EL28790 PARTIAL RELINQUISHMENT REPORT

For period from 02/04/2012 to 01/04/2014
GEORGINA BASIN PROJECT NT

Brunette Downs SE5311 1:250,000

Titleholder: Tropical Resources Pty. Ltd

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Tropical Resources Pty. Ltd
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1. SUMMARY

EL 28790 is about 850Km of SSE138° of Darwin, and about 250km of NEE56° of Tennant Creek. Tropical Resources Pty Ltd applied for EL28790 primarily to explore for Diamond, Gold and secondly to evaluate the potential for other types of economic mineralisation such as Iron and Phosphate. Work during Year 1 of tenure consisted of a review of NTGS data and Open File Company reports (geological and geophysical), and a short field trip. During Year two, TRC wanted to joint venture with a Chinese Company to complete a geophysical survey, but this is progressing slowly.

2. LOCATION AND ACCESS

EL 28790 is about 850Km of SSE138° of Darwin, and about 250km of NEE56° of Tennant Creek, about 160km of north side of the Barkly Highway (Figure 1). There is just about 30km east side of Tableland Highway (No.11) and Calvert Road (No.16). Access is along the Tableland Highway via Barkly Highway and Stuart Highway from Darwin. There are several rough road can be reach to the Lease. Topography is plains with some hills but the relative elevation is less 50m, several rivers cross the land. Access is advisable in the dry season only.

The tenement has numerous creeks which can flood in heavy rains during the wet season.
Figure 1 Location of EL28790 in Topography (red area was reduced)
3. TENEMENT STATUS AND OWNERSHIP

EL 28790 was granted on 2nd April 2012 and expires on 1st December 2018 for a term of six years. It comprises 250 graticular blocks (815.72 sq km). There are no other mining leases or mineral claims shown within the License boundaries.

After data review and short field trip, TRC has decided to reduce the northern part, from 250 blocks to 125 blocks (407.86 sq km), due to the lack of outcrop and access difficulty, via relinquished 125 blocks (Figure 2).
Underlying cadastre is mainly Pastoral Lease. Landholders show below: 1-NT Portion 1163, Perpetual Pastoral Lease 1014, Creswell; 2-NT Portion 1483, Perpetual Pastoral Lease 925, Nicholson; 3-NT Portion 963, Perpetual Pastoral Lease 963, Creswell;) (Figure 3).

Figure 3 Landholders and Lease Numbers displayed inside EL 28790 (red area was reduced)

4. GEOLOGY

EL28790 is situated within the Georgina Basin, a wildly folded sequence of Cambrian rocks. The 1:250,000 Geological map cover the tenement area (Brunette Downs, 1966 ) (Figure 4).
All of the economic diamond deposits and other significantly diamondiferous occurrences in Australia occur on the North Australian Craton ("NAC"). The NAC underlies the Kimberley region of northern WA, the northern two thirds of the NT and the north western part of Queensland. It is also host to many significant base metal, gold and uranium deposits. The NAC was formed at about 1850Ma during the Barramundi Orogeny by the amalgamation of Archaean and early
Proterozoic rocks which now form the basement rocks to the younger sequence. Proterozoic (1820-1600Ma) platform cover sediments, Palaeozoic volcanics and sediments, and Mesozoic sediments cover these basement rocks.

The Georgina Basin is one such platform cover which developed above the NAC between 1800-1500Ma. Its sedimentary package consists of unmetamorphosed and less intensely deformed rocks of carbonate, siliciclastic and interbedded volcanics deposited in a shallow intracratonic basin.

The Georgina Basin is overlain by the remnants of the Cambrian Barkly Group Ranken Formation Limestone: Bioclast, bioclast rudestone; Grey Biological Dolomite, rudestone, Sandstone; and Cambrian Helen Springs Volcanic Rocks. There is a widespread distribution of Cenozoic Limestone, dolomite; and sandy soil, laterite and alluvium cover.

5. PREVIOUS EXPLORATION

Exploration has been carried out in the area since 1978 with several companies working on this area (Some of them show in Table 1). Exploration primarily involved rock chip, soil and stream sampling for Diamond, gold and some base metal analysis.

<table>
<thead>
<tr>
<th>EL Number</th>
<th>Expiry Date</th>
<th>Company Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL1427</td>
<td></td>
<td>CR1978-0138</td>
</tr>
</tbody>
</table>
6. EXPLORATION DURING YEAR 1

During 2012 to 2013, Tropical Resources exploration consisted of historic data compilation including tenure, datasets, open file reports and geo-referencing of relevant maps. This enabled an informed review of the tenements prospectively in regards to Diamond and Gold, Iron and Phosphate. Field reconnaissance was also completed.

7. EXPLORATION DURING YEAR 2

In 2013-2014, Tropical Resources exploration consisted of historic data compilation including tenure, datasets, open file reports and geo-referencing of relevant maps. This enabled an informed review of the tenements prospectively in regards to Diamond and Gold, Iron and Phosphate. A short field trip with a potential cooperation partner was also undertaken.

8. CONCLUSION AND RECOMMENDATION

The exploration target is Diamond and Gold, Base metal, Iron, and Phosphate. However through analysis of historical exploration data and superficial traversing of EL28790, the blocks relinquished hold little potential for an economic deposit.

9. REFERENCES

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