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AMI Resources Pty Ltd

Annual Report

on

Mineral Tenement EL27961

Tennant Creek Region

Second year

January 2013

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1. AMI Management Report on EL 27961: the second Year

AMI Resources Pty Ltd ("AMI" hereafter) is an Australian company based in Melbourne, with business focus on minerals exploration – principally for gold, copper, other base metals and uranium. AMI currently holds four mineral Exploration Licences in the Northern Territory of Australia. Two are in the Alice Springs region and two are further north in the Tennant Creek region. The tenements are:

This document is AMI's second annual report on EL27961, presents an outline of work progress in geological exploration in the mineral tenement area covered by the license in the second year and provides independent geological report, including geochemical assay results and analysis prepared by Flagstaff Geo-Consultants Pty Ltd. This report then presents a proposed work program in exploration in the forthcoming years.

This company has made an effective progress in conducting geological survey, data collections and research, and geochemical exploration in second year. These progresses have prepared AMI for significant geological exploration work in the EL27961 tenement in the forthcoming years.

The major progresses made in the first year are listed below:

- Completed desk-top studies on the EL27961 tenement area, including open files, GIS, amass databases, and gained better knowledge of the geological settings and mineralisation of the licensed area and potential deposits of minerals.
- Data search and analysis, literature research, interpretation of existing data and reports.
- Conducted fieldwork including site visits and sample collections. Carried reconnaissance and prospecting on the tenement field by a team, and performed rock and soil sampling (23 bags of rocks and 6 bags of soil samples), and geochemical assays of the samples by Australian Laboratory Services (ALS).
- Building up strategic partnership and joint work projects with Australian and Asian companies, both in geological exploration and investment programs. This is expected to be a main driving force for AMI Resources' growth in the next 3-5 years and also a key for successful completion of exploration programs.

The first year progress in geological exploration and survey, and relevant expenditures occurred are summarised in the following table.

The Second Year's Program and Expenditure

Work Progress for the First Year and Expenditure		**Itemized expenditure**
Data search, Geological Activities and Prospecting	Literature review and desk-top research on the tenement, Geological mapping, prospecting and targeting for geochemical and geophysical exploration.	$46,500
Geological & Fieldwork exploration Activities	Carried reconnaissance and prospecting on the tenement field, and performed rock and soil sampling (23 bags of rocks and 6 bags of soil samples), and geochemical assays of the samples by Australian Laboratory Services (ALS).	$36,800
Field evaluation and target generation	Site visit, field evaluation, sampling, target generation	$15,600
Field Logistics, Rehabilitation	Accommodation, airfares, Camp, 4WD hire, meals, etc.	$18,200
Incidentals & Consumables	Sample bags, PPE, etc	$4,020
	Expenditure occurred	**$121.120**

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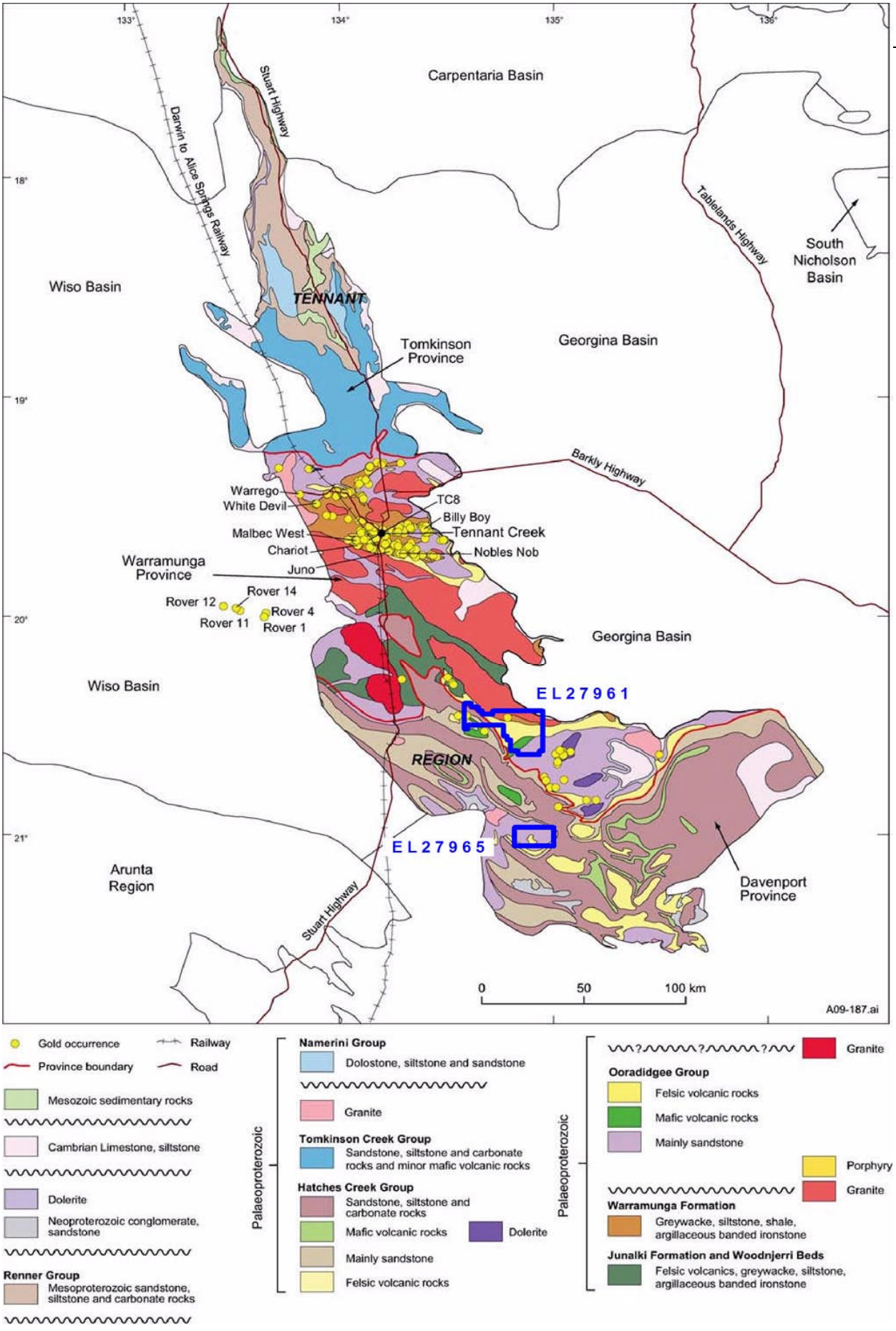

Figure 1: Regional subdivisions and geology of the Tennant inlier[Error! Bookmark not defined.]. AMI's licences are shown in blue.

2. Independent Geological Report: EL 27961

The Pingelly Project, EL 27961 (gold, base metals)

By Flagstaff GeoConsultants Pty. Ltd[1]

2.1. Location and Access

The *Pingelly* Project is the larger of the two AMI Tennant Creek region exploration licences. It is about 100 kilometres southeast of Tennant Creek township and 36 kilometres from EL 27965 (*Silver Valley*). The major target mineral resources in both areas are gold, plus base metals (copper, lead) and iron.

