

STRANDLINE RESOURCES LIMITED

EL 23949 (BOON)

Final Annual Report on Exploration Activities

for the period

22 August 2013 to 9 July 2015

Distribution:

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**Brendan Cummins
August 2015**

TABLE OF CONTENTS

	Page
1. SUMMARY	1
2. INTRODUCTION	1
3. REGIONAL SETTING	1
4. PREVIOUS EXPLORATION	2
5. WORK COMPLETED DURING FINAL YEAR 2	2
6. SUMMARY OF ALL INFORMATION GIVEN IN ANNUAL REPORTS DURING THE LIFE OF THE TITLE	2
7. REFERENCES	2

FIGURES

Figure No	Title	Page
1.	Strandline Tenements in the Eastern Tennant Creek District	1



ATTACHMENTS

APPENDICES

1. A Revised Proposal for Gravity Surveying at the Boon Prospect, Tennant Creek, NT. Adelaide Mining Geophysics, AMG 13/33.

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1 SUMMARY

Exploration Licence 23949 was granted to the Company effective 22 August 2013, just over ten years after the original application as submitted to the then Department of Business, Industry and Resource Development in June 2003.

The principal reason for the long delay in grant of the tenement was negotiations with the Central Land Council.

This licence was surrendered on 9 July 2015 due to the severe shortage of risk capital for junior mineral explorers and greenfields projects. During the life of the tenement no on ground exploration work was carried out. The Company proposed a gravity survey that required Heritage clearance which was eventually given but the gravity survey was not completed.

2 INTRODUCTION

EL 23949 is located some 45 km east of Tennant Creek and approximately 2 km south east of the Gosse River (Figure 1). Access from Tennant Creek is via Peko Road, then Black Cat and Gosse River roads to the river crossing near the southern boundary of Tennant Creek Station. Once across the river, the tenement centre is about 5 km due south.

This report covers exploration work completed during the first year of EL 23949.

