N E W M O N T A S I A P A C I F I C

N E W M O N T T A N A M I P T Y L T D

ANNUAL REPORT

ANNUAL REPORT FOR EL 8932 Peccadillo Central 2

for the period
03/02/2008 to 02/02/2009

Peccadillo
NORTHERN TERRITORY

Volume **1** of **1**

1:250,000 SHEET:	The Granites	SF52-03
	Tanami	SE52-15
1:100,000 SHEET:	McFarlane	4757
	Pargee	4758

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TENEMENT HOLDERS: Australian Tenement Holdings Pty Ltd

DISTRIBUTION:

- ❑ Northern Territory Department of Regional Development, Primary Industry, Fisheries and Resources
- ❑ Australian Tenement Holdings Pty Ltd
- ❑ Newmont Asia Pacific
- ❑ Central Land Council

SUMMARY

This is the annual report on EL 8932 for the period 3 February 2008 to 2 February 2009.

No field exploration was carried out over the area.

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1. INTRODUCTION

EL 8932 – Peccadillo Central 2 – was granted to Otter Gold NL on 17 February 1998 and is now being held by Australian Tenement Holdings Pty Ltd. This is the Annual report for the period 3 February 2008 to 2 February 2009.

2. TENEMENT DETAILS

Tenement details are listed in Table 1:

Table 1: Tenement Summary for EL 8932

Licence	Status	Grant Date	Area/Blocks
EL 8932	Granted	17/02/1998	44

3. LOCATION AND ACCESS

EL 8932 is located on The Granites and Tanami 1:250 000 map sheets (McFarlane 4757, Pargee 4758), approximately 650 km northwest of Alice Springs and approximately 50km west of the Tanami Gold Mine. Access is by air or via the Tanami Highway and a network of pre-existing and newly formed tracks.

4. GEOLOGY

The Granites-Tanami Goldfield lies in the eastern part of the Early Proterozoic Granites-Tanami Inlier, which is part of the Northern Australian Orogenic Province (Plumb, 1990). The Inlier abuts the Arunta Complex to the south and east and is probably a continuation of the Halls Creek Orogen in Western Australia (Hendricks et al., 2000). It underlies younger cover sequences including the extensive Paleozoic Wiso Basin on its northeastern margin, and the Victoria River Basin to the north. To the west clastic sediments of the Middle Proterozoic Birrindudu Basin overlie and separated the Inlier from the similar aged rocks of the Halls Creek Province.

The oldest rocks of the Tanami region belong to the Billabong Complex, a suite of Archean age gneiss and schist. These are unconformably overlain by the Proterozoic MacFarlenes Peak Group (mafic volcanic and volcaniclastic rocks), followed by a thick succession of clastic sediments of the Tanami Group (Hendricks et al., 2000). A suite of syn- to post-deformation dolerites and gabbros are found intruding both the MacFarlane Peak and Tanami Groups.

Complex polyphase deformation during the Barramundi Orogeny (1845-1840Ma) has affected the entire Granites-Tanami Inlier. It appears to have been largely controlled by two sets of regional scale fundamental crustal fractures that trend NNE and WNW. This is evidenced by the orientation of successive phases of macroscopic folding in the region and the consistent sympathetic trends of late tectonic faults.

Peak metamorphism during the Barramundi Orogeny reached amphibolite facies (Granites Gold Mine), but is more generally greenschist facies through the Inlier (Callie Gold Mine). Contact metamorphic aureoles, commonly identified in politic schist units by randomly orientated andalusite porphyroblasts, are well developed at the margins of the syn- and post-orogenic granite plutons.

Localised extension followed, forming small basins, that filled with shallow marine sediments to the west (Pargee Sandstone) and pillow basalts and turbiditic sediments to the east (Mt Charles Formation).

Following the period of extension, widespread granite intrusion and volcanism followed in the period 1830 – 1810 Ma. At least three suites of granitic intrusives and two volcanic complexes are present. The last intrusion of (undeformed) granite occurred at around 1800 – 1795Ma, with the intrusion of The Granites Suite (Hendrickx et al, 2000).

Residual hills of gently folded Carpentarian Gardiner Sandstone unconformably overlie Early Proterozoic lithologies. Younger flatlying Cambrian Antrim Plateau Basalts are also preserved as platform cover in areas protected from erosional stripping.

