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MINERAL CLAIMS C992 – C994

INTERNATIONAL

FINAL REPORT

12 December 1989 – 13 January 2003

LICENSEES:

NEWMONT WILUNA GOLD PTY LTD

Formally **NORMANDY WILUNA GOLD PTY LTD**

A.B.N. 009 751 795

and

GIANTS REEF MINING LIMITED

A.C.N. 058 436 794

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February, 2003

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Newmont Wiluna Gold Pty Ltd

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SE53-14

TENNANT CREEK 1:250 000

5758

TENNANT CREEK 1:100 000

SUMMARY

Mineral Claims C992-C994, *International*, are part of a Joint Venture between Newmont Wiluna Gold Pty Ltd (Newmont) and Giants Reef Mining Limited (Giants Reef) over numerous tenements in the Tennant Creek goldfield. These claims were worked as part of the *Peko-Juno Group*, together with EL 9351, EL 9934, and MC C1028 to C1031.

The Mineral Claims C992-C994 were pegged to retain the International Prospect, which was previously within EL 5304 “Juno”, held by Asarco Australia Ltd.

Targets were Tennant Creek-style magnetite ironstone associated gold and copper ore bodies.

This report summarises the work completed on Mineral Claims C992-C994 during the thirteen years of tenure, from 12th December 1989 to the surrender of the claim on 13th January 2003.

Work conducted during the thirteen year tenure on Mineral Claims C992 – C994 has consisted of RC percussion drilling, rock chip sampling, ground searches and mapping, open hole percussion drilling, geophysical surveying and assessment, and literature reviews.

The Mineral Claims C992 – C994 are considered by Giants Reef to be situated in a prospective area given their close proximity to the Susan, International, Peko, Argo, and Juno mines. The main conclusions of the thirteen years of exploration on Mineral Claims C992 – C994 are:

- The drilling by Asarco and Giants Reef at International has produced anomalous gold values along an east-west strike length of 170m. About 150m further west, isolated drillhole INP018 also found anomalous gold.
- The gold occurs in a north-dipping sheared structure in haematitic siltstones and shales, with intermittent small haematite ironstone lenses. It is possible that a zone of secondary gold enrichment may exist in parts of this structure, but very few of the holes drilled to date have been deep enough to test this possibility.
- The detailed low-level aeromagnetic survey did not detect any magnetic targets coincident with the drilled area at International. Siting of future drillholes will therefore need to be based on geological understanding of the target structure. This will require geological mapping of the area, which should be done before any more drilling

Due to the pending Joint Venture decision to terminate, all follow up exploration and proposed mapping in the Mineral Claim area was postponed after 1999.

In July 2002 an internal review of the Giants Reef tenement portfolio and a classification of exploration opportunities included a detailed assessment of the Top End Joint Venture tenements. Giants Reef decided to forfeit the Joint Venture tenements based on the lack of productivity of the venture, given its long life span. Also taken into consideration were Giants Reefs landholding in the Tennant Creek goldfield, and that many of the Joint Venture claims when surrendered would fall into Exploration Licences held under Giants Reef.

With the termination of the Top End Joint Venture between Giants Reef and Newmont Wiluna in December 2002, all the tenements of the Joint Venture were surrendered. As a consequence Mineral Claims C992 – C994 was surrendered on 13th January 2003 at the end of their thirteenth tenure year, and will fall into Giants Reefs Exploration Licence 8280 *San Miguel*.

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1. INTRODUCTION

Mineral Claims C992-C994, *International*, are part of a Joint Venture between Newmont Wiluna Gold Pty Ltd (Newmont) and Giants Reef Mining Limited (Giants Reef) over numerous tenements in the Tennant Creek goldfield. These claims were worked as part of the *Peko-Juno Group*, together with EL 9351, EL 9934, and MC C1028 to C1031.

The Top End Joint Venture was established by the Joint Venture Agreement on 1st January 1994 with Giants Reef as operators with the right to earn equity in the tenements by funding exploration. Giants Reef continued to sole fund exploration expenditure and Newmont effectively diluted their interest by not contributing. Giants Reef have earned 60% interest in the tenements covered by the agreement.

The Mineral Claims C992-C994 were pegged to retain the *International Prospect*, which was previously within EL 5304 “Juno”, held by Asarco Australia Ltd.

Targets were Tennant Creek-style magnetite ironstone associated gold and copper ore bodies.

This report summarises the work completed on Mineral Claims C992-C994 during the thirteen years of tenure, from 12th December 1989 to the surrender of the claim on 13th January 2003.

