ANNUAL EXPLORATION REPORT

EL 23536

FOR PERIOD ENDING 28 JULY 2010

‘MT OSBORNE’

BURNSIDE PROJECT NT

Pine Creek SD5208 1:250,000
Tipperary 5170 1:100,000
Batchelor 5171 1:100,000
Pine Creek 5270 1:100,000
McKinlay River 5271 1:100,000

Titleholders: Crocodile Gold Australia Pty Ltd

Distribution:

- DOR Darwin, NT
- Crocodile Gold Australia P/L, Humpty Doo
- Crocodile Gold Australia P/L, Brocks Creek

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SUMMARY

EL 23536 is a strategic landholding which is located south of important Brocks Creek project area, and covers several mineral claims and part of MLN 1139. EL 23536 was granted on 29 July 2003 and expires on 28 July 2011. It was granted to GBS Gold Australia’s subsidiaries Buffalo Creek Mines Pty Ltd (50%) and Territory Goldfields NL (50%). GBS Gold Australia went into voluntary administration on 15 September 2008 and all assets including EL 23536 were placed under care and maintenance. Crocodile Gold Australia acquired all liquidated assets of GBS Gold Australia (liquidated) on 6 November 2009 and commenced mining and exploration activities in the region.

The tenement overlies a sequence of Palaeoproterozoic meta-sediments ranging from South Alligator Group to the Finniss River Group. Much of the area is covered by pre-existing titles (e.g ML 1139) which cover the South Alligator Group sediments, and the area covered by EL 23536 is mainly of the Burrell Creek Formation sediments of the Finniss River Group. In the northern part of the tenement, rocks of the Gerowie Tuff and Mount Bonnie Formation are also present. The sequence has been intruded by the Burnside Granite, a fractionated and oxidised body that is known to have been associated with gold mineralisation in the Pine Creek Orogen.

During the year under review, EL 23536 was explored for uranium and gold mineralisation. In addition, new owner commenced a review of the project area in order to establish mineral potential of the project area. High resolution magnetic and radiometric data obtained were processed and interpreted, which provided significant encouragement for further exploration. In addition, 113 soil samples were taken on 50 m x 50 m grid.

During 2010-11, exploration will continue to target the project area for uranium, gold and base metals. This will involve data interpretation, detail mapping of selected areas and additional drilling. A special emphasis will be placed on Lady Josephine prospect for extension of further uranium mineralisation.
CONTENTS

SUMMARY 2
1.0 INTRODUCTION 4
2.0 LOCATION AND ACCESS 4
3.0 TENEMENT STATUS AND OWNERSHIP 4
4.0 GEOLOGICAL SETTING 6
    4.1 Gold Mineralisation and Potential 8
5.0 PREVIOUS EXPLORATION 10
6.0 EXPLORATION DURING CURRENT TENURE 18
7.0 PLANNED EXPLORATION FOR 2010-11 20
8.0 REFERENCES 22

List of Figures
Figure 1: Tenement Location Map
Figure 2: Geology of the Project area
Figure 3: IKONIS image of the project area
Figure 4: TMI Image of the Project area
Figure 5: Radiometric image (Uranium) of the project area

List of Appendices
Appendix 1: Soil geochemical data
Appendix 2: Exploration Expenditure for EL 23536
1.0 INTRODUCTION
EL 23536 covers a strategic landholding which is located immediately south of the Brocks Creek Project area, and covers several mineral claims and part of MLN 1139 (Figure 1). It is located in a close proximity of mining centers such as Brocks Creek (Zapopan) and Fountain Head. The tenement appears to have good potential for gold and uranium mineralisation.

2.0 LOCATION AND ACCESS
EL 23536 is situated approximately 160 km SE of Darwin NT. The North Australian Railway transects the northern edges of the tenement. The Fountainhead Road transects the southern and eastern blocks of the Licence. The Mt Osborne transmitter mast service road also crosses the tenement.

