FINAL REPORT

EXPLORATION LICENCE 22967

Moline Project

For Year Ending 30 April 2011

Distribution:-

1. DOR Darwin, NT
2. Crocodile Gold Australia, Humpty Doo

Report Number: EL22967 BR2010

Marcelle Watson
June 2011

TABLE OF CONTENTS

1 EXECUTIVE SUMMARY

Exploration Licence (EL) 22967 is located about 200 km SE of Darwin along the Kakadu Highway with a distance of about 45 km from Pine Creek. This EL makes up one of 7 exploration licences (EL 22966, EL 22967 EL 22968, EL 22970, EL 23605, EL 24127, EL 24262) covering the Moline goldfield. Terra Gold Mining Pty Ltd, a wholly owned subsidiary of GBS Gold Australia acquired exploration rights from tenement owner (Mike Teelow) in 2004. Crocodile Gold acquired the Moline group of tenements in 2009 after GBS Gold Australia (liquidated) when into voluntary administration.

The tenement expired on 30 April 2011 and an application for Substitute Exploration Licence (SEL) numbered 28616 was applied for on 11 February 2011 to cover the area over the Moline Project (EL22966, EL22967, EL22968, EL22970, EL23605, EL24127 and EL24262).

EL22967 is situated within the central region of the Pine Creek Orogen, which is characterised by open to tight, upright N to NW-trending folds of the Palaeoproterozoic meta-sedimentary and volcanic rocks. The tenement area is dominated by massive greywacke of the folded Burrell Creek Formation which is typically a cyclic greywacke-dominated assemblage with minor dark siltstone and mudstone packages. Over the Moline Project, gold mineralisation occurs within greywacke, siltstone and carbonaceous phyllite of the Mt Bonnie Formation. It is also confined to meta-greywacke and slate of the Burrell Creek Formation.

From 2003 to the licence expiry in April 2011, exploration activities on EL22967 have included field mapping and reconnaissance work, desktop studies and geochemical sampling.

A total of $35,492 has been spent over the life of the tenement.

2 INTRODUCTION

EL22967 is part of the Moline Group of tenements (EL 22966, EL 22967 EL 22968, EL 22970, EL 23605, EL 24127 and EL 24262) which surrounds the Moline goldfield. The tenement expired on the 30 April 2011. The other tenements covering the project area are also due to expire. An application for SEL28616 was submitted on 11 February 2011 to cover the area over the Moline project.

In this report, exploration activity conducted over the life of the tenement is documented.

3 LOCATION AND ACCESS

EL22967 is located approximately 200 km SE of Darwin, but is further by road. Access is from Pine Creek (220 km SE of Darwin) along the Kakadu Highway (approximately 45 km east of Pine Creek). Access within the tenements is possible during the dry season using old mining tracks and station tracks. Topography consists of low hills and ridges, usually with good rock outcrop, which drain into the Mary River via Bowerbird, Evelyn, Eureka and O'Neil Creeks. The Mary River forms the northern boundary of the Moline project area (EL24127), and the Wandie Creek is close to the southern boundary EL24262. Vegetation consists of open savannah woodlands.

The location of the EL22967 is shown in Figure 1.

4 TENEMENT DETAILS

EL22967 was originally granted to Titleholder, Micheal Daniel Teelow on the 3 March 2003. Terra Gold Mining Pty Ltd, a wholly owned subsidiary of GBS Gold Australia acquired exploration rights from tenement owner (Mike Teelow) in 2004.

GBS Gold Australia went into voluntary administration on 15 September 2008 and as a result all assets held by the company were placed under care and maintenance. In June 2009, Crocodile Gold Australia announced to purchase all assets and exploration rights held by GBS Gold Australia (liquidated) in the Northern Territory. Crocodile Gold acquired the Moline Project tenements as part of the takeover from GBS Gold Australia liquidated) in November 2009.

The tenement expired on 30 April 2011. An application for SEL28616 was submitted to the DoR on 11 February 2011 to cover the Moline Project area.

Underlying cadastre is the Mary River Wildlife Ranch Pty Ltd (No. 1631).

.