The Exploration Licence covers a wide tract of country (540 km^2 (168 blocks)) and extends 40 km from east to west. It is covered by 1:100,000-scale map sheets *Ooradidgee* (5857) and *Davenport Range* (5856).

Access to the Licence area is approximately 85km south of Tennant Creek via the Stuart Highway, then 40 km east onto the Kurundi Road. Following south along the track to the Arranjin Aboriginal Community, numerous station tracks lead off into the Licence area. However, much of the Licence area is rocky, without tracks and difficult to reach.

2.2. Regional and Local Geology

The EL 27961 tenement area is located along the eastern margin of the Tennant Creek Inlier, an intensely folded, early Proterozoic intra-cratonic basin succession of mainly sedimentary and minor felsic volcanic rocks, intruded by younger granitoids.

This inlier – which forms a north-northwesterly trending belt some 700 km in length – is centred on the town of Tennant Creek and comprises Palaeoproterozoic sediments of the Warramunga Group, Hatches Group and Tomkinson Creek Beds (*the Warramunga (or Central), Tomkinson (or Ashburton) and Davenport Provinces, in Figures 1 and 2*) .

The Warramunga Group, which has been the most economically productive stratigraphy in the Tennant Creek Region, consists of a sequence of argillaceous sedimentary rocks,

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including siliceous greywacke, siltstone and shale. Quartz-feldspar porphyry lenses occur as both cross-cutting and conformable units within the sedimentary sequences. The Warramunga Group has been the subject of at least three deformational episodes.[1]

The Davenport Province, to the southeast, is a sub-tectonic unit of Tennant Creek Inlier. The Davenport Ranges comprise highly folded Proterozoic sediments and volcanics rocks of the Hatches Creek Group within the Tennant Creek Inlier and are intruded by a late Proterozoic radiogenic granite that is poorly exposed but extends for a considerable distance southwards beneath Cainozoic unconsolidated sedimentary cover, as inferred from its magnetic signature. This granite may be an excellent potential source for secondary uranium.[2]

The EL 27961 area lies in the Davenport Province of the Tennant Inlier. The well-exposed Palaeoproterozoic basement of the Davenport Province consists of lower greenschist facies sandstones, bimodal volcanics and minor carbonates of the Hatches Creek Group. Two separate deformational events have resulted in a regional fold pattern of domes and saddles with dominant northwesterly-trending axes.

There are extensive areas of outcrop of the Paleoproterozoic Hatches Creek Group layered sediments and the Edmirrinagee and Epenarra volcanics through the central portion of the Licence area. Steeply dipping bedding in outcrop generally strikes north north-east. The remaining Licence area is covered by sand and alluvium; however this outwash cover is thought to be only a few meters thick.[3]

The Exploration Licence area covers an irregular intense magnetic east-west low that appears associated with the contact between the Epenarra Volcanics and the Edmirringee Volcanics. There is potential that the magnetic low has a relationship with the major gravity high to the south-east of the Licence area.

The exploration target for EL 27961 is gold and/or copper mineralisation in sedimentary and volcanic units of the Hatches Creek Group. Relative to the Tennant Creek Goldfield, the Licence area has had minimal previous exploration work. Some encouragement is provided by a copper occurrence in the Edmirringee Volcanics, which is shown on the Bonney Well geological map to be in the west central portion of the Licence area.

In the core of the Kurundi anticline in the west of the licence are basalts and minor felsic volcanics of the Edmirringee Volcanics (Ooradidgee Sub-group). Successively overlying formations of the same sub-group are the Kurinelli Sandstone (arenites and minor volcanics, with later granophyre and dolerite sills), and the Taragan Sandstone (arenites,

conglomerates and siltstones). Unconformably above these are the Unimbra Sandstone and the Yeeradgi Sandstone of the Wauchope sub-group.

Apart from the southwestern part of the tenement, which is centred around the Kurundi Anticline, the bedrock geology is largely masked by Quaternary soil cover (*Figure 3*). It has been reported[1] that, on the basis of regional mapping, regional aeromagnetic data and limited outcrop, the NTGS has interpreted the presence of a southeast extension of the Tennant Creek Warramunga Group into the Bonney Well and Frew River areas. This rock sequence presents a primary exploration target.

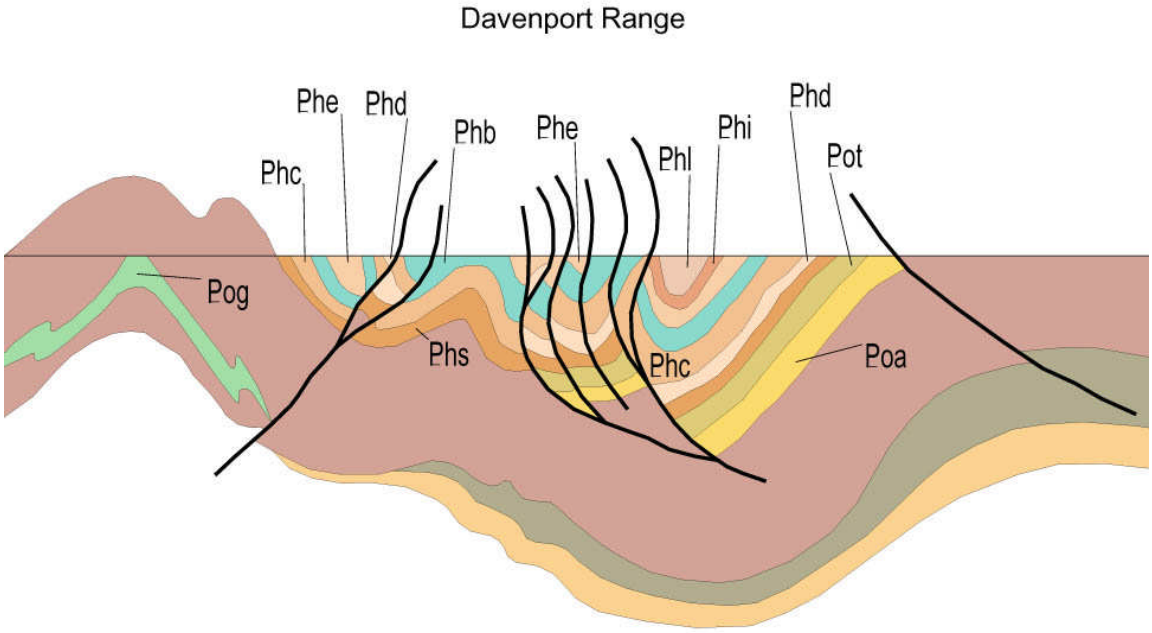

Figure 2: Schematic cross-section through the interpreted geology of the Davenport Range, looking northwest, between AMI's EL 27961 (*Pingelly*) and EL 27965 (*Silver Valley*). [The section is just north of Silver Valley – it is shown as a diagonal line in Figure 10 of this report.]