Topography is relatively flat (except around Mt Osborne) with low hills and creeks which can flood in heavy rains during the wet season. Access is relatively easy in the dry season.

3.0 TENEMENT STATUS AND OWNERSHIP
EL 23536 was granted on 29 July 2003 and expires on 28 July 2011. It comprises 22 blocks that cover approximately 70.84 km$^2$. The component blocks are considerably fragmented and reduced in effective area by pre-existing titles, particularly the Brocks Creek Group tenements (ML 1139 etc).

It was granted in equal shares to Buffalo Creek Mines Pty Ltd (50%) and Territory Goldfields NL (50%), which were part of Burnside JV. The Burnside JV was established between Harmony Gold (50% and Northern Gold NL (50%) for exploration and mining in the region. During 2005, GBS successfully made a takeover for Northern Gold NL, and has reached an agreement to purchase Harmony’s 50% share of the Burnside project. GBS Gold had 100% of the Burnside Project as of 1 April 2006.

However on 15 September 2008, GBS Gold Australia went into voluntary administration and as result of that all exploration and mining assets were placed under care and
Figure 1: Tenement Location Map
maintenance. In June 2009, Crocodile Gold Australia announced to purchase all assets held by liquidated GBS Gold Australia in the Northern Territory. After meeting all statutory and regulatory requirements, these assets including EL 23536 were transferred to Crocodile Gold Australia on 6 November 2009.

Underlying cadastre is NT Portion 2683 (Pastoral Lease 903) held by Branir Pty Ltd.

4.0 GEOLOGICAL SETTING

Regional geology is outlined in many publications, notably Ahmad et al. (1994), and Needham and Needham and Stuart-Smith (1984), and Needham et al. (1988). The tenements are within the Pine Creek Orogen, sequence of Palaeoproterozoic psammitic sediments, with interlayered cherty tuff units. Mafic sills of the Zamu Dolerite (~1.87Ga) intruded lower formations of the South Alligator Group.

The tenement overlies a sequence of Palaeoproterozoic meta-sediments ranging from South Alligator Group to Finniss River Group. Much of the area is covered by pre-existing titles (e.g MLN 1139) which cover the South Alligator Group sediments, whereas the area covered by EL 23536 is mainly of the Burrell Creek Formation sediments of the Finniss River Group shown in Figure 2. In the northern part of the tenement, rocks of the Gerowie Tuff and Mount Bonnie Formation are also present. The sequence has been intruded by the Burnside Granite, a fractionated and oxidised body that is known to have been associated with gold mineralisation in the contact aureole in the Pine Creek Orogen (Bajwah, 1994).

The western and central sectors of the tenement have been folded along axes trending north westerly and with the north eastern anticlinal limbs steep to overturned and locally sheared out by SW dipping reverse faulting.

Towards the eastern sector of the tenement near Mt Osborne and Yam Creek-North Point, the fabric has adopted an arcuate strike swing to northerly and then north-north easterly. This NNE trend sub parallels the domain of the Hayes Creek Fault system.
Figure 2: Geology of the Project Area
Secondary fractures striking NE and NW cross the fold axes and are thought to be important gold localisers in the Brocks Creek-Zapopan shear zone. Similar fractures cut the eastern sector fabric and also may also contain gold mineralisation.

Within the region there is a tendency for gold mineralisation, dated at \( \sim 1740 \text{Ma} \), to be overprinted on pre-existing anticlines within spotted hornfelsed strata of the South Alligator Group and lower parts of the Finnis River Group. This often cyclic sequence evolved from initial low energy shallow euxinic basinal sedimentation to higher energy deeper water flysch facies.

