BRIDGING REPORT TO COVER EXPLORATION ACTIVITIES OVER MCC 1034
16 NOVEMBER 1990 – 13 AUGUST 2009

MCC 1034
Explorer 195

LICENSEE:
SANTEXCO PTY LTD
A.C.N. 002 910 296

AUTHOR:
ADAM WALTERS

AUGUST 2009
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Figure 1. Location Map of the Explorer 195 Tenure Area in relation to the Tennant Creek Township.

Figure 2. Location of gravity station readings and processed gravity data image.

Figure 3. Processed magnetic data image.
1. SUMMARY

Mineral Claim 1034, Explorer 195, was acquired by Santexco Pty Ltd (Santexco) to search for Tennant Creek style iron oxide copper-gold deposits.

This bridging report records the exploration work done on this tenement during the term 16 November 1990 to 13 August 2009.

The claim covers a magnetic anomaly which was identified as a result of a low level airborne geophysical survey conducted by GeoPeko in 1984. The evaluation of the source of this anomaly was conducted under EL4536 by Peko Wallsend Operations Ltd. The work conducted included gridding, ground magnetics, percussion diamond drilling, geochemical analysis of drill core and a downhole magnetic survey.

DH1 was drilled during October & November 1984 and it successfully intersected approximately 70m of lode material (Talc-Hematite/Magnetite, Quartz-Hematite/Magnetite and Altered Sediment), half core splits from this interval were insufficiently encouraging to warrant immediate continuation of the drilling program. A second hole (DH2) was drilled and aimed at a target 170m below grid coordinates 1000E/1030N, while it failed to pass through the target point due to excessive steepening, a number of poorly mineralised intervals of ironstone were encountered.

A Detailed Ground Gravity Survey, conducted by Fugro Ground Geophysics commenced 27 March 2008. This ground gravity survey was conducted over Emmerson’s entire Tennant Creek tenure package and included MCC 1034. The survey was conducted by three teams, each team consisted of a quad bike and rider equipped with a station meter. The three teams were supported by a Toyota Landcruiser 4WD Ute. The readings were taken on a 500m station spacing’s, on lines 500m apart oriented North – South. Readings in areas requiring more detail were taken on 50 station spacing’s on 100m spaced lines oriented North - South. The survey was completed during October 2008. No station readings were taken immediately within MCC 1034, but a number of station readings were taken in the immediate area and are detailed in Figure 2 along with the processed image of the Gravity Data.

A Detailed Airborne Magnetic, Radiometric and Digital Terrain Survey was conducted by UTS Geophysics and commenced 26 May 2008 and was completed on 22 July 2008. The survey included areas to infill between other historical surveys to give complete detailed magnetics of Emmerson’s tenement package in the Tennant Creek Locality and included MCC 1034 the processed data is detailed in Figure 3. The survey was flown with a FU24 – 954 fixed wing survey aircraft on 75m line spacing’s, with 750m tie line spacing's and a sensor height of 25m for a total Line KM of 38,278. Magnetic Data was captured using a Scintrex Cesium Vapour CS-2 total field magnetometer, Fluxgate three component vector magnetometer, RMS Aeromagnetic Automatic Digital Compensator (AADC II) and a Diurnal monitoring Magnetometer (Scintrex Envi8mag). Radiometric Data was captured using an Exploranium GR-820 gamma ray spectrometer and Exploranium gamma ray detectors.
The Explorer 195 magnetic anomaly is distinctly clear in figure 3 and provides encouragement for further evaluation of the anomaly. Emmerson hasn’t scheduled further evaluation of this target in the next two year period due to higher priority areas within the EPA, which includes Pepperjack, Clown, Joker, Golden Forty, flag Comstock, New Hope and Brumby just to name a few.

Further evaluation of the identified magnetic anomaly will occur during the 2010/2011 wet season with the aim of generating targets for drill testing during the following field season.
2. INTRODUCTION

Mineral Claim 1034, Explorer 195, was acquired by Santexco Pty Ltd (Santexco) to search for Tennant Creek style iron oxide copper-gold deposits.

