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MCN's 4429, 4431, 4433, 4435 - 4437, 4767 - 4779, 48, 51 & 52

FINAL REPORT

to 15 April 1996

McKinlay River 1:100,000 Map Sheet

Title Holder: - Territory Goldfields N.L.
Managed by: - Northern Gold N.L.

July 1996
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NTDME
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1.0 SUMMARY

The mineral claims contain low-grade metasediments of pelitic and chemical origin of Lower Proterozoic age which have been folded tightly and intruded by dolerite. While no specific gold occurrences or old workings are known within the areas, numerous base metal and gold deposits occur in the near vicinity, particularly to the south in the Golden Dyke Dome, to the north at Woolwonga and to the west at Fountainhead and Yam Creek.

Exploration over the mineral claims was covered by EL 8197, EL 7623 and EL 6187.

MCN's 4429, 4431, 4433, 4435 - 4437, 4767 - 4779, 48, 51 and 52 were surrendered by Territory Goldfields N.L. on the 15th of April 1996.
2.0 LOCATION AND TENURE

MCN's 4429, 4431, 4433, 4435 - 4437, 4767 - 4779, 48, 51 and 52 are located approximately 45 kilometres north-west of Pine Creek, situated on the McKinlay River 1:100,000 and Ban Ban 1:50,000 map sheets. The mineral claims, 719.75 hectares in area, lie between latitudes 13°28' south and 13°31' south, and longitudes 131°33' east and 131°35' east (Figure 1). The tenements lie within Pastoral Leases 903, held by Owsten Nominees Pty. Ltd, and 111, held by Ban Ban Springs.

Access to the area is gained from the Stuart Highway then via either the Fountainhead Road or the Hayes Creek - Grove Hill road and the access road along the old railway line.

MCN's 4429, 4431, 4433 and 4435 - 4437, were granted to Dominion Gold Operations Pty. Ltd. on the 5th of April 1993 for a period of 5 years, while MCN's 4767 - 4779 were granted to Dominion on the 17th of July 1995 for a period of 3 years.

MCN's 48, 51 and 52 were granted on the 25th of October 1982 to Ben Hall, Mary C. Groves and Joseph H. Groves for a period of 10 years. The claims were transferred to the Tanami Joint Venture partners (Zapopan N.L. - 50%, Kumagai Gumi Co. Ltd. - 30% and Kintaro Metals Pty. Ltd. - 20%) on the 5th of December 1988. Zapopan took over 100% ownership of the Tanami Joint Venture in September 1991, and the claims were transferred wholly to Zapopan N.L. on the 28th of November 1991. A renewal of the mineral claims was granted to Zapopan N.L. on the 30th of April 1993 for a period ending the 24th of October 1997.

MCN's 4429, 4431, 4433, 4435 - 4437, 4767 - 4779, 48, 51 and 52 were transferred to Territory Goldfields N.L., and managed by Northern Gold N.L. The claims were surrendered on the 15th of April 1996.
3.0 GEOLOGY

3.1 Regional Geology
MCN's 4429, 4431, 4433, 4435 - 4437, 4767 - 4779, 48, 51 and 52 are situated within the Pine Creek Geosyncline, a tightly to isoclinally folded sequence of mainly pelitic and psammitic Lower Proterozoic sediments with interlayered tuff units. All the lithologies in the area have been metamorphosed to low, and in places medium grade, metamorphic assemblages. For the purposes of this report the prefix meta is implied, but omitted, from rock names and descriptions.

The sequence has been intruded by pre-orogenic dolerite sills of the Zamu Dolerite and a number of late syn-orogenic to post-orogenic Proterozoic granitoids. Largely undeformed Middle and Late Proterozoic, Palaeozoic and Mesozoic strata as well as Cainozoic sediments and laterite overlie the Pine Creek Geosyncline lithologies.

3.2 Local Geology
The licence areas cover units of the Mount Bonnie, Burrell Creek and Koolpin Formations and Gerowie Tuff. The Prices Springs Granite lies to the east of the mineral claims.

Outcrop is generally poor due to extensive cover of Cainozoic and/or Quaternary alluvial and colluvial deposits in the drainage systems of the Margaret River and Saunders Creek.

4.0 PREVIOUS WORK
Intensive mineral exploration over much of the ground occupied by the mineral claims has been undertaken by many past title holders.

4.1 MCN's 48, 51 and 52
No details are available of the work carried out by Hall, Groves and Groves between October 1982 and December 1988.

