BRIDGING REPORT TO COVER EXPLORATION ACTIVITIES
OVER THE RED BLUFF LEASES
01 JANUARY 2001 – 28 JUNE 2007

MLC’S 76, 797, 799 & 800
Red Bluff Leases

LICENSEE:
SANTEXCO PTY LTD
A.C.N. 002 910 296

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MAP SHEETS:
□ TENNANT CREEK SE53-14
□ 1:250 000
□ TENNANT CREEK 5758
□ KELLY 5658
□ 1:100 000
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FIGURES

Figure 1. Location Map of the Red Bluff Leases Tenure Area
1. SUMMARY

Mineral Claims 76, 797, 799 & 800, Red Bluff, were acquired by Santexco Pty Ltd (Santexco) to search for Tennant Creek style iron oxide copper-gold deposits.

This bridging report records the exploration work done on these group of tenure during the term 01 January 2001 to 28th June 2007.

Exploration work conducted over the Red Bluff Leases tenure included a RAB drill program aimed at the testing of the prioritised oxide gold targets, which commenced on 24 November 2004 following a lengthy period comprising planning, statutory authorisations, CLC clearances and sourcing of drill contractors.

Drilling was completed at Explorer 80 with drilling statistics totalling 6 Holes for 220m.
2. INTRODUCTION

Mineral Claims 76, 797, 799 & 800, Red Bluff, were acquired by Santexco Pty Ltd (Santexco) to search for Tennant Creek style iron oxide copper-gold deposits.

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3. LOCATION

MCC’s 76, 797, 799 & 800 are a group of tenure located within Exploration Licences 10052 and 22868 west of the Stuart Highway and covers an area of 86 hectares, between 15km and 28km north-west of the Tennant Creek Township.

Access to the Red Bluff Tenure is gained via Warrego Road to MCC 797 which is located approximately 500m on the western side of the Warrego road, access to the remaining tenure is gained via a series of fence line and 4WD tracks.

Figure 1 shows the location of the Red Bluff tenure with respect to the town of Tennant Creek.
4. TENURE

Tenure details for the Red Bluff Tenure is as follows:

<table>
<thead>
<tr>
<th>Tenure</th>
<th>License Holder</th>
<th>Blocks &amp; part-blocks</th>
<th>Area (ha)</th>
<th>Date of Grant</th>
<th>Period of Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCC 76</td>
<td>Santexco Pty Ltd</td>
<td>33</td>
<td>19th December 2006</td>
<td>5 Years</td>
<td></td>
</tr>
<tr>
<td>MCC 797</td>
<td>Santexco Pty Ltd</td>
<td>20</td>
<td>12th October 1988</td>
<td>20 Years</td>
<td></td>
</tr>
<tr>
<td>MCC 799</td>
<td>Santexco Pty Ltd</td>
<td>20</td>
<td>12th October 1988</td>
<td>20 Years</td>
<td></td>
</tr>
<tr>
<td>MCC 800</td>
<td>Santexco Pty Ltd</td>
<td>12.5</td>
<td>12th October 1988</td>
<td>20 Years</td>
<td></td>
</tr>
</tbody>
</table>

The tenure lies within NT Portion 00408, Perpetual Pastoral Lease 946, Phillip Creek Station.

Figure 1 shows the tenure area as it was during the reporting term.
5. GEOLOGY

5.1 Regional Geology

The reader is referred to AusIMM Monograph 14 (Geology of the Mineral Deposits of Australia and Papua New Guinea), Volume 1, pp. 829-861, to gain an introduction to the regional geology and styles of gold-copper mineralisation of the area.

In 1995 the Northern Territory Geological Survey released a geological map and explanatory notes for the Tennant Creek 1:100,000 sheet, which covers the area of the license.

The rocks of the Warramunga Formation host most of the ore bodies in the region and underlie the Exploration License.

5.2 Local Geology

The majority of the tenure area is underlain by turbidite sediments of the Palaeoproterozoic Warramunga Formation (1865-1855 Ma), predominately greywacke and siltstones. This formation is host to virtually all the magnetite-haematite (ironstone-hosted) gold-copper-bismuth mineralisation and ore bodies in the Tennant Creek goldfield.

Exposure of the Proterozoic bedrock is fair to poor, particularly in EL's 10052 and 22868 which contain Red Bluff tenure. The Warramunga Formation is intruded in the western and north-western parts of EL 22868 by the Tennant Creek Granite (1855-1840 Ma), and in its southern parts by felsic porphyries.
6. PREVIOUS EXPLORATION

MCC’s 76, 797, 799 & 800

Premier 389 430E 7 839 040N
Explorer 80 403 554E 7 837 577N

Red Bluff Area (General)

The first magnetic surveys were made in 1935-37 by the Aerial, Geological and geophysical Survey of North Australia (in Daly, 1957). An airborne magnetic survey of part of the Tennant Creek field was done by the BMR in 1956 using a fluxgate magnetometer mounted in a DC3 aircraft. A large additional area was flown in 1960 as described by Finney (1966).