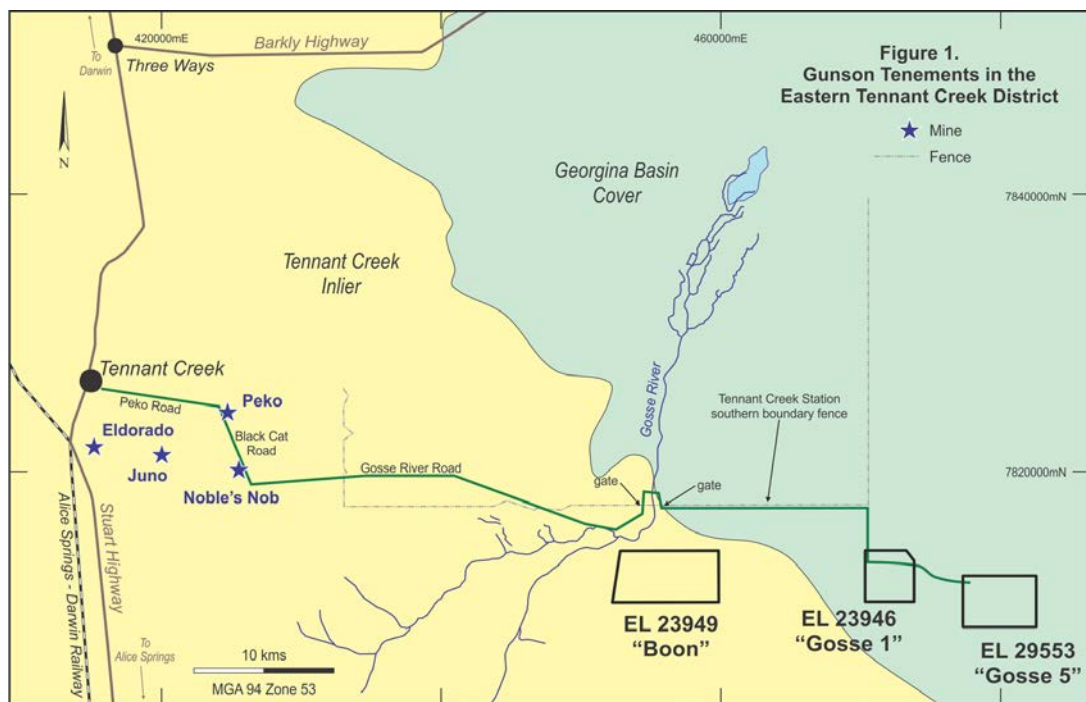


Figure 1 Strandline Tenements in the Eastern Tennant Creek District

3 REGIONAL SETTING

The tenement lies within the western margin of the Georgina Basin (Figure 1), where the younger, probably Cambrian, sedimentary cover is an estimated 40 metres thick, overlying much older Paleoproterozoic basement rocks which the Company believes to be potential host units for gold-copper mineralisation. No outcrops of the target Paleoproterozoic rocks which underlie the Georgina Basin cover occur on E L 23949, although a vertical diamond drill hole, TCD 1, drilled on the predecessor EL to EL 29553 (EL 23947) some 25km to the east and granted to the Company in May 2004, intersected Paleoproterozoic basement from 93.1 m in May 2010. The basement in hole TCD 1 is believed to be part of the Volcanic Lithofacies of the Yungkulungu Formation, which unconformably

overlies the Warramunga Formation, host to all the known gold-copper deposits in the Tennant Creek district.

Zircon age dating described by Maidment et al (2013) suggests that the Tennant Event gold-copper mineralisation between 1850-1845 million years (m.y.) was emplaced contemporaneous with or shortly after the last stages of Warramunga Formation deposition. As the published date of the Yungkulungu Formation Volcanic Lithofacies is 1849 ± 5 m.y. (Smith, 2001), there is an appreciable overlap in this date with the main Tennant Event and its associated gold-copper mineralisation.

4 PREVIOUS EXPLORATION

No prior mineral exploration is on record.

5 WORK COMPLETED DURING FINAL YEAR 2

During the past 12 months the Company has not been in a position to undertake any ground exploration work.

6 SUMMARY OF ALL INFORMATION GIVEN IN ANNUAL REPORTS DURING THE LIFE OF THE TITLE

Work during the first year of EL 23949 was focused on planning and budgeting for a 968 station gravity geophysical survey on a 200 metre square grid. A memorandum from the Company's consultant geophysicist outlining this proposed program is attached as Appendix 1. Following this proposal, an aboriginal heritage survey was requested via the Central Land Council and this survey was completed in June 2014. The Company did not undertake the gravity survey.

7. REFERENCES

Maidment, DW, Huston, DL, Donnellan, N and Lambeck, A (2013). Constraints on the Timing of the Tennant Event and Associated Au-Cu-Bi Mineralisation in the Tennant Region, Northern Territory, *Precambrian Research*, vol 237, pp 51-63.

Smith, J (2001). Summary of Results, Joint NTGS-AGSO Age Determination Program 1999-2001. *Northern Territory Geological Survey, Record 2001-007*.

APPENDIX 1

***A REVISED PROPOSAL FOR GRAVITY SURVEYING
AT THE BOON PROSPECT, TENNANT CREEK, NT.
ADELAIDE MINING GEOPHYSICS, AMG 13/33***

MEMORANDUM

To: David Harley
Managing Director
Email: harley@gunson.com.au

Affiliation: Gunson Resourced Ltd
PO Box 1217,
West Perth, WA, 9872

Cc: Hamish Paterson
Email: hamishp@ozemail.com.au

From: Jim Hanneson

Costing: ELA23949

Date: 26 November, 2013

Reference: AMG13/33

Subject: **A Revised Proposal for Gravity Surveying at the Boon Prospect, Tennant Ck, NT, Gunson Resources Ltd EL23949**

Note: This document revises an earlier proposal (AMG13/31, 28 October 2013) following advice that the western boundary of the lease had been truncated relative to an earlier version.

Images for the Boon Prospect are presented below based on available data. Figure 1.1 shows a subset of the P694 aeromagnetic survey collected in 1998 by Kevron Surveys on behalf of Geoscience Australia. Figure 1.2 is a residual magnetic image created by smoothing the original image (not shown) and forming the difference. Two hundred metre north-south lines on the image indicate flight paths and three east-west lines are tie lines. Also included is a polygonal outline of the tenement.