The thick "basement" unit (*reddish-brown*) is the Kurinelli Sandstone, of the Ooradidgee Group. The overlying units comprising the broad synclinal sequence of the Davenport Range are mostly Sandstone units of the Hatches Creek Group, plus the Kudinga Basalt (*blue-green*), and some basal Ooradidgee Group arenite and volcanics on the northeast side. The Ooradidgee and Hatches Creek Groups are Palaeoproterozoic in age. The anticline at left, in Kurinelli Sandstone with Edmirringee Volcanics exposed, approximately corresponds to the dome of Kurinelli Sandstone which dominates the *Silver Valley* project. Similar rocks form the Kurundi Anticline in the west of the *Pingelly* project (and lie in the southeast also) with the Hatches Creek Group rocks on the flanks of the Anticline, and older Ooradidgee Group rocks, mostly under cover, in the northwest of the EL. (*Image source: NTGS 1:500,000 Interpreted Geology Map of the Tennant Region, 2004.*[4]*)*

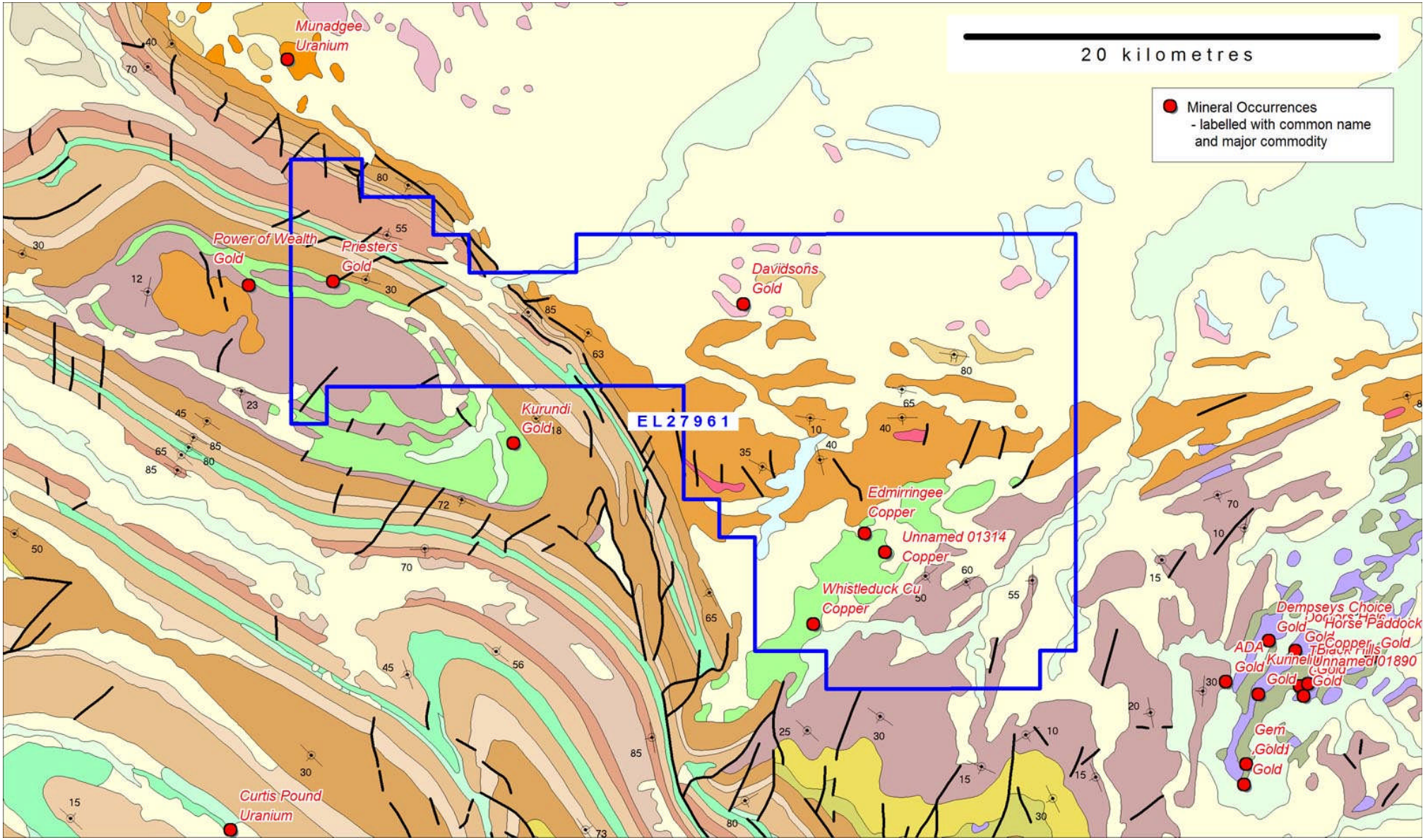

Figure 3: Pingelly Project, EL 27961: 1:500,000 geology (Tennant Creek region).[5]

(*refer to the published mapsheet or digital dataset for the legend*)

2.3. Mineralization

The basis for acquisition of EL 27961 was the known gold mineralisation in the vicinity of the Kurundi and Power of Wealth mines (*Figures 5, 6 & 7*). Due to their location within the Kurundi anticlinal structure and the presence of favourable Warramunga Group host rocks inferred[1] from interpretation of NTGS airborne geophysical surveys, these mineralized areas provide prime exploration targets.

Past and ongoing exploration has confirmed that Warramunga Group rock sequences are the chief hosts for economic mineralisation in the Tennant Creek Region. This style provides the preferred exploration model for the project area. The major mineral deposits of the Tennant Creek field comprise polymetallic, magnetite, quartz-hematite bodies (ironstones) containing gold in association with sulphides of iron and copper and, to a lesser extent, lead and zinc, with bismuth as a by-product. These are commonly hosted by shales and BIF within the Warramunga Group. Known deposits generally have a chloritic alteration halo, indicating hydrothermal origin. The distribution of lodes indicates an association with major regional faults and shears.

2.4. Previous Exploration

Prior to 1993, mining activity was restricted to prospecting and mining for tungsten at Hatches Creek, Wauchope, Mosquito Creek and other, smaller mines within and around the tenement area. Gold was mined at the Power of Wealth and Great Davenport mines, as well as a number of smaller workings.

In 1993, Normandy Gold Limited (“Normandy”) acquired E8346, which covered part of the southwestern part of AMI’s current licence.

Normandy completed a program of aeromagnetic structural interpretation, lineament interpretation on 1:80,000 scale aerial photography, and regional reconnaissance rock-chip sampling. Gold-mineralised quartz veins were reported.

At the same time, Eden Creek Pty Ltd carried out an extensive program of gridding, ground magnetic surveys, soil and vacuum bedrock geochemical surveys, rock sampling and geological mapping.

It was concluded that the licence covered areas of Proterozoic-aged Warramunga Formation or its lateral equivalents. These units are considered prospective for gold-copper-bismuth and/or base metals mineralisation.

