ANNUAL REPORT
for
SEL 10319
Goat Creek
for the period
11 August 2008 to 9 August 2009
‘Crusade’ Project
Northern Territory

Volume 1 of 1

1:250,000 SHEET: TANAMI
1:100,000 SHEET: WILSON CREEK

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TENEMENT HOLDER: Australian Tenement Holdings Pty Ltd

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- Newmont Asia Pacific
- Central Land Council

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September 2009
EXECUTIVE SUMMARY

No field work has been carried out on SEL 10319 during the reporting period.

It is important for ATH to ensure that there is a reasonable amount of exploration land to include with the TMJV/Groundrush Mining Leases as a saleable package. If we reduce the ATH landholdings in the vicinity of the TMJV/Groundrush Mining Leases and processing infrastructure, the likelihood of securing a sale to an established junior Mining Company or Initial Public Offerings may be diminished. In addition, all of the area covered by the project area is considered prospective for gold mineralisation similar to the Tanami, Twin Bonanza, Old Pirate & Groundrush deposits and any purchaser will require time to effectively evaluate the exploration potential of the area.

Further to our recent discussions with the Department of Regional Development, Primary Industries, Fisheries and Resources, Newmont Australia Limited (Newmont) anticipates recommencing the divestment of the ATH exploration tenements and TMJV/Groundrush mining leases in the second half of 2009 subject to an improvement in market conditions.

During 2009 Newmont is planning to continue with its environmental auditing of ATH tenements to ensure the success of previous rehabilitation of exploration disturbances.
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1. **INTRODUCTION**

This is the annual report for SEL 10319 – Goat Creek – for the period 11th August 2008 to 9th August 2009.

No field work was carried out over the tenement area.

2. **LOCATION AND ACCESS**

SEL10319 is situated some 70km north of the Tanami Mine. The tenement is mostly covered by the Suplejack Pastoral Lease. Access to the tenement is by the Lajamanu Road then via Suplejack Station Tracks onto exploration and station tracks. Access to the area is difficult during the wet season (December to March).

3. **TENURE**

Exploration Licence (SEL) 10319 was granted to the Central Desert Joint Venture (CDJV) partners (Otter Gold NL 60% and Acacia Resources Ltd (now Anglogold Australia) 40%) over portions of the former CDJV licences EL1254 and EL9684 on the 23rd January 2001 for a period of four years.

With control of Otter Gold NL being gained by Newmont NFM, it was decided, due to escalating tenement costs, that the ground should be partially relinquished. During January of 2003 a decision was made to reduce the SEL10319 ground from 500 blocks to 443 blocks. The relinquished ground was considered as an area reduction for the period ending 23rd January 2003.

SEL10319 is covered by the Indigenous Land Use Agreement (ILUA) dated 7th February 2000 between the Central Land Council, Otter Gold NL and Anglogold Australasia.

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**Figure 1** Location
LOCATION AND ACCESS

Author: M. Eisenlohr
Drawn: Y.E.S.
File: TAN_Lnd_Ten_A4_SEL10319Access.mxd
Date: 20/8/2009
Scale: 1:250 000
Projection: Lat/Long (GDA 94)
4. GEOLOGY

4.1 Regional Geology

The Granites – Tanami Block is bounded to the west by the Canning Basin, and to the east by the Wiso Basin and is considered to be one of the western most Palaeoproterozoic inliers of the Northern Australian Orogenic Province. The block is thought to have developed around the Barramundi Orogeny – major event 1845 – 1840 Ma (Blake et al., 1979).

The stratigraphy of the Tanami Region has been revised as a result of an intensive study recently completed by the NTGS (Hendrickx et al., 2000). The stratigraphy outlined by Blake et al (1979) has had some significant modifications.

The Archaean Billabong Complex and Browns Range Metamorphics are the oldest rocks in the area. Browns Range Metamorphics comprise granitic gneiss and muscovite schist intruded by fine-grained granite, thin granitic sills, aplite and pegmatite. The Billabong Complex comprises banded granitic gneiss', which are generally elongated and fault bound.

Lying unconformably above the Archaean basement is the Palaeoproterozoic McFarlane Peak Group. These rocks are characterised by a thick sequence of mafic volcanic, volcaniclastic and clastic sedimentary rocks, which possess a distinctive magnetic and gravity signature. This package of rocks is structurally complex and is considered to have a tectonic contact with the overlying Tanami Group.

The Tanami group is subdivided into three formations:

Twigg Formation: purple siltstone with minor sandstone and chert

Killi Killi Formation: turbiditic sandstone

Dead Bullock Formation: siltstone, mudstone, chert and banded iron formation

The Dead Bullock Formation occurs at the base of the Tanami Group and is dominated by fine-grained sedimentary rocks. The rocks outcrop at Dead Bullock Soak, Lightning Ridge and Officer Hill. At the Granites the rocks have been metamorphosed to amphibolite facies to form andalusite, garnet and hornblende bearing schists. The Dead Bullock formation is host to significant gold mineralisation at the Granites and Dead Bullock Soak.

