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<th>Title</th>
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<td>1</td>
<td>Tenement Location Plan</td>
</tr>
<tr>
<td>2</td>
<td>Area relinquished</td>
</tr>
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</table>
1. **SUMMARY**

EL 23565 was granted to Rio Tinto Exploration Pty Limited (RTX) on 22 April 2010 over an area of 38 blocks and up until the farm out to DPG Resources Australia Pty Limited (DPG) on 23 January 2014, no work was undertaken by RTX on the 19 blocks relinquished on 21 April 2016. Therefore this report documents work undertaken by DPG on EL 23565 over the area comprising the 19 blocks relinquished, for the period since they took over as operator from 23 January 2014 to 21 April 2016.

David Jones commented on the prospectivity of the tenement in the 43-101 for GPM Metals Inc and subsequently Dr Mark Hinman has compiled a tectono stratigraphic framework for exploration for SEDEX deposits in the district including this tenement.

Field work over the 19 blocks has not been completed to date but is planned over the remaining blocks within the 2016 to 2017 field season.

2. **CONCLUSIONS AND RECOMMENDATIONS**

The geological review concluded that the area relinquished did not warrant further exploration but that the remaining blocks within EL 23565 contain equivalent stratigraphy to the HYC Deposit and merits exploration on that basis. No prior field work has been undertaken to indicate mineralisation.

3. **INTRODUCTION**

3.1 Location

The tenement area is located approximately 80km north-west of Numbulwar in south east Arnhem Land.
Figure 1. Location.
3.2 Title History

EL 23565 was applied for on 3 April 2002. Partial consent of the application area resulted in the granting of EL 23565 to Rio Tinto Exploration Pty Limited (RTX) on 22 April 2010. The areas of non-consent, ELA 27919 and ELA 27920, are in moratorium.

A relinquishment of 50% (19 blocks) was made at the end of year six (period ended 21 April 2016).

<table>
<thead>
<tr>
<th>Block Number</th>
<th>Retained Blocks</th>
<th>Relinquished Blocks</th>
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<tr>
<td>1550</td>
<td>v w</td>
<td></td>
</tr>
<tr>
<td>1622</td>
<td>cde ghjk mnop rstu</td>
<td>ab f l q</td>
</tr>
<tr>
<td>1623</td>
<td>a f l q</td>
<td>bcd ghj mno rst</td>
</tr>
</tbody>
</table>

Total 19 sub blocks 19 sub blocks

Map showing area relinquished with red X.
Fig 2. Relinquishment.

Table 1: Tenement Details

<table>
<thead>
<tr>
<th>Tenement No.</th>
<th>Tenement Name</th>
<th>Ownership</th>
<th>Application Date</th>
<th>Grant Date</th>
<th>Blocks Applied</th>
<th>Blocks Granted</th>
<th>Blocks Relinquished</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL23565</td>
<td>Zamia Creek</td>
<td>Rio Tinto Exploration Pty Limited</td>
<td>03/04/2002</td>
<td>22/4/2010</td>
<td>62</td>
<td>38</td>
<td>19</td>
</tr>
</tbody>
</table>

4. **GEOLOGY**

The tenement area covers ground surrounding the Parsons Range Fault. Dominant geological units in the area are Mesoproterozoic McArthur Group siltstones, sandstones and dolomites and Neoproterozoic Roper Group sandstones and conglomerates (Haines et al, 1999). The tenement is considered prospective for sedex-style base metal mineralisation, similar to that at McArthur River (HYC) lead-zinc deposit located approximately 300 km to the south.

5. **GEOPHYSICS**

The project area is covered by regional gravity and by airborne magnetic and radiometric data. The aeromagnetic data are from the Mitchell Ranges 1990 and Marumba 1988 Surveys. These surveys had east west oriented flight lines with a line spacing of 500 metres and a mean survey elevation of 100 metres.

6. **PREVIOUS EXPLORATION**

Two exploration licences have been held over the tenement area. Both of these licences existed prior to the grant of the ALRA in 1975. Authority to Prospect (AP) 1138 was granted to BHP Minerals in 1964 and was relinquished in 1972, however it only covered the tenement area between 1964 and 1967. No exploration from the tenement area was reported by BHP.

AP 1967 was held over the tenement area between 1969 and 1970 by Noranda Australia. Again no exploration was reported. Limited exploration comprised an airborne spectrometer survey and ground follow up of five anomalies. No economic uranium mineralisation was intersected. Anomalous radioactivity is due to thorium concentrations with minor associated uranium.
7. **EXPLORATION COMPLETED DURING REPORTING PERIOD**

Exploration work completed over the 19 blocks was limited to:

- A further review by Dr Mark Hinman in conjunction with regional targeting.

8. **ENVIRONMENT**

No Ground disturbing work conducted during the period over the reduced area of 19 blocks.

9. **EXPLORATION EXPENDITURE**

Not required for a relinquishment report. Expenditure reports have been submitted each year outlining expenditure over the whole area of EL 23565 since grant.
REFERENCES


LOCALITY

Blue Mud Bay   SD 5307   1:250 000

KEYWORDS

Zamia Creek, Blue Mud Bay, base metals,