In 1994-95, North Star Resources NL (“North Star”) explored E8388, located in the

northwestern corner of the Frew River 1:250,000 (SF 53-3) sheet, only about 25 km northeast of AMI's EL 27961.

North Star reported that their exploration comprised preliminary identification and ground follow-up of magnetic targets based on Tennant Creek style gold and copper deposits.

At Tennant Creek, gold occurs with iron and copper sulphides in magnetite or hematite-rich lodes with or without quartz. The mineralised zones are hosted with chlorite alteration envelopes in shears within Warramunga Group sedimentary rocks. This distribution suggests an association with major regional scale structures. North Star's exploration generated 10 target areas, of which five warranted more detailed investigation and RAB drilling.[1]

2.5. Mineral Prospectivity

The project area, which is largely unexplored, is understood to contain favourable host rocks of the Warramunga Group, which, at Tennant Creek, hosts both precious and base-metal mineralisation.

Appendix 1 presents the mineral discoveries of the project area in the past. Gold and copper mineralisation was identified in at least five sites. Given the fact that the licensed region has not been explored rigorously, these mineral discoveries indicate significant potentials of mineral deposits in the project region.

The copper occurrences in the southeast of the licence are associated with the Edmirringee Volcanics. Reported assays are up to 5% copper and 2.53 ppm gold (*Appendix 1*). As is evident in *Figure 3* however, the Volcanics unit outcrops very poorly in this area (it is largely covered by young sediments), so the potential for more extensive copper(-gold) mineralisation under cover may be high. Faulting is interpreted to cut through this unit in the area under cover west of the known copper occurrences (*Figure 6*), where it also appears to be broadly folded or otherwise deformed. Magnetic imagery (*Figure 7*) suggests the presence of strong SW-NE magnetic linears along the southeast margin of the unit, which may represent further prospective structures. Most of this prospective area is within AMI's Licence.

Gold and copper are believed to be the major resources in this region. Discoveries of gold mineralisation in the Tanami Region have proved the efficacy of modern mineral exploration techniques in an area largely covered by unconsolidated surficial deposits. The most successful approach has been to drill very low-level geochemical anomalies, with the usual lithological and structural framework provided by detailed prospect-scale aeromagnetic and gravity surveys[1].

All the presently known gold mineralisation in the Region has been associated with Palaeoproterozoic rocks of the Mount Charles Group and their lateral equivalents.

In addition, uranium and other base-metals are also considered to be prospective. The *Pingelly* region has not been extensively explored for mineralisation other than gold, and it is believed that there is potential for significant uranium and base-metal mineralisation.

The *Munadgee* uranium prospect lies about 5.5 km northwest of the AMI licence (*Figure 3,*). This was the most significant vein-type uranium occurrence in igneous rocks in the Tennant Creek region.[6] Secondary uranium mineralisation occurs in sheared and altered feldspar porphyry (Palaeoproterozoic) which is inferred to intrude into the Warramunga Group. The prospect is near the unconformity at the base of the overlying sediments of the Hatches Creek Group.[7] Average grade in the 1950s was quoted as 0.75% U_30_8 and a 5.8m wide ore zone averaging 0.45% U_30_8 was reportedly defined at the bottom of the shaft; sampling in a crosscut 40m deep assayed 0.82% U_30_8 over 1.2m, according to government reporting.[8]

3. Geochemical Report

This Report is a review and discussion of geochemical assay results obtained from the *Pingelly* project, exploration licence 27961, held by AMI Resources Pty Ltd, in the 2012 reporting year.

3.1. Sampling Conducted.

Rockchip samples:	KDRK01 – KDRK23 (inc. KDRK07A)	(24)
Soil samples:	KDSA01-KDSA03 & KDSB01-KDSB03	(6)
	("A"= fine sieved to –80# ; "B"= coarse sieved to –2mm)	

Sample descriptions and assay results are provided in Appendices 1 and 2. Sample locations are shown in Figure 4.

<u>Areas sampled – four distinct areas:</u>

1. "*Davidsons*" gold occurrence, in the mid-north of the EL
- six rock samples (KDRK13-18)
- published mapping indicates this area is near the contact between Palaeoproterozoic

granitic rocks and sediments (with possible felsic volcanics); in an area with extensive recent surficial cover.

2. About 3.4 km NE of *Davidsons* gold occurrence

- five rock samples (KDRK19-23)
- similar mapped geology to *Davidsons* – on Palaeoproterozoic sedimentary rocks (-volcano-sedimentary) near the contact with granitic intrusive; in an area with extensive recent surficial cover.

3. Nearly 8 km W of *Davidsons*, towards the northwest of the licence

- five rock samples (KDRK08-12)
- six soil samples (KDSA01-02 & KDSB01-03 – fine- & coarse- sieved samples from 3 sites)
- near the foot of the Murchison Range, which runs southeast-northwest, to the west
- mapped geology is Palaeoproterozoic felsic volcanics and volcaniclastic sediments on the northeast flank of the Kurundi Anticline, which underlies the west of the licence and forms part of the Murchison Range.

