

FINAL REPORT

EXPLORATION LICENCE 29286

MacArthur River

**Map Sheet: 1:250,000 CAPE SCOTT (SD52-07)
1:250,000 PINE CREEK (SD52-08)**

CHINA AUSTRALIA LAND RESOURCES PTY LTD

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1.0 SUMMARY

The objective of the exploration on EL29286 was to explore for unconformity-hosted U mineralisation, gold and base metals. During the reporting period 10th September 2012 to 24 September 2015, very little exploration was undertaken within EL29286. Only a 2km geological survey, rock chip sampling (10 samples) and soil samples (32 samples) by XRF were completed. CALR's geologist spent much of their time on indoor research. Results from the sampling and indoor research have been poor and we have decided to surrender EL29286.

2. LOCATION & ACCESS

Exploration Licence 29286 is situated on the BAUHINIA DOWNS (SE53-3) 1:250,000 geological mapsheet in the Northern Territory, approximately 240km SSE of Darwin, NT and 14km west of Daly River Township. A location map is provided as Figure 1. Access to the Licence is possible from Dorat Rd (old Stuart Highway, out of Adelaide River) then via the Daly River Road, then west and southwest along various tracks that cut through the Licence. Access is limited outside of the dry season. Most of the Licence is low-lying with little relief, but 5 of the eastern most blocks have a NNE-trending series of ridges (parallel to Chilling Creek. The climate is hot, monsoonal with most of the year's rainfall occurring during the months of December to April. Vegetation is characterized by open eucalypt woodland and savannah grasses, with stands of red river gum and pandanus palm growing near perennial water or sandy creeks.

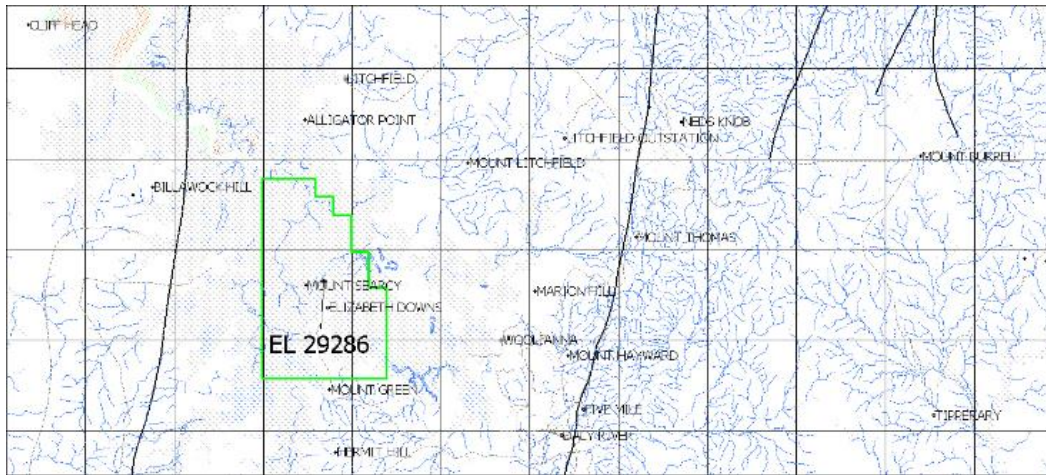


Figure 1 Location map of EL29286

3. TENEMENT STATUS

EL29286 consists of 64 sub-blocks, and was granted to China Australia Land Resources Pty Ltd on 10th September 2012 for a period of six years. License details for EL29286 are outlined in Table 1 below. There were no other mining leases or mineral claims shown within the Licence boundaries.

Name	Grant Date	Blocks	Area (sq kms)	Holder	Surrendered
EL29286	10/09/2012	64	213.36	China Australia Land Resources	24/09/2015

4. REGIONAL GEOLOGY

EL29286 is situated within on the western side of the Pine Creek Orogen, in the area known as Litchfield Province. The regional geology is outlined in several texts, most notably in Ahmad et al., 1993; Ahmad, 1998; Berkman, 1980; Mendum 1972, Fahey et al., 1986, Pietsch 1989 and Carson et. al., 2006. The Giants Reef Fault transects the eastern edge of EL29286, which is interpreted as the boundary between the ‘central’ Pine Creek Orogen to the east and the Litchfield Province to the west (Berkman 1980).

The Litchfield Province was defined as the western part of the Pine Creek Geosyncline, with large parts of the Litchfield Province interpreted as ‘granitoid, garnetiferous, gneissic, with metasediments varying in metamorphic grade from greenschist to upper amphibolite / granulite grade (Berkman 1980). The lack of outcrop in much of the area has limited exploration on the western portions. Recent work by the NTGS has reviewed the Litchfield Province, with geochronology tentatively correlating the Litchfield Province with the Halls Creek Orogen to the southwest, but notes that the field evidence indicates a complex tectonic relationship (Carson et al., 2006; Glass, 2007).

The mapped lithology within EL29286 is largely obscured by Cainozoic eluvial soils. Floodplain alluvium masks the geology of the northern blocks (Figure 2). The central portion has small outcrops of granites from the Allia Suite (Litchfield Granite, Fish River Billabong Adamellite) which is an S-type granite (Wyborn 2002). Further south, metabasite rocks of the Hermit Creek Metamorphics are mapped in areas adjacent to Murra-Kamangee Granodiorite. The eastern 5 blocks that are truncated by the Giants Reef Fault mapped as Proterozoic Chilling Sandstone overlying Proterozoic Burrell Creek Formation sediments. Much of the tenement is underlain by the Allia Suite Granites (Litchfield and Murra-Kumangee Granodiorite) with areas of Hermit Creek Metamorphics sandwiched between the granites.

