TANAMI PROJECT

EL 24885
Annual and Final Report for period 28/02/2012 – 9/03/2015.

Titleholder: Reedy Lagoon Corporation Limited
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Date: 18 May 2015

Minerals targeted:
Gold, REE and phosphate were the main minerals being targeted during the report period.

The Granites  1:250,000  SF 52-3
McFarlane  1:100,000  4757
Pedestal Hill 1:100,000  4756

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Submitted with this report: Form 17 for activities completed since 27/02/2015.

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1. INTRODUCTION

Exploration Licence 24885 was located in the western part of The Granites 1:250,000 (SF 52-3) map sheet abutting the Western Australian border and about 590 kilometres north west from Alice Springs (figure 1). The tenement initially covered 272 square kilometres at date of grant and was reduced to 136 square kilometres on 11 March 2014.

EL 24885 was granted to Reedy Lagoon Corporation Limited (“RLC”) on 28 February 2012 for a term of 6 years expiring on 27 February 2018.

EL 24885 was surrendered on 9 March 2015.

RLC explored the tenement area for gold, uranium, REE and phosphate.

This report includes a summary of activities reported in previous report periods and all work completed in connection with the tenement during the report period.

Figure 1. Project location
2. REGIONAL AND LOCAL GEOLOGY

The tenement area covers part of the Proterozoic Birrindudu Basin, beneath younger sediments, in the Northern Territory. The overlying Paleozoic sediments, include sandstones and mudstones of the Lucas Formation. These sediments have been intersected by shallow stratigraphic holes drilled by the Bureau of Mineral Resources (“BMR”) in the early 1970s (Blake, 1974).

At depth, the Birrindudu Basin comprises Proterozoic sediments, metamorphics and granites, the uppermost unit of which includes the Gardiner Sandstone (Blake et al, 1979). The Proterozoic Redcliff Pound Group may be present above the Gardiner Sandstone. Each of the major stratigraphic boundaries may be an unconformity.

Uranium mineralisation has been reported in association with the base of the Gardiner Sandstone formation in the Killi Killi Hills at a location approximately 100 km north-north-west of EL 24885. Proterozoic granite is thought to be a likely source of uranium in this area (Plumb, 1990).

The Proterozoic (to Palaeozoic) Ngalia Basin, approximately 300 km south-east of the tenement area, hosts the Bigryli Uranium deposit. At Bigryli, the uranium occurs in lenses within and towards the base of the Palaeozoic Mount Eclipse Sandstone (Fidler et al, 1990). RLC believes there may be similarities between the Lucas Formation and the Mount Eclipse Sandstone in the Ngalia Basin.

RLC’s exploration targets within EL 24885 include uranium deposits associated with major unconformities within the underlying Proterozoic Birrindudu rocks, or associated with permeable units within the Lucas Formation (“roll-front” deposits). The anomalous uranium responses interpreted from the 1988 GeoScience Australia airborne radiometric survey will also be investigated although they are unlikely to be related to Proterozoic or Lucas Formation rocks.

Gold is present in the Tanami region with 75% of the known gold occurring in siltstone and fine grained greywackes. Other host rocks include iron formation, metamorphosed mafic sill and turbidites. Newmont Mining Limited’s world class Callie deposit (> 6 Moz gold) is located 70 kilometres east from the tenement. The Callie deposit is deep-level mesothermal mineralization hosted by decarbonized siltstone mainly within the Dead Bullock Formation. (http://www.ga.gov.au/image_cache/GA8823.pdf, 19/04/2013).

3. **TITLE AND ACCESS**

EL 24885 was granted to RLC on 28 February 2012 for a term of 6 years expiring on 27 February 2018. The tenement is held solely by RLC and there are no joint venture partners.

The tenement covers Aboriginal Land (freehold) vested in the Mangkururrpa Aboriginal Land Trust. A deed for exploration dated 30 October 2011 between the Central Land Council and RLC has been executed. The deed establishes procedures which RLC must follow in connection with RLC’s work on the licence.

4. **SUMMARY OF ALL INFORMATION GIVEN IN PRIOR ANNUAL REPORTS**

During the first year open access geophysical data was processed to assist in determining subsequent exploration and a preliminary field investigation.

Interpreted anomalous uranium locations were provided in the report for year ended 27/02/2014.

Magnetic and radiometric data (2,365 line kilometres) acquired during the second year were described in the report for year ended 27/02/2014. All data acquired were submitted with that report.

5. **EXPLORATION CONDUCTED DURING THE PERIOD**

Interpretations of airborne geophysical data acquired during the prior period continued. Structural elements and depth to basement estimates were interpreted and are shown in figure 3.

6. **REHABILITATION**

There had been no ground based activities during or prior to the report period. No rehabilitation activities were conducted.

7. **CONCLUSIONS AND RECOMMENDATIONS**

RLC terminated the project in February 2015 following a review of the project's early stage of exploration and the level of funding likely to be available over the following year of tenure. The tenement was surrendered on 9 March 2015.

G H Fethers
Reedy Lagoon Corporation Limited
18 May 2014
Tanami Project - EL 24885 - Northern Territory

Index Map - showing areas surrendered during the period (11 March 2014)

Area surrendered
Area retained

EL 24885

Figure 2
At right: Gravity image.
EL is outlined in black. A discrete gravity high anomaly (circled in red) is a possible exploration target.
It may relate to a topographic high, however.
Checking the original gravity data (2005) is recommended, to test whether this is a spurious anomaly.

At left: Greyscale Magnetic image.
ELs are outlined in pale blue.
A possible arcuate low-angle thrust fault is interpreted.
[ Other interpretations of this semicircular feature in the west are a granite, or more magnetic stratigraphy, such as is seen over the border in Western Australia. ]

At right: Magnetic image.
EL is outlined in black.
Ballpark depth estimates for magnetic regions or features are as shown.
References