Tertiary drainage channels, now completely filled with alluvial and lacustrine clays and calcrete are a major feature of the region. Some drainage profiles are 10 km wide and greater than 100m deep.

A desert terrain comprising transported and residual colluvial cover sediments and aeolian sand blanket a large portion of the Inlier, with an estimated outcrop exposure of less than 10% of the early Proterozoic lithological units.

Gold mineralisation within the Newmont Tanami tenement holdings is dominantly hosted by the Tanami Group, a sequence of fine to medium-grained turbiditic metagreywackes with lesser amounts of metapelite, carbonaceous siltstone and schist, banded ironformation, chert and calcsilicates. (Hendrickx et al, 2000). Owing to their more resistant nature, only the cherts and iron-formations and associated interbedded graphitic schists tend to outcrop above the sand plain. The interlayered pillow basalts and sediments of the Mt.Charles Formation at the Tanami Mine deposits also host significant gold mineralisation.

5. PREVIOUS EXPLORATION

1998 – 1999:

During the first year of exploration, delays were encountered with arranging and conduction sacred site clearances within the areas. Clearance procedures were completed with the expectation of commencing work in the 1999 field season. Geophysical Surveys and interpretation were completed.

1999 – 2000:

Second year work programs included a regional helicopter surface sampling program (400m x 400m), infill programs (100m x100m) and line sampling at 50m spacing with a high of 28.1ppb Au and 24.5ppb Au being recorded.

2000 – 2001:

Work was extensive during this year with widespread infill surface sampling across the Maximus region and Angle RAB used to define the targets produced. Rockchip sampling was undertaken with a maximum result of 100g/t Au +. Walkabout posthole was completed over at least five of the licences determining deep cover in the eastern region of EL 8932 & EL 8980. Shallow cover was confirmed on the western licences even with an alluvial channel defined. Smaller surface sampling programs were completed to the north of Maximus along the unconformity and outlined potential targets within the Killi Killi sediments with a pyritic component.

2001 – 2002:

During the fourth year of tenure work focused on the remote analysis of geophysical data with the use of the Fractal Graphics method for enhanced multi scale edge analysis (worming) of these regions. The resulting data was analysed for potential targets. An area of interest was discerned within fairly tightly folded Killi Killi Beds adjacent to EL 8932/EL8576.

2002 – 2003:

Fifth year work programs were put on hold within these regions due to minimal staff being assigned to the Tanami region. The takeover of Otter Gold NL by Normandy NFM/Newmont also pushed the field season back with the uncertainty of staff positions and budgets.

2003 – 2004

Work within the Peccadillo group of Licences concentrated on the interpretation and mapping as part of the preparation for a new structural interpretation of the Tanami region as part of a major strategic review of the Tanami Region. Data review and interpretation continued for the gathering of information for the 2004 budget.

