

FORWARDED TO  
TG.  
BY EMAIL  
31/12/04  
Please update  
status report



**EL 23619 LITCHFIELD PROJECT  
NORTHERN TERRITORY**

**FIRST ANNUAL REPORT FOR THE  
PERIOD ENDED 21 OCTOBER 2004**

**Compiled by Matthew J White  
Consultant Geologist  
White Geoscience Pty Ltd**

**November 2004**

**DISTRIBUTION:**

**NT DBIRD (Darwin) (1)**  
**Discovery Nickel Ltd (1)**

## 6. EXPENDITURE

Expenditure allocated to EL 23619 for the annual period to 21 October 2004 is as follows:

**Table 2. Expenditure Details**

Airborne EM Survey	\$28,121
Administration and overheads	\$10,500
Annual Rent	\$924
<b>TOTAL</b>	<b>\$39,545</b>

## 7. PROPOSED EXPLORATION PROGRAM

The proposed exploration work for the annual period to 21 October 2005 includes:

- Further processing of Airborne EM (GETOEM);
- Ground truthing and geological mapping over key areas of interest and airborne EM conductors;
- Soil sampling;
- Ground EM;
- RC Drilling.

Follow-up ground work will be designed for the favourable structural corridors that contain the known/interpreted mafic/ultramafic intrusives. Any anomalous soil sampling results coincident with conductive responses in the airborne EM data would represent high-priority targets for ground EM follow-up work and drill testing.

## 8. CONCLUSIONS

EL 23619 forms part of the DNLs Litchfield Project in the NT, which is located in a highly prospective structural position (NNE continuation of the Halls Creek Province). The Cu-Ni potential is high and has not been downgraded by the diversity of previous exploration.

An airborne EM (Geotem) survey was carried out in October 2004 and preliminary results suggest that conductors exist in favourable settings. The data will be processed next period and any priority anomalies will be followed up with soil sampling, ground EM and mapping work. Any anomalous soil sampling results coincident with conductive responses would represent high-priority targets for drill testing.