4.1 Gold Mineralisation and Potential

Geological, geochemical and geophysical information gathered so far suggest that areas surrounding the Burnside Granite are the most fertile for hosting gold mineralisation. This is perhaps due to the presence of geological sequence which has been subjected to ductile as well as brittle deformation during Top End Orogeny (1870 – 1780 Ma), leading to the development of structural sites with porosity and permeability and that have acted as fluid conduits. The area was subsequently intruded by the Burnside Granite causing wide spread contact aureole, containing gold mineralisation not only around the Burnside Granite but many others in the region (Bajwah, 1994). These plutons are I-type, fractionated and belong to magnetite-series which are known to contain or responsible for gold mineralisation in the adjacent meta-sediment. In the final stages of granite emplacement, the magma experienced differentiation and fractional crystallisation which subsequently led to the emanation of hydrothermal fluids, responsible for gold mineralisation in already structurally prepared sites such as F\text{3} anticlinal structures and associated cross fractures.

EL 23536 is well positioned to host favorable sets of fold and cross fracture settings. The optimal conjunction of South Alligator Group sequences and north east or north-west fracture sets may be less common in the south due to the prevalence of Burrell Creek Formation coarse clastics. Nevertheless it is possible that folds crests and reverse faults
Figure 3: IKONIS image of the project area
could bring Mt Bonnie Formation units, or older, to the surface under cover, particularly in the far eastern and northern sectors. Figure 3 shows IKONIS image of the project area with identified major fold structures and faults related to gold mineralisation. There is a strong possibility of extension of these structures under recent sedimentary cover towards south of the tenement which is 10’s of metre deep at places.

TMI image of the area further highlights significance of the project area (Bajwah 2009) for gold mineralisation. Gold mineralisation is associated with magnetic highs/ridges (Rising Tide, Zapopan) as well as magnetic lows/valleys (Fountain Head, Woolwonga). These correspond to dilatant and compressive zones and both can have economically viable gold mineralisation around the Burnside Granite.

Geochemical sampling (soil/RAB drilling) has identified significant gold anomalies in different parts of the tenement (see later discussion). This further supports the contention of the presence of gold bearing structures in the project area. However, there is need to conduct a detailed magnetic or EM survey to find more subsurface information under the recent sedimentary cover.

5.0 PREVIOUS EXPLORATION

Since 1965, the tenement area has been explored for gold, base metals, uranium, iron and manganese. A brief exploration history under different historical tenements is given below.

**AP1506** covered a large area, including the Brocks Creek-Zapopan line, Howley line, Mt Shoobridge and further west. EL23536 is within the eastern side of AP1506. United Uranium explored for base metals, uranium, as well as Fe and Mn. Work concentrated on the Howley line and Mt Shoobridge. No work appears to have been carried out over EL23536.
Placer Prospecting held **AP 1681** for base metal exploration, and conducted a regional stream sediment sampling programme, along with geological reconnaissance and Central Pacific Minerals explored **AP 1959**, and within EL 23536 conducted reconnaissance sampling at Lady Josephine (U), Lady Josephine West (Cu, Pb) and Jar (Cu, Pb, Zn, Ag) prospects. The work was only documented in a series of monthly reports outlining rock chip sampling, radiometric readings and some soil sampling, and maps showing the prospects are missing from the reports.

**EL 615** reports only recorded work around Mount Bonnie and Grove Hill, which are outside EL23536.

**EL 1154** covered the 4 western blocks of EL23536, as well as the Brocks Creek-Zapopan line of mineralisation further east. CRA explored for a year in 1977, by carrying out 1:250,000 scale mapping, ironstone sampling and soil sampling for base metals. No base metal anomalies were found, and the ground was relinquished within a year. Work failed to locate first order CRA-sized targets, and the ground was dropped.

**EL 1635** covered one block on EL 23536 in 1978. Geopeko carried out a geological assessment, plus some aeromagnetic surveys and concluded that there was no base metal mineralisation, and relinquished the tenement.

**EL 1882** covered the same area as EL1154 (4 western blocks of EL23536 and Brocks Creek-Zapopan line). Geopeko concentrated on evaluating the John Bull-Faded Lily prospects (which are now within MLN 1139) and did not record exploration within EL 23536.

