ELKEDRA DIAMONDS NL
ABN 42 092 334 220

CLOSED REPORT: CONFIDENTIAL

Box Hole Base Metal Project
Annual Report for period ending July 15, 2007

Tenement:
EL22537 Dulcie

Author:	Chuck Magee
Authorised By:	W.R. Taylor
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Map Sheets:	Huckitta (SF53-11),
Copy To:	1. NT DPIFM, Darwin, Northern Territory
	2. Uramet Minerals Ltd - Perth Office
	3. Austwide Mining Title Management Pty Ltd

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Digital Data Files:

Data Description	Digital Data File Name
Helicopter-assisted Gravity survey	EL22537_2007_A_02_Gravity.dfn EL22537_2007_A_03_Gravity.dat

SUMMARY

This report details diamond exploration work carried out by Elkedra Diamonds NL and Uramet Minerals Ltd within the Dulcie tenement in the Northern Territory for the 2006-2007 field season.

In June 2007, Uramet Minerals was spun off from Elkedra Diamonds, with the aim of exploring Elkedra tenements for minerals other than diamond. Work in the Box Hole area was concentrated on base metal exploration around the galena/barite deposit formerly mined at King's Workings.

Work carried out prior to July 15 2007 consisted of a helicopter-based 500m gravity survey, and a reconnaissance field excursion to collect samples from the historical workings and prepare for future ground-based geophysical surveys.

As a result of the gravity survey, 15 tentative targets were established, which will serve to focus subsequent ground-based surveys.

1 TENEMENT STATUS

No change to this tenement was made during the reporting period.

Table 1: Tenement Summary

Tenement No	Tenement Name	Date Granted	No of Blocks
EL22537	Dulcie	16/07/2001	34

2 LOCATION AND ACCESS

- The Box Hole tenement is located approximately 250 km east-northeast of Alice Springs in the Northern Territory, 5 km east of Arapunya Station (Figure 1). The project area falls within the Huckitta (SF53-11) 1:250,000 sheet.

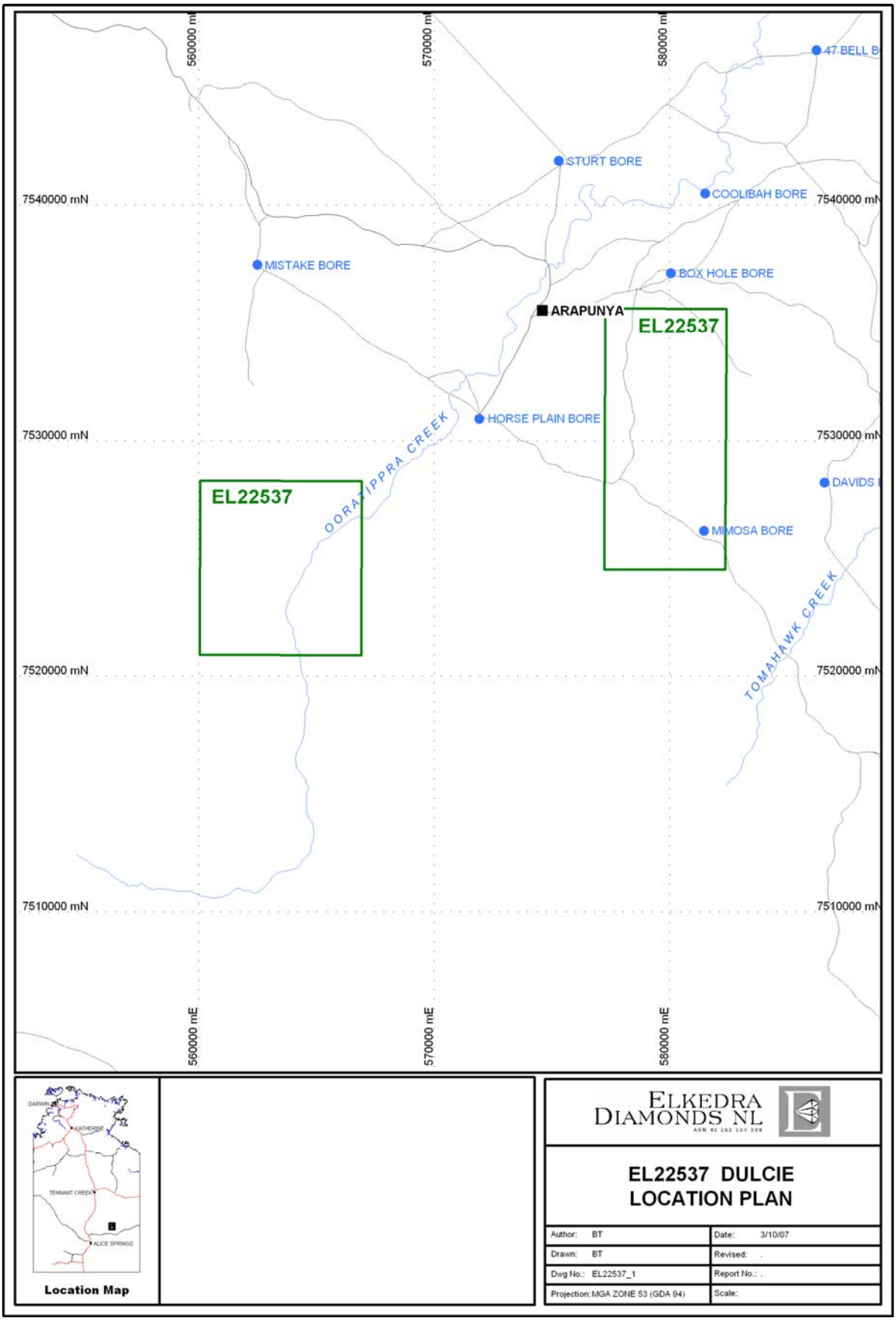


Figure 1. Tenement location plan.

