

**Annual Technical Report**  
**EL 29512 (“Daicos”)**  
**Year 1 (2012-2013)**

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Tenement Holders: Gempart NT Pty Ltd 100%  
Tenement: EL29512 “Daicos”  
Reporting Period: 20 December 2012 – 19 December 2013 (Year 1)  
Distribution: Gempart NT Pty Ltd (1)  
Core Exploration Ltd (1)  
Geoscience.Info (Dept Resources - Minerals & Energy,1)  
Map Sheet: Illogwa Creek 1:250,000 sheet (SF5315)  
Quartz 1:100,000 sheet (5951),  
Target Commodity: Copper, gold, uranium, silver  
Keywords: Field visit, literature review, Iron oxide copper-gold, Uranium, REE

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## 1.0 SUMMARY

EL29512 “Daicos” is located about 140 km north-east of Alice Springs. Access into the area is reasonable, via the Ross Highway, through the Arltunga Historical Reserve to Ambalindum Station, past Claraville Homestead and then by station tracks. During the reporting period Core Exploration undertook a comprehensive review of historical exploration data and reconnaissance field trip of the area. Core believes that further mapping and rock chip sampling is warranted to properly evaluate the prospects.

## 2.0 INTRODUCTION

This report covers the first year of exploration conducted at EL29512 “Daicos”. The tenement is owned by Gempart NT Pty Ltd. Core Exploration (DBL Blues Pty Ltd) is currently exploring the tenement under a joint venture agreement. The tenement is located 140 kilometres north-east of Alice Springs midway between the Harts Range and Illogawa Creek. Travel time is just under 2.5 hours from the Alice Springs (Figure 2.1) via the Ross , through the Arltunga Historical Reserve to Ambalindum Station, past Claraville Homestead and then by station tracks

Access within the tenement is limited; the general area is hilly with only a few vehicle tracks available. The rivers are prone to flooding during heavy rainfalls over the summer. Accommodation can be found at Ambalindum Station (45 minute drive). The climate is typical of central Australia, hot summers and mild winters.

