LEGEND INTERNATIONAL INVESTMENTS PTY LTD

Final and Annual Report (11/06/2016 – 01/08/2017)

on EL 25794

Central Australia, Northern Territory

Tenement Holder: Legend International Investments Pty Ltd

Distribution:
- Department of Primary Industry and Resources, NT
- Legend International Investments Pty Ltd, Darwin

Zia U. Bajwah
zbajwah@bigpond.net.au
September 2017
Copyright Statement as per Regulation 126 of the Mineral Titles Act

This document and its content are the copyright of Legend International Investments Pty Ltd Limited. The document has been written by Zia Bajwah for submission to the Northern Territory Department of Primary Industry and Resources as part of the tenement reporting requirements as per Regulation 78(1) 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.

I authorise the department to copy and distribute the report and associated data.
SUMMARY

Exploration Licence (EL) 25794 is located about 1280 km south of Darwin, and 120 km north of Alice Springs Australia. Originally, it had 450 sub blocks (1215 km²) on the Hermannsburg (1:250 000) sheet. EL was granted to Legend International Investment Pty Ltd on 11 June 2008 for a period of six years initially. The tenement was renewed twice for 2 years term and once for 1 year term, and eventually it was terminated on 1 August 2017. This is the final and annual report of EL 25794.

Geology of EL 25794 is dominated by Palaeoproterozoic rocks of the Arunta Block along with possibility of Amadeus Basin stratigraphy, now covered by Quaternary sediments. These rocks are represented by Narwietooma Metamorphics, Mount Hay Granulite, Mount Chappell Metamorphics, Bunghara Metamorphics and Forty Five Augen gneiss, probably intruded by granites at depth.

During the term of the Licence, appraisal of exploration and geological data was undertaken which identified mineral potential for PGE and REE element mineralisation, and was explored in detail for REE mineralisation. The project area was flown by high resolution aerial geophysical survey that covered the whole tenement area. Processing and interpretation of geophysical data identified mineral potential of the project area. A total of 297 stream sediments and rock chip samples were taken which were assayed for REE, uranium, thorium and base metal mineralisation. Assaying of these samples returned good values of REE and Zr together with uranium and thorium. During 2014 -15, a program of Air Core (AC) drilling was undertaken to test subsurface potential of REE mineralisation. A total of 29 holes were drilled for 579 meters within project area. 541 samples retrieved during drilling were assayed for REE mineralisation. Assay results did not meet the expectations.

Geological, geophysical, geochemical and drilling exploration activities undertaken during the term of Licence did not provided encouraging results to continue exploration activities in a very challenging economic environment. Company also could not secure access to almost 70% of the tenement area, apart from intensive negotiations with one of the landlords. As a result of that EL 25794 was terminated on 1 August 2017.
TABLE OF CONTENTS

SUMMARY 3
1.0 Introduction 5
2.0 Tenement Status 5
3.0 Location and Access 5
4.0 Geological Setting 7
5.0 Previous Exploration Activity 10
6.0 Exploration Activity during the Term of Licence 11
7.0 Discussions and Recommendations 19
8.0 References 19

LIST OF FIGURES

Figure 1: Tenement Location Map
Figure 2: Geological Setting of the Project Area
Figure 3: Exploration index map of EL 25794 for 2012 – 2013
Figure 4: EW-trending rock formations in the project area
Figure 5: Schramm 450 drilling rig mounted on custom built 6x6 carrier
Figure 6: Rehabilitation of drill hole
Figure 7: Rehabilitation of drill hole, EL 25794

LIST OF TABLE

Table 1: REE concentrations ranges from EL 25794, 2012 – 2013 reporting period

LIST OF APPENDIX

Appendix 1: File Verification Listing
1.0 INTRODUCTION
EL 25794 is located in central Australia, about 1280 km south of Darwin and approximately 120 km northwest of Alice Springs (Figure 1). Legend International Investments Pty Ltd explored the project area for REE, Uranium and base metal mineralisation. This is the final and annual report on the exploration activities undertaken during the term of the Licence, which was terminated on 1 August 2017.

