12. ANOMALY 1 (EL 2366 AND 2367)

12.1 Introduction

Anomaly 1 lies on the boundary of EL 2366 and 2367, 10km west of The Granites Gold Mine.

The Anomaly 1- Anomaly 2 belt is defined by a low amplitude (80nT) magnetic anomaly situated to the west of The Granites.

Several elevated bulk cyanide leach (BCL) gold values were obtained during 1.8km x 1km regional reconnaissance vacuum drilling. Follow up vacuum drilling confirmed an anomalous (>100 ppm) arsenic bedrock zone within a low amplitude magnetic linear. Further vacuum drilling and rock chip sampling detected gold mineralisation associated with quartz veins within a shear zone hosted by Madigan Beds turbidite sequences.

12.2 Work Undertaken

During the reporting period 17 lag samples were collected from surface and 27 composite rock chip samples were also gathered. Sample positions were located with the aid of the Global Positioning System (GPS).

All rock chip samples were analysed by method 334 (Analabs) for gold and method 115 (Analabs) for arsenic. Lag samples were assayed in the following way:-

Atomic absorption spectrometry. (detection limits in brackets in ppm)

Au(1ppb), Co(1), Cu(1), Zn(1), Ag(0.1), Pb(2)

Optical emission spectrometry. (detection limits in brackets in ppm)

Fe(%), As(2),

Mass spectrometry. (detection limits in brackets in ppm)

Se(0.2), Mo(0.5), Sn(1), Sb(0.5), W(1), Bi(0.5), U(0.05).