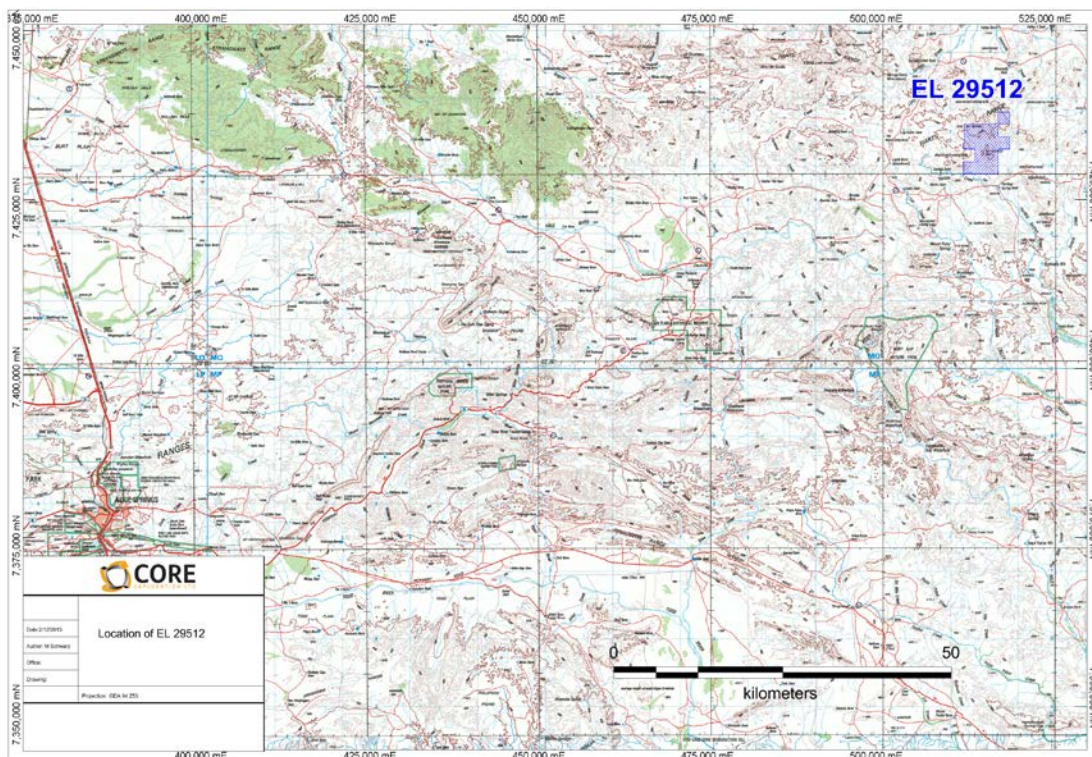


Figure 2.1 Location Map of EL29512

### 3.0 GEOLOGY AND MINERALISATION

EL 29512 is located in the Proterozoic Aileron Province of the Central Arunta Region. The rocks here mostly comprise variably metamorphosed sediments, volcanics, calcsilicates, amphibolites and granite. The dominant late structures appear to trend NW.

The area is underlain by the Palaeoproterozoic Irindina Gneiss (schistose garnet-biotite gneiss; sillimanite gneiss; amphibolite; biotite gneiss) and Riddock Amphibolite (layered to massive amphibolite; minor garnetiferous quartzofeldspathic gneiss, garnet-biotite gneiss; rare sillimanite gneiss, hornblende or clinopyroxene-bearing plagioclase-rich gneiss) which forms part of the Aileron Province. A small portion of the north-eastern part of the area is underlain by Bruna Gneiss (porphyroblastic-feldspar granitic gneiss, granitic gneiss) and the Entia Gneiss (quartzofeldspathic gneiss with conspicuously interlayered amphibolite). Later ultramafic intrusives are a minor component of the local geology.