2.0 TENEMENT STATUS
The EL was applied for on 7 December 2006 by Legend International Investments Pty Ltd and was granted on 11 June 2008 for a period of 6 years. Originally, it had 450 blocks (1215 km²), and in 2012 and 2013 a total of 212 blocks were surrendered in order to meet the NT Mining Act requirement. Another lot of 93 blocks were surrendered in 2014, leaving behind only 119 blocks. The tenement was further reduced to 60 blocks following grant of renewal on 8 August 2016. EL 25794 was renewed twice for 2 years term and once for 1 year term, and eventually it was terminated on 1 August 2017.

Underlying cadastre is covered by a number of pastoral properties such as PPL 1150, PPL 1145 and PPL 1019.

3.0 LOCATION AND ACCESS
EL 25794 is situated in central Australia and is located about 1280 km south of Darwin and 120 km NW of Alice Springs (Figure 1). Part of the tenement is intersected by Tanami Road in the east and Gas Pipeline in the west. Stuart Highway and Darwin to Adelaide Railway line are located about 100 km east of the project area. Three topographic high points Mt Chappell, Mt Zeil and Redbank are located within the licence area. Tenement is situated in the central part of Hermannsburg (1:250 000) sheet. It also covers area in Narwietooma, Hermannsburg, Glen Helen and Gosses Bluff (1:100 000) sheets. Access to the project area is gained by Stuart Highway then by Tanami Highway. Four wheels drive station tracks provide access to various parts of the tenement. The project area is mainly covered by red sandy plans with occasional sand dunes in the north whereas rocky ridges are present towards south. The area experiences a continental desert climate with annual rain fall of about 100 millimetres. Summers are dry and hot with maximum temperature over 50°C whilst winters are relatively cooling (maximum 30°C). Winter season is the most suitable for exploration.
Figure 1: Location of Project Area
4.0 GEOLOGICAL SETTING

The project area is situated within northern part of the Arunta Block which is overlain by rocks of Amadeus Basin. It is a Palaeoproterozoic fault-bounded sequence of igneous and metamorphic rocks that forms a deep depo-centre within the Northern Australian Craton. The oldest rocks of the northern part of the Arunta Block comprises mafic and felsic granulites of the Strangways and Narwietooma Metamorphic complexes, which are partly underlain by Madderns Yard Metamorphic Complex (Warren and Shaw, 1995). During Strangways Orogeny (1760-1750 Ma), these rocks were down-wrapped to depths in excess of 20 km, and as a result of that deformed and metamorphosed.

The Strangways Complex forms part of the southern Arunta Block which consists of Palaeoproterozoic volcanics and sedimentary rocks. These were strongly deformed and metamorphosed to granulite and amphibolite facies, and intruded by granites (Warren and Shaw, 1995). An episode of migmatisation occurred during Neo-Palaeoproterozoic followed by widespread thrust-faulting and associated retrogressive metamorphism occurred in Neooproterozoic (Alice Springs Orogeny).

The geological mapping done so far indicates that the Strangways Complex consists essentially of high-grade metamorphics – granulite of mafic and felsic and pelitic compositions, including pyroxene granulite, cordierite granulites, charnockites, anorthosite and migmatites. The metamorphics comprised of amphibolites, gneisses, schists, marbles, pegmatites and meta-dolerites. Common mineral assemblages are quartz-hypersthene-cordierite-biotite and garnet.

In the project area mainly rocks of the Narwietooma Metamorphic Complex (Figure 2) are present which, in turn, are overlain by Cainozoic lithologies. The Mt Chappell Metamorphics is the most common unit and forms the Mt Chappell massif and low hills to the east. It is predominantly mafic to intermediate granulite and gneiss along with minor metasediments. In places, felsic granulite and orthopyroxene-bearing gneissic granites are also present. Another formation in the Narwietooma Metamorphic Complex is Bunghara Metamorphics. Main outcrops are around Mt Heughlin where it forms low rounded massifs and series of small hills further east. The unit consists of meta-igneous rocks and very minor sediments. Mafic to intermediate granulites, dark toned on aerial photographs are predominant.
Figure 2: Geological Setting of the Project Area
(Warren and Shaw, 1995). More basics rocks appear to be migmatic. Metamorphic facies range from granulite to upper amphibolite. Retrogressive garnet occurs in mafic to intermediate metaplain rocks.