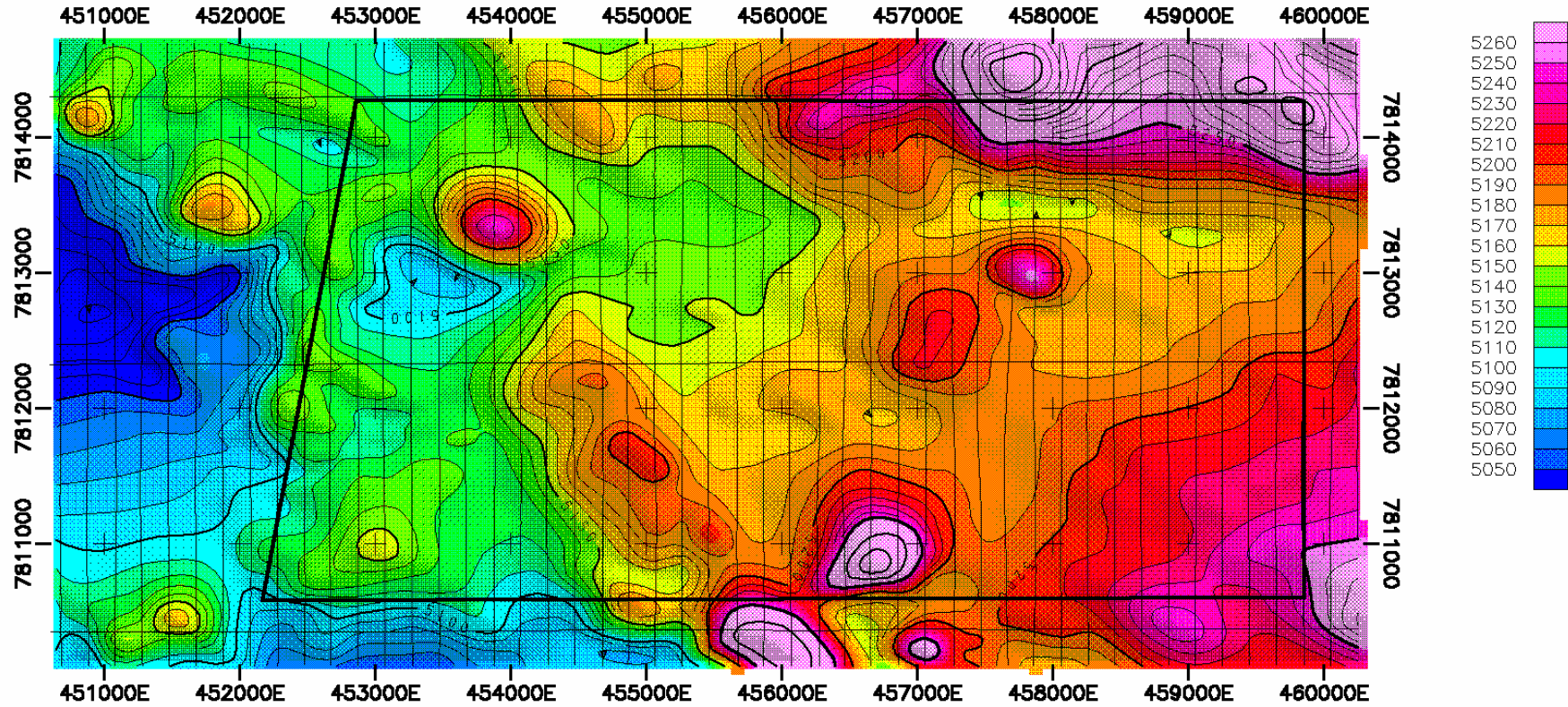
Figure 2 is a Simple Bouguer image based on 56 existing gravity stations for the same area.

Figure 3 shows Shuttle radar topographic data on a 65 by 65m grid available from the website service@globalmapper.com. The accuracy is thought to be about 2 metres, and, it shows the relief to be bland. Figure 4 is Landsat 7 image for the same area based on data available from the same source.

I propose 968 new gravity stations for the area, shown in Figure 5 with “o” symbols on an uncontoured grid of the residual magnetics. As agreed in a recent conversation, ironstone hosted gold in the Tennant Ck area can have associated magnetic responses; consequently, I laid out 200 by 200 metre stations to form basic coverage for the area, and then added several short intermediate north-south lines with 100m intervals.

On the assumption that collecting the data will cost about \$25 to \$28 per station, I estimate that data production charges will be range from about \$24,000 to \$27000. Additional charges such as mobilisation/demobilisation, fuel, etc. are not considered here.

An ASCII file (BO_STNS.txt) and a Microsoft EXCEL file (BO_STNS.XLS) that list the coordinates of the proposed stations accompanies this file.