Figure 1 shows the Wiluna Gold Joint Venture areas and their project groupings

2. LOCATION

Mineral Claims C992 - C994 are located approximately 4.5km east of Tennant Creek township. The prospect is reached from Tennant Creek town by travelling easterly along the sealed Peko Road then turning south along bush tracks, which lead to the Mineral Claim area.

Figure 2 shows the Mineral Claims C992-C994 and surrounding tenements.

3. TENURE

Mineral Claims C992 – C994 were granted to Asarco Gold Pty Ltd (Asarco) for a ten-year term on 12th December 1988. On 6th December 1994, pursuant to a Joint Venture Agreement dated 1st January 1994, a transfer of 69% to Wiluna Gold (a wholly owned subsidiary of Great Central Mines Pty Ltd) and 31% to Giants Reef Mining Limited was effected. Giants Reef were the operators and sole contributors under the Joint Venture.

Mineral Claims C992 – C994, part of the *Peko-Juno* group covered approximately 111 hectares. A tenure summary for Mineral Claims C992 – C994 is presented in the table below:

Title	No.	J V Reference	Granted	Expiry	Size	Unit
MC	C992	<i>International</i>	12.12.89	11.12.09	37.26	Ha
MC	C993	<i>International</i>	12.12.89	11.12.09	39.83	Ha
MC	C994	<i>International</i>	12.12.89	11.12.09	33.75	Ha

In March 2001 renewal of the claims was granted for a further period of ten years ending 11th December 2009.

In December 1999 Great Central Mines Pty Ltd became a fully owned subsidiary of Normandy Mining Limited (Normandy). Subsequently Normandy became a wholly owned subsidiary of Newmont Mining Corporation.

The claims lie within NT Portion 4440 (vacant Crown Land, south of Peko Road), and NT Portion 3735 (Aboriginal Freehold Land; Warumungu Land Trust: north of Peko Road).

A Termination Agreement for the Top End Joint Venture was signed in December 2002, thus resulting in the Mineral Claims being surrendered 2013th January 2003.

4. GEOLOGY

4.1 Regional Geology

The regional geology of the Tennant Creek field has been detailed in many publications and will not be repeated here. Papers contained in AusIMM Monograph 14 (Geology of the Mineral Deposits of Australia and Papua New Guinea), Volume 1, pp. 829-861 would give the reader a good introduction to the regional geology and styles of gold-copper mineralisation of the area.

4.2 Local Geology

The Mineral Claims C992 – C994 enclosed part of an east-west ridge underlain by greywacke, siltstones and haematitic shales of the Palaeoproterozoic Warramunga Formation. The bedrock is moderately well exposed. A thin veneer of colluvium and sand covers the low-lying parts of the claim area.

Outcrops of haematite ironstone are spread along an east-west distance of some 300m, and the various shallow shafts, pits and trenches of the International mine lie along this trend. The deepest of these workings appears to be about 10m deep.

The Susan mine, held by Santexco Pty Ltd (a wholly owned subsidiary of Giants Reef Mining Limited) (Santexco) in ML C524, is about 150m north of the International trend line.

5. WORK DONE DURING THE TERM

5.1 Year 1 (1989-1990)

5.1.1 RC Percussion Drilling

Asarco drilled five angled reverse circulation holes for a total of 460m at the International prospect in February 1989. These holes, TRC 20 to TRC 24, were drilled to follow-up the six RC holes drilled at International in March 1988, when the prospect was within Asarco's EL 5304 "Juno".

Details of the holes are as follows:

Hole	Easting AMG	Northing AMG	RL Metres	Azimuth	Dip	Depth Metres
TRC 20	2410	5782	208.45	185° True	-60°	70m
TRC 21	2450	5776	206.18	185° True	-60°	90m
TRC 22	2496	5800	200.7	185° True	-60°	100m
TRC 23	2516	5768	200.63	185° True	-60°	100m
TRC 24	2576	5735	198.41	185° True	-60°	100m

Hole co-ordinates are from the local grid put in by Asarco during the tenure of EL 5304. The RL's relate to the collar level of hole INP006, drilled by Giants Reef in 1998, which was given an arbitrary level of 200m.

The outcome of the RC drilling was less encouraging than for Asarco's first (March 1998) drilling at International. The maximum gold assay was 1m of 0.69 g/t Au in TRC 21. This compared disappointingly with results from the first six holes, which included 4m at 4.47 g/t Au in TRC 4, and 1m at 9.2 g/t Au in TRC 5.

Selected samples from TRC 20 to TRC 23 were re-assayed to check the low gold results, however the check sample results were substantially the same as the original samples.

