SUMMARY

Mineral Leases N51 - N57 known as the Caroline Leases in the Pine Creek area, NT, are currently being explored by AngloGold Australia Limited. AngloGold previously explored these leases under a joint venture agreement signed in December 1993 with the titleholders Solomon Pacific Resources NL and Astron Resources NL. In 1995 Acacia (now AngloGold) purchased Astron Resources share and acquired the right to earn an 82% interest in the Mineral Leases. In June 1996 Acacia completed the successful acquisition of Solomon Pacific’s interests including their stake in Mineral Leases N51 - N57. Following the successful takeover of Acacia, AngloGold Australia assumed management of the Caroline leases. The leases are located approximately 4 km south east of Acacia’s Union Reefs Gold Mine and treatment facilities.

No field work was completed on the leases during the reporting period.
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APPENDIX LISTING

Appendix 1 Environmental Register
Appendix 2 Compact Disk (Original Copy only) containing digital copy of report

FIGURE LISTING

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</tr>
</thead>
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<td>Figure 1</td>
<td>Caroline Leases MLN’s 51-57 Tenement Location</td>
<td>1:200,000</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Caroline Leases MLN’s 51-57 Regional Geology</td>
<td>1:200,000</td>
</tr>
</tbody>
</table>
1. INTRODUCTION

AngloGold Australia Limited is exploring Mineral Leases N51 - N57 (the Caroline leases), in the Pine Creek area, Northern Territory, with the view to providing additional feed for its current operation at the Union Reefs Gold Mine. The centre of the leases is located approximately 4km north of the Pine Creek township and 4km southeast of the Union Reefs Gold Mine and treatment facilities.

This report detail all work carried out in MLN’s 51 - 57 for the year ending 4th November 2002.

2. LOCATION AND ACCESS

The Caroline leases are located approximately 4km north of the Pine Creek township and 4km Southeast of AngloGold’s, Union Reefs Gold Mine (Figure 1). Access to the leases is via the Stuart Highway, turning east onto the Kakadu Highway, then turning north onto the Frances Creek Road. An access track into the leases is located on the west side of the Frances Creek Road, about 4km north of the turn-off.

3. TENEMENT STATUS

The tenements originally formed part of the Esmeralda Joint Venture between Astron, Solomon Pacific and Acacia Resources Limited. The Joint venture was comprised of MLN’s 51-57 (Caroline Leases), ERL 130 and EL 8457.

The Caroline Leases comprise seven (7), 17 hectare leases and were purchased by Solomon Pacific Resources NL and Astron Resources NL from Nicron Resources Limited on the 25 August 1992. Under a joint venture agreement between Solomon Pacific Resources and Astron Resources NL, Solomon Pacific retained 60% of equity and Astron 40%. Under a joint venture agreement signed between these parties and Acacia Resources, Acacia could earn up to 70% of the tenement by funding exploration activities.

In 1995 Acacia Resources purchased Astron Resources interest in the joint venture. The joint venture for MLN’s 51 - 57 remained at Acacia Resources 40% and Solomon Pacific 60%, with Acacia Resources earning up to 82% of Solomon Pacific’s interest through exploration expenditure. Acacia Resource’s acquired Solomon Pacific Resources on the 24th June 1996 and assumed all Solomon’s interests in the Caroline Leases. Acacia’s interest in the mineral leases was then 100%.

In December 1996 the renewal of the Caroline leases was sought and subsequently granted by the NTDME on the 9 December 1996 for a period of 25 years.

In late 1999 AngloGold Australia Limited completed a successful takeover of Acacia Resources Limited and assumed management of all of Acacia’s interests including the Caroline licences.
4. GEOLOGY

MLN’s 51 - 57 are located in the central part of the Pine Creek Geosyncline (Figure 2). The geosyncline contains Early Proterozoic metasedimentary rocks overlying gneissic and granitic Archaean basement. The metasediments represent a preserved basinal sequence up to 14km thick (Needham et al., 1980), which were tightly folded and metamorphosed to greenschist facies (in some places’ amphibolite) at about 1890 to 1870 Ma (Ferguson, 1980).