During March 1961, the BMR did, at the request of ADL, measurements of the variations in the horizontal magnetic force along the centre-lines of a series of magnetic anomalies located close to Tennant Creek. The detail of this work is presented in Douglas (1961).

The BMR investigated the Tennant Creek area in the early 1960’s and geological descriptions of the some of the prospects within the Red Bluff area are found in Crohn and Oldershaw (1964).

During 1964, the BMR carried out a programme of geochemical auger drilling between Red Bluff and the Premier Mine. No anomalous concentrations were identified (in Tapp, 1969).

A detailed aeromagnetic survey was flown over five areas in the Tennant Creek field in 1966, including the Red Bluff area, and ground magnetic traverses were surveyed across some of the aeromagnetic anomalies to assist interpretation. The detail of this work is presented in Finney (1966).

Geophysical Resources Development Pty Limited using a fluxgate magnetometer flew four areas in the Tennant Creek field in 1969. The purpose of the survey was to outline in greater detail the magnetic anomalies on the BMR’s survey of the area. The results are discussed in Webb (1969).

GeoPeko undertook a review of the Tennant Creek field exploration including the Red Bluff and Ivanhoe areas. This review concludes that several anomalies in the Red Bluff area and in the immediate vicinity of the Ivanhoe mine were drilled with generally disappointing results and no further work was recommended (Williams, 1970). During 1971 GeoPeko undertakes a detailed regional geological mapping of the area during which numerous ironstone outcrops were sampled. This ironstone sampling was performed in the hope that sulphide mineralisation might be revealed directly from the geochemical results of these ironstones. Four samples were taken from the Red Bluff area; all results are discussed in Faulkner (1971).
Westmoreland Joint Venture explored the Red Bluff area under Authorities to Prospect 2090, 2092 and 2093 in the late 1960’s early 1970’s. Work included ground magnetics surveying, geological mapping, soil geochemical surveying and percussion drilling (MacMahon, 1971).

In an attempt to evaluate the volcanogenic massive sulphide potential of the Tennant Creek field Australian Development Limited (ADL) investigated different areas including Red Bluff (Fehlberg, 1974).

Placer Exploration Limited, in a joint venture agreement with Metana Minerals NL, explored the area under Exploration Licences 7074 and 7105. The geological interpretation combined to the interpretation of aeromagnetic survey data lead to the conclusion that the potential for economic mineralisation was slight (Scott & Standing, 1991a and 1991b).

Between 1991 and 1993 the North Flinders Mining Limited (NFM) Roebuck Resources NL Joint Venture held ELs 7432 and 7445 which cover the western portions of SEL 8664 (Locksley Prospect, see below). The joint venture partners conducted field reconnaissance work and surface geochemical ‘M’ sampling programmes without significant results (Hatcher & Halfpenny, 1993).

PosGold Limited (PosGold), now Normandy, explored in the mid-1990’s the Red Bluff area under Exploration Licences 8034 (Ivanhoe Prospect), 8390 (Castle Prospect), 8403 (Moosehead Prospect) and Substitute Exploration Licence 8664 (Locksley Prospect).

Work over EL 8034 comprised a vacuum drilling programme on a 100m x 100m grid (86 holes, 411 s). Bedrock samples were dispatched to ALS (Alice Springs) for Au, Cu, Bi, Zn, Ag and As analysis. A peak gold value of 5 ppb was recorded (Kuoni, 1994a and 1994b).

Work undertaken on EL 8390 and EL 8403 comprised field reconnaissance and a review of previous exploration data (Evans, 1994a and 1994b). Substitute Exploration Licence 8664 (Locksley Prospect) was formed in lieu of ELs 8390, 8403 and 8403.

Work undertaken by PosGold during year one of tenure included a review of previous exploration and mining data and a vacuum-drilling programme (433 holes, 2,302 metres). A four kilogram sample of overburden and a two-kilogram sample of bedrock were collected from each hole. The overburden samples were submitted to Analabs in Perth for heavy mineral concentrating (HMC) and analysis for Au, Cu, Bi, Fe, Mn, Pb, Zn, Ag, Cd and Mo. Peak values included 8 ppb Au, 274 ppm Cu and 5 ppm Bi. The bedrock samples were submitted to Amdel Laboratories Limited (Adelaide) for analysis of Au, Cu, Bi, Zn and Ag. Results defined an elevated Au-Cu-Zn-Ag zone corresponding to the Navigator Fault splay (Evans, 1995a and 1995).

Exploration completed during the second year of tenure lead to the conclusion that the potential for SEL 8664 to hold economic mineralisation was limited, SEL 8664 was surrendered at the end of the second year of tenure (Mouchet 1996).

MCC’s 799-800 (Explorer 13)
MCC’s 799-800 (Explorer 13) are adjacent to the Ivanhoe Mine (Explorer 9) and were initially pegged as ML 170E. The Explorer 9 area was initially covered by GeoPeko in 1959 with the following mineral leases: ML 170E (Explorer 13), ML 179E (Ivanhoe), ML 180E (Ivanhoe Extended), ML 204E Explorer (17), ML 205E (Ivanhoe Southeast) and ML 206E (Ivanhoe East). Work undertaken by GeoPeko on adjacent Explorer 9 (Ivanhoe) in the 1960s is presented in Elliston (1963 & 1965). The estimated ore reserves for Ivanhoe Mine are 197,000 tonnes at 5.50% Cu and 2.5 dwts/ton Au (Wright, 1966). A mine summary and exploration potential is presented by Meade (1987).