Physiography ranges from nodule-paved plains in the south and east to gentle carbonate hills in the northwest. There are two sizable seasonal creeks, and karst features are present in the carbonate areas. The vegetation ranges from savanna woodland near the creeks to annual grasslands to gidgee and acacia scrub. The vegetation is consistent with a continental desert regime.

Access to the tenement areas is via the Plenty Highway / Bundey Road and station tracks.

3 GEOLOGICAL SETTING

3.1 Regional Geology

The Box Hole tenement is located within the southern Georgina basin, which is the northern domain of the original Centralian Superbasin. Following the ~550-535 Ma Petermann Orogeny, the area developed as a stable carbonate platform, with occasional clastic sedimentation. The subsequent ~370-310 Ma Alice Springs Orogeny produced little metamorphic effects in the southern Georgina Basin proper, but is thought to be responsible for mild heating, hydrothermal activity and expulsion of basinal fluids (Dunster at al. 2007).

3.2 Tenement Geology

The geology of this tenement is largely comprised of the late Cambrian Arrinthrunga Formation which in the south is capped by Cambro-Ordovician Tomahawk Beds and the Devonian Dulcie Sandstone. The Eurowie Sandstone Member of the Arrinthrunga Formation, which is comprised of interbedded quartz sandstone and sandy dolostone, crops out in the northeast of the tenement.

The Arrinthrunga Formation is a shale/carbonate sequence with some quartzitic sands that were deposited in an occasionally emergent, restricted shallow basin. Stromatolitic reefs are plentiful. One of the stromatolitic reefs in the Arrinthrunga Formation hosts the King's Workings deposit, which appears to be an MVT style barite-galena deposit formed during the Alice Springs Orogeny. The mineralized area is extensively silicified, and contains pyrite gossans and occasional sphalerite in addition to the galena and barite.

4 EXPLORATION COMPLETED DURING REPORTING PERIOD

Exploration activities undertaken during the reporting year include:

1) Helicopter gravity survey
2) Field reconnaissance and sample collection

4.1 Helicopter-based gravity survey

A helicopter-based gravity survey was performed by Daishsat Pty Ltd in July of 2006 in conjunction with the NTGS East Arunta Gravity Survey. This survey involved a 500 metre spaced gravity survey over most of the Box Hole section of the tenement. The gravity data was processed by Dr Duncan Cowen to produce a residual gravity map, from which 15 anomalous targets were generated. Some of these anomalies were then modelled as buried dense bodies (Appendix). A residual gravity image is shown in Figure 2.