Both rounds of drilling by Asarco are recorded in the report to the NT Department of Mines and Energy by Asarco Australia Ltd (EL 5304 Juno Report for the area relinquished on May, 1989, by A Peterson, dated August 1989). The report included drill logs, cross-sections and assay results.

A full account of all exploration work conducted over the Mineral Claims C992-C994, during the first year of tenure can be found in the report by Asarco Australia Limited entitled "Tennant Creek Project Top end Joint Venture – Annual Report to NTDME for the period ended December 31, 1990: author R.J. Davies, January 1991.

5.2 YEAR 2 (1990-1991)

No work was recorded for this year.

5.3 YEAR 3 (1991-1992)

5.3.1 Review Proposal

Asarco's 1991 annual report on its collective tenements in the Tennant Creek field noted that a review of the results of the drilling at International should be carried out.

A full account of all exploration work conducted over the Joint Venture tenements of MC C992-C994, during the third year of tenure can be found in the report by Asarco Australia Limited entitled "Tennant Creek Project Top End Joint Venture – Annual Report to NTDME for the period ended December 31, 1991: author C. Paterson, February 1992.

5.4 YEAR 4 (1992-1993)

5.4.1 Review by Asarco

A thorough review and appraisal was carried out by Asarco of all their Tennant Creek tenements, including the International claims.

A full account of all exploration work conducted over the Joint Venture tenements, during the fourth year of tenure of MC C992-C994 can be found in the report by Asarco Australia Limited entitled "Tennant Creek Project– Annual Report to NTDME for the period ended December 31, 1993: author C. England, February 1994.

5.5 YEAR 5 (1993-1994)

5.5.1 Review by Asarco

The review and reappraisal of all Asarco's tenements in the Tennant Creek field, including MC C992 – C994 continued. It was decided to seek a joint venture partner.

As part of this review (in-house report by W. Gifford dated October 1993 entitled "Report on an Evaluation of Mining Tenements at Tennant Creek" for Asarco Australia Ltd), it was concluded that the International claims were likely to contain only small pods of gold mineralisation, which would take a lot of drilling to find. Gravity and ground magnetics were recommended to see if a larger blind geophysical target with better potential existed.

5.5.2 Change of Structure of the Joint Venture

Giants Reef entered the Joint Venture and took over as manager/operator, after having purchased the 31% interest previously held by Top End Resources. (Report by C. England dated February 1994, entitled "Asarco Australia Ltd. Tennant Creek Project MCC's 219-223, 226-227, 230, 233-236, 242, 262-264, 275-282, 346, 763-780, 866-879, 992-994 and 1026-1031: Annual report to the NT Department of Mines and Energy for the period ended December 31, 1993").

5.6 YEAR 6 (1994-1995)

5.6.1 Grid Refurbishing

Grid pegs in the area around the RC drillholes were replaced or re-labelled.

5.6.2 Review by Giants Reef

Giants Reef's Senior Geologist John Fabray made an in-house review of all the tenements within the Joint Venture, including MC C992 – C994. It was noted that the mineralisation identified in the Asarco RC drilling was open along strike and at depth.

5.7 YEAR 7 (1995-1996)

5.7.1 Annual Review

An annual review of all the tenements within the Joint Venture, including MC C992 – C994, was made by Giants Reef's Senior Geologist John Fabray. As in the previous year, it was noted that the mineralisation found in the Asarco RC drilling was open along strike and at depth.

5.8 YEAR 8 (1996-1997)

5.8.1 Annual Review

J Fabray carried out the annual in-house review of the Wiluna Joint Venture tenements and projects for Giants Reef. It was recommended that the International prospect be drilled on 20m x 20m centres to extend the drill coverage along strike and fill in the gaps in the Asarco drilling.

5.8.2 Boundary Maintenance

The claim boundaries were cleared of vegetation, which was obscuring the line of sight between corners or intermediate marker post. The lockspit trenches at the corners were re-dug and the rock lines re-stacked.

5.9 YEAR 9 (1997-1998)

5.9.1 Location Survey

Two claim corner points were located using an Omnistar differential GPS unit. The survey operator was Mr Pete Youngs. The object of this work was to check the position fix of the International claims block in terms of the AMG grid and relative to surrounding tenements. The two located points were as follows:

Station Location	AMG Easting	AMG Northing	Elevation
NE corner ML C524	419414	7925977	372m
NE corner MC C92	419508	7825978	361m

5.9.2 Joint Venture Review

A review of past exploration, work programs and budgets for all the Wiluna Joint Venture tenements, including MC C992-C994 was carried out. The review included field visits to each of the project areas and an assessment of the work done, together with a study of the available regional aeromagnetics. The review concluded that a drilling program should be carried out at the International claims.