GeoPeko drilled three holes between 1959 and 1960 into Explorer 13. Detail of this work is presented in Elliston (1963) and also summarised in Derriman (1988). In 1961, the Commonwealth Scientific and Industrial Research Organization conducted mineragraphic investigations on core samples from Explorer 13 Prospect on behalf of Peko Mines NL, all details about this study are presented in Baker (1961).

In the early 1960s the NT Mines Branch carried out geochemical sampling over the Explorer 13 magnetic anomaly. GeoPeko conducted infill sampling during 1964-1965 involving auger drilling on NS grid lines. Samples were assayed for Cu, Pb, Au, Co and Bi (in Villazon, 1994).

GeoPeko explored the area covered by Explorer 13 (and the Ivanhoe Mine) in the early 1980’s under Exploration Licence 3574. During this period, three holes were drilled into the Explorer 13 Prospect (604 s). Significant intersections are presented Derriman (1988).

In 1988, the first programme of twelve holes was drilled by GeoPeko to target the source of the anomaly. Drilling intersected a series of near vertical ironstone bodies containing Cu-Au-Bi mineralisation associated with chalcopyrite and to a lesser degree pyrite. These ironstone bodies were intersected between 100-250 s below surface and over a strike of 130 s (Bolger, 1988). Potential was recognised for extensions to the known ironstone bodies with possible additional lodes located to the south. Consequently MCC’s 799-800 were applied for and granted in 1988. Upon granting, GeoPeko completed a further 8 drillholes on the Explorer 13 Prospect (in Lowe, 1993c). Horvath (1989) has compiled a geological review and resources estimate. An application for renewal of MCCs 799-800 was lodged in 1993 (Lowe, 1993c). PosGold undertook a review of the exploration potential of MCC 799 in 1994. The compilation of the drill data provided little encouragement for the discovery of additional mineralisation (Villazon, 1994).

**MCC 797 (Explorer 80)**

GeoPeko explored the ground covered by MC 797 in the 1970s under Exploration Licence 214. Work undertaken on Explorer 80 during that period included a vertical force magnetometer survey, two series of auger drilling (74 holes in total) and two diamond drill holes. The diamond drilling indicated that the potential of this prospect was not very large in terms of either tonnage or grades. Further geophysical analysis was recommended (Richardson, 1972; Bamford et al, 1973; Love, 1974 and Reynolds, 1976). GeoPeko explored the Red Bluff area in the late 1980s under Exploration Licence 3574. Work undertaken during that period included surface chip sampling (Love, 1987) and RC drilling. A total of eight RC holes (for 580 s) were drilled into Explorer 80, the best results included...
4 s @ 4.5g/t Au in hole number 6 (from 27-31 s). In anticipation of the relinquishment of this EL, a mineral claim (MCC 797) application was lodged in 1988 (Derriman, 1988).

NTC Explorer 13 RC Drill Programme - A total of eight RC holes were drilled at the Explorer 13 prospect for 629 metres by NTC. These holes were drilled to test the potential of the prospect to host a shallow gold deposit that could be mined via open pit.

These holes tested the near surface extension of low grade mineralisation intersected in historical drilling. The results of the shallow drilling were disappointing and indicated a low potential for the prospect to host economic quantities of gold mineralisation.

The holes intersected narrow zones of hematitic ironstone and/or altered sediment within oxidised siltstone. Best intersections include:

EX13-027 6m @ 0.3g/t Au from 27m
EX13-025 3m @ 0.96g/t Au from 87m
EX13-022 6m @0.57g/t Au from 99m

7. WORK DONE DURING THE REPORT PERIOD

MCC’s 76, 797, 799 & 800

RAB drill testing of the prioritised oxide gold targets commenced on 24 November following a lengthy period comprising planning, statutory authorisations, CLC clearances and sourcing of drill contractors.

Drilling was completed at Explorer 80 with drilling statistics totalling 6 Holes for 220m.

Digital data for aforementioned drilling can only currently be presented in Datamine format, as Emmerson Resources doesn’t possess the required software to enable the data to be transferred into the required format for submission.

Emmerson Resources is currently undertaking a review of the centralized data management system with the aim of constructing a data management system to allow the maintenance of all project data with seamless integration between the data repository and various exploration applications used by Emmerson. Following the implementation of a suitable proposal Emmerson Resources may then be able to provide the required digital data in the required format.

8. REHABILITATION
Exploration within the Red Bluff Leases tenure consisted of RAB drilling.

All drilling rubbish generated during the RAB drill program within the Red Bluff Group of Tenements has been removed and disposed of at the Tennant Creek tip.

9. REFERENCES

General


Explorer 13


**Explorer 80**