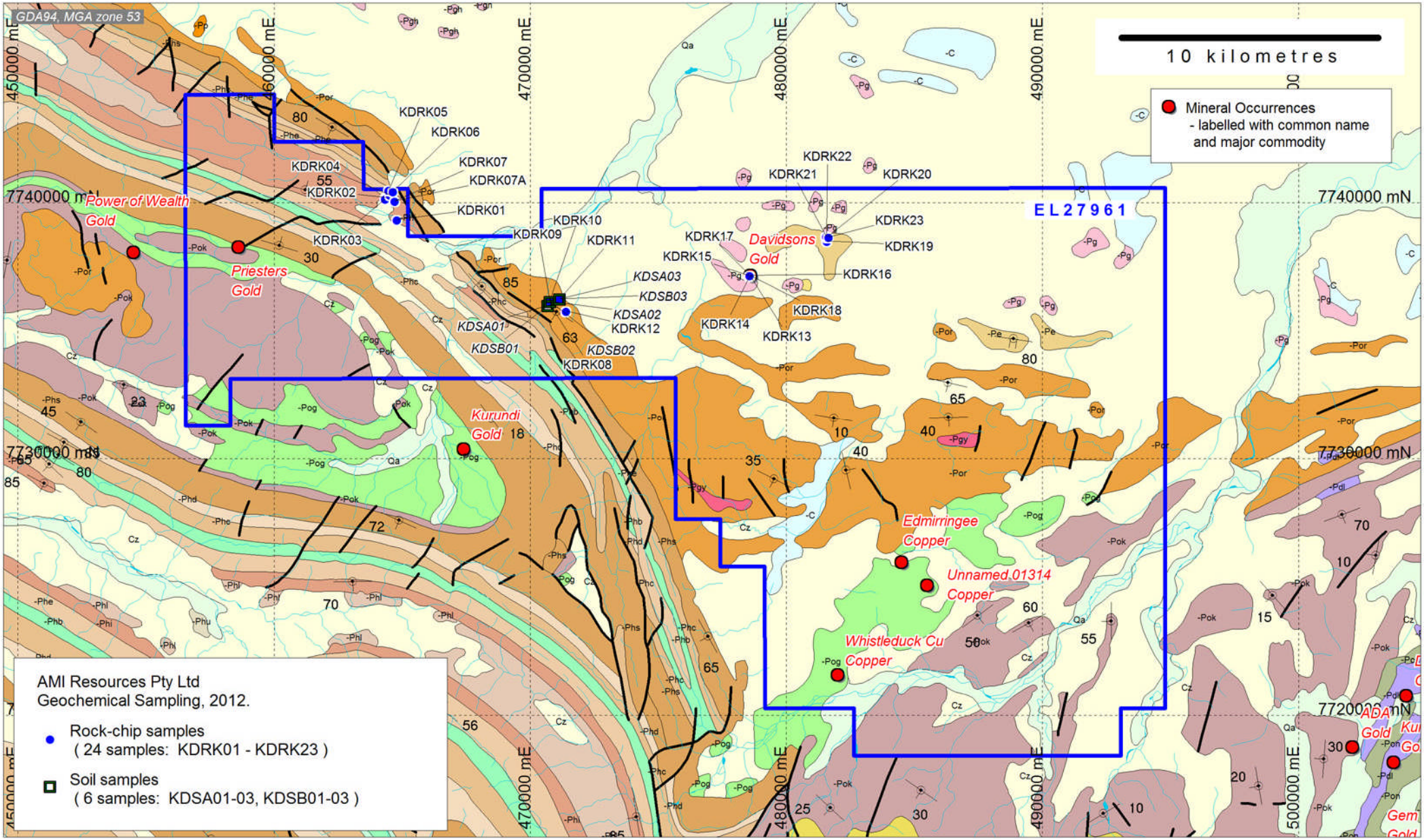

Figure 4: Pingelly Project, EL 27961: Sample Locations.

(background is the 1:500,000 geology (Tennant Creek region) digital dataset – refer to the published mapsheet or digital dataset for the legend)

4. About 7.5 km further northwest (about 14.3 km WNW of *Davidsons* and 6.3 km ENE of the *Presters* gold occurrence.

- eight rock samples (KDRK01-07A)
- also near the foot of the Murchison Range, which runs southeast-northwest, to the west
- published geology is Palaeoproterozoic siliclastic sediments, also on the northeast flank of the Kurundi Anticline, which underlies the west of the licence; but slightly lower in the stratigraphy than the “area 3”; with some recent surficial cover.

3.2. Assay Results – Discussion.

General Discussion:

Area 1. *Davidsons* gold occurrence.

Most samples were strongly anomalous in gold and bismuth (Au, Bi), with elevated antimony and tungsten (Sb, W) values. The anomalism is unsurprising, since the samples were mostly mineralised quartz from the old mine workings. The bismuth-gold association is noteworthy, however, and may be of use in future exploration. Arsenic assays are not significantly elevated, suggesting no significant arsenic-gold association here.

Gold Mineralization: The geochemical assay results confirm the existence of gold mineralisation in this tenement, especially in the old gold workings (*Davidsons*) area located in the mid-west of this tenement. Two rock samples (KUNDRK14 and RUNDRK18) present high gold grade at 2.21 ppm (2.21g/t Au), and 1.58 ppm Au (1.58g/ Au). This low grade gold ore -- suitable to open-pit mining (subject to tonnage and accessibility) – but probably represents mineralised material rejected by prior miners rather than the higher-grade ore they would have been extracting.

A single sample of granite float rock was not anomalous.

Area 2. Several kilometres northeast of *Davidsons*

Only very minor low tenor anomalism is evident in any of these five samples, with assays of 0.02 and 0.04 ppm gold in two samples of quartz vein material. This may indicate some potential for further gold mineralisation in the area around *Davidsons* gold occurrence. This area is under extensive surficial cover, which might conceal any such mineralisation.

Sample KDRK23, of iron-rich sandstone, was elevated in uranium, at 30 ppm. This area is approximately along strike about 27 kilometres southeast of the "*Munadgee*" uranium occurrence (abandoned mine)*. This strike trend is near the unconformity at the base of the Hatches Creek Group sediments (to the southwest), and runs for approximately 20 kilometres through AMI's licence – mostly under surficial cover. Indications of uranium anomalism associated with this trend are significant and warrant further investigations.

> * *Reported mineralisation at Munadgee included an average grade of 0.75 % U_3O_8 in the 1950s. A 5.8m wide ore zone averaging 0.4 5% U_3O_8 was reportedly defined at the bottom of the shaft and sampling in a crosscut 40 metres deep assayed 0.8 2% U_3O_8 over 1.2m, according to government reporting.*

Area 3. West of *Davidsons*, near the foot of the Murchison Range.

No geochemical anomalism is evident in the five rock samples collected here.

The six soil samples collected here appear elevated in calcium (ca. 10 to 30 % Ca) but this is probably natural enrichment in these soils - probably partial calcrete development. More extensive soil sampling would be required to establish soil background values for elements of interest (and hence establish what might constitute anomalous soil values).

Area 4. Further northwest, also near the foot of the Murchison Range.

No geochemical anomalism is evident in the eight rock samples collected here.

Summary Comments:

Assays confirm the presence of gold mineralisation in quartz veining at the *Davidsons* gold occurrence. Gold grades recovered are not high (up to 2.21 ppm and 1.58 ppm Au) but this is from material left behind by the historic miners and it is probable that they recovered richer gold ore. Given the extent of surface cover here, there may be significant potential for further gold mineralisation.

The suggestion of uranium anomalism in sample KDRK23 (30 ppm U), about 3 km northeast of *Davidsons*, is also significant. This area is at a similar stratigraphic position to the *Munadgee* uranium occurrence (historic mine) about 27 km along strike to the northwest. The intervening area (the 27 km) is all under surficial cover, as is most of the area further along strike to the east-southeast. About 20 km of this strike trend runs

WNW-ESE through AMI's licence.

Munadgee was reportedly the most significant vein-type uranium occurrence in igneous rocks in the Tennant Creek region. Secondary uranium mineralisation occurs in sheared and altered feldspar porphyry (?Palaeoproterozoic) which is inferred to intrude into the Warramunga Group. The prospect is near the unconformity at the base of the overlying sediments of the Hatches Creek Group. Average grade in the 1950s was quoted as 0.75% U_30_8 and a 5.8m wide ore zone averaging 0.45% U_30_8 was reportedly defined at the bottom of the shaft; sampling in a crosscut 40m deep assayed 0.82% U_30_8 over 1.2m, according to government reporting.

Within a few kilometres of Davidsons Gold occurrence and the anomalous uranium site (KDRK23), the published 1:250,000 geology ('Bonney Well' map sheet) shows a small outcrop of "granophyre" which may be comparable with the porphyry which hosts the Munadgee deposit. Given the extent of surficial cover here – and over many kilometres along strike both towards and away from the *Munadgee* deposit – this area warrants further investigation of its uranium potential.

4. Follow-up Work.

A number of copper and gold occurrences in the licence have not yet been investigated and should be visited. Reconnaissance site investigation and sampling should be conducted over many areas of the licence, particularly the known mineral occurrences and along strike from these.

