

BOOTU CREEK RESOURCES PTY LTD

A.C.N. 097 091 506

NW BOOTU CREEK

EXPLORATION LICENCE 23698

ANNUAL REPORT

FOR THE PERIOD

6th AUGUST 2003 TO 5th AUGUST 2004

**Helen Springs SE53-110 1:250,000 Sheet
Muckaty 5660 1:100,000 Sheet**

NORTHERN TERRITORY

R Vivian
September 2004

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1. SUMMARY

This report details exploration activities for manganese mineralisation conducted by Bootu Creek Resources Pty Ltd within the NW Bootu Creek (EL23698) area during the year ending 5th August 2004.

Apart from a brief reconnaissance visit made to EL 23698 to establish access into the area, no exploration activities were undertaken within the tenement due to Bootu Creek Resources concentrating its energies and resources on developing the nearby Bootu Creek manganese mine, which is scheduled to commence production in 1995.

It is proposed to conduct comprehensive work next field season comprising reconnaissance to locate and map prospective rock units and associated structures, rock chip sampling, and RAB drilling if warranted by the results from these initial activities.

2. INTRODUCTION

This report details exploration activities for manganese mineralisation conducted by Bootu Creek Resources Pty Ltd within the NW Bootu Creek (EL23698) area during the year ending 5th August 2004.

Exploration Licence E23698, covering 19 graticular blocks or a total of 61.68 square kilometres, was granted for a 6-year term on 6th August 2003. The tenement is located approximately 1255km north of Tennant Creek, and is approximately 7km east of the Stuart Highway.

Access through the tenement is east from the Stuart Highway by means of station tracks. Banka Banka station lies some 25km to the south of the tenement on the Stuart Highway.

3. REGIONAL GEOLOGY

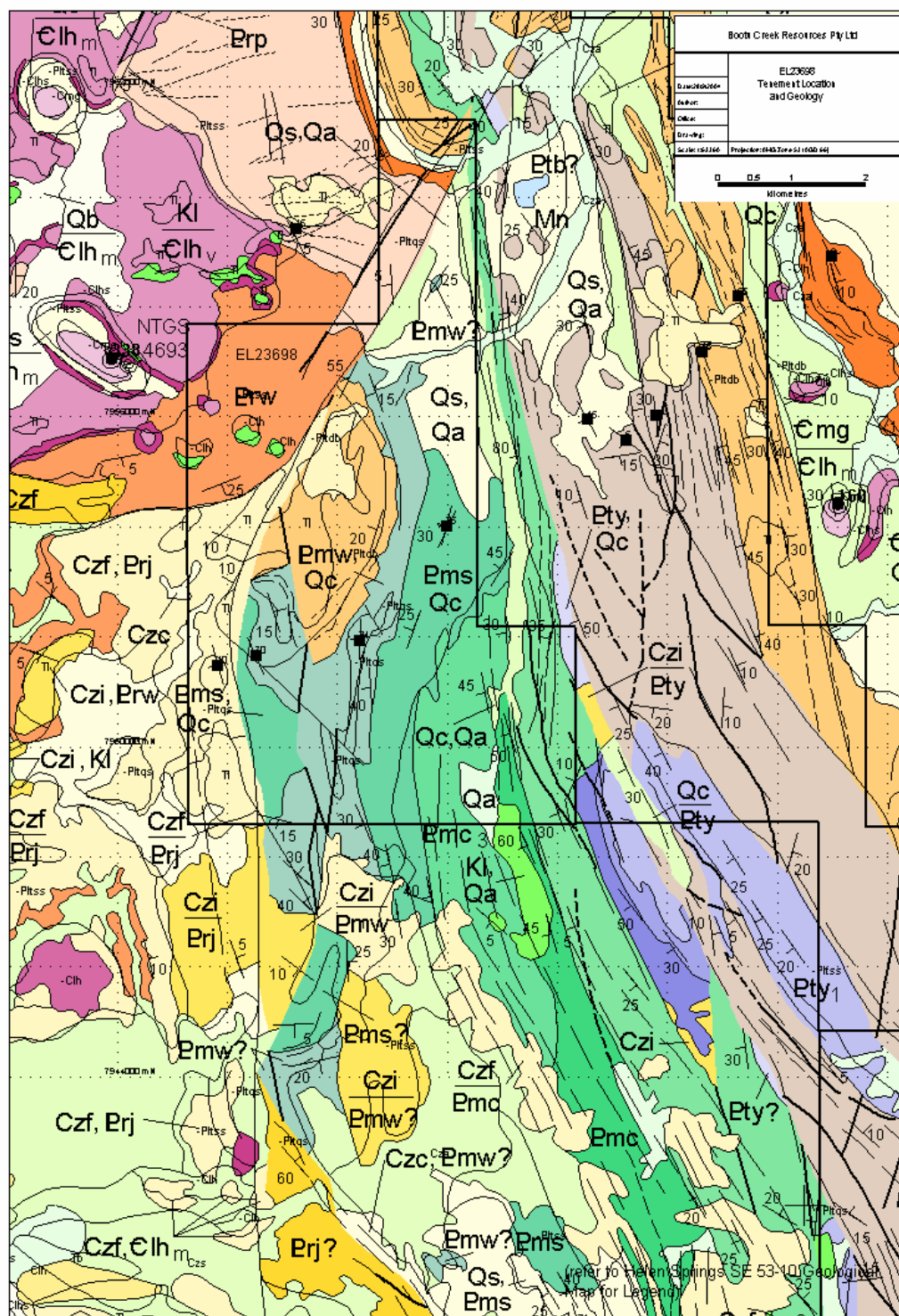
The regional geology is described in the 1:250,000 Helen Springs SE53-10 Explanatory Notes by Hussey et al (2001). The area is underlain by the Proterozoic units of the Namerinni Group, a succession of alternating sandstone, siltstone and carbonate rocks. Outcrops form an N-s elongate, linear belt that contains typically moderately dipping strata. These rocks are unconformably overlain by Mesoproterozoic Renner Group siliciclastic rocks of the Wiernty Formation in the NW corner of the tenement.