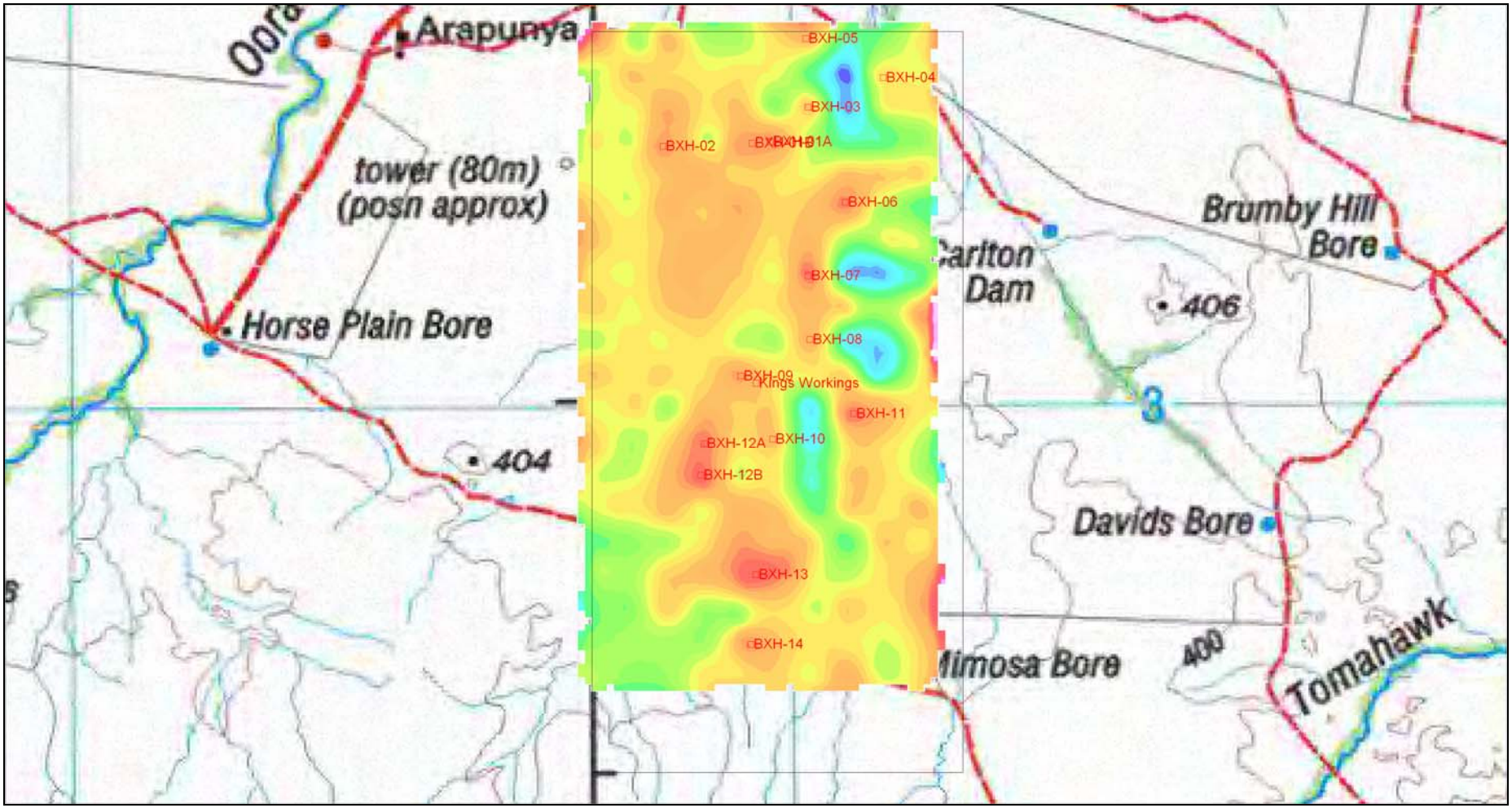


Figure 2. Residual gravity for the Box Hole tenement, as determined by a 500m spaced helicopter-assisted gravity survey. Positive gravity anomalies are labelled from BXH-01 to BXH-14.

4.2 Field Reconnaissance

A three day field reconnaissance expedition took place in early July 2007. The chief aims of this trip were to determine the difficulty of the terrain in preparation for ground-based gravity and IP surveys to take place in the next reporting period, and to collect samples of the King's Workings (Fig. 3) for later geochemical analysis.

Figure 3. Outcrop of galena in silicified dolostone at Kings Workings (579,524E; 7,530,157N; MGA94, zone 53).

5 CONCLUSIONS AND RECOMMENDATIONS

Much of the work done in this reporting period was preparatory work for future detailed geophysical surveys. The helicopter-assisted gravity work has been instrumental in constraining the portions of the tenement in which more detailed (and expensive) surveys are to be conducted. The identified targets will also be used for directing geological field work to identify possible surface expression of mineralization-related geology in areas less thoroughly covered by previous investigations.

6 REFERENCES

Dunster JN, Kruse PD, Duffett ML and Ambrose GJ. 2007 Geology and resource potential of the southern Georgina Basin. *Northern Territory Geological Survey, Digital Information Package* DIP007

7 APPENDIX – MODELLING OF GRAVITY TARGETS

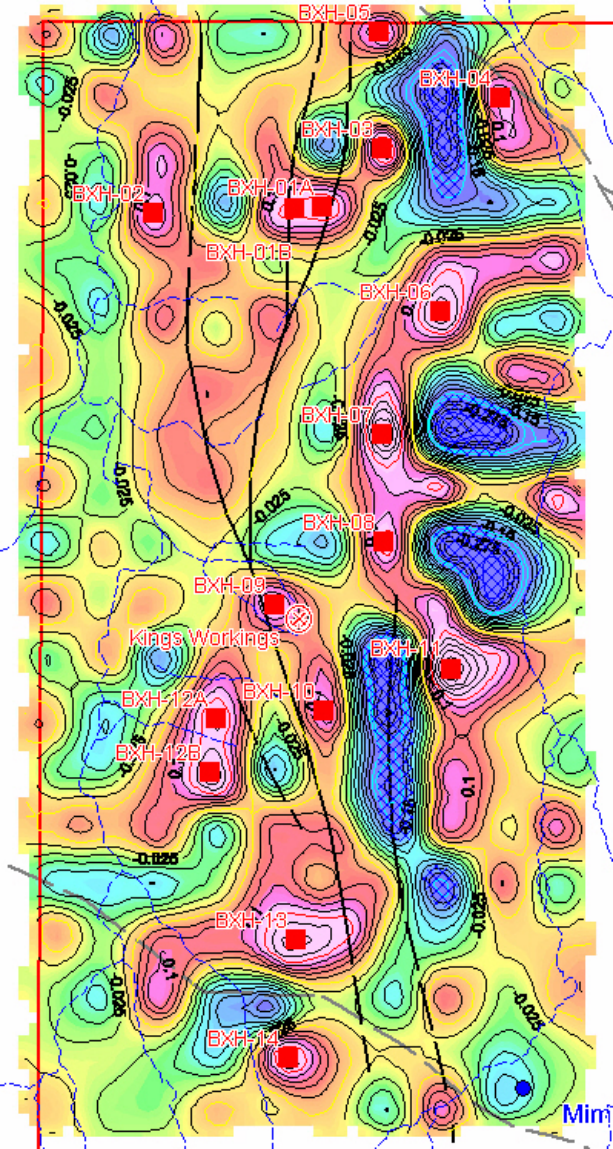
Modelling of selected positive gravity anomalies was undertaken by Dr D.R. Cowan, Consultant Geophysicist using Geosoft GRAMOD-3 software. The purpose of the modeling was to establish both depth to source and likely anomaly form. Results are presented below.