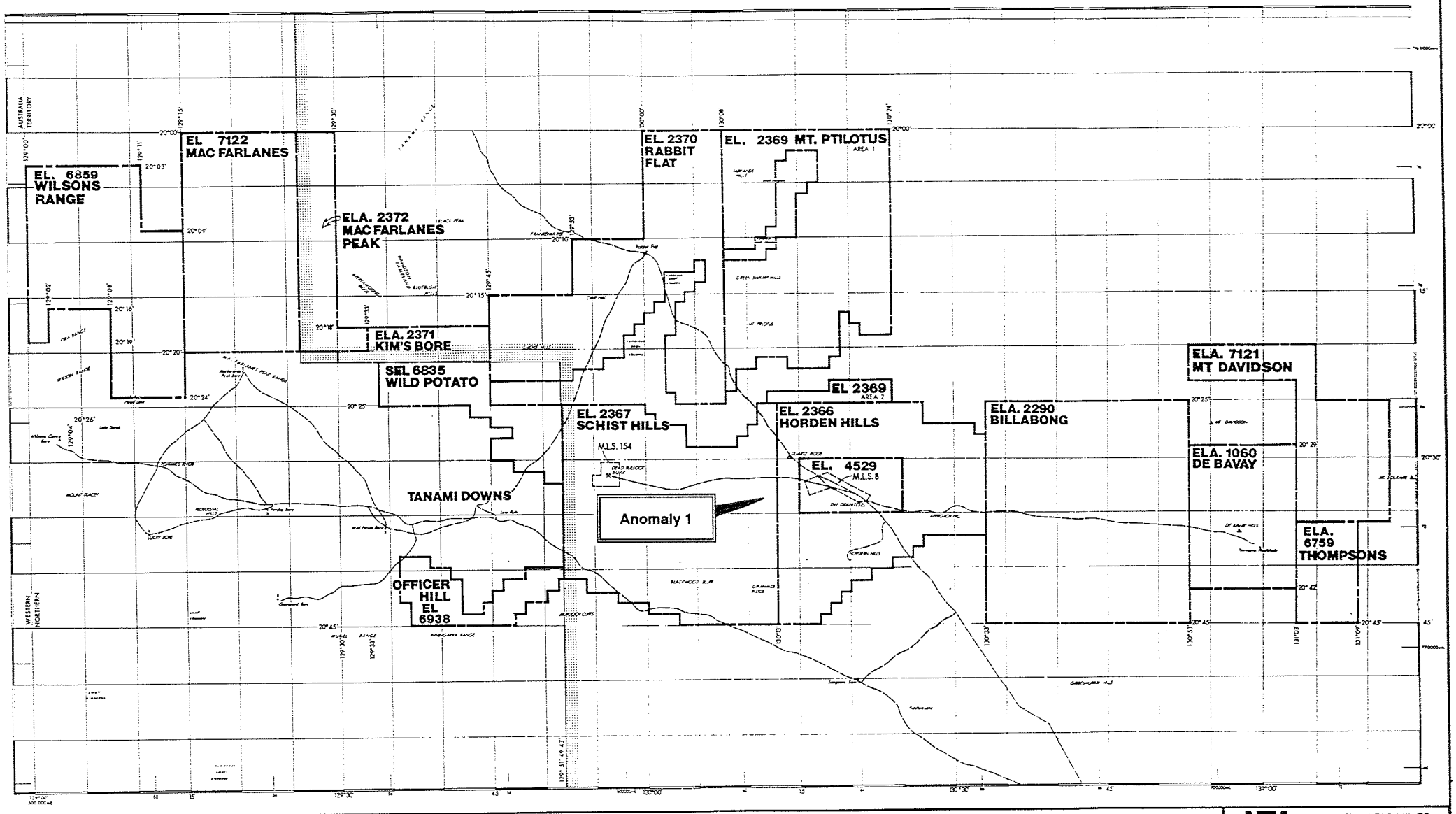
12.3 Results

As the controls on mineralisation at Anomaly 2 are well understood, sampling of similar Anomaly 1 lithologies favoured more prospective quartz veining. The dominant style of quartz veining at Anomaly 1 is blue-grey quartz (qz). Only minor sheared (q1) veining was noted. Results were disappointing with a peak Au assay of 38ppb. Arsenic was at the level of detection (5-10ppm As).

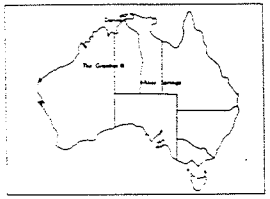
Results from the lag sampling did not include any anomalous material.

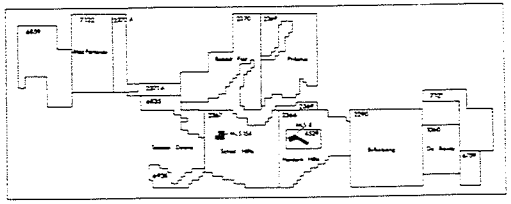
12.4 Plans

No plans are currently available to show the results of the rock chip and lag sampling.



