TANAMI PROJECT

EL 24885
Partial Relinquishment Report for the period 28/02/2012 – 11/03/2014.

Titleholder: Reedy Lagoon Corporation Limited
Author: Reedy Lagoon Corporation Limited
Date: 14 July 2014

Minerals targeted:
Uranium and gold were the two main minerals being targeted during the report period. Potential for REE and phosphate mineralization was also identified.

Map sheets:
The Granites 1:250,000 SF 52-3
McFarlane 1:100,000 4757
Pedestal Hill 1:100,000 4756

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Abstract
Gold and uranium were the principal minerals sought. Exploration for gold mineralisation targeted sediments of Paleoproterozoic age located adjacent to structural faults with magnetic sediments in such locations attracting more interest. Exploration for uranium targeted deposits associated with major unconformities within the underlying Proterozoic Birrindudu rocks, or associated with permeable units within the Lucas Formation (“roll-front” deposits). Magnetic and radiometric data was acquired by fixed-wing aircraft at 100 metre and 200 metre line spacing and sensor height at 45 metre terrain clearance. Depths of burial of the Proterozoic basin were interpreted from the geophysical data acquired and areas with significant cover were surrendered.

1. INTRODUCTION

Exploration Licence 24885 is located in the western part of The Granites 1:250,000 (SF 52-3) map sheet abutting the Western Australian border and about 590 kilometres northwest from Alice Springs (figure 1). The tenement initially covered 272 square kilometres at date of grant and was reduced to 136 square kilometres on 11 March 2014.

EL 24885 was granted to Reedy Lagoon Corporation Limited (“RLC”) on 28 February 2012 for a term of 6 years expiring on 27 February 2018. RLC is exploring the tenement area with a focus on gold, uranium, REE and phosphate.

This report includes all work completed on the areas surrendered on 11 March 2014.

2. REGIONAL AND LOCAL GEOLOGY

The tenement area covers part of the Proterozoic Birrindudu Basin, beneath younger sediments, in the Northern Territory. The overlying Palaeozoic sediments include sandstones and mudstones of the Lucas Formation. These sediments have been intersected by shallow stratigraphic holes drilled by the Bureau of Mineral Resources (“BMR”) in the early 1970s (Blake, 1974).

At depth, the Birrindudu Basin comprises Proterozoic sediments, metamorphics and granites, the uppermost unit of which includes the Gardiner Sandstone (Blake et al, 1979). The Proterozoic Redcliff Pound Group may be present above the Gardiner Sandstone. Each of the major stratigraphic boundaries may be an unconformity.

The Proterozoic (to Palaeozoic) Ngalia Basin, approximately 300 km southeast of the tenement area, hosts the Bigryli Uranium deposit. At Bigryli, the uranium occurs in lenses within and towards the base of the Palaeozoic Mount Eclipse Sandstone (Fidler et al, 1990). RLC believes there may be similarities between the Lucas Formation and the Mount Eclipse Sandstone in the Ngalia Basin.

RLC’s exploration targets within the area of EL 24885 surrendered included uranium deposits associated with major unconformities within the underlying Proterozoic Birrindudu rocks, or associated with permeable units within the Lucas Formation (“roll-front” deposits).
Gold is present in the Tanami region with 75% of the known gold occurring in siltstone and fine-grained greywackes of Paleoproterozoic age.

3. TITLE AND ACCESS

EL 24885 was granted to RLC on 28 February 2012 for a term of 6 years expiring on 27 February 2018. The area surrendered was held solely by RLC and there were no joint venture partners.

The tenement covers Aboriginal Land (freehold) vested in the Mangkururrpa Aboriginal Land Trust. A deed for exploration dated 30 October 2011 between the Central Land Council and RLC has been executed. The deed establishes procedures which RLC must follow in connection with RLC’s work on the licence.

4. EXPLORATION CONDUCTED

Magnetic and radiometric data was acquired during July-August 2013 by fixed-wing aircraft at 100 metre and 200 metre line spacing.

The data was processed and interpretations, including depths to basement rocks, were generated, as documented in the Annual Report for the period 28/02/2013 to 27/02/2014. No significant basement geology was interpreted in the areas relinquished.

There were no ground-based activities during or prior to the report period. No rehabilitation activities were conducted.

5. CONCLUSIONS

Areas where depths to Proterozoic basement were interpreted to be in excess of 200 metres below surface were identified in the geophysical interpretation. These areas are considered to have lower prospectivity, on the basis of depth, and were largely surrendered.

G H Fethers
Reedy Lagoon Corporation Limited
14 July 2014

References
Figure 2 Tanami 24885_NT flight lines