The Mt Hay Granulite forms most of the Mt Hay Massifs and Ceilidh Hill to the east. It consists of fine-grained mafic granulite and minor interlayered metamorphosed felsic gabbro-anorthosite granulite and minor calc-silicate rocks. Felsic granulite is also present which may form up to 10% of the unit. Quartzose metasediments occurs as thin recessive bands within migmatic layers containing garnet and biotite-sillimanite intergrowths. Calc-silicate rock forms a small lens west of Ceilidh Hill. The Mt Hay Granulite passes gradationally into the Mt Chappell Metamorphics, and encloses the main part of the Anburla Anorthosite.

Metamorphosed igneous rocks within the Narwietooma Metamorphic Complex are represented by the Anburla Anorthosite and that forms three separate bodies in the Hermannsburg (1:250 000) sheet area. The unit ranges in composition from essentially monomineralic plagioclase-rock to a lithology containing plagioclase and approximately 40% ferromagnesian minerals. Many outcrops have dark bands a few mm thick comprising of hornblende, enclosing pyroxene.

The forty five Augen Gneiss forms the southern part of the Redbank Hill. It consists mainly of quartzo-feldspathic gneiss with large augen of K-feldspar and aggregates of unfoliated granite inclusion in a foliated matrix. Dyke-like tongues of non-foliated microgranite dated at 1760± 11 Ma, cut gneiss which is dated at 1754± 9 Ma (Warren and Shaw, 1995). The augen gneiss contains a variety of country rock xenoliths and minor rafts and pods of mafic rocks, and is cut by Redbank Shear Zone, formed during Alice Springs Orogeny.

The Mt Zeil Granite forms a large body of intrusive complex on the northern side of the Redbank Thrust Zone (Figure 2). It also crops out on the north-eastern side of the Mt Heughlin massif. It consists of homogeneous to migmatitic medium-grained granodiorite and granite along with medium-grained granitic gneiss and augen gneiss. Thin layers of mafic granulite parallel to the gneissic foliation contain high level of Nb, LHREE and Zr (Warren and Shaw 1995). It is cut by Redbank type mylonite zones and pegmatites (Black and Shaw, 1992). The Dashwood Gabbro is present in the south-western part of project area. It comprises altered gabbro, dolerite, and ultramafic rocks.

In the project area, unconsolidated Quaternary sediments form a surficial covers. These are ferruginised alluvium and sand along with drainage channel deposits. During drier periods, aeolian reworking spread sheet and dune sands. Close to hills, there are coarse sand and gravel and, as they spread out, they contain more silt and sand. Fans are currently spreading over the clayey units. Some calcrete and Silcrete outcrops may also be present.
5.0 PREVIOUS EXPLORATION ACTIVITY

Project area is situated in the centre of Australia continent which has seen little exploration since today. Part of the project area has been explored under historical ELs (EL 519, EL9566, EL 1323, EL 754, EL 755).

Earliest record of uranium exploration is covered under EL 754 which involved geological mapping, radiometric survey and water sampling for sedimentary uranium deposits (Hughes and O’Sullivan, 1973). Historical EL 754 covers eastern part of the project area. Overall results were disappointing and eventually EL 754 was dropped.

Western part of the project area was explored under EL 755 which involved drilling of 74 augers holes to determine the presence of calcrete development, which might host uranium mineralisation. However, all sample retrieved showed low concentration of uranium. The average value was 1 ppm to 2 ppm of uranium (Scott, 1973).

CRE conducted exploration for uranium under EL 519 which covered western part of the current tenement area. During this campaign geological mapping, review of sedimentation processes and gamma-logging of open water bores (Hughes and O’Sullivan, 1973) were undertaken. Results of this investigation were not encouraging and tenement was surrendered.

First phase of geological mapping was conducted by Bureau of Mineral Resource, Geology and Geophysics during 1960’s (Quinlan and Forman, 1968). Second phase of geological mapping of the area was undertaken by Bureau of Mineral Resources, Geology and Geophysics in 1995 (Shaw and Warren, 1995). During this exercise, geology of the project area was revised as part of Hermannsburg (1:250 000) project. This led to sub-division of main geological stratigraphy which forms the basis of our geological understanding of the area today.