5.10 YEAR 10 (1998-1999)

5.10.1 Rock Chip Sampling

Rock chip samples were collected from three localities in the claims during 1998.

(i) Six samples (58218-133) were taken in MC C992 at a siltstone outcrop 30m north-west from the south-west corner of Normandy's ML C524 which encloses the Susan mine. The outcrop is located between the two tracks leading up to the mine. An old pit about 1.5m deep at the eastern end of the outcrop has been sunk on a sheared and weakly altered trend. The shearing and the bedding have a coincident east-west orientation. At the west end a lesser digging has been done on another little shear. No ironstone is present.

Sample	Notes	Au g/t	Au g/t repeat	Cu ppm	Bi ppm	Fe %
58128	2m channel sample across shear, western end	0.01	<0.01	101	4	4.66
58129	Spoil from the western end digging	0.01		50	2	3.76
58130	Channel across western face of eastern pit	0.01	<0.01	52	1	7.52
58131	Channel across the eastern face of the east pit	0.01		27	<1	5.99
58132	Spoil from the southern side of the eastern pit	<0.01	<0.01	32	<1	4.96
58133	Spoil from the largest heap on north-west of the eastern pit	<0.01		25	<1	4.89

(ii) The second area sampled was along a 150m strip of intermittent shale and siltstone outcrops running west from the International mine, ending at an ironstone outcrop. Fourteen samples (58140-153) were collected. The ironstone gave anomalous assays of 0.03 g/t Au, 172 ppm Cu, and 127 ppm Bi (sample 58142).

The intervening cleaved sediments between the ironstone outcrop and the International did not show any anomalous results, apart from sample 58153 from a heap at the old workings which assayed 3.53 g/t Au.

(iii) Seven samples (59273–279) were taken from around an inconspicuous ironstone outcrop on the flat about 200m east north-east from the easternmost drillhole INP017. All six gold assays were below the level of detection; three of the copper assays were weakly anomalous at 115, 115 and 150 ppm; and two of the bismuth results were anomalous at 30 and 130 ppm, the rest being less than the detection limit of 10 ppm Bi. Possibly this ironstone is a faulted-off easterly continuation of the International trend.

5.10.2 Grid Refurbishing

Before the drilling reported in section 5.10.3, the central area of old Asarco local grid was repaired for positioning the drill holes.

5.10.3 Open Hole Percussion Drilling

Eighteen percussion holes were drilled for a total of 1,119m, using an Edson 2000HD rig supplied by local drilling company Stadcote Pty Ltd.

The drilling was intended to test beneath the old workings, where previous drilling by Asarco had revealed anomalous gold intersections, and to extend the drill coverage over a wider area. All holes were drilled from the north side of the east-west line of lode, using the re-established Asarco grid. As they were uncased open holes, no down-hole surveys were made.

Holes INP001 to INP017 are spread along a strike length of 180m, along a geological trend of haematite-shale, greywacke-siltstone and intermittent ironstone bodies with old workings. Hole INP018 was drilled 145m west of the nearest of the other holes, beneath an ironstone outcrop on the strike extension of the target structure.

Details of the holes are as follows:

Hole	Easting (AMG)	Northing (AMG)	RL (Metres)	Azimuth (°Mag)	Dip	Depth (Metres)
INP001	2540	5775	199.17	177° M	-60°	81m
INP002	2533	5730	202.63	177° M	-60°	30m
INP003	2539.5	5750.5	200.11	170° M	-55°	45m
INP004	2550	5749.5	199.46	176° M	-58.5°	48m
INP005	2527.5	5750	200.83	175.5° M	-60°	45m
INP006	2516	5780	200.00	176° M	-70°	90m
INP007	2516	5754.5	201.10	177.5° M	-60°	45m
INP008	2475	5775	204.38	176° M	-70°	90m
INP009	2475	5765	204.80	178° M	-59°	45m
INP010	2450.5	5790	205.79	176° M	-70°	90m
INP011	2450	5760	206.19	175.5 M	-60°	45m
INP012	2425	5770	208.16	176.5° M	-60°	90m
INP013	2400	5785	208.83	175.5° M	-75°	90m
INP014	2400	5760	209.10	175.5° M	-60°	45m
INP015	2560	5740	199.79	174.5° M	-60°	42m
INP016	2380	5770	209.50	175° M	-60°	75m
INP017	2577.5	5755	197.96	177° M	-70°	75m
INP018	2235.5	5766.5	207.22	176° M	-60°	48m
					Total	1119m

RL's are based on the collar level of whole INP006, which was given an arbitrary level of 200m.