The Claim was applied for to cover a magnetic anomaly known to be the result of a concealed body of ironstone. The anomaly has been referred to as Explorer 195 and/or Blanc.

This bridging report records the exploration work done on this tenement during the term 16 November 1990 to 13 August 2009.

3. LOCATION

Mineral Claim 1034 is a tenement located within the Tennant Creek Perpetual Pastoral Lease 1142 and is approximately 27km east north east of the Tennant Creek Township. The Claim area is located in Emmerson’s Eastern Project Area (EPA).

Access to the tenure area is gained east via the road leading to the historical Lone Star and Golden Key Mines, then further east via a series of unsealed and 4WD tracks leading to the historical Gigantic, Metallic Hill and Perseverance Mines.

Figure 1 shows the location of the tenure area with respect to the town of Tennant Creek.

4. TENURE

Tenure details for the Explorer 195 Tenement is as follows:

<table>
<thead>
<tr>
<th>Tenure</th>
<th>License Holder</th>
<th>Blocks &amp; part-blocks</th>
<th>Area (ha)</th>
<th>Date of Grant</th>
<th>Period of Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCC 1034</td>
<td>Santexco Pty Ltd</td>
<td></td>
<td>20</td>
<td>16th November 2004</td>
<td>5 Years</td>
</tr>
</tbody>
</table>

The tenure area lies within NT Portion 00494, Perpetual Pastoral Lease 1142, Tennant Creek Station.

Figure 1 shows the tenure area as it was during the reporting term.
5. GEOLOGY

5.1 Regional Geology

The reader is referred to AusIMM Monograph 14 (Geology of the Mineral Deposits of Australia and Papua New Guinea), Volume 1, pp. 829-861, to gain an introduction to the regional geology and styles of gold-copper mineralisation of the area.

In 1995 the Northern Territory Geological Survey released a geological map and explanatory notes for the Tennant Creek 1:100,000 sheet, which covers the area of the license.

The rocks of the Warramunga Formation host most of the ore bodies in the region and underlie the Exploration License.

5.2 Local Geology

The claim area is located immediately adjacent to EL 10370, in the Tennant Creek Inlier, an area of Proterozoic rocks consisting of three distinct geological provinces; the Davenport Province to the southeast, the central Tennant Creek Block and the Tomkinson Creek Province to the northwest. The Inlier is comprised of a gneissic basement overlain by Proterozoic sediments of the Warramunga Formation, Hatches Creek Group and the Tomkinson Creek Beds.

The sequence of Proterozoic sediments was intruded by younger Proterozoic granitoids around 1858 Ma to 1845 Ma during the Barramundi Orogeny. The Proterozoic rocks were subsequently overlain by Cambrian sediments of the Georgina Basin.

The Tennant Creek goldfield is located within the central block where the oldest rocks are the metasedimentary rocks of the Warramunga Formation, which are the host to the ironstone – gold – copper – bismuth mineralisation of the Tennant Creek goldfield.

The Warramunga Formation is comprised of a sequence of argillaceous sedimentary rocks that includes greywacke, siltstone, shale and units of haematitic – magnetite shale. Cross – cutting and conformable quartz – feldspar porphyries occur within the sedimentary sequence.

Following deformation and uplift of the basement, the volcanics and volcaniclastics of the Flynn Sub – Group were erupted (1845 Ma to 1827 Ma), with intrusion of porphyries and minor granitoids into the Warramunga Formation. The Warramunga Formation has been subjected to three phases of deformation, the first of which formed tight to isoclinal folds with an east west axis. The two later phases formed west – northwest trending faults and shear zones, and finally northwest trending faults. The project cover an area of poor outcrop comprised of Cenozoic and Quaternary Aeolian and alluvial sand cover (Chisholm).
The ironstone identified within the Claim forms part of the Billy Boy line of historical workings that strike over a length of 9.5km.