The geosynclinal sequence has been intruded by transitional igneous rocks including pre-deformational dolerite lopoliths and dykes, and post-deformational granites. Weakly deformed Middle and Late Proterozoic, Cambro-Ordovician and Mesozoic platform cover unconformably overlie the Pine Creek Geosyncline metasediments.

The MLN’s lie in the central part of a narrow corridor metasediments, comprising Burrell Creek and Mt Bonnie Formations (Stuart-Smith et. al., 1987), between two lobes of the Cullen Batholith. This corridor contains both the Union Reefs (Au) and Pine Creek (Au) ore bodies as well as numerous historic gold and base metal workings.

The area of the leases is dominated by rocks of Lower Proterozoic Mt Bonnie Formation, a marginal marine sequence consisting of interbedded shale, siltstone, greywacke, chert and tuffaceous units with thin distinctive banded iron formation/cherts beds. The beds have been intruded by a sub-vertical, medium grained dolerite dyke which is deeply weathered and trends north-westerly at 310°. The dyke has intruded the length of the Pine Creek Shear Zone and appears to post date mineralisation.

Structurally the sediments have been tightly folded with north-west trending axial planes. This tight folding has produced steep to sub vertically dipping bedding throughout the area.

Quartz veining is common along ridges within the lease, where veins <2-3m wide may be found in outcropping argillic sediments. There are extensive areas of quartz and silicified sediment cobbles over areas of shallow transported soils which may define underlying quartz veining or merely more resistant transported gravels.

Within the leases linear zones of anomalous gold and lead/zinc mineralisation have been identified, on both sides of the dolerite dyke.
5. **PREVIOUS WORK**

The Caroline Leases have no recorded history of early mining although several pits and small shafts are evident. The leases—previously known as basin six, were explored by Geomin Exploration Pty Limited 1968, who outlined a number of areas of Pb, Zn & Cu anomalism (Cox 1969). Follow up soil sampling confirmed two Pb-Zn anomalies, which were subsequently costeaned, mapped and sampled in 1969.

An Induced Polarisation survey comprising four lines was conducted by Henriuchs Geoexploration P/L in 1969. Two lines were surveyed across each of the anomalies located by Geomin Exploration. All four lines showed anomalous IP responses, some correlating with geochemical anomalies (Cox 1969).

MLN’s 51-57 were originally granted to United Uranium on the 4 November 1971 for a period of twenty (20) years, expiring on the 31 December 1991. United Uranium subsequently went into receivership and the leases were then purchased by Nicron Resources Limited (a wholly owned subsidiary of Aztec Mining Company Ltd) in September 1988.

During Nicron’s tenure detailed soil sampling, rock chip sampling, geological mapping and costeaning were carried out. This work confirmed the known Pb-Ag-Zn mineralisation but did not significantly extend it (Butler 1991). The sampling programs carried out by Nicron did define a separate area of Au-As mineralisation in conformable ferruginous quartz veining.

Solomon Pacific Resources and Astron Resources NL purchased the Mineral Leases in 1992 from Nicron Resources Limited. Under a joint venture agreement Solomon Pacific Resources (60%) and Astron Resources NL (40%) farmed out the leases to Cyprus Gold Australia under an equity earning agreement.

In November 1993 following Cyprus’s withdrawal from the farm-in agreement Acacia Resources Ltd entered into a farm-in agreement with Solomon and Astron Resources.

The seven tenements referred to as the Caroline Leases were renewed on 29 October 1993 until 31 December 1996.

In 1995 Acacia Resources Ltd purchased Astron Resources NL share of the leases. In June 1996 Acacia Resources completed the successful acquisition of Solomon Pacific Resources and all their interests. Current equity in the leases stands Acacia Resources 100%.
Work completed by Acacia since November 1993 includes the following:

5.1. 1993-94

Review of previous work and results.