5.0 PREVIOUS EXPLORATION

5.1 Preliminary geological and geophysical studies

CR20101000; CR20080722; CR20091022; CR20100999; CR20100931; CR20090776;
CR20070643; CR20080931; CR19810313; CR19780170; CR19800228; CR19790192;
CR19780033; CR19800217; CR19790167; CR19810247; CR19810275; CR19810309;
CR19780149; CR19800249; CR19880412; CR19890826; CR20040328; CR20040298;
CR19940573; CR19990344; CR19900507; CR19910396; CR19930460; CR19920331;
CR19910363; CR19950210; CR19930483; CR19920558; CR19920539; CR19910438

5.2 Previous exploration summary

Tipperary Land Corporation was prospecting AP1873 primarily for bauxite, with the possibility of phosphate in the SE corner (which is within EL29286). Most of AP1873 is outside of EL29286 and no work was carried out within EL29286.

Several companies carried out exploration for uranium in the 1970's. Suttons Motors in JV with Mobil Australia Ltd explored EL1599 (plus several other contiguous tenements in the Litchfield area) for uranium from 1978. An airborne radiometric survey identified several U anomalies, and comments were made on the anomalies

during ground follow-up, such as:

- a) granite outcrop effect – small granite outcrops projecting through radiometrically opaque cover
- b) ‘warm’ spots within larger granite masses; usually more biotitic granite phases adjacent to the porphyritic granite type
- c) Clay pan and flood plain anomalies from daughter uranium products absorbed in clays
- d) Residual and transported laterite with uranium daughter products coprecipitated with the Fe in laterite
- e) Lower Proterozoic sediments that have a higher radioactive background than other lithologies
- f) Anomalies associated with groundwater springs

The results from the previous uranium exploration are still being evaluated, with bottom-of-hole geology compilation to map areas covered by Cenozoic cover. Several companies have explored for diamonds. Stockdale Prospecting carried out exploration for diamonds on several contiguous EL's (including EL's 6648, 6651 and 6652 which covered much of EL29286). Stream sediment, soil sampling and heavy mineral sampling were carried out. Stockdale identified a number of magnetic dipolar anomalies from a reinterpretation of the regional magnetic data but none of the anomalies are within EL29286.

Ashton Mining also explored EL7086 for diamonds but with little success and concentrated their exploration efforts west of EL29286.

6.0 EXPLORATION COMPLETED DURING 2012-2015

During the reporting period exploration consisted of; a 2km route geological survey with included 32 Soils samples by XRF; and the collection of 10 rock chip samples. No significant results were returned.

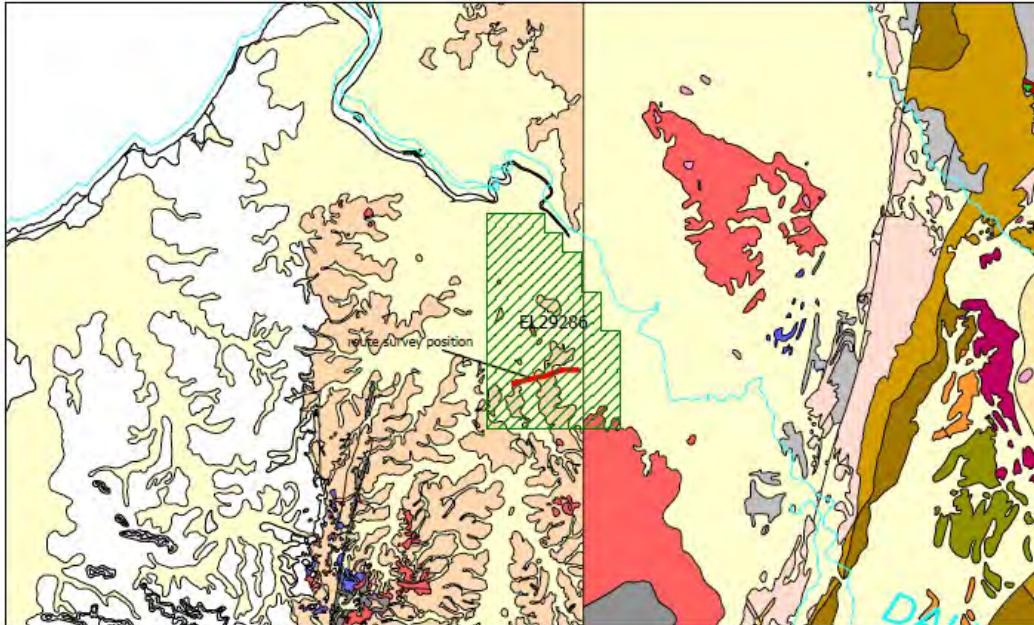


Fig 2 route survey in EL29286

7 EXPENDITURE

Exploration expenditure on the tenement from 10th September 2014 to 24th September 2015 was \$2500.00.

8 Conclusions AND Recommendations

From the limited exploration and indoor research, no worthwhile follow-up targets were identified. CALR has decided to surrender EL29286.

9 References

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