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<th>Acacia Minerals Pty Limited</th>
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<td>Acacia Minerals Pty Limited</td>
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<td><strong>Titles/Tenements</strong></td>
<td>EL27282</td>
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<td><strong>Tenement Manager/Agent</strong></td>
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<td><strong>Target Commodity or Commodities</strong></td>
<td>Au, U</td>
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<td><strong>Date of report</strong></td>
<td>15 December 2014</td>
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<td><strong>Datum/Zone</strong></td>
<td>GDA94/Zone 52</td>
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1. Abstract

EL27282, of the Acacia Project Area, consisted of the granted exploration licence covering 66.52 sq. km (31 Blocks) located about 50 kilometres south east of Darwin, NT. The relinquishment report covers the partial reduction from 31 blocks to 16 blocks with a size reduction of 16.2 km$^2$ approximately 24% of the tenement area.

The project area is 100% owned by Acacia Minerals Pty. Ltd. a subsidiary company of Equator Resources.

No exploration has been conducted on the relinquished 16.2 km$^2$ (15 blocks) area during the life of the tenure. Exploration was focussed on areas that have been retained.
2. Copyright
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3. Location and Access

The licence was located approximately 50km south-aast of Darwin and can be accessed from the Stuart Highway, thence via existing tracks.

Figure 1- Location Map
4. Tenure and Land Use

Exploration Licence 27282 was granted on the 8th of March 2010 for a period of 6 years.

The application of 31 blocks (66.52 sq. km) covers fifty-four individual land sections, the majority of which are NT Freehold land. At the end of year 2 a waiver from reduction was submitted and granted.

A total of 15 blocks have been relinquished as part of this reduction report reducing the area from 66.52 km² to 50.3 km².

5. Topography & Hydrology

The topography within the area is dominantly low, with limited outcrops of granite, greywacke and shale. Small river systems flow through the licence during the wet season with the Acacia Creek intersecting the licence area.
Figure 2- EL27282 over satellite image
6. Geology

EL27282 lies on the north-eastern margin of the Archaean Rum Jungle and Waterhouse basement complexes. These are overlain by Lower Proterozoic clastic and dolomitic units of the Namaanoa Group, Crater Formation and Coomalie Dolomite; shales and calcareous shales of the Whites Formation and shales with interbedded quartzite of the Wildman Siltstone.

Uranium and base metal mineralisation at Rum Jungle and Woodcutters is concentrated in structural zones in the lower Whites Formation just above the Coomalie Dolomite. Gold mineralisation at Sundance, Batchelor, is within palaeokarst collapse breccias above the contact of the Coomalie Dolomite and Whites Formation. Base Metals are associated with mafic units intersecting the Coomalie and Whites Formations.

The structure of the area is dominated by an early phase of N-S trending open folds and strike slip faulting consisting with extensional basinal development. A major arcuate fault has been identified in the western portion of the region from interpretation of aeromagnetic and radiometric data. These structures have been subsequently offset by a later phase of NE-SW trending structures, dominated by the Giants Reef Fault.

The De Monchaux Creek mineralisation is bounded by Quartzite ridges of the Proterozoic Acacia Gap Quartzite Member and Whites Formation striking in a north-south direction in the central portion of EL 27282. The Acacia Gap Quartzite Member is mainly quartzite, commonly pyritic, with interbedded shales and phyllites. The Whites Formation consists of calcareous and carbonaceous pyritic argillite, dololutite and calcareous para-amphibolite.

The distinctive carbonaceous, pyritic shales of the Whites Formation were not observed as outcrop in the mapping area although remnant drill chips were observed close to historic drill hole collars and it is assumed that the Whites Formation would be intersected relatively close (within 50m – interpreted from drill hole logs) to the surface.

7. Exploration Rationale

The area is situated within the Pine Creek Orogen, which is well known for hosting gold, uranium and base metal mineralisation, Acacia Resources believed that the area had a potential to host an economic gold or uranium deposit.

The De Monchaux Creek mineralisation is a primary target that warrants follow-up exploration.
8. **Previous Exploration**

**Exploration conducted between March 2010 and March 2014**

Thomson Aviation, based in Griffith NSW, carried out a Fixed Wing Geophysical Survey of a total of 3,101 line km near Humpty Doo, NT. The survey covered all Acacia Minerals tenements in the area.

No other exploration was conducted on the relinquished block during the tenure life.

9. **Conclusions and Recommendations**

The relinquished block that falls within EL27282 represents a small portion of the total tenement area, no work was conducted and although potential exists within this area it is difficult to make conclusions and recommendations over the relinquished area.

The Acacia Gap Quartzite formed distinctive high relief ranges on the margins of the project area. The presence of scree and rubble on the hill slopes became an impediment when defining *situ rocks* for chip sampling and every effort was made to collect untransported rock samples for analysis.

The presence of gossanous quartz, throughout the project area, indicates that mineralisation is not restricted to the primary De Monchaux Creek quartz ridge and future exploration will be focussed on targeting on this mineralised horizon.