5.10.4 Drill Sample Assaying and Results

As the drill rig did not have a sample splitter on it, all the one-metre samples from the drilling were taken with a plastic pipe "spear" pushed to the bottom of the sample bag three or four times, to obtain enough material for a sample weighing approximately 2-3 kg.

Samples were assayed by Assaycorp's fire assay method FA50 (50g charge).

The bags from the above batches in which results of over 0.5 g/t Au were obtained were then put through a sample splitter and new samples were taken. These were sent to AMDEL in Darwin, for fire assay (50g charge: method FA1). AMDEL were also requested to re-assay by the screen fire method (FA1S) any of the results in these two batches of 2 g/t Au or above.

Significant intervals (above one g/t Au) from this drilling program are as follows:

Hole	From Metres	To Metres	Intersection
INP001	52m	53m	1m @ 1.06 g/t Au
INP002	5m	11m	6m @ 1.32 g/t Au
including	6m	9m	3m @ 2.12 g/t Au
INP003	37m	38m	1m @ 5.24 g/t Au
			(sample not split)
INP008	42m	48m	6m @ 1.18 g/t Au
	57m	58m	1m @ 1.35 g/t Au
INP009	18m	26m	8m @ 2.52 g/t Au
including	18m	22m	4m @ 3.35 g/t Au
INP010	62m	71m	9m @ 1.58 g/t Au
including	64m	65m	1m @ 5.63 g/t Au
INP011	10m	12m	2m @ 3.95 g/t Au
INP012	4m	5m	1m @ 1.74 g/t Au
	16m	19m	3m @ 1.30 g/t Au
	37m	38m	1m @ 5.25 g/t Au
	48m	50m	2m @ 1.55 g/t Au
INP018	39m	40m	1m @ 1.57 g/t Au

Lesser gold values accompanied many of the above intersections, and also occurred in several of the other drillholes. While no ore grade intersections were made, the results are sufficiently encouraging to warrant deeper RC drilling at a later date for a possible zone of secondary enrichment.

5.10.5 Airborne Geophysical Survey

A detailed aeromagnetic and radiometric survey was flown over MC C992-C994, late in 1998, by Kevron Geophysics Pty Ltd on behalf of Normandy. This survey covered a large east-west strip roughly 60km long over the southern part of the Tennant Creek goldfield. Normandy presented Giants Reef with copies of the data collected over the various Giants Reef tenements within the survey area.

Key parameters of the survey were as follows

Flight line direction:	north-south.
Flight line spacing:	50m.
Sensor height:	40m above ground surface.
In-line sampling intervals:	7m for magnetics and 140m for radiometrics.

The total area is small, less than 4km². Dr Doug Barrett of Barrett Geophysical Consultants Pty Ltd was asked to evaluate the data.

Two anomalies closely coincident with the Susan mine were apparent, and a third one about 300m north of the Susan in Mineral Claim application C1158 (Explorer 197), but the International did not show a recognisable magnetic signature, and no other anomalies were noted within the International claims.

5.10.6 Search for Ironstone.

A ground search was made for an ironstone outcrop shown on the NTGS 1995 1:100 000 scale Tennant Creek geology map at AMG location 419650E 7825450N. No ironstone was found. There had been some bulldozing for gravel or metal detecting in the vicinity, and possibly these disturbed areas and low heaps may have looked like ironstone outcrops in air photos.

A detailed account of the exploration carried out on Mineral Claims C992-C994 during the first ten years of tenure are given in the report by Giants Reef Mining Limited entitled "Mineral Claims C992 – C994 *International*, Renewal Report, September 1999," dated September 1999, Report to DME: author P. G. Simpson. Included in the appendices are all the rock chip and drillhole locations, assay results, detailed cross sections and the airborne geophysical survey data generated in the tenth tenure year.

5.11 YEAR 11 (1999-2000)

5.11.1 Tenement Review

A review of the Joint Venture was carried out by Great Central Mines Pty Ltd (Great Central) during December 1999 and January 2000. This review included all of the data held by Giants Reef in Tennant Creek. Following this assessment, Great Central verbally indicated their intention not to contribute to the Joint Venture and to exercise their right to dilute their equity. However, before this was formally documented, Great Central became a wholly owned subsidiary of Normandy Mining Limited. Consequently, discussions were held with Normandy concerning their intention regarding the proposed Joint Venture dilution.

Work on Mineral Claims C992 – C994 consisted of the integration of the geophysical modelling data carried out by Doug Barrett and Associates, research, and geological assessment of the claim area.