Large part of the tenement was explored under EL 1323 by Esso Australia in 1977. A detailed photogeological assessment was undertaken and spectrophotometer survey of the area was conducted. During geophysical survey, a number of radiometric anomalies were identified; however, none of these were investigated. Granites in the area appear to be radioactive and host radioactive anomalies.

In 1978, exploration program further pursued EL 1323 for the presence of uranium mineralisation. Two airborne radiometric surveys were flown which identified additional uranium anomalies which were checked during ground-truthing. However, geochemical and petrological studied showed that uranium mineralisation has little economic significance (Fraser, 1978) and eventually tenement was surrendered.

Part of EL 25794 was explored under Mt Hay/Sixteen Mile project by Rio Tinto Exploration Pty Ltd (Home et al., 1998). This project was investigated for Ni-Cu-PGE mineralisation. Exploration
program included geological mapping, rock sampling/assaying, airborne magnetic, radiometric and EM survey, downhole conductivity and magnetic susceptibility logging and drilling. No sign of significant mineralisation was encountered and area was surrendered.

6.0 EXPLORATION ACTIVITY DURING THE TERM OF THE LICENCE

During the term of the Licence, the project area was explored for a number of mineral commodities such as PGE, uranium and REE mineralisation. The main exploration activities included technical review of the previous exploration data, high resolution geophysical survey, processing and interpretation of geophysical data, reconnaissance field mapping, geochemical survey and drilling. Details of exploration activities during each reporting period are given below.

2008-2009
In the first year of the tenure, a desktop study was undertaken with the help of open file geological and geochemical data. A technical review of the data/information showed that EL 25794 has the potential of PGE, uranium, base metals and REE mineralisation. In addition, planning to conduct a high resolution airborne geophysical survey of the project area was undertaken.

2009-2010
During the reporting period, exploration activities in the project area continued which included reconnaissance geological survey, data evaluation and interpretation, negotiations with Central Land Council and landlords to gain access to the project area for detailed exploration activities were conducted. A highlight of this period included acquisition of high resolution aerial geophysical survey (Figure 3).

Figure 3: Aerial geophysical survey boundary of EL 25794
Geophysical data were lodged with NT Dept of Mines and Energy with 2009 - 2010 annual report (Legend International Investments Pty Ltd, 2010).

2010 – 2011
In the year under review, a number of reconnaissance field visits were undertaken along with processing and interpretation of geophysical survey of the project area. Geological and geophysical data were reviewed in order to assess the mineral potential of the project area, which helped to define targets for drilling. Negotiations were also conducted with land owners to commence on-ground exploration activity, and also with some companies to explore the project area under a JV agreement. TMI image of the project area is shown in Figure 4 and it highlights strong magnetic ridges and non-magnetic lows within the project area. Geological and geophysical investigations suggest that project area has potential for REE, PGE, Cu, Ni, Co, Au and U mineralisation.

Figure 4: TMI image of the project area

2011 – 2012
During this period, a stream sediment sampling program was undertaken in the eastern and western part of the tenement. For this purpose, a total of 80 stream/soil sediments and rock chip samples were taken. These samples were assayed for REE and trace element concentrations. In some samples, significantly anomalous values of REE were returned which point towards the prospectivity of the project area. In addition, a number of reconnaissance field visits were undertaken. Spatial distribution of all sampling data is shown in Figure 5.
Figure 5: Exploration index map of EL 25794 for 2011 – 12
Of the 80 samples collected, 30 were taken from stream beds and mainly comprised of sandy loam (~25 kg), sand with soil component, and were termed as Mount Zeal Sandy Alluvium (MZSA). These samples were passed through Wilfley Table to produce Heavy Mineral concentrates for REE and Sn, Ta, W, U and Th assay. These concentrates were put through magnetic separator to produce two concentrates 1) magnetic concentrate and 2) non-magnetic concentrate. Both fractions (300 grams per sample) were assayed for REE concentrations by ICP-MS (Method Code: ME-ICP61) and details of analytical methods are given in Bajwah et al., (2012).