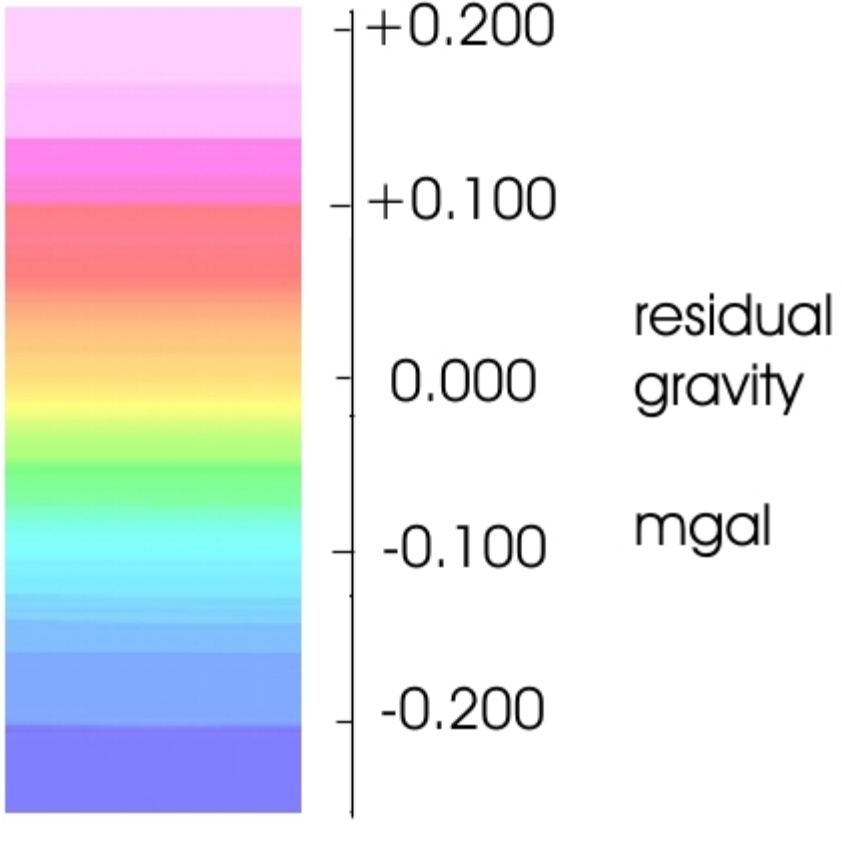
Location of Positive Residual Gravity Anomalies (MGA94, zone 53)

Anomaly	MGA_E	MGA_N
BXH-01A	579727	7533960
BXH-01B	579478	7533944
BXH-02	578239	7533906
BXH-03	580254	7534474
BXH-04	581302	7534916
BXH-05	580233	7535502
BXH-06	580764	7533044
BXH-07	580248	7531947
BXH-08	580264	7531002
BXH-09	579301	7530451
BXH-10	579739	7529513
BXH-11	580863	7529886
BXH-12A	578787	7529447
BXH-12B	578739	7528971
BXH-13	579496	7527488
BXH-14	579423	7526446

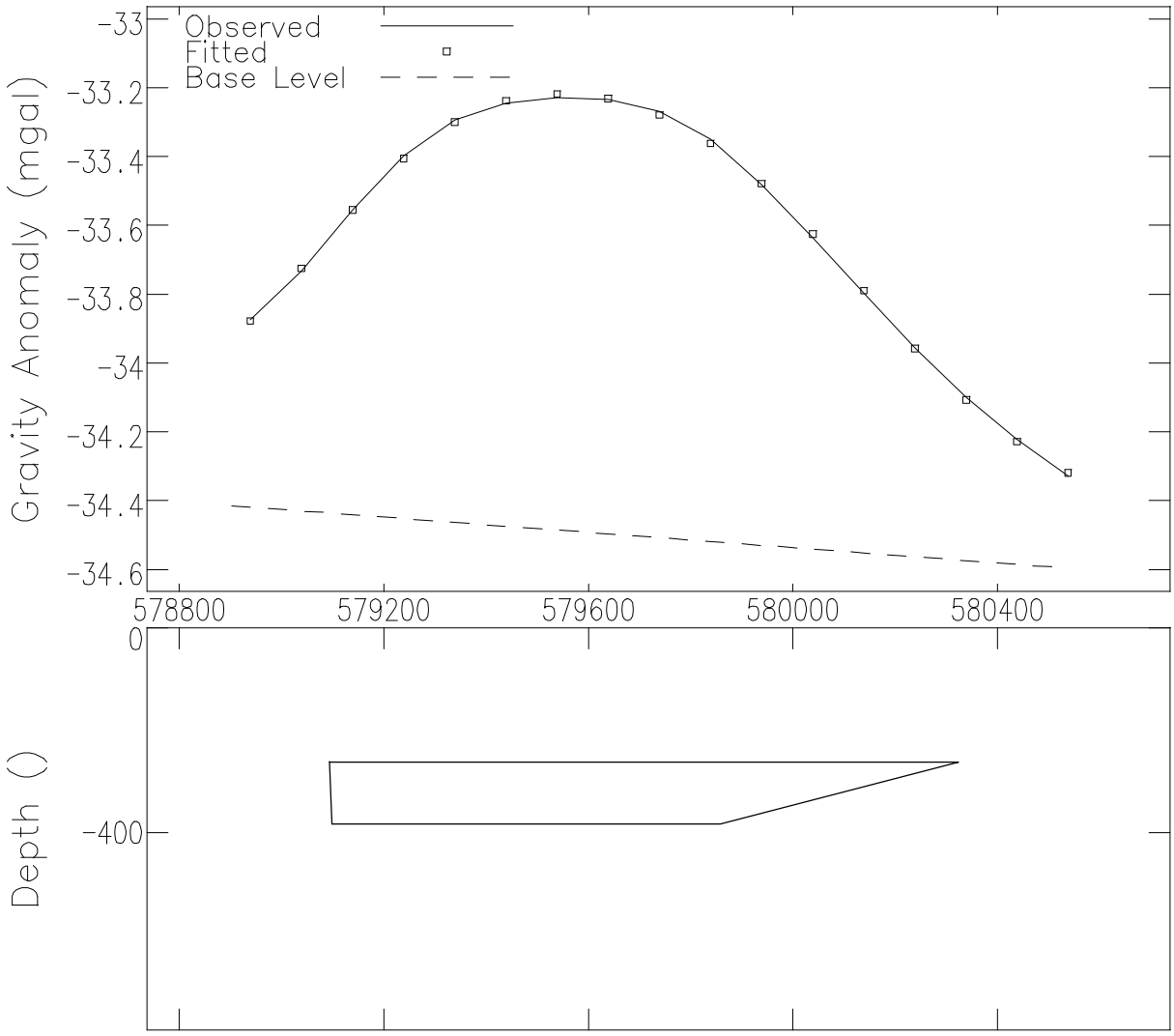
Residual Gravity Model Parameters and Units