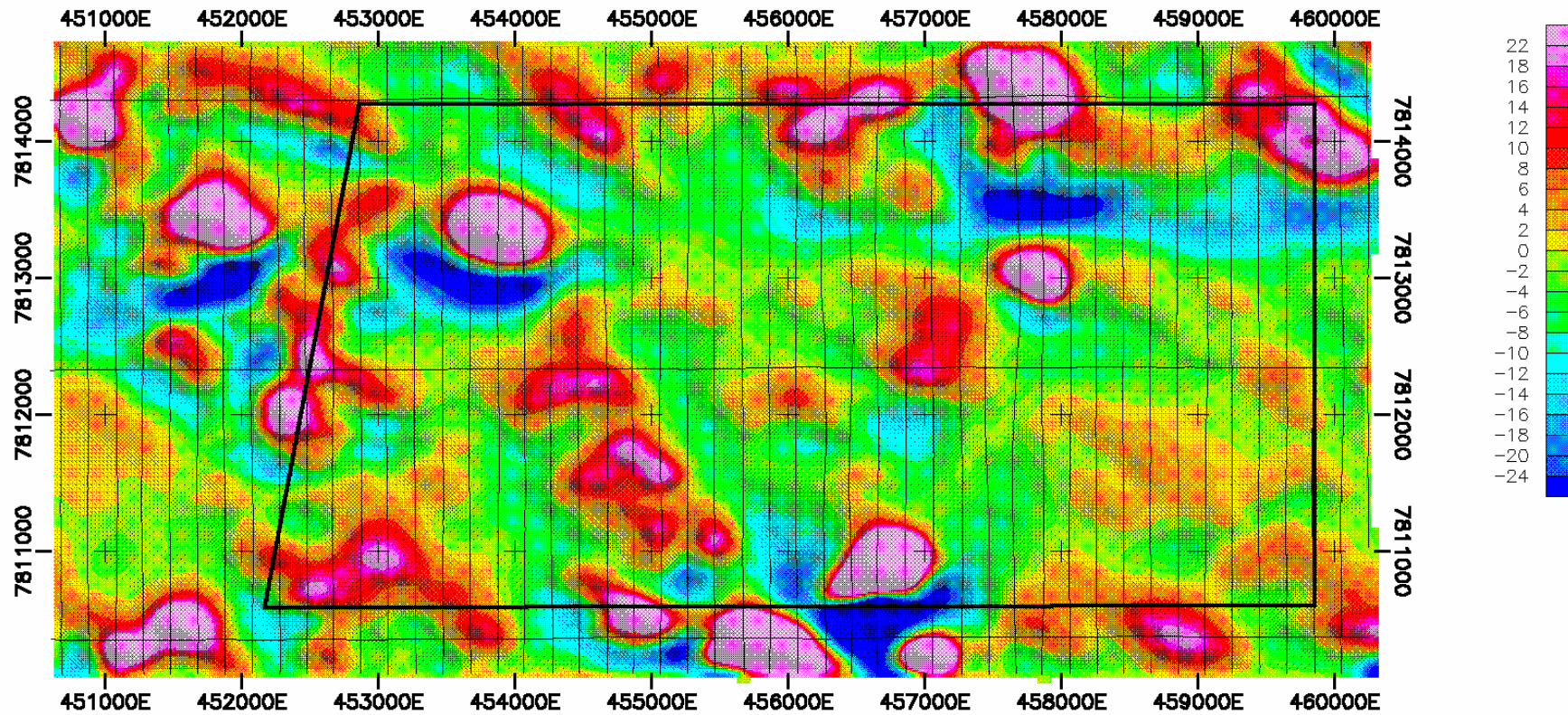


Min Contour Interval = 10.000nT
Grid cell size = 50
Base easting = 0
Base northing = 0
Base elevation = 0. m
Base value = 0. nT
Survey date = 1998
Author: JEH
Data File: BOON.MAG



Gunson Resources Ltd
Boon Prospect Aeromagnetic Map Sensor Ht = 60m
Adelaide Mining Geophysics Pty Ltd

Figure 1.1



Min Contour Interval = 2.00nT
Hanning passes = 64
Grid cell size = 50
Base easting = 0
Base northing = 0
Base elevation = 0. m
Base value = 0. nT
Survey date = 1998
Author: JEH
Data File: BOON.MAG