Zapopan NL held the same 8 blocks as Geopeko (EL1882) and CRA (EL1154) with **EL 2981**. Work concentrated on the Zapopan line, with auger drilling and soil sampling, and with no apparent work in EL23536.

Zapopan held **EL 2540** in the early 1980’s, covering 8 blocks of EL23536. Soil geochemical surveys used arsenic as a pathfinder element, but no Au was found.
>0.02 ppm. **EL 4219** covered 26 blocks over Mt Osborne, and 12 blocks in the south central and eastern portions of EL23536. The titleholder viewed the tenement as having potential for quartz-vein stock-work type gold mineralisation in Burrell Creek Formation sediments. A structural interpretation using photogeology was difficult because of steeply dipping structures, which often appear reversed, which gives the wrong sense to folds, and because of masking by recent sediments and laterites over outcrop. Photogeological mapping at 1:25,000 scale does not give much more detail than 1:100,000 geological mapping. Interpretation of Landsat imagery at 1:250,000 scale recorded NW-SE lineaments intersected by NE-trending structures. In the third year Grants Patch Mining entered into an agreement with the Titleholder (Bronte Douglass) and the work on EL4219 then focussed on the Zapopan anticline to the north (covered by MLN 1139).

Dominion held **EL 4415** for 6 years until 1990, and it covers the 3 easternmost blocks of EL 23536. RAB drilling was carried out over 2 soil anomalies, and the western anomaly was deemed to be colluvium related with no hardrock potential. The eastern anomaly is outside EL 23536.

**EL 4465** covered 4 blocks, 2 of which are the western blocks of EL23536. Northern Gold acquired EL 4465 (along with 17 other tenements) from Talmina Trading, and it became part of EL 4737. No work was reported on EL4465.

**EL 4737** covered the area further north along the Howley anticline, and covered the 2 western blocks of EL23536. Northern Gold held EL4736 and EL4737 as part of the Howley Project in the 1980’s. Northern Gold entered into a production agreement with Metana Minerals for alluvial gold on EL 4736, while still concentrating on evaluating the hardrock potential in EL 4737. Most of the work (such as soil sampling) was carried ou in the area west of EL 23536.
**EL 4520** covered SD521290U, plus other blocks within MLN 1139, but outside EL 23536. Work done on EL4520 is covered within previous work on MLN 1139.

**EL 4757** covered SD521290Q within EL 23536. This block is also covered by MLN 1139 and HLDN36, and work done on EL 4757 concentrated on evaluating the alluvial/eluvial gold mineralisation along the Brocks Creek Shear Zone.

**EL 5043** covered the southern blocks of EL 23536, extending in an EW line of 6 blocks below MLN 1139. Oceania Exploration and Mining conducted an airborne geophysical survey and some geochemical sampling, but did not identify any anomalies.

**EL 5085** covered one block (SD521290P) which is now mainly covered by MLN 1034 at Fountainhead. Two costeans were excavated, and intersected quartz veining with maximum assay value of 2.77g/t Au. A drillhole (FH-PDH-19) was drilled at around 94MGA52 769300E / 8510 200N (very approximate location from map in local coordinates) which intersected quartz veining but had ‘negative’ assay results.

**EL 5694** covered 2 blocks (SD521290Z and SD521290T) which are approximately 80% covered by pre-existing MLN 1139 and various MCN’s. Eastern Gold conducted a literature search, concluding that the previous tenure was EL 4219. No further work was done as a JV partner could not be secured before licence expiry.

**EL 6244** consisted of 2 blocks, one of which covers EL23536 block SD521289T (mainly covered by MLN 1139, and MCN’s 4895 - 4899. Work consisted of panning to determine hardrock and alluvial potential, particularly around the John Bull mine. The last report stated ‘no hardrock or alluvial material was found’.

**EL 6620** consisted of 2 blocks, both within the southern part of EL23536 (SD521362D and E). Work by Bob Biddlecombe consisted of fossicking and rock chip sampling, with assay results indicating ‘the prospect of economic gold mineralisation is slight’.

