

E.L.7798 - FIRST YEAR REPORT

FIRST YEARS EXPLORATION

Our first years exploration was very successful, resulting in the location and subsequent pegging of the Deane's Mine/Good Hope strike and Nifty's.

The Deane's Mine/Good Hope reef system was worked in the 1870's but apparently no serious prospecting has been carried out since. Old records show that 372 tonnes of ore were mined for a return of 382 ounces of gold.

The system has a strike length of approximately 1.5km (see attached plan and assay results).

Another gold bearing reef was discovered in the Northwest area of the E.L. (Nifty's reef MCN 4322 - see attached plan). This reef has not been previously worked. Numerous other reefs in the area were sampled with disappointing results.

The assay results for Nifty's carried from 2-20g/t Au and further exploration is warranted.

Exposed Mineralisation within the E.L. is very sparse and appears to be limited for the Deane's/Good Hope & Nifty's areas.

Most of the higher ground is area covered by coarse sandstone overlying the finer grained siltstones which host the gold bearing reefs known in the area.

Exploration expenditure for the first years program was as follows:-

	\$
LABOUR	4500
ACCOM & MEALS	1200
VEHICLE/PLANT HIRE	2000
SAMPLE PREP & ASSAYS	1000
CONSUMABLES)	
O/HEADS)	550
	\$9250

EXPLORATION PROGRAM FOR YEAR 2

Exploration for the second years (1994) program will depend on the results of negotiations with Northern Gold, Reynolds Metals, the Northern Land Council and the Native Titles Office.

We are currently negotiating a J.V. with Northern Gold etc. They are prepared to conduct an extensive exploration/drilling program on the reefs subject to satisfactory agreements with the traditional owners.

The Deane's/Good Hope strike has the potential to be a large, deep resource with the dip probably extending beyond our current claims. We will therefore need to peg and apply for Mineral Leases over this ground.

Northern Gold has the similar 1.2km long Virginia/Terrible strike pegged but ungranted some 2km west of Deane's. About 2.5km to the east of Deane's we have two Mineral Lease Applications (MLN's 1131 & 1132). They were pegged prior to the grant of the Land Claim and cover two virgin gold reefs (refer attached plan).

The combined resources of these reef systems will probably lead to a substantial mining operation being established in this area. The Department's assistance and advice in ensuring the success of this venture is welcomed.

EXPLORATION EXPENDITURE FOR YEAR 2,

Northern Gold and Reynolds Metals have advised us that they are prepared to spend \$100,000 on exploration in the first year. This is the final year of the E.L. and we intend carrying out a further \$5,500 of exploration ourselves. This is broken up as follows:-

	\$
LABOUR	3000
ACCOM & MEALS	800
VEHICLE	1000
SAMPLE PREP/ASSAYS	500
CONSUMABLES)	
O/HEADS)	200
	\$5500

Yours faithfully


N J MANHIRE
N.T. GOLD PTY. LTD.


D J LANGLEY
PROSPECTING SERVICES

E.L. 7798 (STAPLETON CREEK) SAMPLE DETAILS 92-93

SAMPLE NO	AMG	GRADE (AU)	REMARKS
56636	251427	30g/t est.	"Deane's Nth" Nth pit. qtz x .3m
56637	251427	15g/t est.	"Deane's Nth" Nth shaft dump
56638	251427	30g/t est.	"Deane's Nth" Sth shaft dump
56641	253429	10g/t est.	"Good Hope" Sth shaft x .5m
56643	224443	Nil est.	Qtz reef near creek
56644	225443	1g/t est.	Qtz/Fe reef, top ridge
56645	228442	1g/t est.	Iron blow, top ridge
56646	223440	20g/t est.	"Nifty's Reef" Qtz x 1m
56647	231442	5g/t est.	Qtz top of ridge
56648	231442	Nil est.	Qtz bot of ridge. Nth side
56649	231440	Nil est.	Qtz/Fe reef, sth of top
56650	229441	Nil est.	Qtz/Fe banded, sth side
56651	227442	Nil est.	Qtz/Fe sth of top
56652	228444	Nil est.	Qtz nth side
56653	227443	2g/t est.	Qtz sth side
56654	227442	Nil est.	Qtz sth of top
56655	223443	Nil est.	Qtz east side
56656	223443	Nil est.	Qtz west side
56657	223442	Nil est.	Qtz large "Roo Ridge"
56658	222442	Nil est.	Qtz & silt 50m east of conglom. reef
56659	223440	5g/t est.	Qtz /Fe 30m s. of "Niftys" outcrop
56661	223440	10g/t est.	Qtz /Fe breecia "Niftys"

SAMPLE NO	AMG	GRADE (AU)	REMARKS
56662	223440	10g/t est.	Qtz x 1m "Niftys"
56663	223440	10g/t est.	Qtz x 1m "Niftys" gully reef
56664	223439	Nil est.	Qtz x .5m Twin reefs in gully
56665	223439	Nil est.	Qtz x .5m Twin reefs sth end
56666	223439	Nil est.	Qtz x .5m Twin reefs nth end
56667	225445	Nil est.	Qtz x .3m East side
56668	224444	Nil est.	Qtz x.3m
56669	225445	Nil est.	Qtz shoot in bucky qtz
56670	225446	Nil est.	Qtz end blow
56671	222442	Nil est.	Qtz W of conglom blow
56672	222440	Nil est.	Qtz 30m W of "Niftys"
56673	223440	5g/t est.	Qtz "Niftys"
56674	223440	1g/t est.	Qtz 30m E of "Niftys"
56675	222442	.5g/t est.	Qtz/Fe conglom blow & Uranium
56676	223440	2g/t est.	Qtz x 1m "Niftys" gully reef
56677	250425	60g/t est.	Qtz/Fe "Deanes Nth" N shaft dump
56678	250425	45g/t est.	Qtz/Fe "Deanes Nth" S shaft dump
56683	228438	Nil est.	Qtz sth of top
56684	228439	Nil est.	Qtz nose of ridge
56685	228438	Nil est.	Qtz top
56686	247421	45g/t est.	"Deanes Mine" Nth end of pit. Qtz x .3m
56687	247421	30g/t est.	"Deanes Mine" 15m SE of pit. Qtz x .3m
56688	247421	Nil est.	Qtz top of ridge. 30m N of pit

SAMPLE NO	AMG	GRADE	REMARKS
56727	250425	17.8g/t assay	"Deanes Nth" Nth shaft dump
56728	250425	14.7g/t assay	"Deanes Nth" Sth shaft dump
56729	223440	4.25g/t assay	"Niftys Reef" Qtz x 1m
56730	223440	1.81g/t assay	"Niftys" gully reef. Qtz x 1m
56743	253428	3.9g/t assay	"Good Hope" S shaft .5m qtz & silt
56744	253428	12.3g/t assay	"Good Hope" S shaft .5m qtz
56745	253428	.8g/t assay	"Good Hope" S shaft .5m silt
56747	253428	.07g/t assay	"Good Hope" N shaft 1m qtz
56762	253428	11.7g/t assay	"Good Hope" 50m sth .2m qtz
56769	247418	4.5g/t assay	Qtz x 1m
56770	248420	4.1g/t assay	"Deanes Mine" 15m E of pit. Qtz x .3m
56772	248420	79g/t assay	"Deanes Mine" 15m N. end of pit. Qtz x .3m
90180	253432	Nil est.	300m N. of "Good Hope"
90181	254432	Nil est.	350m N. of "Good Hope"



