

OYASA EXPLORATION PTY LTD

ANNUAL TECHNICAL REPORT- YEAR TWO

EXPLORATION LICENCE 29161

14 MAY 2013 – 13 MAY 2014

Titleholder	Oyasa Exploration Pty Ltd
Project Operator	Oyasa Exploration Pty Ltd
Titles/Tenements	EL29161
Tenement Manager/Agent	AMETS
Mine/Project Name	N/A
Personal author(s)	Holly Sutcliffe
Company reference number	N/A
Target Commodity or Commodities	Cu-Ni-Au
Date of report	28 May 2014
Datum/Zone	GDA94/Zone 53
250 000 K Mapsheet	Tennant Creek SE5314
100 000 K Mapsheet	Kelly 5658 Tennant Creek 5758
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1. Abstract

Exploration Licence 29161 (the licence) is located approximately 20km South-West of Tennant Creek and has an area of 141.65 square kilometres.

The area is situated within the Tennant Creek region, which is highly prospective for copper and gold mineralisation. The area has long been a target for exploration and Oyasa Exploration believe the licence is highly prospective for an economic copper and gold deposit.

An IP survey was carried out in September 2013 and following the results, 22 blocks were relinquished on less prospective areas whilst targets were identified for follow up testing.

2. Copyright

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3. Location and Access

The licence is located approximately 20km South-West of Tennant Creek and can be accessed from the Stuart Highway, thence via existing public roads and tracks.