Model Type	Wedge or Tabular
Depth	Depth to top of anomaly (metres)
Thickness	metres
Half Width Top	metres
Half Width Bot	metres
Density	differential between country rocks and anomaly (g/cm^3)
Main Position	MGA_E
Cross Position	MGA_N
Base Level	mgal
Base Slope	mgal/metre


BXH-05
BXH-04
BXH-03
BXH-02
BXH-01A
BXH-01B
BXH-06
BXH-07
BXH-08
BXH-09
Kings Workings
BXH-11
BXH-12A
BXH-10
BXH-12B
BXH-13
BXH-14
-0.025
0.1
Mim


+0.200
+0.100
0.000
-0.100
-0.200
residual
gravity
mgal

BXH-01 residual gravity



MODEL PARAMETERS:

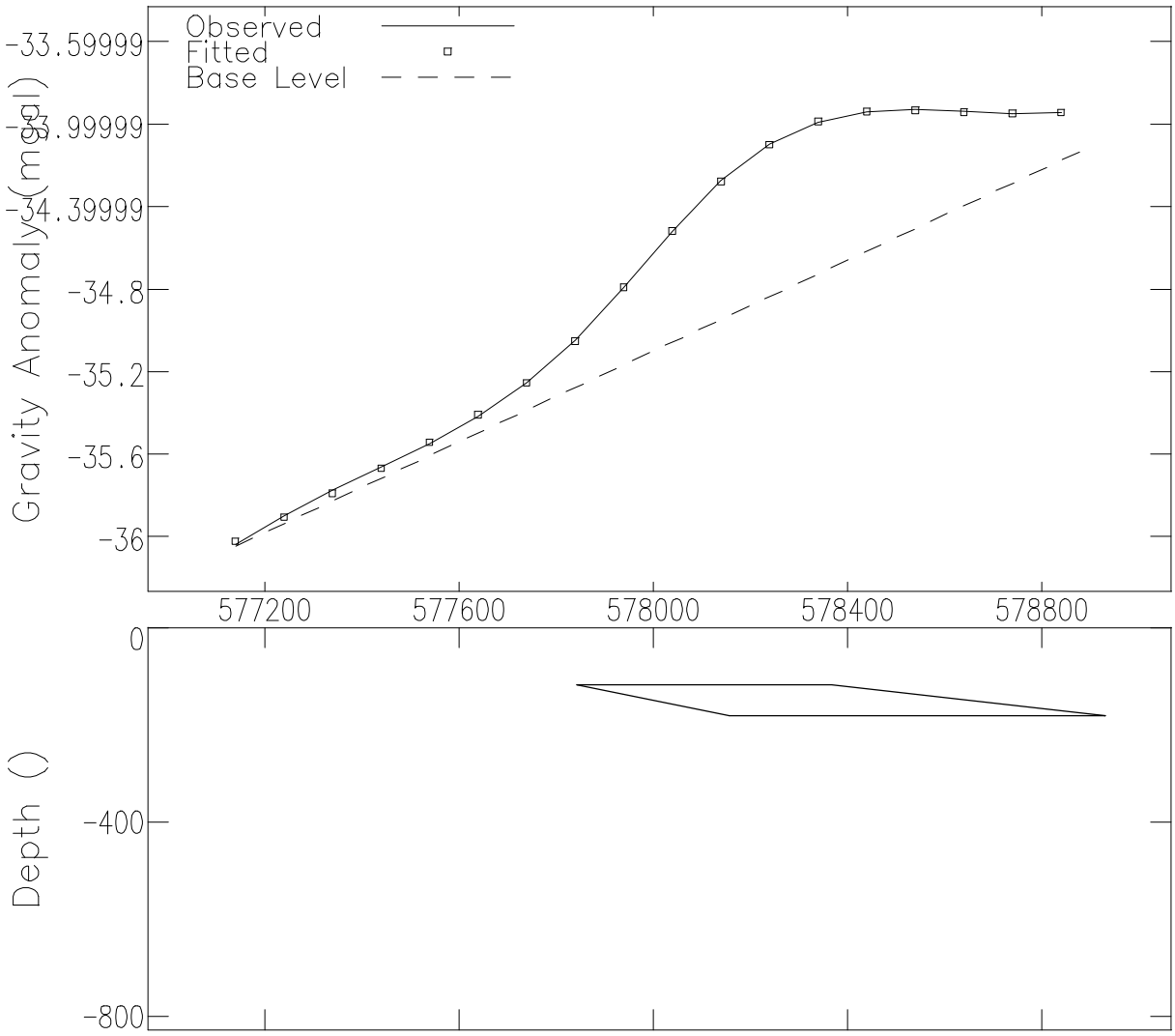
Model Type		Wedge
Depth	F	262
Thickness	F	122
Half Width Top	F	615
Half Width Bot	F	380
Shift	F	-231
Density	F	0.398 g/cc
Main Position	F	579709.3
Cross Position	X	7533908
Base Level	F	-34.50486 mgal
Base Slope	F	-.0001111 mgal/