The sampling to date confirms the presence of gold mineralisation at the *Davidsons* gold occurrence and also indicates potential for uranium mineralisation nearby – in an area of similar stratigraphy and rock types, and along strike from, the *Munadgee* uranium deposit to the northwest. Both *Davidsons* gold occurrence and the uranium anomalism are in a region of poor outcrop with dominant extensive surficial cover. There is significant scope for concealed mineralisation in this area to have been missed by previous explorers. This area warrants further investigation.

Published mapping (the 'Bonney Well' 1:250,000 map sheet) shows several intermixed outcropping Palaeoproterozoic rock types in the *Davidsons* area, including granite, older Warramunga Group sedimentary rocks to the northeast and younger Hatches Creek Group volcaniclastic rocks to the southwest, and "granophyre" – possibly similar to the host rock at *Munadgee*. Quartz veins with several different orientations are also mapped. The nature

and extent of the gold mineralisation, and any controlling geological structures or stratigraphy, do not appear to be understood or documented, and no drill-testing appears to have been attempted previously.

Further work at this project generally should include

- Compilation and review of all reports and exploration results from previous exploration companies.
- Similar review of any government datasets, mapping and geophysical data.
- Review and assessment of current exploration activities being undertaken by companies on adjoining licences
- Geological mapping of known mineralisation, with the objective of identifying structures hosting or controlling mineralisation and identifying possible strike-extents or repetitions of such structures.
- Geochemical sampling (rock-chip sampling, including channel sampling if possible) of recognised host/control structures (and possible strike-extents) to better define the nature, scale and variability of mineralisation.

In the *Davidsons* gold occurrence area (including the anomalous uranium sample area, and the concealed unconformity (Hatches Creek Group / Warramunga Group)), where there is extensive surficial cover, work should include

- Possible geochemical soil sampling along interpreted strike extents of mineralisation – where under surficial cover – to test for underlying mineralisation.
- Possible systematic soil sampling (possibly partial selective leach sampling) along and over the WNW-ESE stratigraphic trend (which extends to the west towards the *Munadgee* uranium deposit).

  [*Based on published mapping, most of this area is under cover. The potential for more mineralisation than has been recognised to date must be inferred to be high*.]
- Possible ground spectrometer surveying over and along this WNW-ESE stratigraphic trend, to test for suggestions of uranium anomalism. (Any reasonably thick surficial cover would be expected to obscure any radiometric response from the underlying rocks, however, and partial selective leach soil sampling would probably be a preferable technique to test for uranium under cover.)

AMI Resources Pty Ltd
December 2012.

APPENDIX 1: EL 27961 Pingelly Project,

Samples collected, 2012—Location and Descriptions

SAMPLE NO	Licence (EL)	Project	Sample_ type	EAST (mga53)	NORTH (mga53)	ELEV (GPS)	Comments / Description
KDRK01	27961	Pingelly	rock	464799	7739327	405	Laterite (& sandst.) float; on gentle slope
KDRK02	27961	Pingelly	rock	464364	7740191	412	Sandstone with minor quartz veining; outcrop on ridge
KDRK03	27961	Pingelly	rock	464337	7740146	422	Sandstone with minor quartz veining; outcrop on ridge
KDRK04	27961	Pingelly	rock	464527	7740293	420	Laterite
KDRK05	27961	Pingelly	rock	464485	7740486	430	Fe-rich sandstone; with ?Mn or ?haematite; ridge, with lateritic gravel
KDRK06	27961	Pingelly	rock	464642	7740426	439	Sandstone outcrop; Fe-rich fragments; from hillside
KDRK07	27961	Pingelly	rock	464724	7740066	445	Sandstone outcrop; minor Fe-staining; minor quartz veins; from hillside
KDRK07A	27961	Pingelly	rock	464724	7740066	429	Sandstone outcrop; minor Fe-staining; minor quartz veins; from hillside
KDRK08	27961	Pingelly	rock	470767	7736020	420	Sandstone; with red fe-staining
KDRK09	27961	Pingelly	rock	470776	7736100	418	Quartz crystals
KDRK10	27961	Pingelly	rock	470764	7736172	415	Sandstone, quartz
KDRK11	27961	Pingelly	rock	471156	7736253	412	Sandstone; purple
KDRK12	27961	Pingelly	rock	471415	7735777	413	Fe-stained quartz; Phaematitic, with haematitic veins
KDRK13	27961	Pingelly	rock	478588	7737143	393	Mineralized quartz from around old workings ("Davidsons Workings")
KDRK14	**27961**	**Pingelly**	**rock**	**478572**	**7737149**	**395**	**Mineralized quartz from around old workings ("Davidsons Workings"),assays confirms 2.21g/Ton gold in this rock sample showing significant gold mineralization.**
KDRK15	27961	Pingelly	rock	478560	7737148	394	Mineralized quartz from around old workings ("Davidsons Workings").

SAMPLE NO	Licence (EL)	Project	Sample_ type	EAST (mga53)	NORTH (mga53)	ELEV (GPS)	Comments / Description
KDRK16	27961	Pingelly	rock	478584	7737170	395	Mineralised quartz from around old workings ("Davidsons Workings") (disturbed float?)
KDRK17	27961	Pingelly	rock	478584	7737170	395	Granite float
KDRK18	**27961**	**Pingelly**	**rock**	**478599**	**7737159**	**396**	Quartz with minor pyrite; ?disturbed; from around old workings ("Davidsons Workings"),**assay results confirms 1.58/Ton gold in this rock sample showing significant gold mineralization.**
KDRK19	27961	Pingelly	rock	481591	7738503	398	Small quartz subcrop
KDRK20	27961	Pingelly	rock	481590	7738647	403	Quartz at base of hill / start of drainage
KDRK21	27961	Pingelly	rock	481550	7738683	408	Quartz scree, dark bands; on scree slope
KDRK22	27961	Pingelly	rock	481573	7738684	408	Quartz with Fe staining; on hillside
KDRK23	27961	Pingelly	rock	481665	7738651	405	Sandstone subcrop; Fe-rich
KDSA01	27961	Pingelly	soil, -80#	470691	7735997	412	Loam, powdery; from base of sandstone ridge, next to creek
KDSA02	27961	Pingelly	soil, -80#	470778	7736148	412	Loam, powdery; from gravel flat (near old drill line?)
KDSA03	27961	Pingelly	soil, -80#	471156	7736253	413	Clay loam; from base of hill, with Fe-stained quartz (site of KDRK12 rock-chip sample)
KDSB01	27961	Pingelly	soil, -2mm	470691	7735997	412	Loam, powdery; from base of sandstone ridge, next to creek
KDSB02	27961	Pingelly	soil, -2mm	470778	7736148	412	Loam, powdery; from gravel flat (near old drill line?)
KDSB03	27961	Pingelly	soil, -2mm	471156	7736253	413	Clay loam; from base of hill, with Fe-stained quartz (site of KDRK12 rock-chip sample)

All coordinates are GDA94, MGA zone 53.