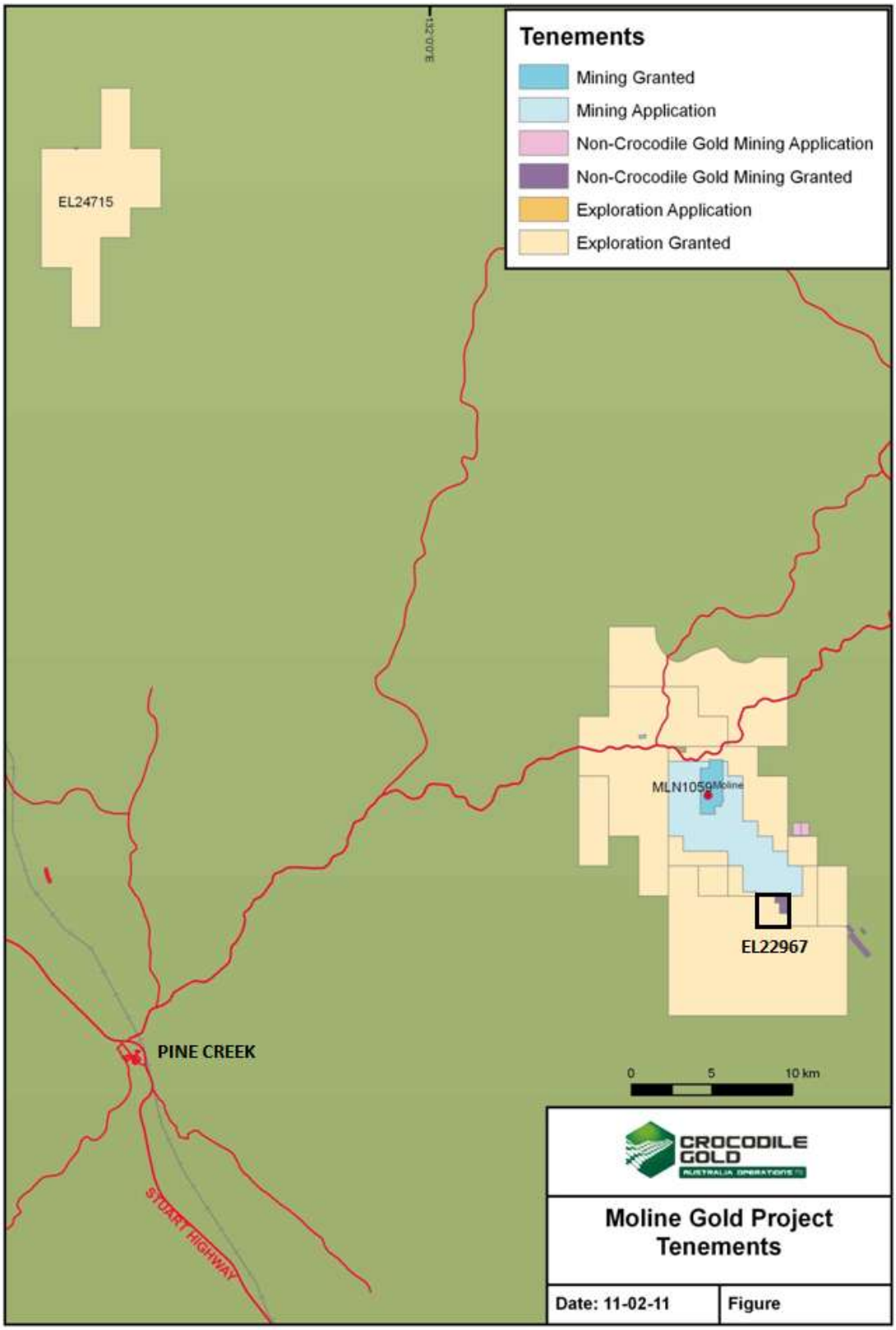

Figure 1: EL22967 Tenement Location

5 GEOLOGICAL SETTING

5.1 REGIONAL GEOLOGY

EL22967 is situated within the Pine Creek Orogen, a tightly folded sequence of Lower Proterozoic rocks, 10km to 14km in thickness, laid down on a rifted granitic Archaean basement during the interval ~2.2-1.87Ga. The sequence is dominated by pelitic and psammitic (continental shelf shallow marine) sediments with locally significant inter-layered cherty tuff units. Pre-orogenic mafic sills of the Zamu Dolerite event (~1.87Ga) intruded the lower formations of the South Alligator Group (Ahmad et al 1993). During the Top End Orogeny (Nimbuwah Event ~1.87-1.85Ga) the sequence was tightly folded, faulted and pervasively altered with metamorphic grade averaging greenschist facies with phyllite in sheared zones.