A consignment of 15 stream sediment samples were directly assayed for REE concentrations by ICP-MS (Method Code: ME-ICP61). Results and analytical methods are given in Bajwah et al., (2012). Another consignment of 5 rock chip samples (300 g per sample) was also processed to assay for trace element concentration by ICP (Method Code: ME-ICP61). Assay results of geochemical sampling program point towards significant potential for REE mineralisation in the project area.

In magnetic fraction REE such as Ce, La, Nb, Nd, Y and Th, and Zr are high and these have the highest concentrations from non-magnetic fractions (Bajwah et al., 2012). Ce varies from 66 ppm to 1620 ppm with an average of 314 ppm. Whereas in non-magnetic fractions, Ce ranges from 70 ppm to 9940 ppm with an average of 1364 ppm. The highest concentrations of enrichment in sandy alluvium is shown by zircon in non-magnetic fraction where it ranges from 2500 ppm to 41200 ppm with an average of 16427 ppm, which is over 11 times the average of Zr in magnetic fraction. La is another element of noteworthy which ranges 33 ppm to 6550 ppm with an average of 801 ppm in non-magnetic fraction. One the other hand, magnetic fraction shows much lower concentrations (30 – 861 ppm, average= 162 ppm). Nd, Pr and Y also recorded higher concentrations in non-magnetic fractions than the magnetic fractions. Thorium has shown interesting behaviour due to its significant concentrations in sandy alluvium samples of non-magnetic character, where it ranges from 51 to 1310 ppm with an average of 446 ppm. In sandy alluvium this enrichment behaviour is not known at present and mineralogical studies are required to find which mineral is hosting thorium.

2012-2013
Stream sediment and rock chip sampling programs continued during 2012 – 2013 reporting period within the project area. It involved retrieval of 217 samples, of which 199 were stream samples, whereas 18 were of rock chip samples. Exploration Index map of this program is given in Bajwah et al., (2013). These samples were assayed for REE, base metals and radioactive metals such
as uranium and thorium. In some samples, elevated levels of REE and radioactive elements were noted. Of particular interest are Ce, La, Gd, Nd, Sm and Y.

Table 1 portrays summary of assay results from the project area. Ce has recorded significant elevated concentrations ranging from 4 to 305 ppm with an average of 48 ppm. Similarly, La also records concentration of interest and ranges from 7 to 320 ppm with an average of 32 ppm.

Table 1: REE concentrations ranges from EL 25794, 2012 – 2013 reporting period

<table>
<thead>
<tr>
<th>Sample Types</th>
<th>Ce ppm</th>
<th>La ppm</th>
<th>Nd ppm</th>
<th>Pr ppm</th>
<th>Y ppm</th>
<th>U ppm</th>
<th>Th ppm</th>
</tr>
</thead>
<tbody>
<tr>
<td>MZ_SS Series</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum</td>
<td>4.5</td>
<td>7</td>
<td>0.5</td>
<td>0.5</td>
<td>1</td>
<td>0.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Maximum</td>
<td>225</td>
<td>320</td>
<td>135</td>
<td>60</td>
<td>120</td>
<td>450</td>
<td>225</td>
</tr>
<tr>
<td>Average</td>
<td>24</td>
<td>32</td>
<td>20</td>
<td>6.67</td>
<td>31</td>
<td>30</td>
<td>24</td>
</tr>
</tbody>
</table>

Similarly, Gd, Nd, Sm and Y also contained elevated levels of REE concentrations. A surprise result of assay data relates to U and Th concentrations in sandy samples. It is important to note that based on radiometric image, EL 25794 appears to be prospective for uranium and Thorium. Uranium values range from 0.5 to 450 ppm with an average of 30 ppm. Whereas thorium records 4.5 to 225 ppm with an average of 225 ppm. At this stage reason for these elevated levels of radioactive elements is unknown, and data processing and interpretation is required to find out the reasons for elemental concentrations.

