



COMPASS RESOURCES NL

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**EL 23578 – SOUTH MOUNT FITCH**

**First Annual Report  
For the Year ended  
29 December, 2004**

M. K. Boots  
January 2005

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## **INTRODUCTION**

This tenement was applied for in early 2002 following the intersecting of major base metal mineralisation in drill holes near the Mt Fitch prospect located to the northeast. The primary purpose was to cover potential down dip extensions to that mineralisation. The area is considered prospective for uranium, copper, lead, zinc, cobalt and nickel mineralisation, especially as the mineralisation intersected in the adjoining tenement (ERL125) appears to dip south-westward toward this tenement. During the year acquisition of exploration data was undertaken, previous drill data was compiled and the prospectivity reviewed.

## **TENEMENT DETAILS**

An application for parts of 4 blocks (0.47 square kilometres) was made on 23 April, 2002. It was subsequently granted as EL 23578, effective 30 December, 2003 for a period of six years. Ownership is Compass Resources NL 90% and Guardian Resources Pty. Ltd. 10%, with Compass being the operator.

The tenement is located on the Darwin 1:250,000 map sheet, Tumbling Waters 1:100,000 map sheet (5072), and Collett Creek 1:20,000 topographic map (5072-22). It is only 140metres wide over most of its length.

## **ACCESS**

The area is located about 1km immediately west of the Mt Fitch Trig station, access is difficult due to the Finniss River that flows through most of the Tenement.. Access to the north east area is by following the old railway line north from the East Finniss River, thence via the old Mt Fitch trial mine site.

## **GEOLOGICAL SETTING**

This tenement is located approximately one kilometres west of the Mt Fitch trig station. The area covers mostly alluvial flats of the Finniss River. The underlying rocks are interpreted to belong to the Mount Partridge Group.

The most recent published data of this area is that of Lally et al 2002 (Rum Jungle 1:100,000 Mineral Field Map).

## **PREVIOUS EXPLORATION**

During the early 1950s, a major portion of the exploration in this area was conducted by the BMR as part of a regional programme aimed at locating uranium deposits. Territory Enterprises Pty Ltd (TEP) was also responsible for much of the exploration that was completed in the area. In the period 1979 to 1984, Uranerz undertook a large exploration programme in the Batchelor area, including EL1562 over the present tenement.

Portions of the grid used by Uranerz still exists in some areas. Aircore drilling of 1 hole by Uranerz in the present tenement is the only drill data so far located.

Starting in 1986, the Central Electricity Generating Board Exploration (Australia) Pty Limited (CEGBEA) commenced exploration of EL4879 which covered this area. In the first year they completed an interpretation of the 1982 aeromagnetic and radiometric survey flown by Austirex Pty Ltd for the Northern Territory Geological survey over the area. They do not appear to have undertaken any field work within the area of the current tenement.

## **WORK COMPLETED THIS YEAR**

This tenement is one of many held by Compass and Guardian who have been actively exploring the Rum Jungle area for many years. At present a resource of approximately 80 million tonnes of base metal mineralisation has been located and reported, several more areas remain to be drilled to follow up good base metal intercepts. The work completed on this tenement in the past year follows a holistic approach to exploration in the region, which has proved to be successful in nearby tenements.

The first years work involved the acquiring of and familiarisation with the existing recorded exploration results. Because the area is small and located on the Finness River this data is sparse. The locations, depths and assays from the previous aircore drilling completed within the tenement and to the immediate south of the tenement is appended.

## **PLANS FOR NEXT YEAR.**

Compilation of available exploration data into GIS format is proposed for this and adjoining tenements. Follow up drill evaluation of the Mt Fitch South base metal prospect is likely to extend into this tenement and will be the prime objective of next years programme. This will form a part of the large 2005 programme proposed by Compass.

Expected expenditure is anticipated to exceed \$3,000.

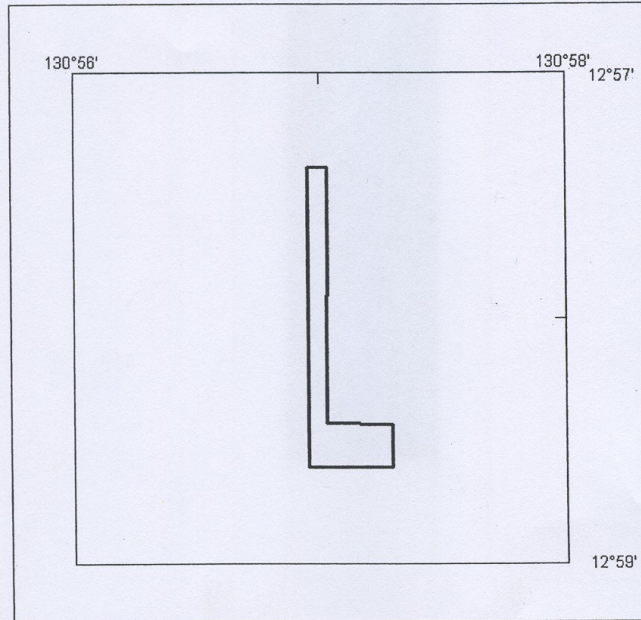
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EXPENDITURE REPORT  
EL 23578 – South Mount Fitch

Salary, wages, on costs	1,106.75
Land costs/searches	361.36
Field Costs	124.55
Overheads	<u>238.90</u>
	\$1,831.56

Second Schedule  
(Plan of Area)



**EL23578**  
**4 Blocks**  
**0.47 sq kms**