LOCATION MAP





LEGEND

NORTH FLINDERS MINES LIMITED

Tanami Reconnaissance : Northern Territory

EL LAYOUT

KILOMETRES

DATA BY

DRAWN

Fig. 12A

Drg No. 20-1

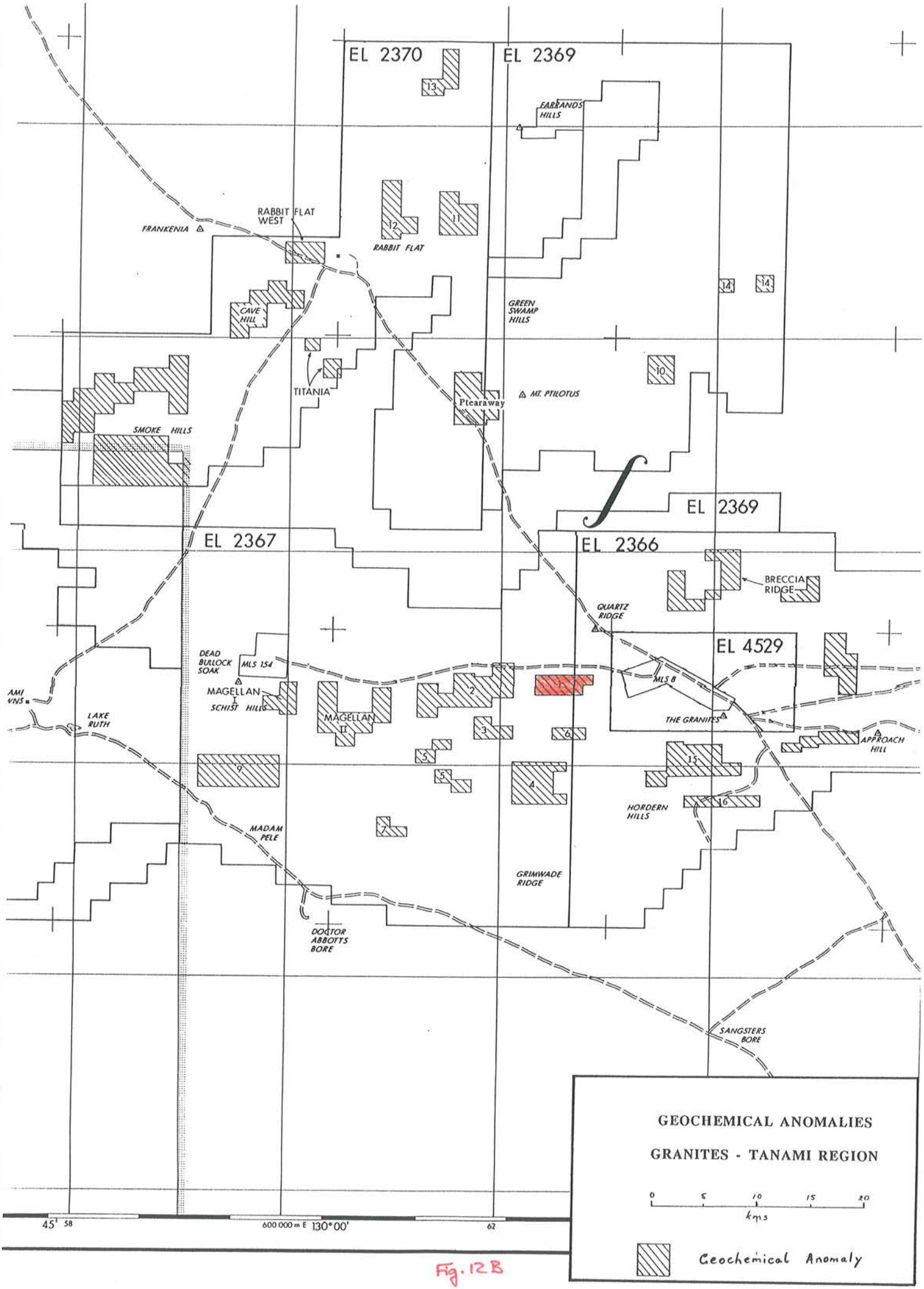
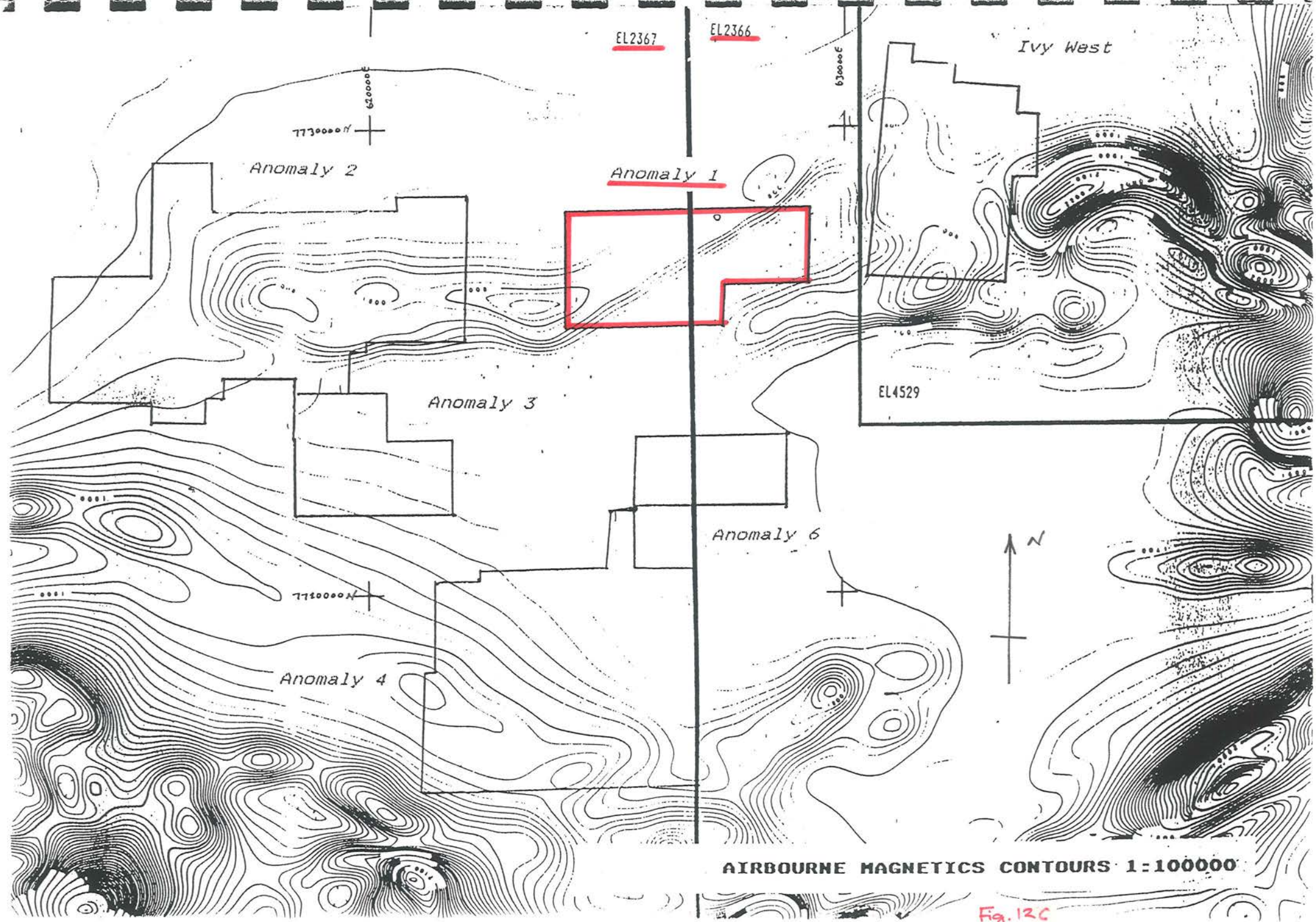

EL 2370
EL 2369
FARRANDS HILLS
RABBIT FLAT WEST
FRANKENIA
RABBIT FLAT
CAVE HILL
GREEN SWAMP HILLS
TITANIA
Ptearaway
MT. PTILOTUS
SMOKE HILLS
EL 2369
EL 2367
EL 2366
BRECCIA RIDGE
QUARTZ RIDGE
EL 4529
DEAD BULLOCK SOAK
MLS 154
MLS B
AMI VNS
MAGELLAN I SCHIST HILLS
MAGELLAN II
LAKE RUTH
THE GRANITES
APPROACH HILL
HORDERN HILLS
MADAM PELE
GRIMWADE RIDGE
DOCTOR ABBOTTS BORE
SANGSTERS BORE
45' 58
600 000 m E
130° 00'
62
GEOCHEMICAL ANOMALIES
GRANITES - TANAMI REGION
0 5 10 15 20
kms
Geochemical Anomaly

Fig. 12B



AIRBOURNE MAGNETICS CONTOURS 1:100000

Fig. 12C