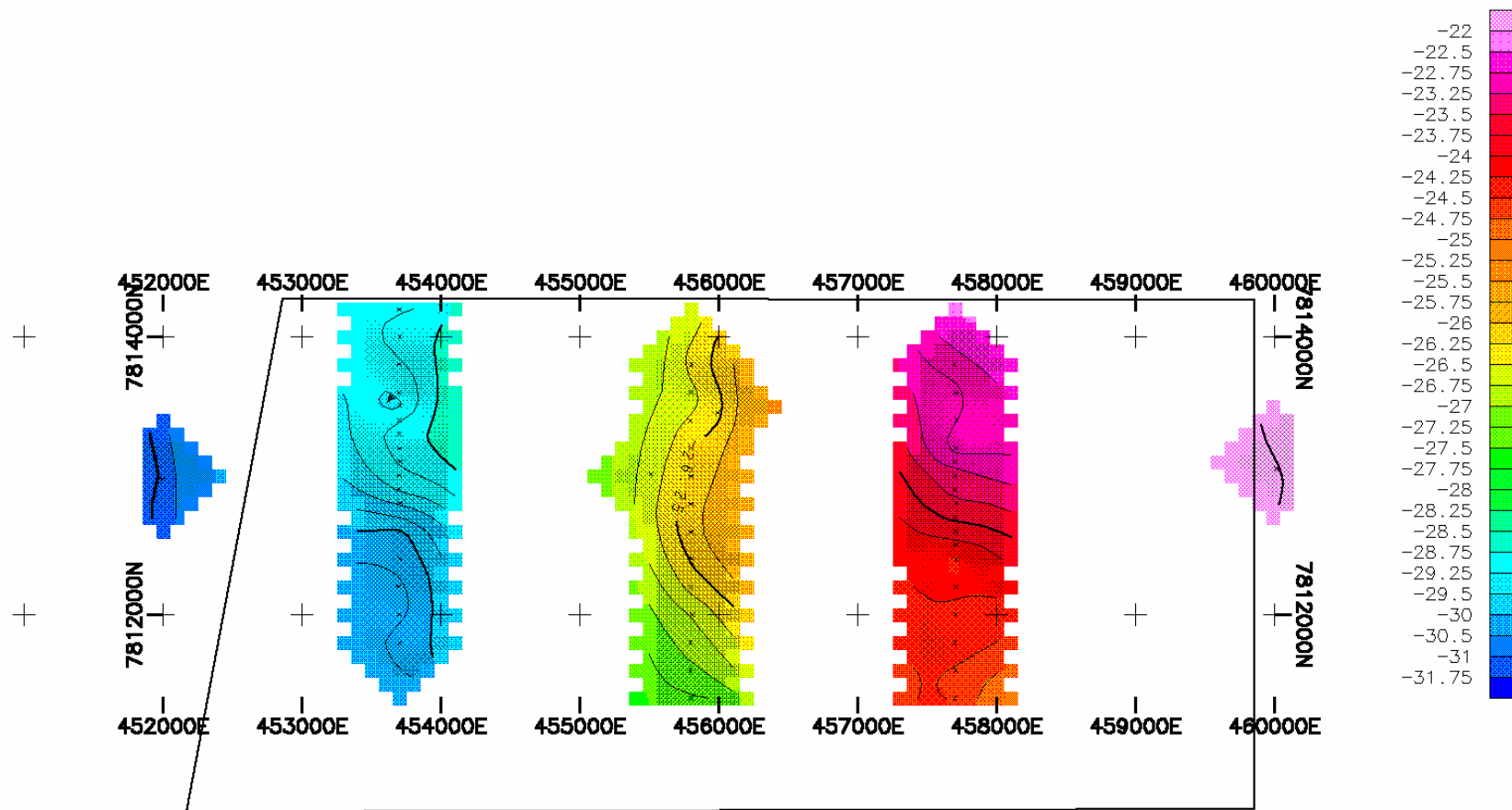


Gunson Resources Ltd

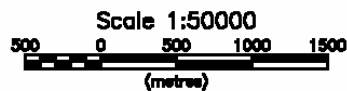
Boon Prospect
Hanning Residual Magnetics
Aeromagnetic Map
Sensor Ht = 60m