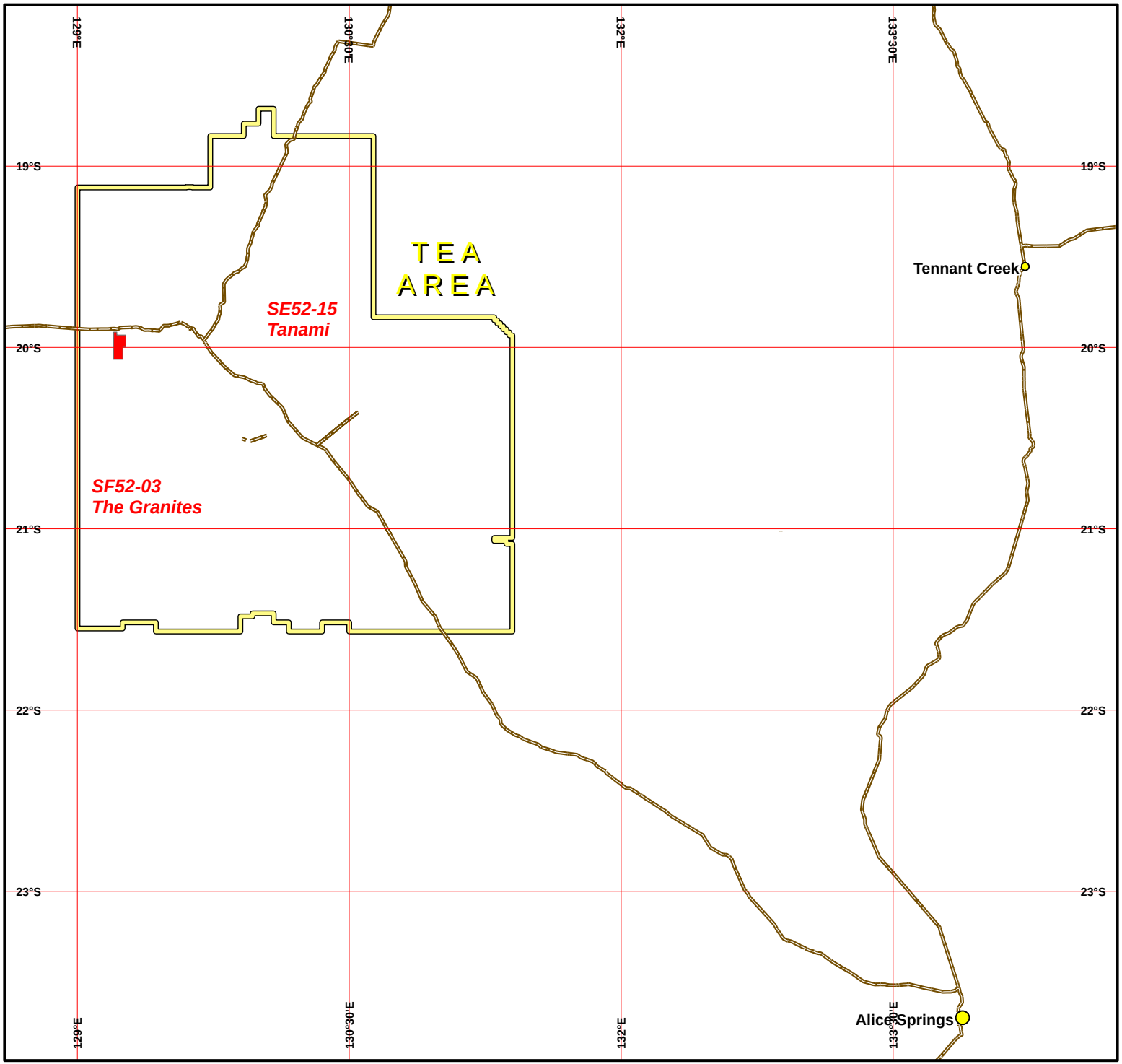
2005 – 2007

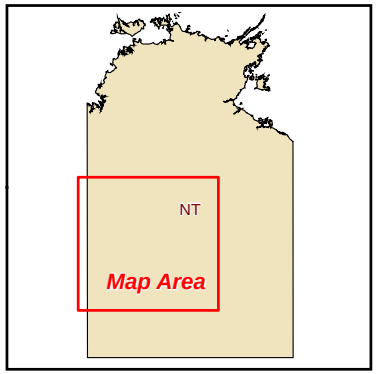
No exploration work was carried out during the period.

6. EXPLORATION DURING THE PERIOD 19 DECEMBER 2007 TO 18 DECEMBER 2008

No field exploration has been carried out over the tenement area as Newmont is compiling a saleable tenement package and is anticipating the divestment of the ATH exploration tenements in the near future subject to an improvement in market conditions.