**EL 6627** covered the 3 southern blocks of EL 23536 (SD1362A – C). **EL 6629** covered the SE block in EL23536 (SD1363A). On both these Licences, Dominion Gold carried out soil sampling and Lag-scree sampling, plus interpretation of airborne geophysics and
geological mapping. No targets warranting follow-up were found, and on EL6629 a couple of anomalous results from lag scree sampling were not confirmed with soil sampling.

**EL 6678** is now covered by MLN 1139, and MCN’s 4862 – 4871, and previous work is reported in the Brocks Creek report.

**EL 6747** covered 4 blocks, of which one block is the far western block of EL23536 (SD521289S). Soil sampling outlined a broad 80ppb Au anomaly, which was downgraded after vacuum and shallow RC drilling.

**EL 7011** covered 3 blocks (SD521290T, U, Z), of which most of these blocks are now covered by MCN’s 4689 – 4697; 4701 – 4703; and MLN 1139. Solomon Pacific Resources secured the most prospective areas under MCN’s after carrying out rock chip sampling and soil sampling.

**EL 7457** is now covered by MLN 1139, and MCN’s 4863 – 4871.

**EL 7539** covered two of the eastern blocks of EL23536, including the area now covered by AN413, plus areas covered by MCN’s at Yam Creek/Princess Louise to the east. EL7539 was only held for one year before being incorporated as part of SEL7895 (along with EL 7478). No results were reported during the EL7539 tenure.

**EL 7561** covered SD521291R, which is SE of the Fountainhead tenements. EL 7561 also covered the northern part of the Yam Creek tenements. Anomalous values from Dominion/NGNL work is now covered by MCN’s.

**EL 7562** consisted of one block covering SD521290O. Magnum Gold held the tenement for around a year, and conducted limited soil sampling, which returned some anomalous samples to 33ppb Au.

**EL 7890** became part of MLN 1139, and is now covered by MCN’s 4895 – 4899, as well as MLN 1139.

Work done during **SEL 7895** by Dominion (and then Northern Gold) included soil sampling of the Priscilla line, vacuum drilling west of Grove Hill and scout RC drilling.
From this work, 99 vacuum holes were drilled within EL23536, at 50m spacings along 400m spaced lines. Maximum Au result within EL 23536 was 10200 ppb Au in hole 94YCVR006, which confirmed a strong soil anomaly, and is in an area of sub-cropping rubbly ferruginous quartz veining in greywacke. Northern Gold drilled 269 RAB holes on a 20m x 100m pattern over the eastern part of EL23536, with most holes going to 4m depth in this area. Maximum Au result within EL 23536 was 2950 ppb Au in YCH01 at 66AMG52 772722E / 8507652N, but there was a scattering of high values along several lines of drilling. RAB holes around 94YCRV006 had maximum values of around 22 ppb Au, but on the line 100m north YCW206 intersected 1750ppb Au.

**EL 7919** consisted of 9 blocks, of which 3 covered the southern portion of EL 23536 (SD521362C – E). Solomon Pacific explored the tenement in 1994-96. Work included collecting BLEG stream sediment sampling, and soil sampling which outlined a low-order gold anomalous zone covering a large catchment area (‘Inferno’ – approximately 94MGA52 768800E / 8505100N). Further work by Acacia outlined 3 anomalous areas from soil auger sampling, with a total of 512 samples collected within EL 23536. Geological mapping showed the Burrell Creek Formation float.

**EL 7933** covered 11 blocks in a NW-SE trend around the western edge of the Brocks Creek mine. Cyprus Gold sold the tenement to Solomon Pacific, who conducted vacuum drilling over the northern parts of the tenement. Acacia Resources took over Solomon Pacific in 1996, and did a regional aeromagnetic/radiometric survey.