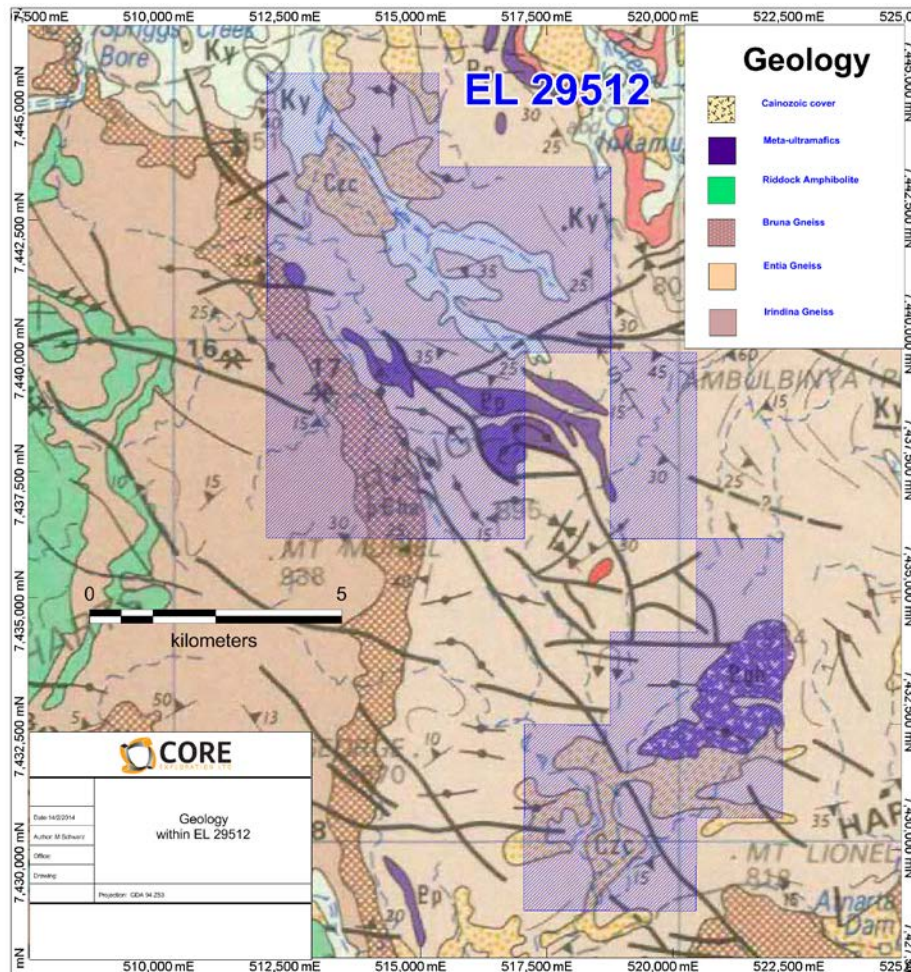


Figure 3.1 Extract from Illogwa Creek 1:250,000 Geology

## 4.0 TENURE

EL29512 was granted on the 20 December 2012. The tenement lies on pastoral leases PPL1124 (Ambalindum Station). Tenure details are shown below. In October 2012 a joint venture was entered into with Core Exploration Ltd. The agreement covers a number of leases in the Arltunga area, which included EL29512. Core has the right to earn at least 51% over 2 years.

| Tenement | Owner                   | Date Granted | Tenure  | Size          | Rent Yr 1 | Expenditure Commitment |
|----------|-------------------------|--------------|---------|---------------|-----------|------------------------|
| EL 29512 | Gempart NT Pty Ltd 100% | 20/12/2012   | 6 Years | 26 sq. blocks | \$832     | \$13,900               |

Table 4.1 Tenure Details for Year 1

## 5.0 YEAR 1 WORK SUMMARY & DISCUSSION

### Exploration Review

Core Exploration undertook a thorough review of historical exploration work in the vicinity of the Daicos tenement.

Numerous old prospects (mica) occur within the area but little production of any worth has been recorded. BMR geologists prospected the area for uranium in the late 1940's and discovered minor high grade zones within pegmatites.

The earliest modern exploration in the area was conducted on AP 1991 by Placer Prospecting between 1968 and 1970. The work included scintillometer prospecting, stream sediment sampling for base metals and rock chip sampling. The target minerals were tantalite and rare earth elements. No economic mineralization was discovered.

The area was explored for rubies and industrial minerals by Hillrise Properties/Mistral Mines between 1978 and 1983 under ELs 1801 and 1956. CRA Exploration conducted a stream sediment survey over these ELs in 1980 under a joint venture agreement with the tenement holder. Some significant anomalies were reported but there is no record of any follow-up being done.

Western Mining Corporation undertook exploration for diamonds in ELs 2657 and 3115 between 1981 and 1984. The catchment of Entire Creek was sampled and the results were disappointing. Prospectors held ELs 4673, 6133 and 7914 over the area between 1984 and 1996. Most of the work undertaken was prospecting for gemstones and industrial minerals with little success.

Between 1993 and 1996 PNC Exploration (Australia) Pty Ltd undertook an extensive exploration program in the area for uranium. The Harts Range project covered nine exploration licences and field activities included airborne radiometric/magnetic surveys, ground spectrometer surveys, geological mapping, rock chip sampling and trenching. Seventeen prospects were subject to detailed work. The Yambla prospect on EL 7967 was tested with 22 trenches and 13 diamond drillholes. Results showed that although high grade uranium mineralization occurred it was extremely poddy in nature and was not economic.

The ground was further explored for uranium by Paladin Resources Ltd and Deep Yellow Ltd under EL 9890 between 2002 and 2007. Little ground work was done in the first four years of tenure. Deep Yellow completed a thirteen hole RC percussion drilling programme in 2006 in the Yambla area. No uranium mineralization was intersected.