18 rock chip samples were assayed for REE, U, Th and base metals and were reported in Bajwah et al., (2013). Chip samples show evidence of REE concentration but not as high as in the Quaternary sediments. Ce (range = 1-170, average 79 ppm) and La (range = 1- 90 ppm, average 39 ppm) records elevated values, indicating relationship with Quaternary sediments. Y (average = 30 ppm) values are also higher than normal values of igneous and metamorphic rocks. Base metals values are generally in normal range, except Zn (range = 0.5 – 145 ppm, average = 84 ppm) Co (range = 0.2 – 50, average = 22 ppm) and Ni (range = 2 – 145 ppm, average = 36 ppm). In addition, a number of reconnaissance field visits were undertaken for ground-truthing. Geological and geophysical data were reviewed in order to assess the mineral potential of the project area.
2013 – 2014

The main exploration activity conducted during the reporting period included assessment of all previous exploration data and involved data processing and interpretation of geochemical sampling and assaying programs undertaken during 2011 - 2013 reporting years. Reviewing of all exploration data available was imperative in reaching a decision to undertake drilling, particularly in current difficult environment, what exploration industry is facing. In addition, a number of field visits were undertaken for ground-truthing. Processing and interpretation of available data has identified areas which have recorded significant concentrations of LREE, Y and Zr within the Quaternary sandy loam. This Quaternary sandy layer blankets much of EL 25794 and appears to be 10’s meter thick. Spatial distributions of REE, Y and Zr also demonstrated that eastern part of the project is much more prospective, perhaps due to geological control of Mt Chappell Metamorphics, as compared to western part of the project area. Information presented in the report also suggests that mineralisation is open along strike and down dip. It is recommended that company should undertake drilling campaign which may identify significant areas of REE, Y and Zr mineralisation within the project area.

2014 - 2015

During this period, a program of Air Core (AC) drilling was undertaken to test the REE potential of the project area. For this purpose 29 holes were drilled for a total of 579 meters within EL 25794. Figure 6 shows the location of drill holes. All drilling and related geochemical data were lodged in 2015 annual report (Bajwah and Yao, 2015). A total of 541 samples retrieved during drilling were assayed for REE mineralisation.

Drilling conducted to date has shown that northern part of the project area has much thicker sedimentary cover as compared to southern areas. A good stratigraphic profile was intersected in drill holes AC 013, AC015, AC 018 and AC 019. A typical profile will contains fist a few meters of clay (alluvium) and sandy loam which is generally dark-reddish brown and fine grained. It might have some country rock clasts or calcrite fragments. This section will grade into alternating sandy loam and clay rich sandy loam. Here, in some cases, calcrite clasts/fragments may also be present. At a depth of 40 m or more, mud rich area will appear which will ultimately terminate into gravel rich area with water at a depth of 50 m or more.

During this reporting period, only 25 sandy loam samples were assayed for REE mineralisation (La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu, Sc and Y). These samples were assayed by JiangXi Jung Yun Non-ferrous Geological Test Ltd Co, Tong Zhan Road 14, Xiangtong County Nanchang Jiangxi Chian 330201.
Figure 6: Exploration index map of EL 25794 for 2014 – 15
REE concentrations detected during soil sampling and assaying program (Bajwah et al, 2012; Bajwah et al, 2013) were not encountered during drilling. So far, only a limited number of samples have been assayed and it is likely that they do not represent the stratigraphic horizons deemed necessary for REE mineralisation. A cursory examination of data shows that samples assayed were selected form shallow stratigraphic horizon. It is believed that REE mineralisation may be confined to the lower part of the stratigraphic column.

2015 – 2016

During 2014 – 2015 programs, a total of 541 sandy loam samples were assayed for REE mineralisation (La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu, Sc and Y). These samples were assayed by JiangXi Jung Yun Non-ferrous Geological Test Ltd Co, Tong Zhan Road 14, Xiangtong County Nanchang Jiangxi Chian 330201. Assay data reveal that alluvial sediments from 25 m to 40 m depth generally shows higher concentrations of Light Rare Earth Elements (LREE) which are La, Ce, Y and Nd. Heavy Rare Earth Elements (HREE) are generally low at comparative depths. La ranges 7.4 ppm to 111 ppm with an average of 35 ppm. Ce also shows higher concentrations in sediments which range from 17 ppm to 191 ppm with an average of 68 ppm. HREE such as Dy, Tm, Ho and Lu shows lower values from assayed samples. Tb concretions range from 0.24 ppm to 1.64 ppm with an average of 0.79 pm. Lu also shows low values, ranging from 0.10 ppm to 0.77 pm with an average of 0.35 ppm. Zr and Y was not analysed in this batch of samples.