Figure 1 Tenement Location





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Kilometers

NEWMONT EXPLORATION PTY LTD

Tanami Project

EL 8932

TENEMENT LOCATION

Author: M. Eisenlohr	Scale: 1:3 500 000
Drawn: V. Preedy	Date: 5/2/2009
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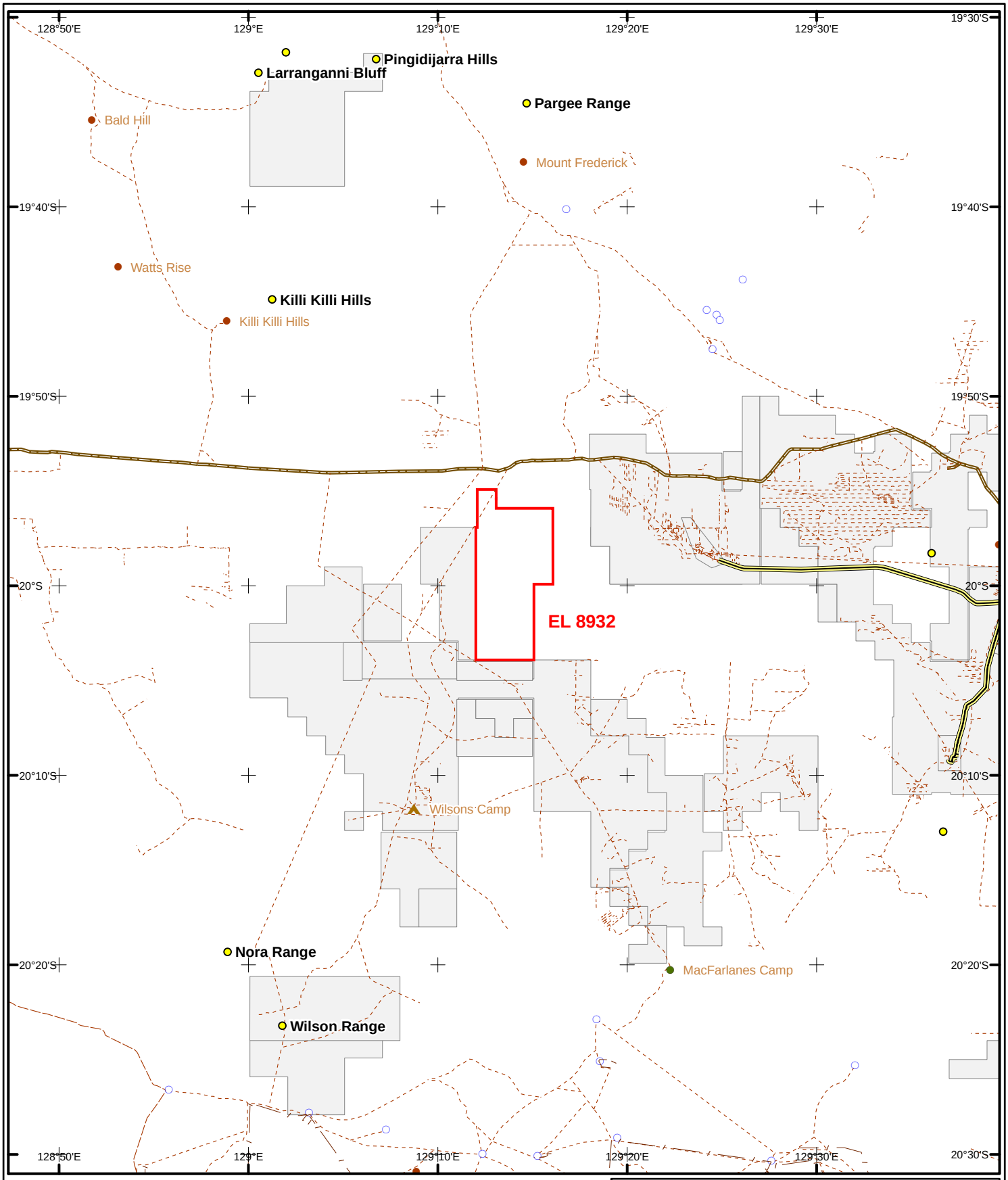

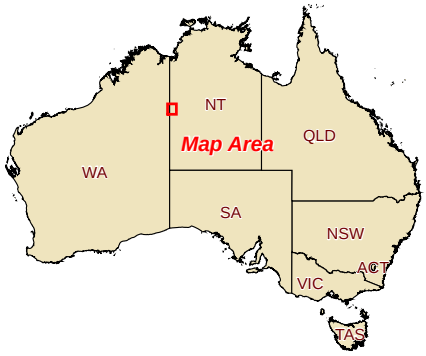

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NEWMONT EXPLORATION PTY LTD

Tanami Project

EL 8932

LOCATION AND ACCESS

Author: M. Eisenlohr	Scale: 1:500 000
Drawn: V. Preedy	Date: 5/2/2009
File: TAN_Lnd_Ten_A4_EL8932Access.mxd \AUS\NT\Tanami_Tenements\MXD\Reports\	Projection: Lat/Long (GDA 94)

Figure 2 Access

7. REFERENCE LIST

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