Adelaide Mining Geophysics Pty Ltd

Figure 1.2

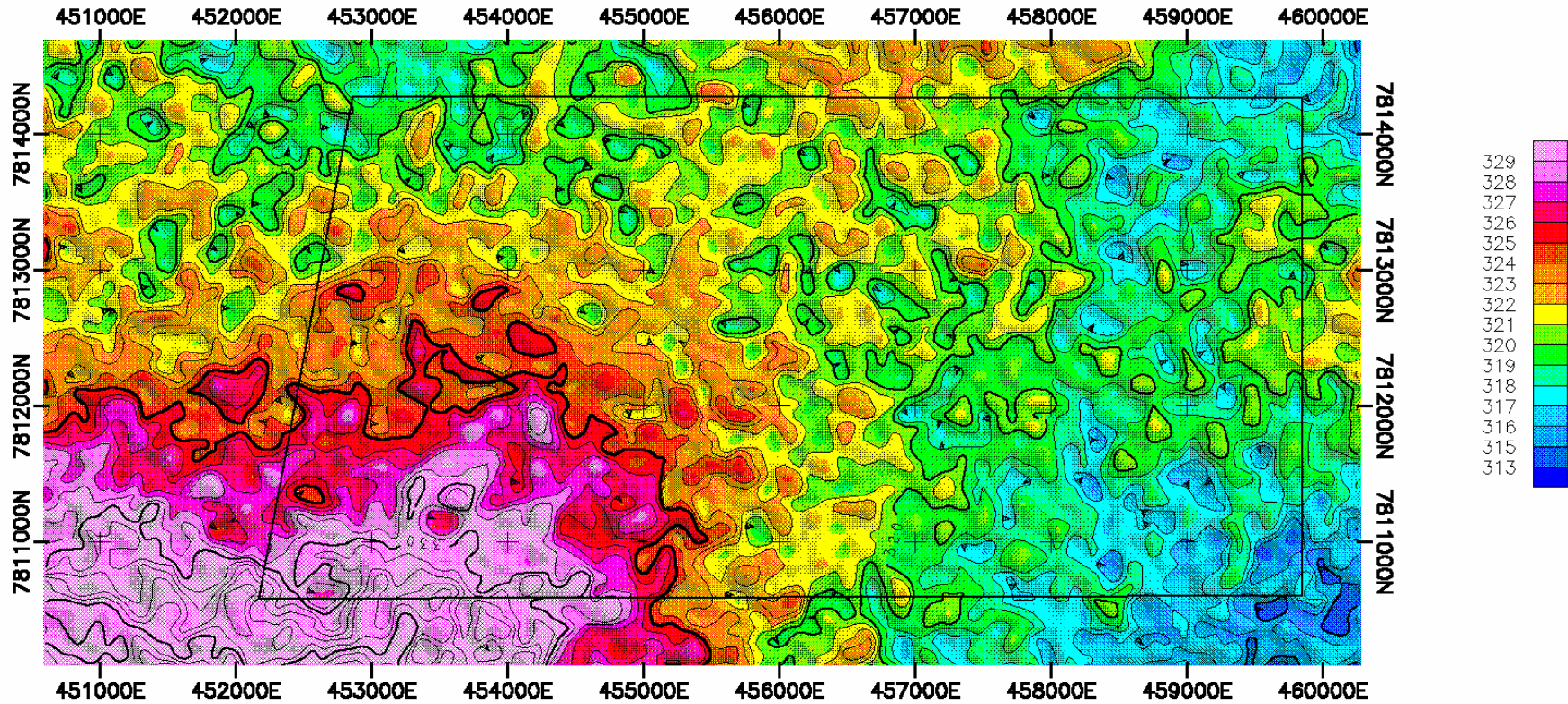


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 Base northing: 0.0
 Base elevation: 0.000m
 Base value: 0.000 m
 Survey date:
 Author: JEH
 Data File: BOON.267

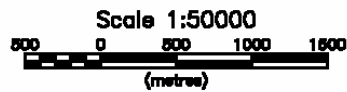


Gunson Resources Ltd
Boon Prospect Simple Bouguer Gravity Map Density = 2.67 gm/cc
Adelaide Mining Geophysics Pty Ltd