5.2. 1994-95

- resurveying and updating of corner pegs of licence boundaries
- the re-establishment of exploration grid baseline through the mineral leases.
- continued data compilation of previous explorers
- collection of 4 rockchip samples
- reverse circulation drilling totalling 330m within MLN 57

5.3. 1995-96

- reverse circulation drilling of six (6) holes totalling 444m within MLN52
- collar surveying of recent drill holes
- gradient array induced polarisation surveying of the eastern sides of MLN 56 & 57
- acquisition of 1:25,000 scale coloured aerial photography covering the MLN group
- digital elevation modelling vectorised 1:50,000 topographic maps

5.4. 1996-97

- data compilation of work completed by previous explorers
- detailed aeromagnetic survey

5.5. 1997-98

- 47 rock chips taken along the length of the leases.
- RC drilling of 23 holes for 1926m.
- Aeromagnetic and radiometric data for the area was merged and leveled.
- Regional geophysical interpretation completed.

5.6. 1998 – 2001

- Project Review

6. WORK COMPLETED FOR PERIOD ENDING 4TH NOVEMBER 2002

No field work was completed in the Caroline Leases during the reporting period
7. ENVIRONMENTAL ISSUES

No disturbance of the leases was caused. An environmental register is provided in Appendix 1.

8. REPORTING

A digital copy of this report has been produced in an Adobe Acrobat format and is included in the original copy of the report submitted to the NTDBIRD (Appendix 2). For further information on opening and reading Adobe Acrobat files please see the web site www.adobe.com.

9. EXPENDITURE FOR PERIOD ENDING 4TH NOVEMBER 2002

The expenditure for the period ending 4th November 2002 totalled $317. A breakdown of the 2001/2002 expenditure is given below:

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staffing/Support</td>
<td>$ 276</td>
</tr>
<tr>
<td>Administration</td>
<td>$ 41</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 317</strong></td>
</tr>
</tbody>
</table>

10. PROPOSED EXPENDITURE FOR PERIOD ENDING 4TH NOVEMBER 2003

With production at Union Reefs now expected to extend into late 2003, it is proposed that further RC drilling and costeanning be completed. This work will follow up RC drilling from the 1997/1998 reporting year in an attempt to define small pods of mineralisation, which can potentially be treated at Union Reefs once ore from the main mine has been exhausted. Previous work in the Caroline leases defined narrow zones of shear and quartz vein hosted mineralisation in shales on either side of the mapped dolerite dyke. Better intercepts were returned from the southern end of the leases, within MLNs’ 51 & 52. These included:

<table>
<thead>
<tr>
<th>Intercept</th>
<th>Gold (g/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4m @ 1.42 g/t Au</td>
<td>CRLR001</td>
</tr>
<tr>
<td>3m @ 3.22 g/t Au</td>
<td>CRLR002</td>
</tr>
<tr>
<td>3m @ 4.86 g/t Au</td>
<td>CRLR003</td>
</tr>
<tr>
<td>4m @ 1.80 g/t Au</td>
<td>CRLR005</td>
</tr>
</tbody>
</table>

The work planned for the 2003 reporting year will follow up these intercepts down dip and along strike.

Expected expenditure for the period ending 4th November 2003 is $ 7, 000.
11. REFERENCES


APPENDIX 1

ENVIRONMENTAL REGISTER
TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
LAND STATUS RECORD

Project: Caroline Leases

Tenement Name: Caroline Leases  Loc. Code: UR23

Tenement No’s: MLN’s 51 -57

Registered Holder(s): AngloGold Australia Limited

Date Granted: 4th November 1971  Term: 20 yrs  Area: 119Ha
Renewal Granted: 9th December 1996  Term: 25 yrs  Area: 119Ha

Bond/Security: Nil

JV Partners (if any): Nil

Land Classification: (Crown, Private, Lease)  Lease

Land Holder/Occupier: Gary Hamilton  Station: Mary River West
(Equest Pty Ltd)

Address: 9 Pall Mall  Phone: (075) 534 7408
CURRUMBIN  QLD

Contacted By: Elaine Wakefield  Date: Early 1995

Pastoral Notes: (Stock, Cultivation, Access, Rainfall)

Open grazing land, currently unstocked

Environmental Notes: (Flora/Fauna, Erosion, Bushfires, Flooding)

Groundwater: (Bores/Wells/Dams, streams, drainage, test data)

Aboriginal Notes: (Sacred Sites, Cultural)

None known according to AAPA clearance C98/149, which expired on December 18th 2000.

Historic Relics: (Mine Workings, Equipment, Homesteads etc.)