5.12 YEAR 12 (2000-2001)

5.12.1 Micromine Database

A geological Micromine database for the Joint Venture Mineral Claims C992 – C994 was created. The Micromine database consists of 'dat' files that can be processed to display multi-layered graphical interfaces. The data for drillholes TRC 20 to TRC 24 (section 5.1.1) and the data for drillholes INP001 to INP 018 (section 5.10.3) was imputed into this format including collar, geological, survey, assay and magnetic susceptibility data. This database is included as Appendix 1.

5.13 YEAR 13 (2001-2002)

5.13.1 Termination of Joint Venture

In July 2002 an internal review of the Giants Reef tenement portfolio and a classification of exploration opportunities included a detailed assessment of the Top End Joint Venture tenements. Giants Reef decided to forfeit the Joint Venture tenements based on the lack of productivity of the venture, given its long life span. Also taken into consideration were Giants Reefs landholding in the Tennant Creek goldfield, and that many of the Joint Venture claims when surrendered would fall into Exploration Licences held under Giants Reef.

Newmont was subsequently informed that Giants Reef wished to terminate the Joint Venture and was offering them all titles and applications. Newmont was informed that if they did not want to take over 100% ownership of these tenements, Giants Reef would withdraw all applications and not renew MC's and EL's and that many of the titles, when surrendered, would fall into Giants Reefs wholly-owned tenements.

In June 2002 Newmont informed Giants Reef that they wished to withdraw from the Joint Venture and that all the tenements covered by the agreement could be withdrawn. In December 2002 a Termination Agreement was signed by both parties and the surrender of Joint Venture tenements executed, thus concluding the Top End Joint Venture.

The termination of the Joint Venture in December 2002 thus resulted in the surrender of Mineral Claims C992 – C994 at the end of the thirteenth year of tenure on the 13th January 2003. The Mineral Claims C992 – C994 will fall into Santexco Pty Ltd (a wholly owned subsidiary of Giants Reef Mining Limited) (Santexco) Exploration Licence 8280 *San Miguel* (Figure 3).

6. REHABILITATION

The small drill pads were prepared with a front-end loader, with the bucket lightly skimming the surface to leave rootstock intact and ready to regenerate.

After the drilling, all debris including the old Asarco drill samples was removed from the sites and the holes were back-filled by pouring the samples down them. Collar positions of the holes, including the Asarco holes, were marked with star pickets with wired-on, punched metal tags showing the number of each hole.

The lightly-scraped drill pads were left to re-vegetate naturally. On last inspection in January 2002, vegetation had covered most tracks and drill pads.

7. CONCLUSIONS

Work conducted during the thirteen year tenure on Mineral Claims C992 – C994 has consisted of RC percussion drilling, rock chip sampling, ground searches and mapping, open hole percussion drilling, geophysical surveying and assessment, and literature reviews.

The Mineral Claims C992 – C994 are considered by Giants Reef to be situated in a prospective area given their close proximity to the Susan, International, Peko, Argo, and Juno mines. The main conclusions of the thirteen years of exploration on Mineral Claims C992 – C994 are:

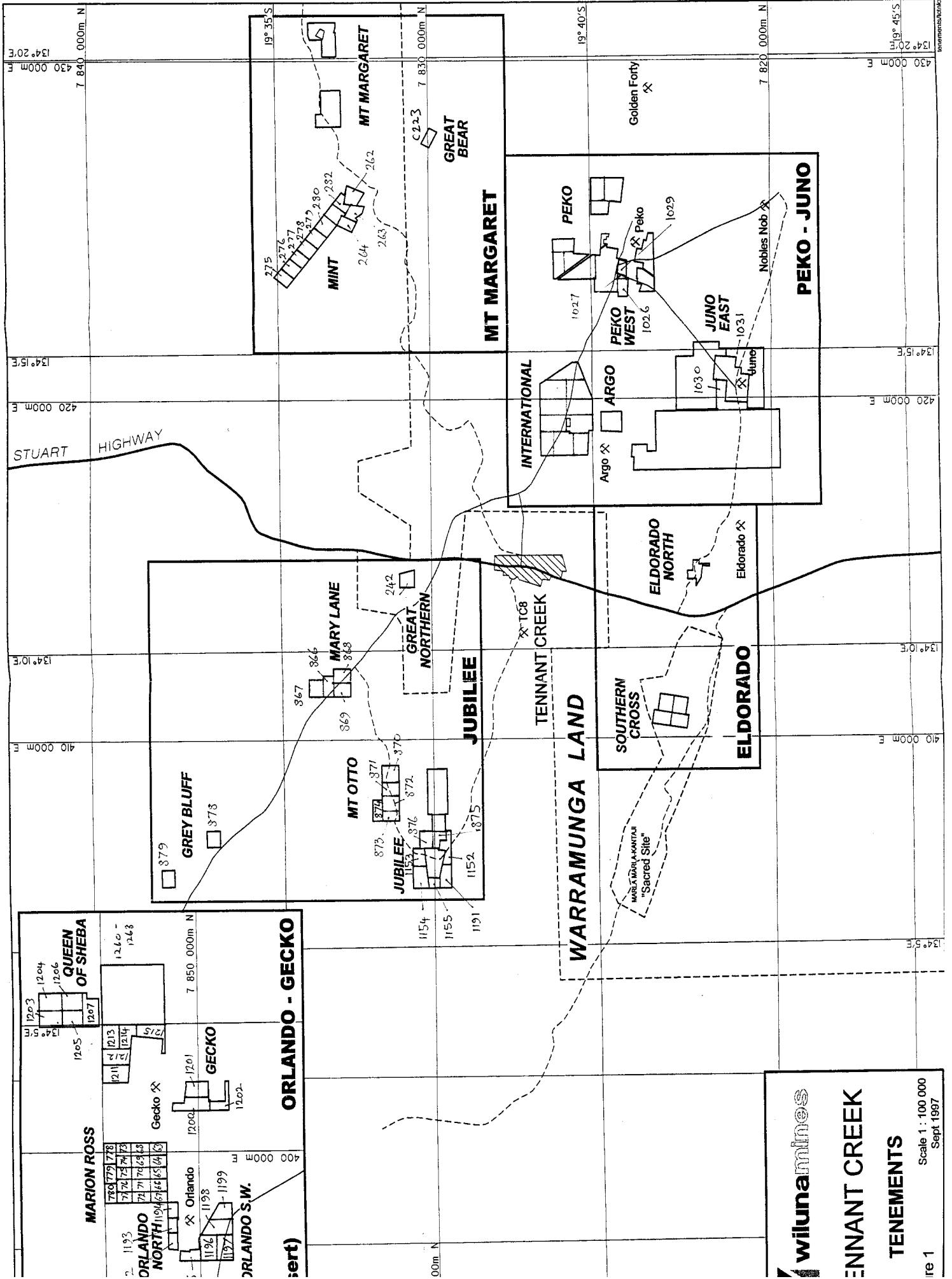
- The drilling by Asarco and Giants Reef at International has produced anomalous gold values along an east-west strike length of 170m. About 150m further west, isolated drillhole INP018 also found anomalous gold.
- The gold occurs in a north-dipping sheared structure in haematitic siltstones and shales, with intermittent small haematite ironstone lenses. It is possible that a zone of secondary gold enrichment may exist in parts of this structure, but very few of the holes drilled to date have been deep enough to test this possibility.
- The detailed low-level aeromagnetic survey did not detect any magnetic targets coincident with the drilled area at International. Siting of future drillholes will therefore need to be based on geological understanding of the target structure. This will require geological mapping of the area, which should be done before any more drilling

Due to the pending Joint Venture decision to terminate, all follow up exploration and proposed mapping in the Mineral Claim area was postponed after 1999.

In July 2002 an internal review of the Giants Reef tenement portfolio and a classification of exploration opportunities included a detailed assessment of the Top End Joint Venture tenements. Giants Reef decided to forfeit the Joint Venture tenements based on the lack of productivity of the venture, given its long life span. Also taken into consideration were Giants Reefs landholding in the Tennant Creek goldfield, and that many of the Joint Venture claims when surrendered would fall into Exploration Licences held under Giants Reef.

With the termination of the Top End Joint Venture between Giants Reef and Newmont Wiluna in December 2002, all the tenements of the Joint Venture were surrendered. As a consequence Mineral Claims C992 – C994 was surrendered on 13th January 2003 at the end of their thirteenth tenure year, and will fall into Giants Reefs Exploration Licence 8280 *San Miguel*.