**EL 7975** is now covered by MLN1139, and work done was reported in MLN1139 reports.

**EL 8446** consisted of one block (SD521290P); but most of this block is covered by MLN 1034 (Fountainhead). Magnum Gold NL held the EL, but conducted work on MCN’s 4643 – 4645; and MCN’s 5025 – 5029. Work consisted of rock chip sampling and soil sampling, with a max soil sample of 180ppb Au.
immediately south. The Licence was subject to prospecting and fossicking by private prospectors. **EL 8476** covered the SE block of EL 23536 (SD521363A), plus another 2 blocks interests. Best value came from a rock chip sample taken within this block, which returned 0.77g/t Au and 14.2% Copper.

**EL 9368** covers the block (SD521291R) which is between the Fountainhead tenements, and the Yam Creek tenements. Acacia Resources conducted only limited exploration, with regional geological interpretation and around 9 rock chip samples collected. Only two rock chip samples gave anomalous values of 13ppb Au and 20ppb Au (with 54ppm As). No work was conducted in the final year of tenure due to Acacia being taken over by Anglogold.

**EL 9473** covers 2 blocks (SD521290T and U), which are mainly covered by MLN 1139 (Brocks Creek); MLN 1034 (Fountainhead), plus MCN’s 4701 – 4703 (Brocks Creek). Northern Gold did no fieldwork, and only conducted desktop studies and interpretation of Landsat imagery.

During 2003, the first year of grant of the tenement, exploration work by the Burnside Joint Venture initiated the structural analysis of the tenement setting. This was put into a regional context using SPOT and Magnetic images. Shaw (2005) surmised that the regional NW-striking fold axes were truncated by possible reverse faults sub-parallel to the axial zones. In addition there are swarms of NE cross fractures cutting the axes. These are believed to link sites of gold mineralisation where favourable host lithologies are present, such as Mt Bonnie Formation. Priority target areas were recognised to the west of Fountainhead, where several lineaments intersect poorly outcropping Mt Bonnie Formation sediments. This work was supplemented by further interpretation during 2004-05. In 2005, P. Harris examined the regional TMI, and identified an arcuate structure where the Fountainhead structure veers south and terminates/joins the Yam Creek shear (“ST002”). This is approximately at 94MGA52 773630E / 8507660N.

Work done during Year 3 of tenure consisted of a historic data compilation. The results of previous work are outlined in the previous section (‘Previous Work’). Work done included checking:
a) historic tenure in MapInfo, using a MapInfo file supplied by DPIFM (containing exploration tenure, but not mining tenure)

b) checking historic tenure from old Titles tenure sheets (which contain mining as well as exploration tenure)

c) checking NTGS datasets, such as COREDAT, MODAT, Explorer 3

d) checking open file company reports submitted for previous tenure covering EL23536.

From this work (and excluding results from areas held under existing mineral leases and mineral claims);

a) there are 3 MODAT occurrences within the tenement (Lady Josephine, Lady Josephine West, and Jar Prospect). The 2 Lady Josephine prospects are considered Cu-U prospects, and the Jar prospect has polymetallic Cu-Pb-Zn-Ag veins

b) there are 80 vacuum holes from drilling by Solomon Pacific on EL7993 (Highway) mainly on block SD521289S, which is the far western block.

c) no samples from DIM Database

d) 604 soil samples in Explorer 3, comprising soil samples from Solomon Pacific work (and translated from local grid to AMG by Acacia), and soil auger samples collected by Acacia, done on EL 7919.

e) no stream sediment samples from Explorer 3

f) 35 rock chip samples (25 from Solomon Pacific work; 10 from Acacia work) Acacia rock chips had a max value of 21 ppbAu and 54ppm As (94MGA52 772700E / 8508200N); CSMO7 assayed at 55ppb Au from the Solomon Pacific work (approx MGA 768700E / 8505600N).

