EL29014 SECOND AND FINAL ANNUAL REPORT

For period from 03/10/2012 to 12/09/2014
AMADEUS BASIN PROJECT NT

RODINGA SF5302  1:250,000
HALE RIVER   SF5302  1:250,000

Titleholder: Tropical Resources Pty. Ltd

Report No. 2014-026
Tropical Resources Pty. Ltd
By Mingjin HOU
November 11, 2014
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1. SUMMARY

EL 29014 is about 100km just east of the Stuart Highway. Tropical Resources Pty Ltd applied for EL29014 primarily to explore for Phosphate, Uranium and secondly to evaluate the potential for other types of economic mineralization such as Iron. Work during Year 1 of tenure consisted of a review of NTGS data and Open File Company reports (geological and geophysical), and a short field trip.

Work during Year 2 included field reconnaissance and data evaluation.

2. LOCATION AND ACCESS

EL 29014 is about 1360Km SSE164° of Darwin, and about 120km SE115° of Alice Springs, just 110km of east side of the Stuart Highway (Figure 1). Access is along the Stuart Highway from Darwin via Alice Springs. There are several rough roads that reach the Lease. Topography is low and even, several streams cross the land. Access is advisable in the dry season only.

The tenement has numerous creeks which can flood in heavy rains during the wet season.
Figure 1 Location of EL29014 in Topography
(green polygon show former EL areas, blue polygon show retained blocks at the end of year one)
3. TENEMENT STATUS AND OWNERSHIP

EL 29014 was granted on 3rd October 2012 for a term of six years and expires on 2nd October 2018. It comprises 247 graticular blocks (764.84 sq km). Tenement reduction at the end of the first year was undertaken with 137 of 247 blocks dropped (figure1) (425.76 sq km). There are no other mining leases or mineral claims shown within the License boundaries.

Underlying cadaster is Perpetual Pastoral Leases. Landholders are as below: 1-NT Portion 318, Pastoral Lease 1053, TODD River, 2-NT Portion 320, Pastoral Lease 1011, Ringwood, 3-NT Portion 4334, NT Gov., VO0, Crown (Figure 2).

After the second year, TRC decided to surrender the remaining blocks due the lack of potential for an economic deposit.

Figure 2 Landholder and Lease Number displayed inside EL 29014
4. GEOLOGY

EL29014 is situated within the Amadeus Basin, a wildly quaternary sedimentary cover the tenement, some Proterozoic and Cambrian sandstone, Limestone and dolomite. The 1:250,000 Geological maps cover the tenement area (Rodinga, 1964 and Hale River, 1964). The geology map of the tenement area show as Figure 3.

The tenement areas lie upon geology of the Amadeus Basin Region. The Amadeus Basin is an intracratonic structural sedimentary basin. Sedimentation commenced in the late Proterozoic and continued until the late Palaeozoic. The maximum preserved thickness of sediments is estimated to be approximately 9 kilometres.

The sedimentary sequence comprises sandstone, shale and carbonate
deposited in a predominately shallow-marine environment. Subordinate depositional environments include fluvial, glacial, barred basin, supratidal, shallow restricted carbonate shelves and open shallow to deep marine.

The oldest preserved sediments in the basin are Late Proterozoic. The basal sandstone is the Heavitree Quartzite, which unconformably overlies rocks of the Arunta Block. The Heavitree Quartzite is conformably overlain by the Bitter Springs Formation, comprised mainly of shale, siltstone, carbonate rock and minor volcanics. The Areyonga Formation, which includes tillites, disconformably overlies the Bitter Springs Formation, and is conformably overlain by the Aralka Formation, a thick sequence of shale and shallow-marine carbonate.

The Olympic Formation, comprising sandstone, dolomite, shale and upper Proterozoic tillite, disconformably overlies the Aralka Formation. The Olympic Formation is conformably overlain by siltstone, shale and sandstone of the Pertatataka Formation, which in turn is conformably overlain by carbonate rocks of the Julie Formation. The Julie Formation is overlain by the Pertaoorrda Group, which ranges in age from the late Proterozoic to late Cambrian and is comprised of carbonate rocks, shale, sandstone, siltstone and evaporites.

The Late Cambrian to early Ordovician sandstone of the Larapinta Group overlies the Pertaoorrda Group which in turn is overlain by the Devonian Mereenie Sandstone.

5. PREVIOUS EXPLORATION

Exploration has been carried out in the area since 1979, with several companies having worked on this area (Some shown in Table 1). Exploration primarily involved rock chip, soil and stream sampling for gold and some base metal analysis.
6. EXPLORATION DURING YEAR 1

During the first year, Tropical Resources exploration consisted of historic data compilation including tenure, datasets, open file reports and geo-referencing of relevant maps. This enabled an informed review of the tenements prospectively in regards to Phosphate and Uranium, Copper, Zinc-Lead, and Iron. Field reconnaissance was also completed.
7. EXPLORATION DURING YEAR 2

In 2014, Tropical Resources exploration consisted of historic data compilation including tenure, datasets, open file reports and geo-referencing of relevant maps.

8. EXPENDITURE

Expenditure during all of two years is **$95,000**

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<td><strong>TOTAL</strong></td>
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9. CONCLUSION AND RECOMMENDATION

The exploration target is Phosphate and Uranium, Copper, Zinc-Lead, and Iron. However, after a review of all available data and field trips, TRC has decided to surrender this tenement due to the lack of potential for an economic deposit.
10. REFERENCES


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