Figure 2

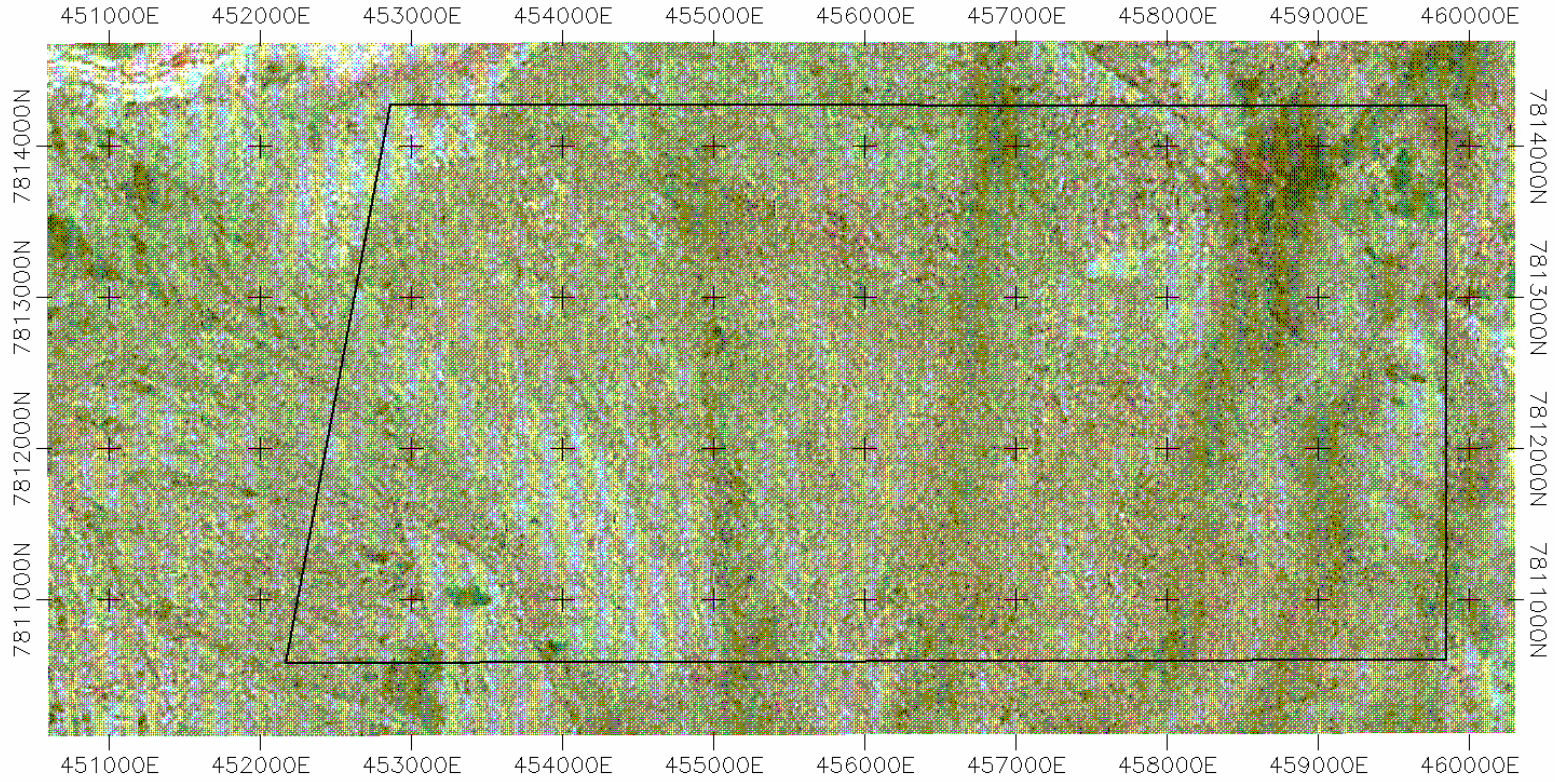


Min Contour Interval: 1.0000
 Grid cell size: 25
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 Base value: 0.000 m
 Survey date:
 Author: JEH
 Data File: BO_TOPO.XYZ



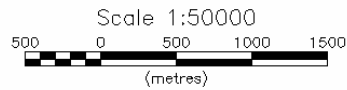
Gunson Resources Ltd
Boon Prospect Topography Shuttle Radar Data
Adelaide Mining Geophysics Pty Ltd