The Cullen intrusive event introduced a suite of fractionated calc-alkaline granitic batholith into the sequence in the period ~1.84-1.1.78Ga. These high temperature I-type intrusives induced strong contact metamorphic aureoles ranging up to (garnet) amphibolite facies, and created regionally extensive biotite and andalusite hornfels facies. Less deformed Middle and Late Proterozoic clastic rocks and volcanics have an unconformable relationship to the older sequences. Flat lying Palaeozoic and Mesozoic strata along with Cainozoic sediments and proto-laterite cementation overlie parts of the Pine Creek Orogen lithologies. Recent scree deposits sometimes with proto-laterite cement occupy the lower hill slopes while fluviatile sands, gravels and black soil deposits mask the river/creek flats areas.

There is a tendency for gold mineralisation to be focused in anticlinal settings within strata of the South Alligator Group and lower parts of the Finniss River Group. This sequence evolved from initial low energy shallow basinal sedimentation to higher energy deeper water flysch facies.

Gold mineralisation appears to be related to the I-type members of the Cullen Batholith, formed as a result of fractionation and differentiation processes during magma emplacement. That ultimately led to the evolution of hydrothermal fluids responsible for gold mineralisation in the adjacent meta-sediments (Bajwah, 1994).

Figure 2 illustrates the regional geology of the Moline project.