All coordinates are GDA94, MGA zone 53.

APPENDIX 2,: **AMI Resources Pty Ltd, Geochemical Assay Results by Australian Laboratory Services (ALS). Pingelly, EL27961** 2012-11-17

ROCK SAMPLES	Au-AA25	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61
SAMPLE	Au	Ag	Al	As	Ba	Be	Bi	Ca	Cd	Co	Cr	Cu
LOR	0.01	0.5	0.01	5	10	0.5	2	0.01	0.5	1	1	1
DESCRIPTION	ppm	ppm	%	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm
KDRK01	<0.01	<0.5	2.27	73	590	2.6	<2	0.09	<0.5	12	42	44
KDRK02	<0.01	<0.5	0.84	<5	140	<0.5	<2	0.13	<0.5	1	13	7
KDRK03	<0.01	<0.5	0.85	<5	170	<0.5	<2	0.02	<0.5	<1	10	4
KDRK04	<0.01	<0.5	2.19	38	390	1.2	<2	0.06	<0.5	4	100	23
KDRK05	0.01	<0.5	3.02	9	900	<0.5	<2	0.01	<0.5	15	38	4
KDRK06	<0.01	<0.5	1.12	<5	610	<0.5	<2	0.03	<0.5	6	27	5
KDRK07	<0.01	<0.5	1.32	7	130	<0.5	<2	0.02	<0.5	1	13	6
KDRK07A	<0.01	<0.5	1.06	<5	220	<0.5	<2	0.02	<0.5	1	15	5
KDRK08	<0.01	<0.5	0.25	<5	150	<0.5	<2	0.01	<0.5	<1	12	3
KDRK09	<0.01	<0.5	0.44	<5	170	<0.5	<2	0.01	<0.5	<1	11	2
KDRK10	<0.01	<0.5	0.22	<5	150	<0.5	<2	0.02	<0.5	<1	7	1
KDRK11	<0.01	<0.5	4.56	5	200	1.1	<2	0.03	<0.5	<1	11	4
KDRK12	<0.01	<0.5	0.51	<5	80	<0.5	<2	0.01	<0.5	2	8	4
KDRK13	0.54	<0.5	0.8	29	90	2.3	95	0.02	<0.5	8	15	370
KDRK14	2.21	<0.5	0.11	47	320	1.8	159	0.01	<0.5	3	6	136
KDRK15	0.42	<0.5	2.96	55	290	1.9	82	0.02	<0.5	5	10	225
KDRK16	0.19	<0.5	1.2	<5	190	0.9	73	0.01	<0.5	6	9	32
KDRK17	0.01	<0.5	6.6	<5	570	3	2	0.02	<0.5	6	13	32
KDRK18	1.58	<0.5	0.32	<5	110	<0.5	47	0.01	<0.5	4	8	92
KDRK19	<0.01	<0.5	1.79	<5	190	1.1	<2	0.02	<0.5	1	11	10
KDRK20	0.04	<0.5	1.27	<5	90	0.8	6	0.01	<0.5	<1	14	13
KDRK21	<0.01	<0.5	0.46	<5	40	1.5	<2	0.01	<0.5	1	9	4
KDRK22	0.02	<0.5	1.21	<5	70	0.7	5	0.01	<0.5	1	12	4
KDRK23	<0.01	<0.5	3.88	17	280	5.1	<2	0.02	<0.5	3	37	36

ROCK SAMPLES	Au-AA25	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61
SAMPLE	Fe	Ga	K	La	Mg	Mn	Mo	Na	Ni	P	Pb	S
LOR	0.01	10	0.01	10	0.01	5	1	0.01	1	10	2	0.01
DESCRIPTION	%	ppm	%	ppm	%	ppm	ppm	%	ppm	ppm	ppm	%
KDRK01	>50	10	0.09	10	0.06	303	<1	0.02	34	790	5	0.04
KDRK02	1.18	<10	0.26	10	0.1	160	<1	0.03	5	50	2	0.01
KDRK03	0.85	<10	0.26	10	0.05	97	<1	<0.01	9	50	2	0.01
KDRK04	23.3	10	0.07	<10	0.03	173	1	0.01	17	450	13	0.03
KDRK05	1.44	<10	0.03	<10	0.01	3370	<1	<0.01	10	60	17	0.02
KDRK06	1.7	<10	0.02	10	0.01	1350	1	<0.01	8	70	10	0.03
KDRK07	2.63	<10	0.27	10	0.07	79	<1	0.01	5	110	4	0.01
KDRK07A	1.89	<10	0.22	10	0.06	95	<1	0.01	7	90	5	0.02
KDRK08	1.98	<10	0.03	10	0.01	102	<1	<0.01	10	190	5	0.02
KDRK09	0.91	<10	0.03	<10	0.01	148	1	<0.01	4	20	3	0.02
KDRK10	0.85	<10	0.03	<10	0.01	114	<1	<0.01	4	30	2	0.02
KDRK11	11.8	10	0.61	10	0.1	93	<1	<0.01	4	350	5	0.03
KDRK12	1.79	<10	0.05	10	0.08	109	1	0.04	10	30	3	0.01
KDRK13	4.16	<10	0.3	10	0.05	156	2	<0.01	5	150	35	0.12
KDRK14	1.7	<10	0.02	10	0.01	216	1	<0.01	4	70	32	0.03
KDRK15	2.86	10	1.69	10	0.17	151	1	0.02	11	80	10	0.04
KDRK16	1.5	<10	0.63	10	0.07	531	1	<0.01	6	30	8	0.01
KDRK17	2.03	20	3.55	10	0.4	670	<1	0.03	5	30	8	<0.01
KDRK18	1.49	<10	0.15	10	0.02	250	1	<0.01	34	20	15	0.03
KDRK19	1.24	<10	0.74	10	0.1	198	<1	0.01	3	60	2	0.01
KDRK20	1.58	<10	0.39	30	0.08	158	1	0.01	4	150	4	0.01
KDRK21	1.12	<10	0.13	<10	0.03	104	<1	<0.01	2	20	<2	<0.01
KDRK22	1.29	<10	0.38	10	0.06	107	1	<0.01	14	120	3	0.01
KDRK23	16.35	10	1.36	20	0.14	108	<1	0.01	21	3290	5	0.02