4. LOCAL GEOLOGY

A NNE-trending synclinal feature dominates the tenement area, and is formed by rocks of the Willeray, Shillinglaw and Carruthers Formations. The syncline has moderate dips on the eastern limb and gentler dips on the western limb. Apart from Wiernty Fm rocks in the NW, elsewhere the tenement area is largely covered by surficial Cainozoic sediment.

While manganese mineralisation is not reported from the area, by analogy with the Renner Springs Mn occurrences, the basal sections of the Shillinglaw Formation are a potential to replacement Mn mineralisation.

The Shillinglaw Formation rocks form the focus to manganese exploration by Bootu Creek Resources in the tenement area.



5. EXPLORATION ACTIVITIES

Exploration during the year consisted of a brief reconnaissance visit to EL 23698 to establish access into the area. No other work was undertaken due to Bootu Creek Resources concentrating its energies and resources on developing the nearby Bootu Creek manganese mine, which is schedule to commence production in 1995.

6. YEAR 2 PROGRAMME

Proposed work during the second year will comprise reconnaissance mapping of prospective rock units and associated structures, rock chip sampling, and shallow scout RAB drilling if warranted by the results from these initial activities. The budget for this work is estimated at \$10,000.

7. EXPENDITURE

Total expenditure for the year was \$1,174 (see attached Expenditure Statement)

8. REFERENCE

Hussey KJ et al, 2001: 1:250,000 Geological Map Series Explanatory Notes Helen Springs SE53-10. *Government Printer of the Northern Territory, Darwin.*

| |
|--------------------------------------------------------------------------------------------------|
| <p align="center">NORTHERN TERRITORY EXPLORATION EXPENDITURE FOR MINERAL TENEMENT</p> |
|--------------------------------------------------------------------------------------------------|

Section 1. Tenement type, number and operation name: (One licence only per form even if combined reporting has been approved)

| | |
|---------------------------|----------------|
| Type | E |
| Number | 23698 |
| Operation Name (optional) | NW Bootu Creek |

Section 2. Period covered by this return:

| | | | |
|------------------------------------|-----------------------------|------------------|--|
| Twelve-month period: | | If Final Report: | |
| From | 6 th August 2003 | From | |
| To | 5 th August 2004 | To | |
| Covenant for the reporting period: | | \$20,000 | |

Section 3. Give title of accompanying technical report:

| | |
|---------------------------|--------------------------------------------------------------------------------|
| Title of Technical Report | NW Bootu Creek Annual Report for the period ending 5 th August 2004 |
| Author | RM Vivian |

Section 4. Locality of operation:

| | |
|---------------------|-----------|
| Geological Province | Ashburton |
| Geographic Location | Muckaty |

Section 5. Work program for the next twelve months:

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Activities proposed (please mark with an <input checked="" type="checkbox"/> "X"): | |
| <input type="checkbox"/> Literature review <input checked="" type="checkbox"/> Geological mapping <input type="checkbox"/> Rock/soil/stream sediment sampling | <input checked="" type="checkbox"/> Drilling and/or costeaning <input type="checkbox"/> Airborne geophysics <input type="checkbox"/> Ground geophysics <input type="checkbox"/> Other: |
| Estimated Cost: | |
| \$10,000 | |

Section 6. Summary of operations and expenditure:

Please include salaries, wages, consultants fees, field expenses, fuel and transport, administration and overheads under the appropriate headings below. Mark the work done for the appropriate subsections with an "X" or similar, except where indicated. Complete the right-hand columns to indicate the data supplied with the Technical Report.

Do not include the following as expenditure (if relevant, these may be

- Insurance
- Company Prospectus
- Rent & Department Fees
- Bond
- Transfer costs
- Title Search
- Legal costs
- Advertising
- Land Access Compensation
- Meetings with Land Councils
- Payments to Traditional Owners
- Fines

| Exploration Work type | Work Done (mark with an "X" or provide details) | Expenditure | Data and Format Supplied in the Technical Report | | |
|-----------------------------------------------|----------------------------------------------------------|-------------|--------------------------------------------------------|-----------|--|
| | | | Digital | Hard copy | |
| Office Studies | | 338 | | | |
| Literature search | | | | | |
| Database compilation | | | | | |
| Computer modelling | | | | | |
| Reprocessing of data | | | | | |
| General research | | | | | |
| Report preparation | X | | | | |
| Other (specify) | | | | | |
| Subtotal | | \$338 | | | |
| Airborne Exploration Surveys (state line kms) | | | | | |
| Aeromagnetics | | | kms | | |
| Radiometrics | | | kms | | |
| Electromagnetics | | | kms | | |
| Gravity | | | kms | | |
| Digital terrain modelling | | | kms | | |
| Other (specify) | | | kms | | |
| Subtotal | | \$ | | | |
| Remote Sensing | | | | | |
| Aerial photography | | | | | |
| LANDSAT | | | | | |
| SPOT | | | | | |
| MSS | | | | | |
| Other (specify) | | | | | |
| Subtotal | | \$ | | | |
| Ground Exploration Surveys | | | | | |
| Geological Mapping | | | | | |

| Exploration Work type | Work Done (mark with an "X" or provide details) | Expenditure | Data and Format Supplied in the Technical Report | |
|-------------------------------|----------------------------------------------------------|-------------|--------------------------------------------------------|-----------|
| | | | Digital | Hard copy |
| Regional | | | | |
| Reconnaissance | | | | |
| Prospect | | | | |
| Underground | | | | |
| Costean | | | | |
| Ground Geophysics | | | | |
| Radiometrics | | | | |
| Magnetics | | | | |
| Gravity | | | | |
| Digital terrain modelling | | | | |
| Electromagnetics | | | | |
| SP/AP/EP | | | | |
| IP | | | | |
| AMT/CSAMT | | | | |
| Resistivity | | | | |
| Complex resistivity | | | | |
| Seismic reflection | | | | |
| Seismic refraction | | | | |
| Well logging | | | | |
| Geophysical interpretation | | | | |
| Petrophysics | | | | |
| Other (specify) | | | | |

| | | | | |
|------------------------------------------------|--|----|--|--|
| Geochemical Surveying and Geochronology | | | | |
| <i>(state number of samples)</i> | | | | |
| Drill (cuttings, core, etc.) | | | | |
| Stream sediment | | | | |
| Soil | | | | |
| Rock chip | | | | |
| Laterite | | | | |
| Water | | | | |
| Biogeochemistry | | | | |
| Isotope | | | | |
| Whole rock | | | | |
| Mineral analysis | | | | |
| Laboratory analysis (type) | | | | |
| Petrology | | | | |
| Other (specify) | | | | |
| Ground Exploration | | \$ | | |

Section 7. Comments on your exploration activities:

I certify that the information contained herein, is a true statement of the operations carried out and the monies expended on the above mentioned tenement during the period specified as required under the *Northern Territory Mining Act* and the Regulations thereunder.

☒ I have attached the Technical Report

1. Name: RM Vivian

2. Name:

Position: Exploration Manager

Position:

Signature:

Signature:

Date: 29th September 2004

Date: