EL27419
Partial Relinquishment Report
14 January 2010
to
16 May 2014

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For:
Globe Mineral Resources Investments
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Introduction

Exploration License 27419 is one of four contiguous licenses owned and operated by Globe Mineral Resources Investments, (GRMI). The licenses are located in the southern part of the Northern Territory on the South Australian border. Figure 1 shows the location of the licenses.

Figure 1. Tenement Location.
Tenure

The Kulgera Heavy Mineral Project is comprised of four granted exploration licenses. All of the tenements are owned 100 percent by Globe Mineral resources Investments P/L (GMRI). The details of the licenses are shown in Table 1.

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Originally the granted EL’s 27417,27418,27419 were owned by Imperial Granite and Minerals (IGM) and were sold to Universal Splendid Investments. Universal returned the tenements to Imperial when their corporate focus changed. In 2011 GMRI purchased the licenses. EL29274 was granted in August 2012 to GMRI.

Landform and Usage

Access to the project area from Alice Springs is south for approximately 300km to the Mulga Park Road turnoff, 1km north of the border. Following the Mulga Park Road for 120km to the west will place you in the vicinity of the “Arrakis” prospect area

The landform in the area is predominantly flat with sand dunes to 12 metres. The biggest dunes are found in the north of the licenses. Large areas are open grassland with zones of thick Acacia / mulga stands in between.

Since 2011, GMRI has been exploring the area for heavy mineral sands, (HMS) using both surface sampling and air-core drilling. The work completed has defined a resource (Arrakis) which is currently undergoing detailed metallurgical assessment and a scoping study.
Work Completed in the Relinquished Area

In March 2014 EL 27419 was reduced with the areas relinquished and retained as shown in Figure 2.

Figure 2, EL27419 Relinquished Areas.

The areas for relinquishment were selected based on the field observations and the results of a magnetic fraction soil sampling survey. The southern most of the areas relinquished was noted, during the sampling program, as having large areas of calcrete, highly weathered subcrop and float. It was concluded that the sand cover in the area is very thin. In several places it was impossible to collect a magnetic fraction sample due to calcrete or subcrop.

The only modern exploration completed in any of the tenements was that by Mithril Resources. They demonstrated that a magnetic fraction soil sample could be used to delineate areas with elevated titanium content. To allow the Mithril data to be compared to the new work a soil sampling program using the same technique was undertaken. Assaying the samples is also a lot cheaper and quicker than heavy liquid separation.

The exact sampling method employed by Mithril is unknown however it is known that the samples were collected from surface using a permanent magnet. Their samples were assayed by Amdel using an ICP method. In conversation with Amdel staff the Mithril assay code was discussed and the IC3E method used by GMRI is the modern equivalent.
The magnetic fraction sampling took place in June 2012 and utilised two teams supported by quad bikes. A total of 546 samples were collected from east west traverses spaced at 2000m intervals with sample collected every 1000m along the lines. Location control was provided by hand held GPS. The samples were collected from surface using a Magsam 5000 instrument which contains a permanent 5000 gauss rare-earth magnet inside a protective metal sheath. Ideally, at each site +50grams of material would have been collected. However, to give an indication of the amount of heavy mineral present the sampling crews used the time taken to collect a sample and expressed it as abundant down to very little. Where the sample collection time exceeded ten minutes no sample was collected and the site marked as barren. Figure 3 shows the sample locations.

The sample location co-ordinates and assay results for the samples collected in the relinquished areas are contained in attachment 1.

**Conclusion**

The observations made during the magnetic fraction sampling program and the assay results from the samples collected allowed two areas of lessor prospectivity to be defined and relinquished.