Adam Elliston (geologist and author of the 1995 report on SEL 7895) conducted a field visit for GBS personnel to the site of drilling of 94YCRV006 (previously named 94SEL7895VRAB006), which intersected 10.2g/t Au, and 94YCRV006, which intersected 6.2g/t Au at 8m. These holes were located into MGA94 Zone 52 using a handheld GPS to check against the database AMG coordinates, and found to be correct. For example; the GPS datapoint for 94YCRV006 is at 94MGA52 772762E / 8507403N, which is within 3m of the recorded location in the database. A
quick geological reconnaissance showed the anomalous RAB holes to be located within an area of multiple quartz veining with box-work structures, and with some arsenopyrite at surface, within greywacke. Much of the quartz veining was locally strongly ferruginised.

During 2008-09 reporting period a review identified uranium potential of the project area, which led to identification of Lady Josephine prospect. A campaign of drilling, down-hole geophysical survey and assaying was undertaken. In September-October 2008, 7 RC holes were drilled for 349 metres. A total of 136 drill hole samples were retrieved and assayed for U, Cu, Pb(2), Zn, Bi, Co, Ni, As, Ag, Th and V (Bajwah, 2009).

RC drilling intersected a sequence of interbedded siltstones and litharenites (probably tuffaceous greywackes) assigned to the Burrell Creek Formation. Moderate to strongly anomalous uranium (up to 160 ppm over 1m) was intersected in holes 08PCRC014 and 08PCRC017. Mineralisation appears to be related to hematitic joints and fractures above the base of partial oxidation. In un-oxidised rock joints were weakly chloritic and rarely pyritic.

6.0 EXPLORATION DURING CURRENT TENURE

During the reporting period, under the instructions from several administrators, EL 23536 was reviewed, ranked and evaluated which suggested significant potential for uranium and gold mineralisation. During 2009-10, a high resolution aerial geophysical cover for part of the tenement was obtained and GDF formatted data have already been provided to the Dept of Reporting as part of EL 23431 annual reporting requirements. In addition, orientation soil survey at 50m x50m grid was done. A total of 113 soil samples were taken from B-horizon. All geochemical data are given in Appendix 1.

Processing and interpretation of the geophysical data show undercover geological setting which has not been revealed before. TMI image of the project area is shown in Figure 4. It shows that eastern part of the tenement comprises folded and faulted rocks of the Burrell Creek and Mt Bonnie formations, which have been intersected by a major fault known as Hays Creek Fault. This fault structure is known to be associated with uranium.

Figure 4: TMI image of the project area
Originating splay faults from the Hays Creek fault intersect the Burrell Creek and Mt Bonnie formation at various stratigraphic horizons, and could be important host for gold mineralisation as shown by magnetic anomalies (Figure 4).

Project area is located in the north of Thunderball uranium deposit recently discovered. Figure 5 shows the radiometric image which displays a few radiometric anomalies in the eastern part of the project area.

Soil samples taken during current exploration program and their analytical results are given in Appendix 1. Soil samples were analysed for a number of elements with the emphasis on gold, uranium and base metals. Gold values are generally low and many samples have below detection level in samples. These generally vary from 0.1 to 0.5 ppb. Gold in the Pine Creek region is associated with certain geological setting and soil sampling has not been effective in locating gold mineralisation with great success so far. There is need to target magnetic anomalies with fertile geological setting to obtain success.

Base metals such as Cu and Ni concentrations are also low and many samples recorded below detection limit. However U concentrations vary 0.85 to 10 ppm with an average of 3.20 ppm. It appears most of the samples have been retrieved around Lady Josephine uranium prospect and shows the potential of the project area.

Other duties included tenement management, reconnaissance visits and report writing.

This exploration activity reported above costed $30820.00 during the reporting year and details are given in Appendix 2.

7.0 PLANNED EXPLORATION FOR 2010-11

During the current year, review identified a number of gold and uranium targets identified by high resolution geophysical data. These targets will be further refined during 2010-11 exploration program, which will lead to drilling of selected areas. Some selected areas will be mapped in details. A special emphasis will be placed on Lady Josephine prospect for extension of further uranium mineralisation. This program is expected to cost a minimum of $28000.00.
Figure 5: Radiometric image (Uranium) of the project area
8.0 REFERENCES