The Killi-Killi Formation conformably overlies the Dead Bullock Formation and is the most extensive formation in the group. The sequence of turbidites includes micaceous greywacke, quartzwacke, and lithic greywacke, quartz arenite and lithic arenite, interbedded with siltstone, mudstone and occasional thin chert beds. Detrital mica is a characteristic feature. The Killi-Killi is metamorphosed to lower greenschist facies and is interpreted to be up to 4km thick.

The Twigg formation is confined to a narrow package of rocks immediately west of the Tanami Mine corridor. It comprises a sequence of interbedded purple siltstone with thin-bedded chert and minor medium bedded greywacke.
The Pargee Sandstone unconformably overlies the Tanami Group and is exposed on the western side of the Coomarie Dome extending into Western Australia. The Pargee Sandstone comprises thick-bedded quartz arenite, lithic arenite and conglomerate with pebbly sandstone and conglomerate at the base.

The Mount Charles Formation comprises an intercalated package of basalts and turbiditic sediments, which occur on the western side of the Frankenia Dome. The Mount Charles Formation is host to structurally controlled vein hosted gold mineralisation in the Tanami Mine Corridor. Sediments include sandstone, mudstone, carbonaceous mudstones and intraclast conglomerate. Basalts are predominantly massive units with pillow basalts and basaltic breccias also evident.

The Mt Winnecke Group is also interpreted to lie unconformably over the Tanami Group and is divided into two units - siliciclastic sediments and felsic volcanics.

The Nanny Goat Volcanics are characterised by extrusive volcanic rocks including quartz-feldspar ignimbrite, feldspar ignimbrite, rhyolite lava, basalt and minor siliciclastic sediments.

The Birrindudu group comprises 3 units with Gardiner Sandstone at the base, overlain by Talbot Well Formation and Coomarie Sandstone. The Suplejack Down sandstone is interpreted to belong to this group but is relationship is unclear. The Birrindudu group lie unconformably over the Browns Range Metamorphics, MacFarlane Peak Group, Tanami Group, Pargee Sandstone, Nanny Goat Creek Volcanics and Mount Winnecke Group.

Cenozoic laterite, silcrete, calcrete, and Quaternary debris cover 60 – 70% of the Tanami Desert. The Quaternary sediments are generally unconsolidated, representing the most recent phase of erosion and deposition of sands, gravels and lithic fragments.

4.2 Local Geology

Geologically, the lease is predominantly part of the Coomarie Dome, which extends down to the Tanami Mine region. The Coomarie Dome has intruded Tanami Complex rocks (including Mt Charles Beds, Nanny Goat Creek Beds and Nongra Creek Beds). It is thought that inliers/ roof pendants may exist within some portions of the lease. Covering these is a series of Upper Proterozoic Birrindudu Group Sediments (including Gardiner Sandstone, Talbot Well Formation and Coomarie Sandstone). To the east of the lease the majority of the younger Cambrian Antrim Plateau Volcanics lie (these consist of Tholeiitic basalt, minor tuffaceous sandstone, and lithic arenite). Previous experience and brief helicopter reconnaissance has suggested that not all the mapped Antrim Plateau Volcanics are as such and may be Tanami Complex in origin. Obvious outcropping geology is restricted to the Birrindudu Group Sediments.

The Nanny Goat Creek Beds are Archaean to Lower Proterozoic rocks, stratigraphically equivalent to the Mount Charles Beds outcropping near the Tanami Mine to the south. Both of these rock units form part of the Tanami Complex.

The Nanny Goat Creek Beds are described as predominantly volcanic rocks consisting of ignimbritic acid porphyry, amygdaloidal non-porphyritic basaltic lavas with intrusive patchy porphyritic basalt and tuff. The subordinate rocks are metasedimentary greywacke, shale and siltstone.

The Nanny Goat Creek Beds host the Crusade gold mineralisation. The mineralisation occurs along a regional shear zone that juxtaposes two units from the Nanny Goat Creek Beds; namely a dacite to the west and a basalt to the east. The majority of the mineralisation is hosted within the footwall basaltic rocks. Structure evident in the Gardiner Sandstone (Carpentarian) can be easily recognised on a regional basis and
transferred to the Nanny Goat Creek Beds. With this in mind, two structural trends (N – S and NW – SE) are evident.

The Mineral Lease (Crusade) consists of outcropping Nanny Goat Creek Beds. The rocks are generally steeply dipping with cleavage often parallel to bedding, adding to the structural complexity. Complex folding and faulting is evident and detailed mapping is required to more fully understand this area.

Geological interpretation of the Crusade mineralised system shows it to be composed of approximately 20 separate quartz veins which are closely associated with the lithological contact between the basalt and the dacite. These veins have a variable dip (50-85°) to the west and are suspected to have been produced as a result of reverse thrusting (ie. dip slip with a small component of strike slip) along the lithological contact. There is also a slight northerly plunge apparent within the core of the mineralisation, which is associated with a flattening of the vein dip.

5. PREVIOUS EXPLORATION

The exploration history within the area is discussed in detail in previous reports.

During 2003 and 2004 work comprised interpretation and mapping as part of a new structural interpretation of the Tanami Region within a major strategic review of the Tanami Region.

6. EXPLORATION DURING THE PERIOD

No exploration field work was carried out over the tenement.

During 2009 Newmont is planning to continue with its environmental auditing of ATH tenements to ensure the success of previous rehabilitation of exploration disturbances.
7. REFERENCES


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