The Tanami Joint Venture partners commenced a systematic evaluation program in late 1988.

Rock Chip Sampling
Rock chip samples were collected around old workings and over any outcropping gossans. Approximately 5 kilograms of sample was collected from each location and sent to AAL Pine Creek, where they were fire assayed for Au.
Soil Sampling

Soil samples were collected to the east of the old workings at Temperance. Samples were collected on 20 to 25 metre centres along 100 metre spaced, east-west lines. Samples were sieved in the field to minus 40 mesh and analysed at AAL for Au (fire assay) and As (AAS). Sample weights averaged 200 to 300 grams.

The results indicated an anomalous zone occurred on all lines on the top and upper eastern slopes of the ridge. The rest of the area sampled appeared unmineralised.

Costeaneing

Fifteen costeans totalling 740 metres in length were dug with an hydraulic excavator. Soil was removed to expose bedrock which was generally between half a metre and one and a half metres below the surface. Spacing between costeans varied between 15 and 28 metres. Continuous channel samples were taken from the costean walls over two metre intervals. In each case approximately 5 kilograms of sample was collected.

Drilling

The initial drilling program consisted of 54 percussion, reverse circulation drill holes, completed by Civil Drilling, to a total of 2,402 metres in depth. Samples were collected every 1 metre via a cyclone and rifle splitter. Sample weights averaged 2 to 5 kilograms.

A second infill and closing off percussion, reverse circulation program was completed by Rock dril. This program totalled 15 drill holes and 430 metres in depth. Most of these drill holes were dry, and all samples were collected via a cyclone and rifle splitter.

Rockdril also completed 3 diamond drill holes totalling 109.5 metres. These holes were drilled adjacent to important reverse circulation drill holes to test reliability.

Assaying

All costeans and reverse circulation drill samples were assayed at the Pine Creek Laboratory of Australian Assay Laboratories Pty. Ltd. (AAL). The entire sample was crushed to -20 millimetres in a hammer mill and a 0.5 kilogram split taken and pulverised. Fifty grams of this was then split out and fired, and the resulting prill analysed for Au content by Atomic Absorption Spectroscopy.

Under EL 7623, which covers the areas in which the mineral claims lie, Dominion Gold Operations carried out a program of gridding, soil sampling, vacuum drilling and RAB drilling to test bedrock for low level Au, As, Cu, Pb and Bi mineralisation.
Soil sampling generated one anomaly within the licence. The anomaly in the north-west corner of the lease recorded values to 180 ppb Au from soil sampling and 50 ppb Au from a vacuum hole drilled 25 metres west. Another high value of 390 ppb Au from a RAB sample 400 metres to the north-northwest was also recorded in this area.

4.2 MCN's 4767 - 4779
Exploration was carried out by BP Australia Gold Pty. Ltd. on EL 6187, which covers MCN's 4767 - 4779, in 1988. The principal work completed was comprised of detailed rock chip (197 samples collected) and soil sampling (200 samples collected), which outlined a number of anomalous areas.

Continuous rock chip sampling of outcropping quartz veins and silicified sediments returned 60 metres @ 0.45 g/t Au and a separate section of 120 metres @ 0.15 g/t Au (Seltrust Mining Corporation Pty. Ltd., 1989).

4.3 MCN's 4429, 4431, 4433, 4435 - 4437
Intensive mineral exploration over much of the ground occupied by the mineral claims has been undertaken by many past title holders. Major centres of activity in recent years have been Woolwonga, Glencoe, Fountainhead and Grove Hill (Fawcett, 1995).

Detailed research and acquisition of data was carried out by Doninion Mining Ltd. over EL 8197, which covers the mineral claims.

5.0 1995/96 WORK COMPLETED
No field work was carried out on MCN's 4429, 4431, 4433, 4435 - 4437, 4767 - 4779, 48, 51 and 52 in the 1995/96 year of tenure due to a change of management.

6.0 1995/96 EXPENDITURE
Expenditure for the 1995/96 year of tenure for the mineral claims is as follows:

- Data Review
- Report Compilation
- Tenement Management

**TOTAL** $1,000
7.0 REFERENCES


SELTRUST MINING CORPORATION PTY. LTD. (1989). Summary Information Document on EL 4943 (Adelaide River), EL 6185 (Watts), EL 6186 (Masson) and EL 6187 (Saunders), Northern Territory. Internal document compiled for Dominion Mining Ltd.