FINAL ANNUAL TECHNICAL REPORT

EL29383 - Mt Bundy Project

Target commodity: Gold
NT 1:250,000 map series – Pine Creek SD52-8
NT 1:100,000 map series – Batchelor 5171

Distribution:

1. DOR Darwin NT
2. Primary Gold Ltd

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1 EXECUTIVE SUMMARY

EL29383 is a tenement of the Mt Bundy exploration group located about 68 km SSE of Darwin, along the Stuart Highway. The tenement is located approximately 35km and 45km respectively SW of the Primary Gold Rustlers Roost and Toms Gully Mines in adjacent tenements. Toms Gully is currently the subject of a Feasibility Study which the company hope to complete by the end of the September Quarter 2013 and which will form a hub for exploration and future mining activities in the Mt Bundy Project.

The tenement is made up of rocks of the Burrell Creek Formation of the Finniss River group and extensive areas of Quaternary alluvium and sand. The Burrell Creek Formation interpreted as a sequence of fine to coarse marine sediments and appears to be part of continuous sedimentation process. Due to the lack of marker horizons and poor exposure the width of the unit is unknown but is thought to be >1000m. This Formation is considered prospective for large low-grade gold deposits and has the potential for small high-grade deposits.

Only reconnaissance field work has been undertaken during Primary Golds tenure period. The company has been focused on the completion of a feasibility study and associated Environmental Impact Study into the re-opening of the nearby Tom's Gully Gold Mine. This project is the cornerstone of the company’s exploration strategy, providing both infrastructure to service nearby otherwise isolated small deposits and also exploration funds derived from operations. The project represents a consolidation of land holding in the area and represents an opportunity to better realise the potential of the district.

Work undertaken on EL29383 has been largely limited to reviews of historic exploration data.
2 COPYRIGHT

This document and its content are the copyright of Primary Gold Ltd (PGO). The document has been written by Ben Cairns for submission to the Northern Territory Department of Resources as part of the tenement reporting requirements as per Regulation 87 of the Minerals Titles Act.

Any information included in the report that originates from historical reports or other sources is listed in the “References” section at the end of the document.

This report may be released to open file as per Regulation 125(3)(a).
3 INTRODUCTION

EL29383 is a tenement of the Mt Bundy exploration group located about 68 km SSE of Darwin, along the Stuart Highway. The tenement is located approximately 35km and 45km respectively SW of the Primary Gold Rustlers Roost and Toms Gully Mines in adjacent tenements. Toms Gully is currently the subject of a Feasibility Study which the company hope to complete by the end of the September Quarter 2013 and which will form a hub for exploration and future mining activities in the Mt Bundy Project.

4 LOCATION AND ACCESS

EL29383 is situated 68km SSE of Darwin NT along the Stuart Highway. Access to the tenement is via station tracks off the Stuart Highway approximately 27km south of the junction between the Stuart Highway and Marakai Road. These tracks provide good access for 4WD vehicles during the dry season, however areas of extensive black soil make these tracks impassable after heavy rain, and therefore no access is possible throughout the wet season.

Figure 1 shows the location of EL29383.

5 TENEMENT DETAILS

EL29383 was granted to Primary Gold Limited on 30th May 2012 for a period of six years, expiring on the 29th May 2018. The tenement is 14 blocks in size. In 2014 PGO sought and was granted a waiver from reduction whilst it completed an assessment of the potential of the license to host economic mineralisation. In October 2015 Primary Gold relinquished two blocks at the northern end of the tenement, SD52999B and SD52999C.

The tenement overlies portions of seven separate sections; Hundred of Howard Sections 181 and 168 the Hundred of Playford Sections 234, 198, 174, 170 and 235. It falls within the Pine Creek 1:250,000 map sheet and on the Batchelor 1:100,000 map sheet.
Figure 1: EL29383 Tenement Location
6 GEOLOGICAL SETTING

6.1 REGIONAL GEOLOGY

EL29383 is located within the Archean to Palaeoproterozoic Pine Creek Orogen, one of the major mineral provinces of Australia. The Pine Creek Orogen is a deformed and metamorphosed sedimentary basin up to 14 km maximum thickness covering an area of approximately 66,000 km² and extending from Katherine in the south to Darwin in the north. It hosts significant resources of gold, uranium and platinum group metals (“PGMs”), as well as substantial base metals, silver, iron and tin-tantalum mineralization.

The Pine Creek Orogen comprises series of late Archean granite-gneiss basement domes, which are overlain by a fluvial to marine sedimentary sequence. Several highly reactive rock units are included within this sedimentary sequence including carbonaceous shale, iron stones, evaporite, carbonate and mafic to felsic volcanic units of the South Alligator and Finniss River Groups. This sequence has been subjected to regional greenschist facies metamorphism and multiphase deformation, which has resulted in the development of a northwest trending fabric. Subsequent widespread felsic volcanism and the intrusion of granitoids caused contact metamorphism, in aureoles between 500 m and 2 km wide that overprint the earlier regional metamorphism. After the granitoid intrusions an extensive array of northeast and northwest trending dolerite dykes intruded the metasedimentary sequence during regional extensional deformation.

Gold mineralization within the Pine Creek Orogen is preferentially developed within strata of the South Alligator Group and lower parts of the Finniss River Group along anticlines, strike-slip shear zones and duplex thrusts located in proximity to the Cullen Granite Batholith. Of particular stratigraphic importance are the Wildman Siltstone, the Koolpin Formation, Gerowie Tuff, Mount Bonnie Formation and the Burrell Creek Formation.
Figure 2: EL29383 Regional Geology
6.2 **Local Geology**

The tenement is dominated by Quaternary alluvium and sands overlying units of the Burrell Creek Formation of the Finnis River group which form low rises between sediment choked drainages.

The Burrell Creek Formation interpreted as a sequence of fine to coarse marine sediments ranging and appears to be part of continuous sedimentation process. It is described by the Northern Territory Geological Survey as consisting of reddish brown siltstones and shales with a well-defined cleavage, greywacke and quartz pebble conglomerate. Cross cutting quartz veins are prolific and pegmatites are common regionally. Due to the lack of marker horizons and poor exposure the width of the unit is unknown but is thought to be >1000m. This Formation is considered prospective for large low-grade gold deposits and has the potential for small high-grade deposits.
7 EXPLORATION ACTIVITY 30 MAY 2012 TO MAY 2016

There was no on ground exploration activity on EL29383 during the life of Primary Gold tenure. Work has been limited to desktop reviews of existing data. In October 2015 in response to a request from the NT DME, Primary Gold relinquished two blocks from the northern end of the tenement. The blocks were selected for surrender due to the extensive Quaternary cover overlying them and the location of dwellings and social infrastructure contained within them.

8 RECOMMENDATIONS AND CONCLUSIONS

Primary Gold believes that the previously retained portion of EL29383 held some potential for gold mineralisation but in the current economic climate is looking to focus all its resources on the Toms Gully Project and the exploration licenses immediately surrounding it and as such EL29383 has been recommended for surrender.

9 REFERENCES