TECK AUSTRALIA PTY LTD

ABN 35 091 271 911

CARRARA Project

FINAL TECHNICAL and SURRENDER REPORT 21st January 2013 to 28th December 2016

TENEMENTS - EL29559 & EL29561

Tenure holder & Operator: Teck Australia Pty Ltd, Level 2/35 Ventnor Avenue, West Perth WA 6005, Australia

Compiled by: M.Cawood - Teck Australia Pty Ltd

Date: 16 February 2017

Combined Reporting Number: GR329

Target Commodities: Zinc, Lead, Silver

Distribution: Department of Primary Industries and Resources (Northern Territory)
              Teck Australia
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Project Name: Carrara Project
Tenements: EL29559 & EL29561
Tenement Operator: Teck Australia
Tenement Holder: Teck Australia
Report Type: Final Technical Report
Report Title: FINAL SURRENDER REPORT 21st January 2013 to 28th December 2016
Author: M.Cawood
Date of Report: 16 February 2017
1:250 000 Map Sheet: MT DRUMMOND
1:100 000 Map Sheet: CARRARA
Target Commodity: Zinc, Lead, Silver
ABSTRACT

Tenements EL29559 and EL25561 were located approximately 160km due north-north west of Camooweal near the Northern Territory and Queensland border (Figure 1). The tenure were granted on 21st of January 2013 and relinquished in their entirety on the 28th December 2016.

The target commodities were zinc, lead and silver primarily associated with the Sediment Hosted Massive Sulphide (SHMS) deposit model.

Since grant, no field work was completed. The tenure is difficult to access via vehicle due to the rough terrain. The tenure has been relinquished primarily because they are located distally north of the interpreted prospective Little Range Fault corridor, lowering the likelihood of discovery of a significant mineralised system.
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1. INTRODUCTION

This report summarises the exploration activities conducted on EL29559 and EL29561. The tenements were relinquished on 28\textsuperscript{th} December 2016 without conducting field activities over the granted period. The tenure were part of the Carrara Project with Group Report number GR329.

2. LOCATION AND ACCESS

Light vehicle access to the project tenure from Mt Isa is via the Barkly Highway, driving 190 km northeast to Camooweal, thence driving northwards via graded dirt tracks for 70 km (Figure 2). The tracks follow the Queensland / Northern Territory border turning west into Northern Territory at the Gallipoli sign. The tenements are located on Mittiebah Station with access via Gallipoli Station. Alternatively the tenure can be accessed from the west and this is the preferred route for trucks. From Camooweal continue driving 72 km west on Barkly Highway to the Ranken road turn off. Drive 140 km due northwest on the Ranken road, at the Alexandria station turn off to the northeast towards Mittiebah station.

The tenements are located in the Carrara Ranges comprising rugged, mainly sandstone, ridges and gullies. No tracks exist through the tenements limiting access.
**Figure 1:** Location plan for EL29559 and EL29561

### 3. TENURE INFORMATION

**EL29559**

Exploration Licence EL29559 (Figure 2) was granted to Teck Australia Pty Ltd on the 21st of January, 2013 originally as 26 blocks. Six blocks were dropped on the 8th April 2016, reducing the tenure holding to 20 blocks. As of 28th December 2016, the tenement was dropped in its entirety.

**EL29561**

Exploration Licence EL29561 (Figure 3) was granted to Teck Australia Pty Ltd on the 21st of January, 2013 originally as 7 blocks. As of 28th December 2016, the tenement was dropped in its entirety.
The tenement details prior to drop are listed in Table 1

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Area (hectares)</th>
<th>Area (sub blocks)</th>
<th>Rent</th>
<th>Expenditure Commitment</th>
<th>Grant</th>
<th>Expiry</th>
</tr>
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<tr>
<td>EL29559</td>
<td>6,492</td>
<td>20</td>
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<td>21/01/2013</td>
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<tr>
<td>EL29561</td>
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<td>$784</td>
<td>$13,500</td>
<td>21/01/2013</td>
<td>20/01/2019</td>
</tr>
</tbody>
</table>

*Table 1: Tenure details prior to relinquishment*

The tenement currently consists of 182 sub blocks, covering an area of 592 km\(^2\), and is current to the 19\(^{th}\) of June 2019 over the same area.

*Figure 2: EL29559 Sub-block location plan*
4. EXPLORATION RATIONALE

The Carrara Basin has been identified, following an open file review, as prospective for sediment hosted massive sulphide hosted (SHMS) zinc-lead-silver deposits similar in style to other deposits in the McArthur River-Mount Isa minerals province such as Century, McArthur River, George Fisher, Mount Isa lead-zinc and Lady Loretta.

The strategy is to explore for SHMS mineralisation under cover by applying modern geophysical techniques such as detailed gravity, IP, airborne EM and seismic surveys, combined with innovative and best practice surficial geochemical surveys to provide targets that warrant drilling.

5. GEOLOGY

The Carrara Project area is located west of the Termite Range Fault and hosts lateral equivalents to the Lawn Hill Platform’s Upper McNamara Group members. Six prospective lithologies of the McNamara Group are present in the Carrara basin including the Lawn Hill formation which hosts the Century Zn-Pb-Ag deposit.

Prospective host lithologies:

- Doomadgee formation
- Walford Dolomite
- Mt Les Siltstone
- Lawn Hill Formation
- Plain Creek Formation
- Brumby Formation
The Little Range Fault in the south of the Carrara Basin (Figure 4) is considered to be a key structural feature and as such constitutes a high priority target corridor. The area is interpreted to coincide with part of that prospective corridor. The area is covered by Georgina Basin sediments and depth of cover is poorly constrained. This will be the focus of early stage data research and exploration.

Figure 4: Regional geological setting, showing the Carrara Range, and Little Range Fault in the south. Note the location of Century and the Termite Range Fault to the east. Rawlings 2008.

6. GEOLOGICAL ACTIVITIES AND OFFICE STUDIES

It has been concluded that the ground covered by EL29559 and EL29561 have low prospectivity for SHMS mineralisation as they are too far north of the key growth fault to require additional exploration. The Little Range Fault occurs between 8km and 14km south of the relinquished tenure and is interpreted as an inverted growth fault, extending across the Queensland border. The prospective Proterozoic sediments (Lawn Hill and Plain Creek, crop out in the vicinity of the the
relinquished tenure, and previous exploration along adjacent ground (including drilling and surface geochemistry) failed to return significant results. After an extensive review of the Carrara Project, it was decided to drop EL29559 and EL29561 in their entirety.

No field activities have been undertaken over the life of the tenements, including the prior annual period. Office based activities included data compilation and review

7. ENVIRONMENT AND REHABILITATION OF WORK SITES

No ground disturbing activities were undertaken

8. CONCLUSION

EL29558 and EL29561 are located in the northern part of the Carrara Project and were both granted on 21st January 2013. The tenements have been surrendered as of 28th December 2016 due to the low prospectivity of the region. The key Little Range Fault is located between 8km and 14km to the south hence is interpreted to have limited mineralizing influence on the rocks within the surrendered tenure.

No field work was completed on either tenement since grant, primarily due to accessibility issues
9. REFERENCES