6. PREVIOUS EXPLORATION

MCC 1034

Explorer 195 441 685E 7 833 292N (Datum - GDA94_Zone53)

The claim covers a magnetic anomaly which was identified as a result of a low level airborne geophysical survey conducted by GeoPeko in 1984. The evaluation of the source of this anomaly was conducted under EL4536 by Peko Wallsend Operations Ltd. The work conducted included gridding, ground magnetics, percussion diamond drilling, geochemical analysis of drill core and a downhole magnetic survey.

DH1 was drilled during October & November 1984 and it successfully intersected approximately 70m of lode material (Talc-Hematite/Magnetite, Quartz-Hematite/Magnetite and Altered Sediment), half core splits from this interval were insufficiently encouraging to warrant immediate continuation of the drilling program. A second hole (DH2) was drilled and aimed at a target 170m below grid coordinates 1000E/1030N, while it failed to pass through the target point due to excessive steepening, a number of poorly mineralised intervals of ironstone were encountered.

The claim was subject to a Joint Venture Agreement (Central Joint Venture 1; CJV1) between Normandy, GeoPeko and North Flinders Mines Limited. No work was conducted by Normandy during the period between the last renewal (September 1999) and the purchase of the Claim by Santexco (June 2000).

In June 2000 Giants Reef Mining Limited (Giants Reef) purchased the Tennant Creek assets of Normandy Tennant Creek (NTC) including MC C1034 Explorer 195 Gum Ridge. After the purchase NTC changed its name to Santexco Pty Ltd and is now wholly owned subsidiary of Emmerson Resources Ltd (Emmerson). In January 2003 Giants Reef purchased Sons of Gwalia (replacing GeoPeko) and Newmont NFM’s (replacing North Flinders Mining) Joint Venture assets, and became the sole owner of the CJV1 project, including MC C1034. Since the purchase Giants Reef didn’t have sufficient time to carry out any on ground exploration over the Claim, other than reconnaissance trips. However, during the term Giants Reef conducted a detailed desktop evaluation of the Claim. All the historical drill and geochemical data over the EL was collated and converted from datamine format, and integrated into the Company’s database.

In June 2004 Giants Reef was provided with ground gravity data by Wirraminna Resources, who had undertaken the survey over their Exploration Licence, which also included MCC 1034.

EMERSON RESOURCES LTD
MCC1034 is located just east of Emmerson’s Mineral Lease C22284 Billy Boy, which covers a number of advanced prospects such as Billy Boy, Callisto, Ganymede and Metallic Hill.

Emmerson has yet to locate the details and results for the Exploration drilling conducted in 1984.

7. WORK CONDUCTED BY EMMERSON

MCC 1034

Explorer 195  441 685E  7 833 292N  (Datum - GDA94_Zone53)

Emmerson successfully built a team of highly qualified and skilled, staff and Geoscientists. Work commenced on the analysis of all historic drilling data, which included the validation and assessment of all Historical drilling over Emmerson Tenure, including any over MCC 1034 and then the compilation into a database.

A Detailed Ground Gravity Survey, conducted by Fugro Ground Geophysics commenced 27 March 2008. This ground gravity survey was conducted over Emmerson's entire Tennant Creek tenure package and included MCC 1034. The survey was conducted by three teams, each team consisted of a quad bike and rider equipped with a station meter. The three teams were supported by a Toyota Landcruiser 4WD Ute. The readings were taken on a 500m station spacing’s, on lines 500m apart oriented North – South. Readings in areas requiring more detail were taken on 50 station spacing’s on 100m spaced lines oriented North - South. The survey was completed during October 2008. No station readings were taken immediately within MCC 1034, but a number of station readings were taken in the immediate area and are detailed in Figure 2 along with the processed image of the Gravity Data.

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8. REHABILITATION

Exploration within MCC 1034 during the report period consisted of two Diamond holes, non invasive geophysical surveys.

To the best of the holders knowledge all drilling rubbish generated during the Diamond drilling within the Claim was removed and disposed of at the Tennant Creek tip during the rehabilitation process.

9. REFERENCES

N/A