Exploration Partial Surrender Report

EL 28288

Redbank Regional Project

For the period 19th April 2011 to 2nd September 2014

Distribution:

Department of Mines and Energy NT

Redbank Copper Limited

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Tenement Operator: Redbank Copper Ltd
Tenement Holder: Redbank Operations Pty Ltd
Report Type: Partial Surrender
Report Title: Exploration Partial Surrender Report EL 28288
Tenements: EL 28288
Author: Jason Boladeras
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1:250 000 map sheet: Calvert Hills SE5308
1:100 000 map sheet: Wollogorang 6463
Target Commodity: Copper
Keywords: Copper, Breccia Pipes
Prospects drilled: Nil
List of Assays: Nil
List of Elements: Nil

SUMMARY

Exploration Licence 28288 forms part of Redbank Copper Limited’s ‘Redbank Project’, located about 300km southeast of the township of Borroloola in the Northern Territory just off the Queensland border. The tenement covers a sequence of sediments and volcanics of the Tawallah Formation and is considered prospective for breccia pipe hosted copper mineralisation.

During the life of the surrendered portion of the tenement, no field work was completed. Open file geological data and data inherited from the previous tenement owner was compiled and reviewed. The surrendered portion is deemed to be the least likely area of tenement EL28288 to be prospective for copper mineralisation and as such was surrendered as required by the NT Department of Mines and Energy.

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1. INTRODUCTION

This report details exploration activities on EL 28288 between 19 April 2011 and 2 September 2014. The tenement is owned by Redbank Operations Pty Ltd a wholly owned subsidiary of Redbank Copper Ltd. The tenements forms part of the company’s Redbank Project which is centered on the historic copper mining operation at Redbank (Figure 1) where the company has infrastructure including mine camp and offices, airstrip that support the companies activities in the district. The mine site has been on care and maintance for a number of years and is currently staffed by full time caretakers.

Redbank Copper Limited was suspended from the ASX between the period 24th November 2011 and 10th May 2013, whilst the company was restructured and raised funds along with a new management team. Since relisting the company has commenced regional geological compilation work and review, but has not undertaken any on-ground field exploration on the surrendered portion of EL 28288.

2.1 Location and Access

The tenement is located approximately 300 km south-east of the township of Booroolooa, and immediately west of the Northern Territory – Queensland border. Wollogorang Station in the center of the project area is the closest habitation.

Vehicle access is restricted to the main Borroloola – Wollogorang road and local station tracks. There is a 1200m airstrip at Redbank which can be used to access the project.

Topography is dominated by escarpment country with a maximum elevation of 226m. The well-developed dendritic drainage network is dominated by Settlement Creek, which drains to the north-east into the Gulf of Carpentaria. Vegetation consists mostly of open woodland and native grasses that support cattle grazing.

The tenement is on the Wollogorang Pastoral Station.

The area has a tropical climate with a wet season between November - March during which time access to and around the project can be blocked by flooding creeks; and a dry season between March and October during which time the majority of field operations occur.
1.2 Tenure

The tenement forms part of combined report group GR238 and is held by Redbank Operations Pty Ltd, a wholly owned subsidiary of Redbank Copper Ltd.

On 13 August 2014 a total of 48 blocks were nominated to be cancelled pursuant to S. 105(3) of the Minerals Titles Act for non-compliance with expenditures conditions of the Licence. Subsequently, on 2 September 2014 the 48 blocks were surrendered and 56 blocks remain.

Details of the partially surrendered tenement are provided below.

Table 1. Tenement details for partial surrender of EL28288

<table>
<thead>
<tr>
<th>Exploration License Number</th>
<th>Total Area Surrendered (HA)</th>
<th>Total Blocks Surrendered</th>
<th>Grant Date</th>
<th>Partial Surrender Date</th>
<th>Holder</th>
</tr>
</thead>
</table>

Figure 2 shows the area surrendered.
2.0 GEOLOGY AND MINERALISATION

2.1 Regional Geology

EL 28288 is situated in the south-eastern portion of the Proterozoic McArthur Basin in the Northern Territory (Figure 3), on the Wearyan Shelf tectonic unit. The geological sequence comprises a mix of shallow water and continental sedimentary units intercalated with volcanics of the Tawallah Group which is the lower most sequence within the Macarthur Basin sequence. The sequence has been intruded by various granitic bodies.

The McArthur Basin sequence contains the world class McArthur River lead-zinc deposit (227 Mt grading 9.2% zinc, 4% lead, 0.2% copper, and 41g/t silver) approximately 200 km northwest of the tenement. Locally, copper mineralisation associated with trachyte breccia pipes was mined historically at Sandy Flat and Redbank. Copper and uranium mineralisation is recognised within the Westmorland Conglomerate...
Formation to the south of the tenement and the Merlin Diamond field is situated approximately 250 km to the west.

Figure 3. Regional Geological Setting.

2.2 Tenement Geology
The underlying geology is lower Proterozoic Sly Creek Sandstone and Aquarium Formation which is stratigraphically below the prospective Settlement Creek Volcanic’s and Wollogorang Formation (Figure 4).
Figure 4 Project Geology
2. PREVIOUS EXPLORATION

The tenement has had several phases of historic exploration for base metals as well as gold, uranium and diamonds since the 1940’s. Historic programs have included regional stream sediment surveying, field mapping aeromagnetic surveying and interpretation. No significant anomalism was identified by this work.

3. EXPLORATION BY REDBANK OPERATIONS PTY LTD

EL28288 was granted on 19 April 2011. Redbank Copper Limited was suspended from the ASX between the period 24 November 2011 and 10 May 2013, whilst the company was restructured and raised funds along with a new management team. Since relisting the company commenced regional compilation work, but has not undertaken any on-ground field exploration on the surrendered portion of EL 28288, as activities have focused predominantly on ELR94 where copper resources exist and also on improving the environmental issues caused by mining inherited from previous owners. Solving the environmental issues is key to the success of the company going forwards and therefore resources need to be focused there first.

EL 28288 has not met the minimum expenditure commitments and a loss of block penalty has been applied by the Northern Territory Department of Mines and Energy. A review of the past exploration and geology suggests areas to be relinquished area covers geology which is not particularly unprospective for copper mineralisation but the company has not completed any exploration over the areas relinquished to make a considered assessment. However, due to the requirement for relinquishment, the Company has chosen the 48 blocks as most likely the least prospective compared to the remaining portion of the tenement.
4. REFERENCES


Giles A, Redbank Area NT, Summary of Geology, Past Production and Reserves, Redbank Copper Pty Ltd (unpublished).