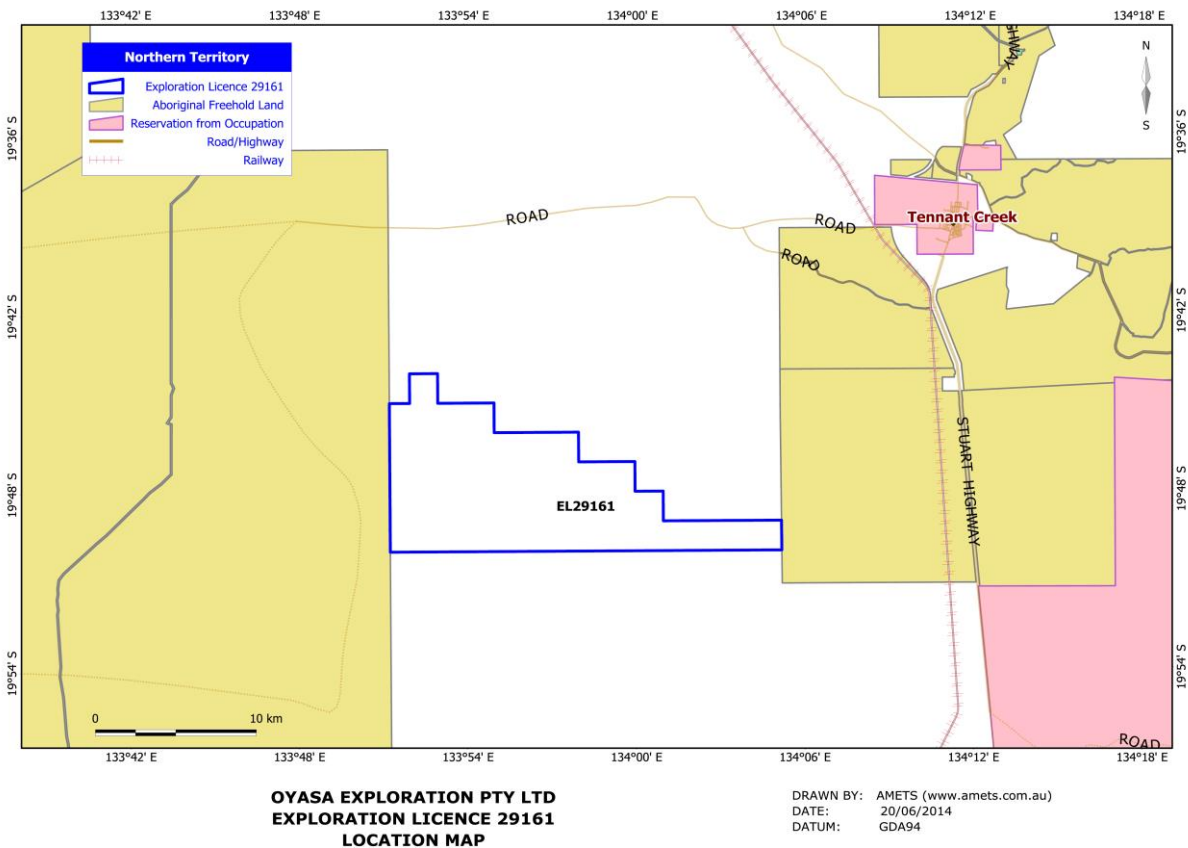


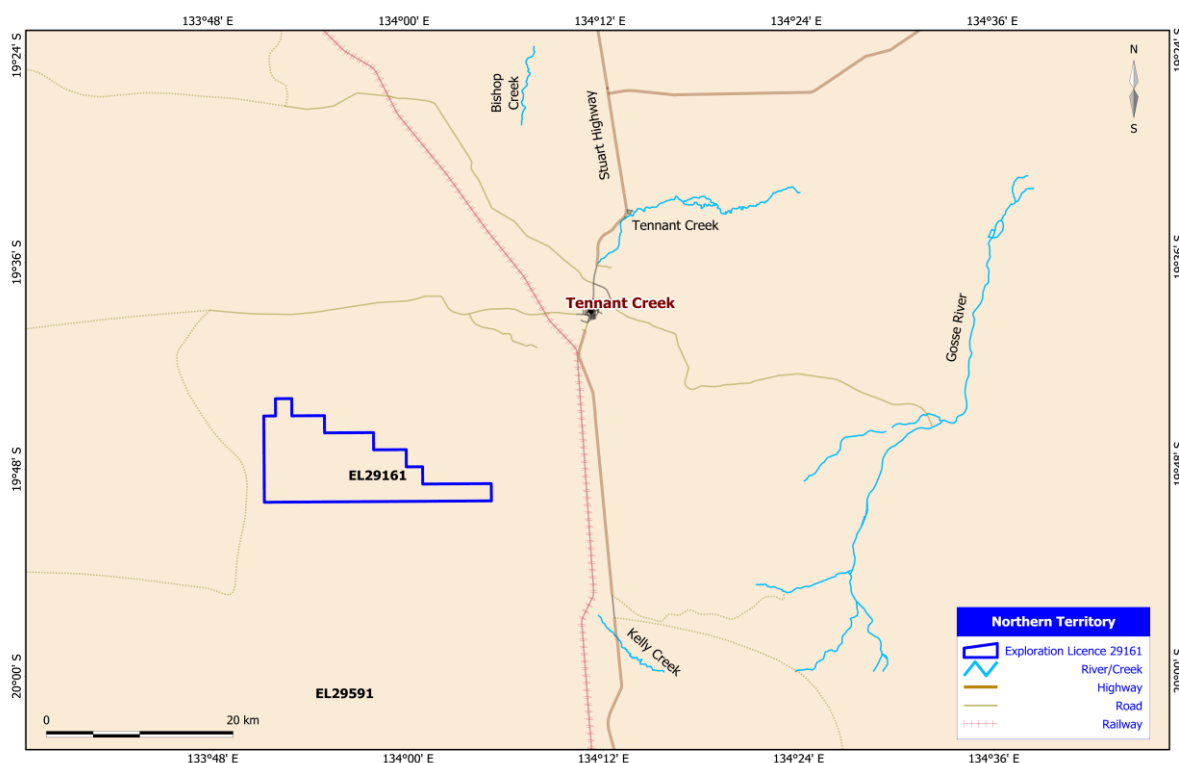
Figure 1- Location Map

4. Tenure and Land Use

Exploration licence 29161 was granted for six years to Oyasa Exploration Pty Ltd (Oyasa) on 14 May 2012 and comprises of 46 blocks, reducing to 24 blocks on the 19 May 2014. The licence is covered by a pastoral lease, which is identified as NT Portion 494, Perpetual Pastoral Lease 1142. As at 18 October 2011 the pastoralists of this portion were recorded as Ken Gerard Ford, Joanne Suzanne Ford, Gregory Joseph Ford and Gordon Ford.