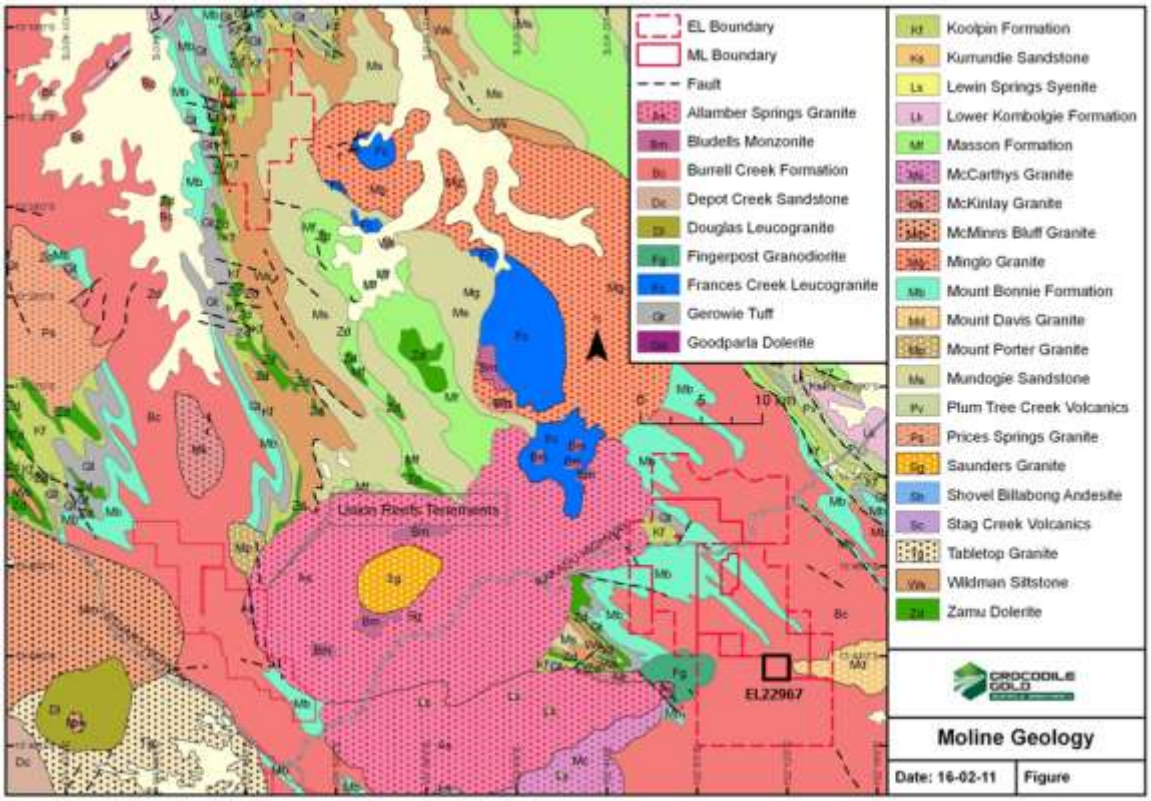

Figure 2: EL22967 Regional Geology

5.2 LOCAL GEOLOGY

The tenement area is made up of massive greywacke of the folded Burrell Creek Formation. The Burrell Creek Formation is typically a cyclic greywacke-dominated assemblage with minor dark siltstone and mudstone packages.

Over the Moline Project, gold mineralisation occurs within greywacke, siltstone and carbonaceous phyllite of the Mt Bonnie Formation. It is also confined to meta-greywacke and slate of the Burrell Creek Formation.

6 EXPLORATION ACTIVITIES FOR EL22967 – 2003 TO 2011

In the first year of tenure Titleholder, Michael Daniel Teelow, focused exploration over MLN1059 and EL23605, no work was conducted on EL22967 from 2003 to 2004.

During 2004 to 2005 G.R. Orridge from JV partner Terra Gold Mining (subsidiary of GBS Gold Australia) conducted a desktop review of the Moline Project. A review of exploration and sampling data identified future exploration targets over the entire Moline Project area.

Exploration activities from May 2005 to April 2006, conducted by GBS Gold Australia included database management and a literature review.

From May 2006 to April 2007, exploration activities included a literature review and reconnaissance field mapping.

During the May 2007 to April 2008 reporting year, exploration activities included database compilation, data processing and validation as well as field mapping and soil sampling. 89 geochemical soil samples were collected within EL22967 as part of a larger 50m x 400m sampling program over the Moline Project area. This sampling program was aimed at identifying further mineralisation along strike from the Moline Dam gold deposit. A strong soil anomaly was recognized trending NW-SE from the Moline gold deposits, extending through EL23605, becoming weaker over EL22967. EL22967 reported a maximum value of 0.090ppm Au.

Figure 3 illustrates the geochemical samples collected over EL22967 during 2007/08 exploration year.

In September 2008, GBS Gold Australia went into voluntary administration and hence exploration activities for the 2008 to 2009 year were confined to desktop reviews and reconnaissance field mapping.

Crocodile Gold obtained the Moline group of tenements, including EL22967, in November 2009. Exploration activities carried out for the 2009 to 2010 period included a review of the Moline Project tenements and field mapping. From May 2010 to the expiry date of 30 April 2011, Crocodile Gold has conducted a review of satellite imagery and purchased new satellite images.

Over the life of the tenement a total of $37,721 has been spent on EL22967. Table 1 lists the exploration expenditure for each year of tenure. Although there is reference to a desktop review conducted in the 04/05 year, no expenditure information can be found for this work.

Year	Exploration Activity	Expenditure
March 2003 to March 2004	-	-
March 2004 to May 2005	desktop and data review	?
May 2005 to May 2006	literature review and database management	$5,602
May 2006 to March 2007	literature review and recon mapping	$4,360
March 2007 to May 2008	database compilation, data processing and validation, field mapping and soil sampling	$13,589
May 2008 to March 2009	project review and recon mapping	$5,139
March 2009 to May 2010	project review and recon mapping	$8,950
May 2010 to expiry	review and purchase of satellite imagery	$81
	TOTAL	**$37,721**