REE concentrations encountered during drilling program appear to be in similar range to those from stream sediments as given in Table 2 and reported earlier (Bajwah et al, 2013). It may be noted that no Heavy Mineral concentrates were extracted from drill samples, so comparison of REE with Heavy Mineral concentrates extracted from stream sediments (Table 1) could not made. To date, only eastern part of the tenement has been drill-tested. It is imperative that drilling program in the western part of the project area should be undertaken.

2016 – 2017

Considering the challenging market conditions, Legend International Investments Pty Limited conducted a review of the data and mineral potential of the EL 25794. Drilling conducted to date did not provide encouraging results. Apart from intensive negotiations with one of the landlords, who held the eastern part of the tenement area, company could not gain access to almost 70% of the tenement area. Limited success obtained from geochemical survey and drilling program did not justify to conduct any further exploration program. During the reporting period,
rehabilitation activities were conducted which included cleaning drill sites, filling drillholes as shown in Figure 7 and other rehabilitation activities.

**Figure 7: Rehabilitation of drill hole, EL 25794**

---

### 7.0 DISCUSSIONS AND RECOMMENDATIONS

Geological, geophysical, geochemical and drilling exploration activities undertaken during the term of Licence did not provided encouraging results to continue exploration activities in a very challenging economic environment. Company also could not secure access to almost 70% of the area, apart from intensive negotiations with one of the landlords. As a result of that EL 25794 was terminated on 1 August 2017.

---

### 8.0 REFERENCES


## Appendix 1: File Verification Listing

**VL1 Sample Hardcopy File Verification Listing**  
FileName: EL25794_2017_A_18_FileListing.txt

<table>
<thead>
<tr>
<th>Exploration Work Type</th>
<th>File Name</th>
<th>Format</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Office Studies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Literature Search</td>
<td>EL25794_2017_A_01_ReportBody.pdf</td>
<td>pdf</td>
</tr>
<tr>
<td>Database compilation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer modelling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reprocessing of data</td>
<td>EL25794_2017_A_01_ReportBody.pdf</td>
<td>pdf</td>
</tr>
<tr>
<td>General research</td>
<td>EL25794_2017_2014_A_01_ReportBody.pdf</td>
<td>pdf</td>
</tr>
<tr>
<td>Other (specify) Data Interpretation</td>
<td>EL25794_2017_A_01_ReportBody.pdf</td>
<td>pdf</td>
</tr>
<tr>
<td><strong>Airborne Exploration Surveys</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aeromagnetics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electromagnetics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gravity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital terrain modelling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Remote Sensing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aerial photography</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LANDSAT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPOT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radar</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ground Exploration Surveys</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Geological Mapping</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional</td>
<td>EL25794_2017_A_02_RegionalGeol.tif</td>
<td>tif</td>
</tr>
<tr>
<td>Reconnaissance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prospect</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underground</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costean</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ground geophysics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radiometrics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Magnetics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gravity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital terrain modelling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electromagnetics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SP/AP/EP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AMT</td>
<td>Resistivity</td>
<td>Complex resistivity</td>
</tr>
<tr>
<td>----------------------------</td>
<td>---------------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td></td>
<td>Seismic reflection</td>
<td>Seismic refraction</td>
</tr>
<tr>
<td></td>
<td>Well logging</td>
<td>Geophysical interpretation</td>
</tr>
<tr>
<td></td>
<td>Other (specify)</td>
<td></td>
</tr>
<tr>
<td><strong>Geochemical Surveying</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Drill sampling</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Surface Sampling</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other (specify)</td>
<td></td>
</tr>
<tr>
<td><strong>Drilling</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>All Drilling</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>File Verification Listing</strong></td>
<td>EL25794_2016_A_18_FileListing.txt</td>
<td>txt</td>
</tr>
</tbody>
</table>