ROCK SAMPLES	Au-AA25	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	Location Coordinates	
SAMPLE	Sb	Sc	Sr	Th	Ti	Tl	U	V	W	Zn	UTM, WGS84, 53 K	
LOR	5	1	1	20	0.01	10	10	1	10	2		
DESCRIPTION	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	South	East
KDRK01	<5	12	9	<20	0.13	<10	10	202	<10	32	464799	7739327
KDRK02	<5	1	17	<20	0.04	<10	<10	11	<10	5	464364	7740191
KDRK03	<5	1	21	<20	0.02	<10	<10	7	<10	2	464337	7740146
KDRK04	5	10	15	<20	0.2	<10	<10	238	<10	17	464527	7740293
KDRK05	<5	6	11	<20	0.27	<10	10	52	<10	<2	464485	7740486
KDRK06	5	5	53	<20	0.23	<10	<10	23	<10	<2	464642	7740426
KDRK07	<5	2	56	<20	0.06	<10	<10	25	<10	3	464724	7740066
KDRK07A	<5	2	43	<20	0.1	<10	<10	24	<10	<2	464724	7740066
KDRK08	5	3	12	<20	0.12	<10	<10	16	<10	<2	470767	7736020
KDRK09	<5	1	9	<20	0.05	<10	<10	4	<10	<2	470776	7736100
KDRK10	<5	1	8	<20	0.04	<10	<10	3	<10	<2	470764	7736172
KDRK11	<5	14	11	<20	0.27	<10	<10	137	<10	6	471156	7736253
KDRK12	<5	1	11	<20	0.02	<10	<10	6	10	5	471415	7735777
KDRK13	7	3	6	<20	0.07	<10	10	23	20	5	478588	7737143
KDRK14	15	<1	7	<20	<0.01	<10	10	8	<10	<2	478572	7737149
KDRK15	13	4	7	<20	0.06	<10	10	23	10	6	478560	7737148
KDRK16	<5	2	4	<20	0.02	<10	<10	9	10	3	478584	7737170
KDRK17	<5	8	6	20	0.13	<10	<10	35	10	13	478584	7737170
KDRK18	5	1	3	<20	0.01	<10	<10	3	<10	2	478599	7737159
KDRK19	<5	2	9	<20	0.04	<10	<10	10	<10	5	481591	7738503
KDRK20	<5	2	12	<20	0.05	<10	<10	14	<10	6	481590	7738647
KDRK21	<5	1	3	<20	0.01	<10	<10	20	<10	<2	481550	7738683
KDRK22	<5	2	15	<20	0.05	<10	<10	12	<10	5	481573	7738684
KDRK23	<5	8	13	<20	0.11	<10	30	46	<10	87	481665	7738657

SOIL SAMPLES	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23
MINERAL	Ag	As	Au	Ba	Be	Bi	Br	Ca	Cd	Ce	Co	Cr
DESCRIPTION	ppb	ppb	ppb	ppb	ppb	ppb	ppm	ppm	ppb	ppb	ppb	ppb
KDSB01	4.4	6	0.14	730	2	<3	0.35	103	1	872	109.5	22
KDSB02	2.6	10	0.29	620	1.3	<3	0.33	76.3	1	924	192	38
KDSB03	3.1	6	0.21	100	<0.2	<3	4.03	130	<1	110	73.2	<1
KDSA01	3.5	8	0.13	750	2.5	<3	0.47	122	1	1055	144.5	39
KDSA02	2.6	12	0.35	550	2	<3	0.41	90.5	1	968	196	49
KDSA03	2	5	0.23	90	<0.2	<3	5.66	202	1	82.3	161	<1
SOIL SAMPLES	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23
MINERAL	Cs	Cu	Dy	Er	Eu	Fe	Ga	Gd	Ge	Hf	Hg	Ho
DESCRIPTION	ppb	ppb	ppb	ppb	ppb	ppm	ppb	ppb	ppb	ppb	ppb	ppb
KDSB01	13.2	1020	89	42.5	40.8	21.9	26.4	166	3	3.4	0.6	16.7
KDSB02	16.7	762	124.5	64	52.8	56.3	32.3	219	4.1	5.8	0.8	24.5
KDSB03	6.4	533	30.5	12.4	16.7	0.8	1.6	64.8	0.6	<0.5	0.4	5.3
KDSA01	16.1	1240	126.5	61.9	54.2	37.3	33.5	219	4.3	4.5	0.8	24.2
KDSA02	17.3	875	139	72.2	59.3	83.5	38.7	245	4.8	7.1	0.6	27.8
KDSA03	6.9	702	38.1	15.5	19.7	1.2	1.5	77.5	0.7	<0.5	0.4	6.6
SOIL SAMPLES	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23
MINERAL	I	In	La	Li	Lu	Mg	Mn	Mo	Nb	Nd	Ni	Pb
DESCRIPTION	ppm	ppb	ppb	ppb	ppb	ppm	ppm	ppb	ppb	ppb	ppb	ppb
KDSB01	0.18	<0.1	358	2.7	3.4	26.2	3.08	3	1.2	733	252	407
KDSB02	0.32	0.1	482	5.1	5.8	20.5	4.34	3.3	2.6	974	219	377
KDSB03	0.29	<0.1	37.4	0.8	1	511	0.51	3.1	<0.1	224	322	192
KDSA01	0.22	0.1	434	8.1	5.3	27.5	4.38	3.9	2.7	907	329	373
KDSA02	0.36	0.1	510	5.9	6.9	22.6	5.45	4.5	3	1060	243	342
KDSA03	0.42	<0.1	28.3	1.1	1.3	690	0.9	4.8	<0.1	218	434	73

SOIL SAMPLES	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23
MINERAL	Pb 206	Pb 207	Pb 208	Pd	Pr	Pt	Rb	Re	Sb	Sc	Se	Sm
DESCRIPTION	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb
KDSB01	99	91	213	7.8	140	0.1	436	<0.1	0.7	69	23	175.5
KDSB02	91	83	198	14.7	186	0.1	458	<0.1	0.8	146	31	226
KDSB03	45	45	100	1.3	31.3	<0.1	163.5	<0.1	<0.5	5	32	72.1
KDSA01	93	81	195	11.3	170.5	0.1	530	<0.1	0.9	105	34	229
KDSA02	86	75	178	17.9	197	0.1	531	<0.1	1	199	33	255
KDSA03	19	16	38	1.4	27.5	<0.1	204	<0.1	<0.5	5	41	83.3
SOIL SAMPLES	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23	ME-MS23
MINERAL	Sn	Sr	Ta	Tb	Te	Th	Ti	Tl	Tm	U	W	Yb
DESCRIPTION	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb	ppb
KDSB01	0.9	505	<1	21.1	1	211	702	0.5	4.4	117.5	1	24.2
KDSB02	2.6	456	<1	27.8	1	268	1420	0.8	6.8	103.5	1	39.6
KDSB03	<0.2	1430	<1	7.7	<1	2.37	15	<0.5	1.2	31	<1	6.6
KDSA01	1.9	548	<1	29.2	<1	262	1540	0.8	6.5	146	1	37.2
KDSA02	3.7	499	1	31.4	1	325	1810	0.8	8	118	1	45.3
KDSA03	<0.2	2080	<1	9.4	<1	1.75	11	<0.5	1.4	29.5	<1	8.4
SOIL SAMPLES	ME-MS23	ME-MS23	ME-MS23									
MINERAL	Zn	Zr										
DESCRIPTION	ppb	ppb	South	East								
KDSB01	290	82.8	470691	7735997								
KDSB02	220	166	470778	7736148								
KDSB03	130	4.7	471156	7736253								
KDSA01	100	120.5	470691	7735997								
KDSA02	100	222	470778	7736148								
KDSA03	80	4	471156	7736253								

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