(F-fitted, X-fixed, L-limit)

COORDINATES:

Strike Perp	90 deg
Line Direction	90 deg
Scale - m	1 m
Main Direction	90 deg
Main Offset	
Cross Direction	
Cross Offset	

BXH-02 residual gravity



MODEL PARAMETERS:

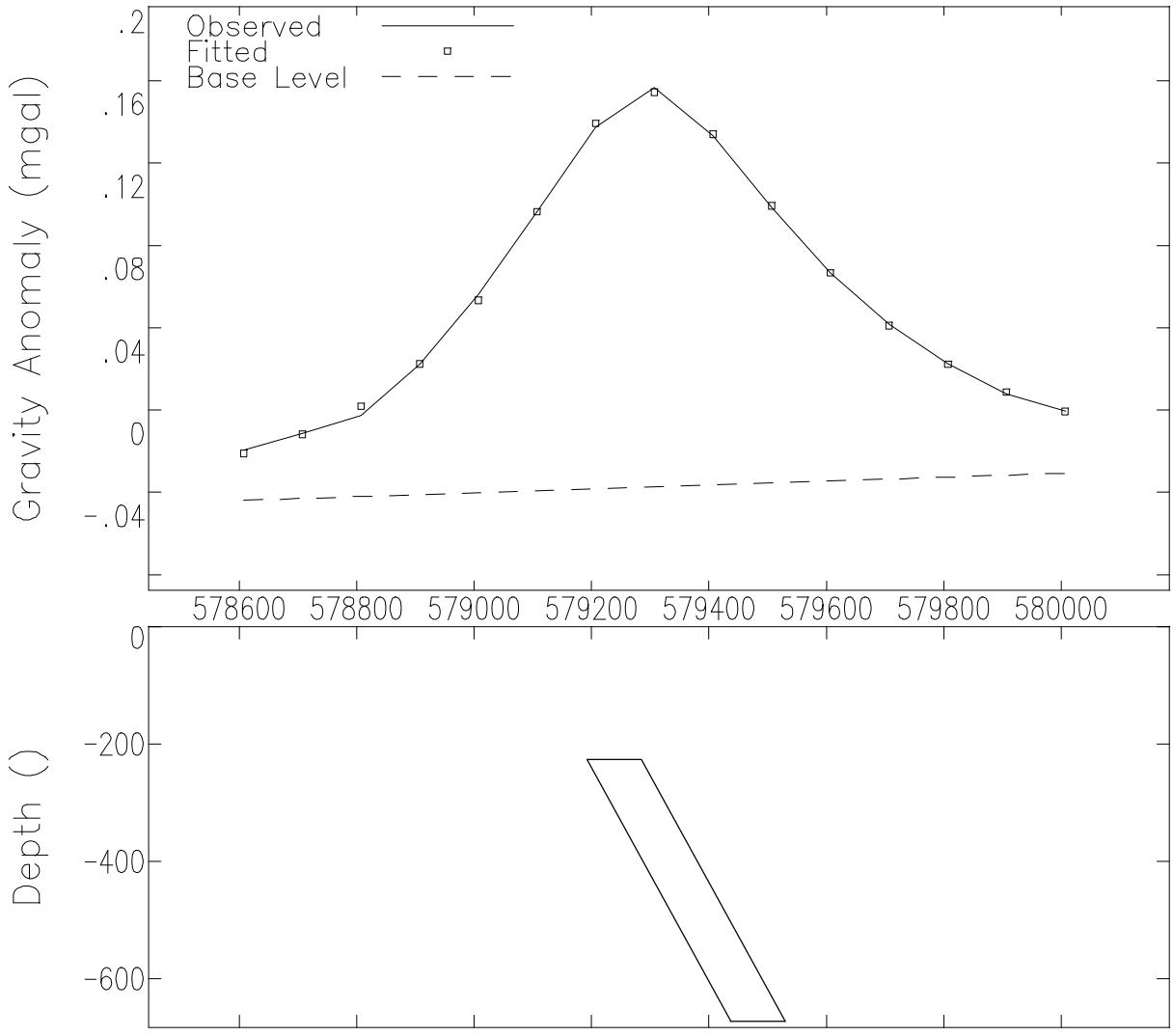
Model Type		Wedge
Depth	F	116
Thickness	F	64.7
Half Width Top	F	262
Half Width Bot	F	387
Shift	F	439
Density	F	0.398 g/cc
Main Position	F	578105.2
Cross Position	X	7533856
Base Level	F	-34.98394 mgal
Base Slope	F	.0011007 mgal/