J L CAHILL
Exploration Geologist

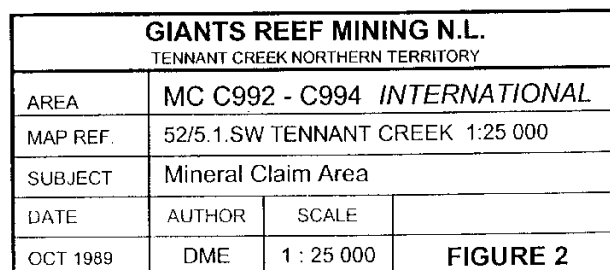


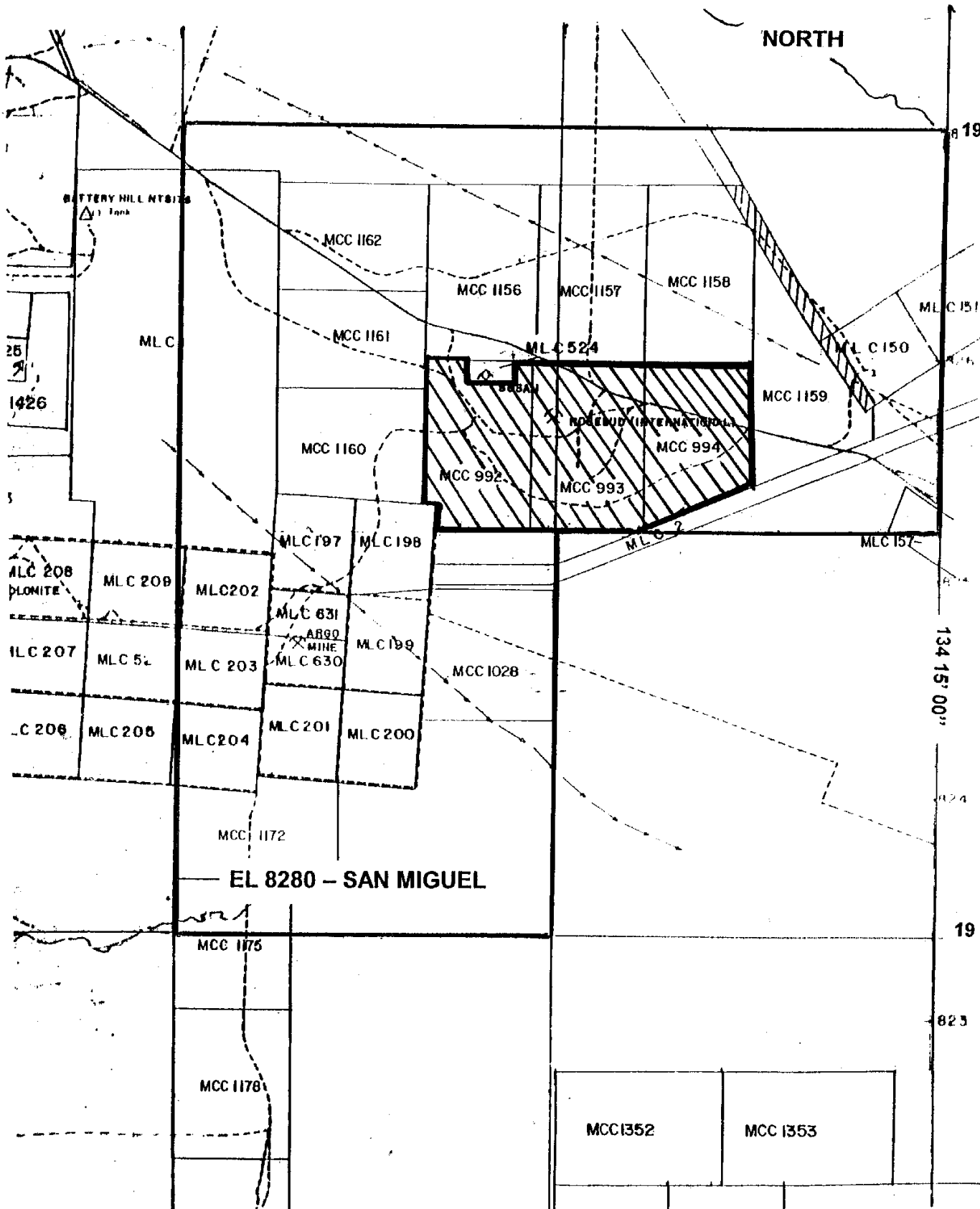
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TENNANT CREEK

TENEMENTS

ire 1 Scale 1 : 100 000 Sept 1997





GIANTS REEF EXPLORATION PTY LTD			
TENNANT CREEK NORTHERN TERRITORY			
AREA	MCC 992 – C994- <i>INTERNATIONAL</i>		
MAP REF.	5758 TENNANT CREEK 1:100 000		
SUBJECT	Location of EL 8280 <i>San Miguel</i>		
DATE	AUTHOR	SCALE	
AUG 2000	DBIRD	1 : 25000	FIGURE 3

APPENDIX 1

1 x DISK

INTERNATIONAL
MC C992 - C994

MICROMINE DATA FILES

TRC_COLL.dat	-collar file
TRC_SURV.dat	-survey file
TRC_GEOL.dat	-geology file
TRC_SAMP.dat	-assay file

INP_COLL.dat	-collar file
INP_SURV.dat	-survey file
INP_GEOL.dat	-geology file
INP_SAMP.dat	-assay file