Figure 3



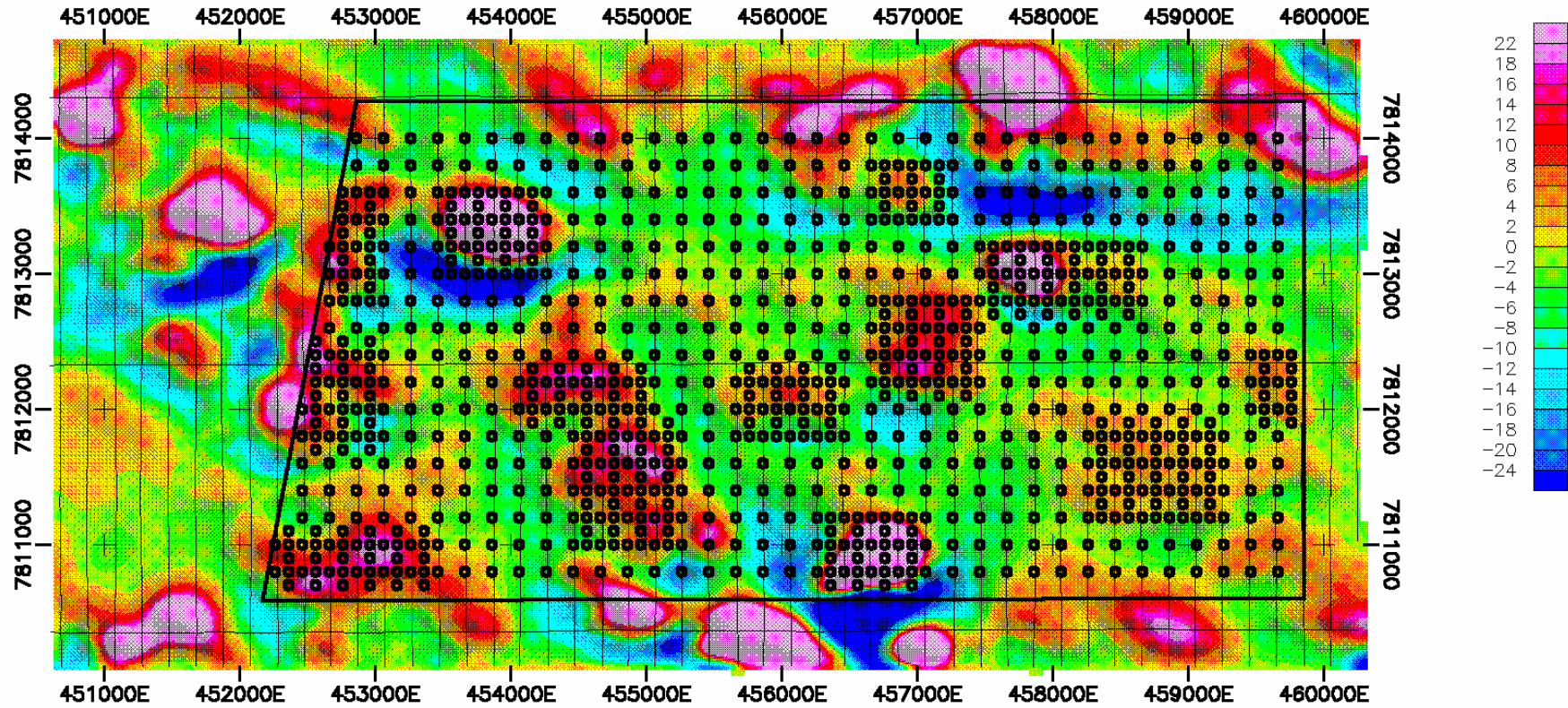
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Clipped RGB stretched: 0 to 255
Stretched RGB inverted 255-Value
Band attenuation factors:
Red: 0.50, Grn: 0.60 Blu: 0.20
Nominal pixel size: 8.00m



Gunson Resources Ltd
Boon Prospect Landsat 7 Image False Colour
Adelaide Mining Geophysics Pty Ltd

Figure 4



Min Contour Interval = 2.00nT
Hanning passes = 64
Grid cell size = 50
Base easting = 0
Base northing = 0
Base elevation = 0. m
Base value = 0. nT
Survey date = 1998
Author: JEH
Data File: BOON.MAG



Gunson Resources Ltd
Boon Prospect
Hanning Residual Magnetics
Aeromagnetic Map
Sensor Ht = 60m
Adelaide Mining Geophysics Pty Ltd

Figure 5