(F-fitted, X-fixed, L-limit)

COORDINATES:

Strike Perp	90 deg
Line Direction	90 deg
Scale - m	1 m
Main Direction	90 deg
Main Offset	
Cross Direction	
Cross Offset	

BXH-09 residual gravity



MODEL PARAMETERS:

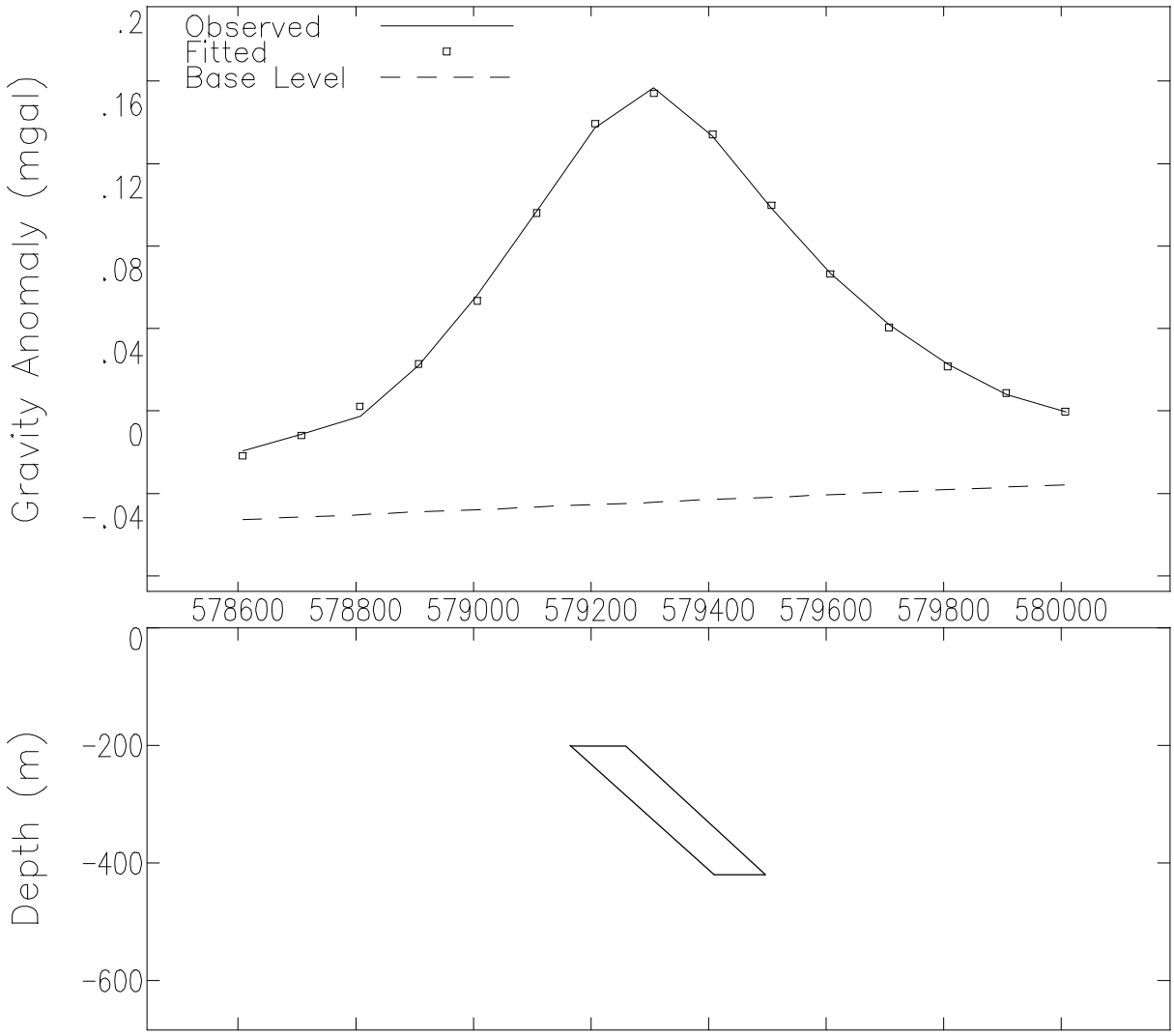
Model Type		Tabular2	
Depth	F	227	
Half Width	L	46.6	
Half Length	X	200	
Offset	X	0	
Dip	F	61	deg
Thickness	F	445	
Density	F	0.320	g/cc
Main Position	F	579239	
Cross Position	X	7530405	
Base Level	F	-.0379176	mgal
Base Slope	F	.0000094	mgal/

(F-fitted, X-fixed, L-limit)

COORDINATES:

Strike Perp	90 deg
Line Direction	90 deg
Scale - m	1 m
Main Direction	90 deg
Main Offset	
Cross Direction	
Cross Offset	

BXH-09 residual gravity



MODEL PARAMETERS:

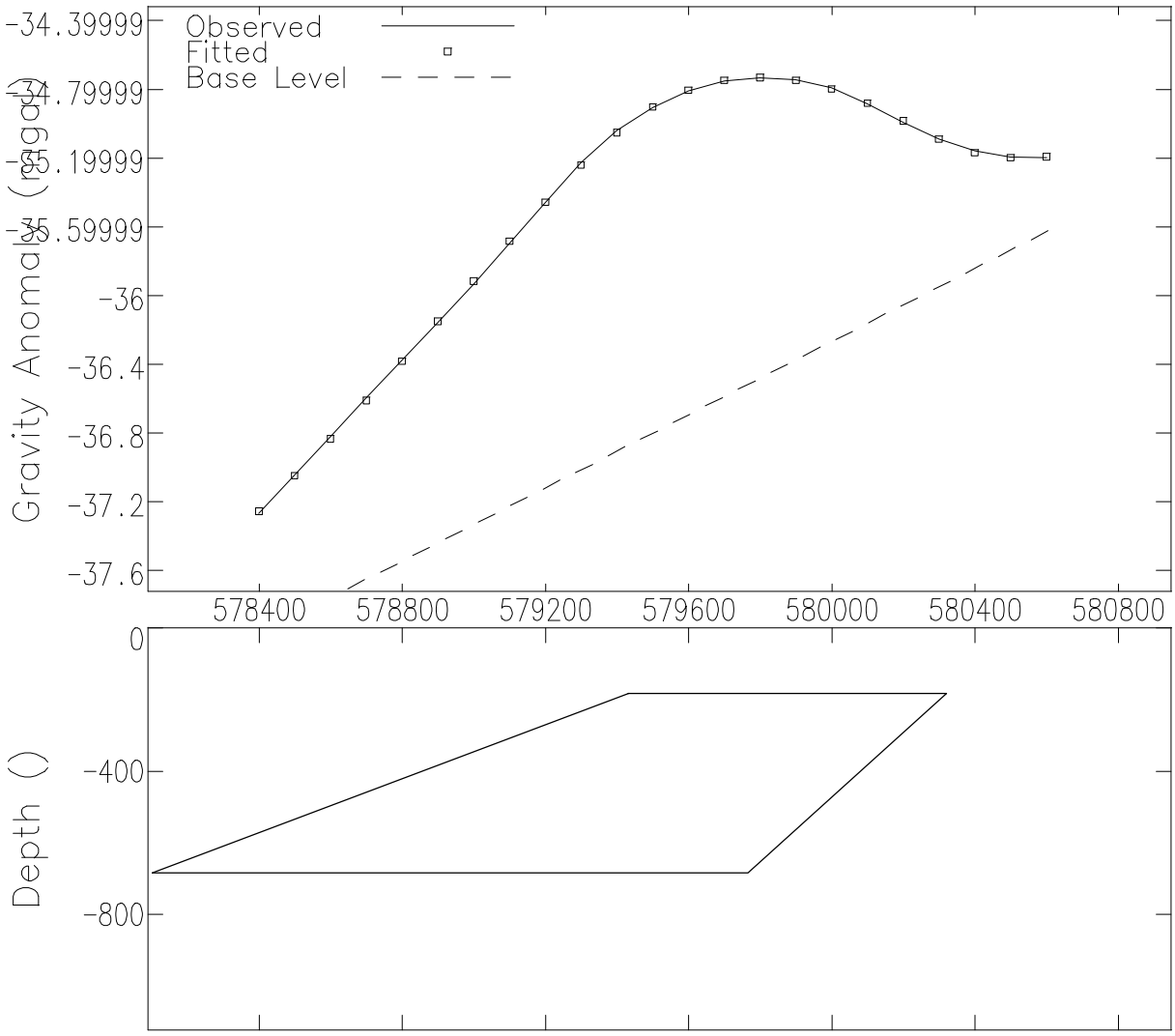
Model Type		Wedge
Depth	F	201 m
Thickness	F	218 m
Half Width Top	L	47.0 m
Half Width Bot	L	43.8 m
Shift	F	241 m
Density	F	0.235 g/cc
Main Position	F	579212.7 m
Cross Position	X	7530405 m
Base Level	F	-.0452841 mgal
Base Slope	F	.0000121 mgal/m

(F-fitted, X-fixed, L-limit)

COORDINATES:

Strike Perp	90 deg
Line Direction	90 deg
Scale - m	1 m
Main Direction	90 deg
Main Offset	
Cross Direction	
Cross Offset	

BXH-13 residual gravity



MODEL PARAMETERS:

Model Type		Wedge
Depth	F	183
Thickness	F	500
Half Width Top	F	445
Half Width Bot	F	832
Shift	F	-942
Density	F	0.153 g/cc
Main Position	F	579875.4
Cross Position	X	7527508
Base Level	F	-36.39864 mgal
Base Slope	F	.0010637 mgal/

(F-fitted, X-fixed, L-limit)

COORDINATES:

Strike Perp	90 deg
Line Direction	90 deg
Scale - m	1 m
Main Direction	90 deg
Main Offset	
Cross Direction	
Cross Offset	