Between 2008 and 2011 Cullen Resources in joint venture with UXA Resources explored EL 26142 over the Yambla area. Stream sediments and rock chips were collected and a drill programme was proposed but never completed. Both companies also held tenements in their own rights but only desk top studies and minor reconnaissance work were completed (ELs 25716, 27850 and 27852). No significant new discoveries were reported.

Hale Energy Ltd held four ELs (24735, 24736, 24765 and 24766) in the Entia Dome region from 2007 to 2012. Detailed rock chip sampling, soil sampling and mapping were carried out over three prospects during the second year of tenure. Very high values were found in samples of pegmatite from the Daicos Prospect – Hale reported one sample with 19.4%U, 26.5%Nb, 6.2%Ta and 2.7%Y. However further systematic sampling of the prospect in year 5 failed to replicate these high values. An airborne EM survey was conducted over portions of the Hale tenements in 2009. Some bedrock conductors were identified but no ground follow up has been completed.

Newera Uranium Ltd held EL 25674 and 26047 in the area from 2008 to 2009. A few rock chips were taken with poor results and the ground was dropped.

The recent announcements by Mithril Resources on their Huckitta project to the south east of the Entia Dome led to some increased interest in the area for base metals. Independence Group held EL 27646 from 2010 to 2012 however no work was completed except for a brief field visit. The mafic to ultramafic target lithologies were not sampled.

## 6.0 REHABILITATION

There were no earth disturbing activities on the tenement. No rehabilitation was required.

## 7.0 YEAR 1 EXPENDITURE

Details are summarised below. A formal statement has been lodged.

|                                       |                    |
|---------------------------------------|--------------------|
| Literature reviews, target generation | \$20,772.85        |
| Overheads/Administration              | \$ 3,294.00        |
| <b>Total 2012/2013 expenditure</b>    | <b>\$24,066.85</b> |

## 8.0 YEAR 2 PROPOSED EXPENDITURE

As taken from the annual expenditure report. Cores plan is to generate drill targets for year 2-3. Year 2 will focus on ground testing particular areas with cheap surface exploration.

|   |
|---|
| <b>PROPOSED ACTIVITIES FOR THE NEXT 12 MONTHS</b>                                       |
| Provide a general description of exploration activities planned for the next 12 months: |

The company is actively exploring for Iron-oxide Copper-Gold mineralisation within the eastern Arunta region. As part of a recently established Joint Venture agreement DBL Blues Pty Ltd plans to undertake the following activities across EL29512 which is part of a larger package of tenements included within the Joint Venture Agreement.

- Regional helimagnetic and radiometric surveys
- Regional to semi-regional gravity surveys
- Soil and/or rock chip sampling
- Prospect scale magnetics/radiometrics and gravity surveys

| <b>ACTIVITY DETAILS FOR THE NEXT REPORTING PERIOD</b> [20 December 2013 – 19 December 2014] |   |                      |
|---|---|----------------------|
| <b>Admissible Expenditure</b>   | <b>Specify the work to be undertaken</b>        | <b>\$AU Proposed</b> |
| A. Geological Activities and Prospecting  | Geological mapping                              | 5,000                |
| B. Geochemical Activities   | Soil and rock chip sampling                     | 5,000                |
| C. Geophysical and Remote Sensing Activities  | Regional and local magnetic and gravity surveys | 6,500                |
| D. Drilling   |   |                      |
| E. Bulk Sampling and Earthworks   |   |                      |
| F. Rehabilitation   |   |                      |
| G. Pre-feasibility inc. Metallurgical and Environmental                                     |   |                      |
| H. Office Studies   |   |                      |
| I. Overheads (not to exceed 15% of the sum of A to H above)                                 |   |                      |
| <b>J. Covenant for next reporting period</b>  | <b>\$16,500</b>                                 | <b>16,500</b>        |