5. Topography & Hydrology

The topography within the area is dominantly low, with limited outcrops of sandstone greywacke and shale of Paleoproterozoic age. Small creeks flow through the licence during the wet season.



OYASA EXPLORATION PTY LTD
EXPLORATION LICENCE 29161
TOPOGRAPHIC MAP

DRAWN BY: AMETS (www.amets.com.au)
DATE: 27/05/2014
DATUM: GDA94

Figure 2- Topography Map

6. Geology

The licence is located in the Tennant Creek Region and is situated over the Wiso Basin and the Warramunga Province. The western portion of the licence is situated within the Wiso Basin and is largely comprised of unmetamorphosed Paleozoic dolostone, limestone, sandstone, shale and siltstone. These sediments unconformably overly the Warramunga Province, which is situated to the east.

The Warramunga Province of the eastern portion of the licence consists of Palaeoproterozoic greywacke, shale, siltstone, dolerite, sandstone, dolostone, basalt, felsic volcanics and granite intrusions. This province is known for its gold ironstone deposits, where the gold grade is generally high, 20g/t Au, however tonnages are low (Ahmad *et al*, 2009).

There is limited outcrop within the licence area, however the licence is covered with Quaternary sediments (Figure 2), which include sandy soils, clay soils, alluvial red soils and colluvium. From Figure 2, there is also evidence of thrust faulting in the south east portion of the licence, with a general south to south west dip.

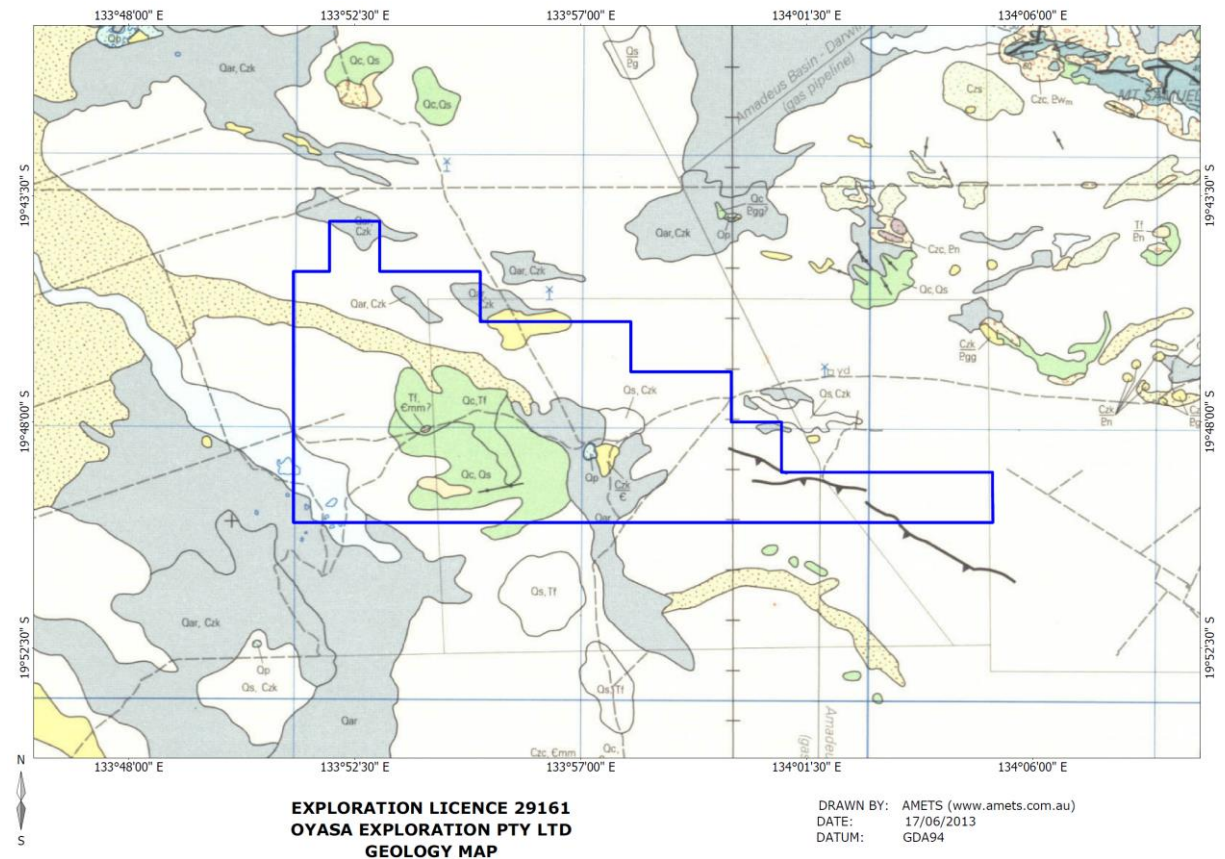


Figure 3- Geology Map

7. Exploration Rationale

The stratum of this area is composed of Palaeoproterozoic sandstone, greywacke and shale, with underlying metamorphic granite and granitic gneiss. This is similar to the Wutai stratigraphy in China. The Palaeoproterozoic Shales within the licence area are similar to those found in the highly prospective Mount Isa region. Oyasa believes that a potential to find economic quantities of copper, nickel and gold, particularly within the Warramunga Province portion of the licence.

8. Previous Exploration

The most recent and previous title holder of this licence area was Territory Uranium Company Limited (TUC). TUC held Exploration Licence 24966 for five years over the area and conducted extensive exploratory works that targeted iron ore copper gold (IOCG) mineralisation. These exploratory works included, rock chip sampling, a detailed gravity survey (1,993 stations on 500m line by 100m station spacing), a ground magnetic survey (~63 line km at 100 and 200m line spacing), diamond drilling (5 holes for 1935m DDH and 749.5m Precollar RC) and RC drilling (1 hole for 298m) with a total of 1353 drill samples taken (Chapman, 2011). From the lack of successful gold and copper mineralisation results, the TUC Joint Venture was put on hold (Chapman, 2011). Oyasa is keen to continue exploration within the area and believe significant gold, nickel and copper results will be obtained.

9. Exploration During Reporting Period

An IP survey was carried out in September 2013 and following the results, 22 blocks were relinquished on less prospective areas whilst targets were identified for follow up testing.

10. Conclusions and Recommendations

As a result of the IP survey and office studies, 22 blocks were relinquished and 24 prospective blocks remain to be further explored. In the following reporting period Oyasa Exploration plan to carry out ground gravity survey, geological mapping and further analysis of geological data.

11. References

A Chapman, 2011, Final Relinquishment Report, EL24966, Tennant Creek West, For Period Ending 17th September 2011 (report CR20111005), TUC Resources

Ahmad M, Wygralak AS and Ferenczi PA, 2009. Gold deposits of the Northern Territory (Second Edition). *Northern Territory Geological Survey, Report 11* (Second Edition update by Wygralak AS and Scrimgeour IR).

C. A. Mulder, Tennant Creek, Sheet SE 53-14, second edition, scale 1:250K, Department of Mines and Energy, Mercury Walch Pty Ltd, 1998

12. Appendices

Appendix 1- Geology Map Legend- (*C.A. Mulder*)

Appendix 2- IP Survey Details