None known

Previous Activity: (Mining, Exploration, Forestry, etc.)
Costeaneing and mapping 1969 Geomin Exploration
Detailed soil, rock chipping and costeaneing 1988 - 1991 Nicron Resources
TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
PRE-EXISTING ENVIRONMENTAL DISTURBANCE RECORD

Tenement Name: Caroline Leases
No(s): MLNs 51 - 57

Exploration Activity Area: 119 Ha

Shafts/Pits/Dumps: No recorded shafts or pits, but several shallow pits evident

Track/Access: Access tracks created by Nicron Resources along 5000E baseline turning NW from Frances Creek Road, east of Pine Creek.

Line Clearing: Line Clearing along 5000E baseline (Nicron Resources) Gridding over entire MLN’s at 25m x 100m spaced grid pattern.

Costeanning: 6 (Six) costeans constructed under Nicron Resources tenure. Costeans backfilled, however, subsequent subsidence has resulted in 0.5 - 1.0m channels along costeann lengths.

Drill Sites: Nil

Other:

Location Data:

Other Ref: 08.8741, 08.7755, 08.7758, 08.10014, 08.10598

Compiled by: Helen Clark         Date: 25th February 1998.
**TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER**

**ANGLOGOLD ENVIRONMENTAL IMPACT RECORD**

<table>
<thead>
<tr>
<th>Tenement Name:</th>
<th>Caroline Leases</th>
</tr>
</thead>
<tbody>
<tr>
<td>No(s):</td>
<td>MLNs 51-57</td>
</tr>
<tr>
<td>Report Ref No’s:</td>
<td>08.8741, 08.7755, 08.7758, 08.9594, 08.10014, 08.10598, 08.11780</td>
</tr>
</tbody>
</table>

**Exploration Activities:**
- 1994/95 RC Drilling (5 holes)
- 1995/96 RC drilling (6 holes)
- 1998 RC Drilling (23 holes)

**Grids & Traverses:** Pre existing grid used

**Soil Sampling:** Nil

**Costeans / Pits:** Nil

**Drilling:**
- Five (5) RC holes constructed in 1995 for 330m
- Six (6) RC holes constructed in 1996 for 444m
- Twenty-three (23) RC holes in 1998 for 1926m

**Drill Pads:**
- Construction of five RC pads 1995
- Construction of six RC pads 1996
- Construction of 23 RC pads 1998

**Ground Geophysics:**
- 8 kilometres of gradient array induced polarisation surveying (1996)

**Access Tracks:**
- Access tracks upgraded along 5000E baseline (1994)
- Access tracks created from Frances Creek to drill pads from old gravel pit adjacent to road to drill pads (approx. 500m in 1996).

**Camps:** Nil

**Other:** Nil

**Compiled by:** Penny Large **Date:** 31st January 2001.
## TENEMENT ENVIRONMENTAL MANAGEMENT REGISTER
### ANGLOGOLD REHABILITATION RECORD

<table>
<thead>
<tr>
<th>Tenement Name:</th>
<th>Caroline Leases</th>
<th>No(s):</th>
<th>MLN 51-57</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disturbance:</td>
<td>Yes</td>
<td>Rehabilitation:</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Date:</td>
<td>25&lt;sup&gt;th&lt;/sup&gt; Feb. 1998.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grids &amp; Traverses:</td>
<td>Nicron grid still in field</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soil Sampling:</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costeans/Pits:</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drilling:</td>
<td>Collars capped and buried.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drill Pads:</td>
<td>Drill pads ripped and photographed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ground Geophysics:</td>
<td>Rehabilitated.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access Tracks:</td>
<td>No rehabilitation of access tracks has been undertaken, still in use.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Camps:</td>
<td>Nil</td>
<td></td>
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<tr>
<td>Other:</td>
<td>Nil</td>
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<tr>
<td>Inspected / Clearance:</td>
<td>Bond/Security released:</td>
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<td></td>
</tr>
<tr>
<td>Compiled by:</td>
<td>Penny Large</td>
<td>Date:</td>
<td>8 Nov 2002</td>
</tr>
<tr>
<td>Follow-up Inspection Report:</td>
<td></td>
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APPENDIX 2

COMPACT DISK CONTAINING
DIGITAL COPY OF THIS REPORT (NT.12178)