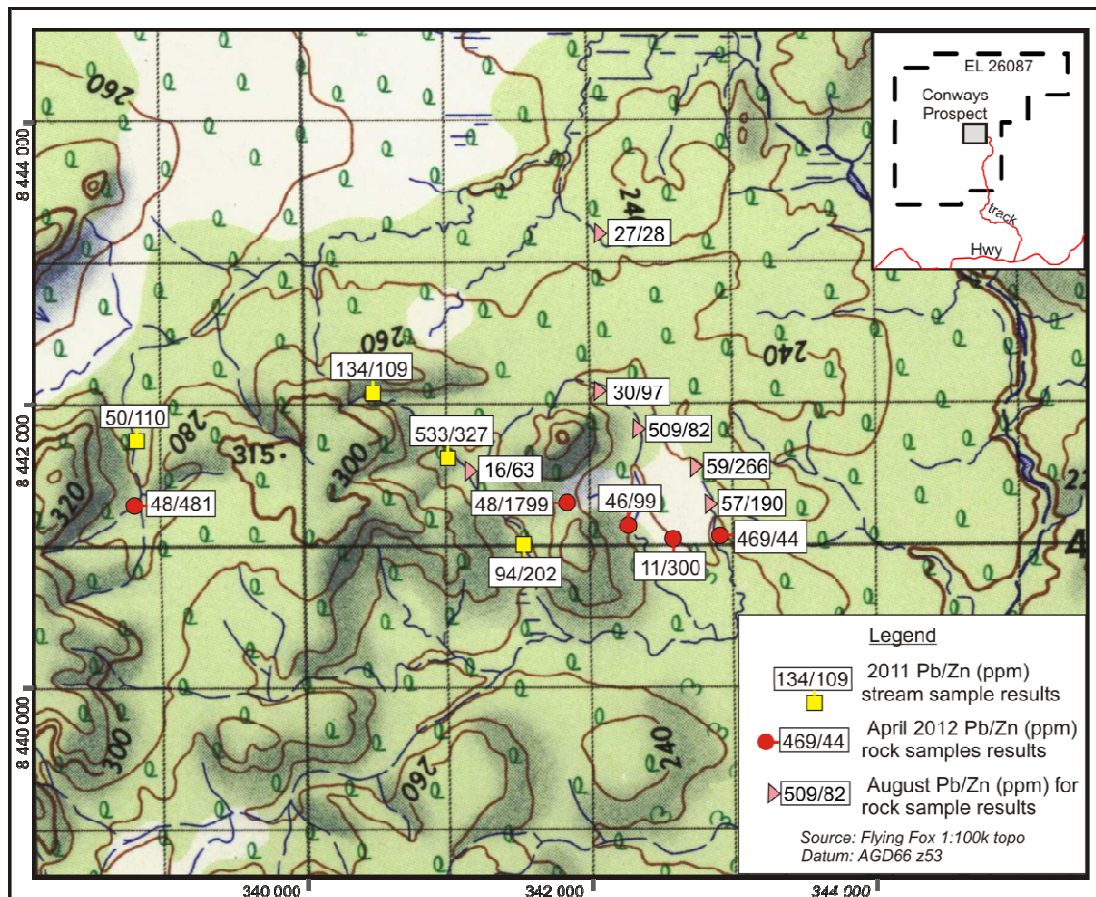


Fig. 3. Topographic map of part of EL26087 showing the Conways Prospect and selected assays from 2011 and 2012. Available geological maps are too coarse to be shown at this scale.

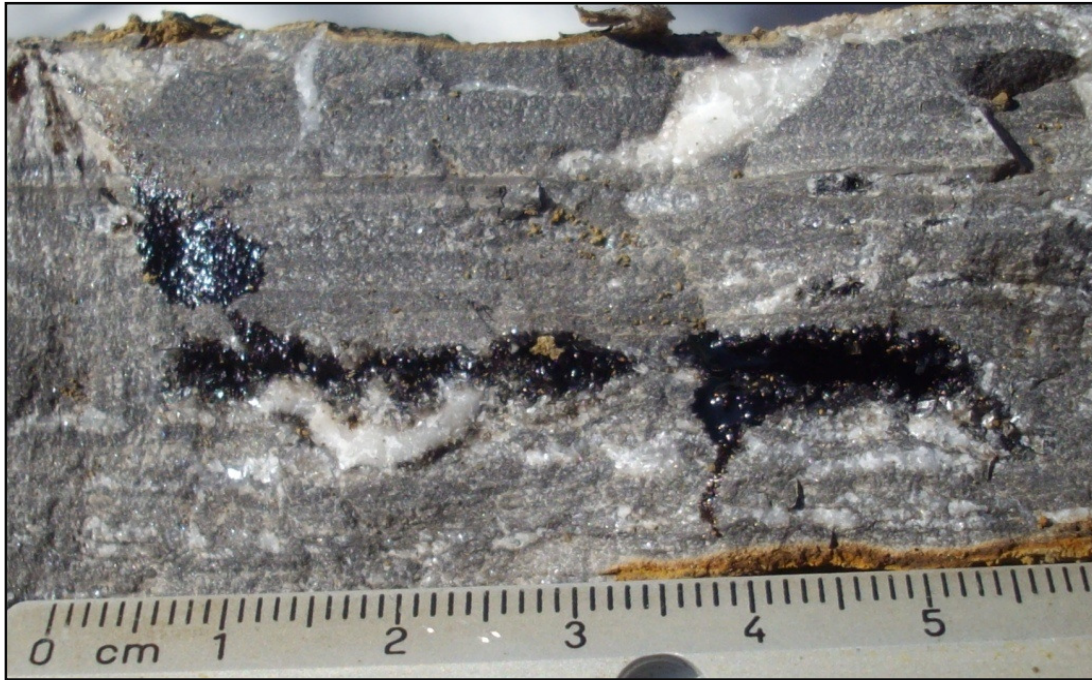


Fig. 4. Oil and bitumen filled vugs in dolomitic mudstones of the McCaw formation from the Conways Prospect. Oil and bitumen coat calcite lined vugs indicating that fluid flow occurred post vug formation. The rocks have a distinct 'kerosene' odour, are relatively flat lying and occur over an open strike of about 5km.