Table 1: EL22967 expenditure 2003 to 2011

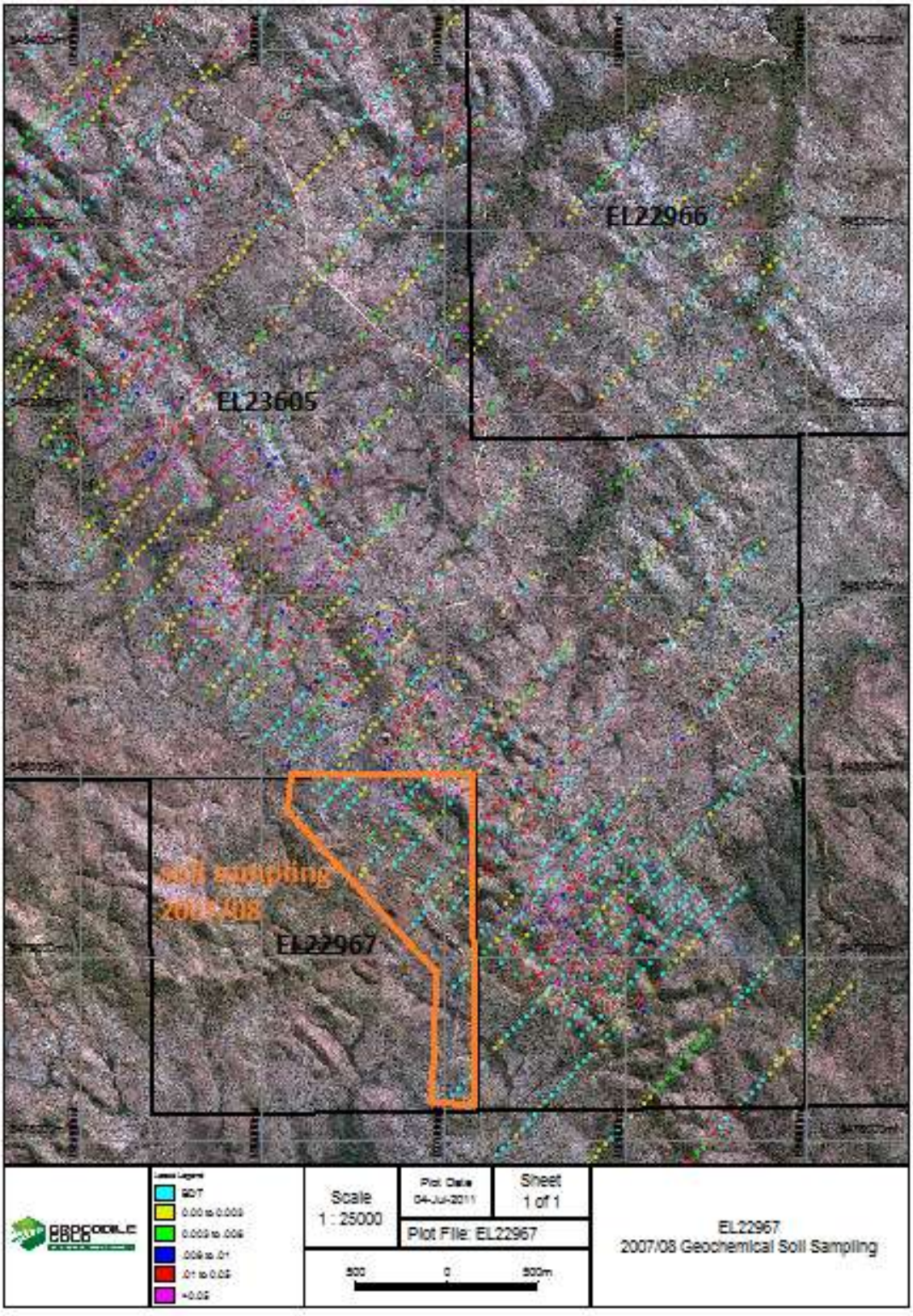

Figure 3: EL22967 geochemical sampling for May 2007 to April 2008

7 **REFERENCES**

Bajwah, Z.U., 2007. Annual Exploration Report Combined Technical Reporting for EL's 22966, 22967, 22968, 22970, 23605, 24127 and 24262 for Period Ending 1 May 2007, Moline Group. *GBS Gold Australia Pty Ltd Annual Report to Department of Primary Industry, Fisheries and Mines, Darwin*

Bajwah, Z.U., 2008. Annual Exploration Report Combined technical Reporting for EL's 22966, 22967, 22968, 22970, 23605, 24127 AND 24262 For Period Ending 30 May 2008 Moline Group. Annual Exploration Report to Dept of Primary Industry, Fisheries and Mines.

Bajwah, Z.U., 2009. Annual Exploration Report Combined technical Reporting for EL's 22966, 22967, 22968, 22970, 23605, 24127 AND 24262 For Period Ending 30 May 2008 Moline Group. Annual Exploration Report to Dept of Primary Industry, Fisheries and Mines.

Bajwah, Z.U., 2010. Annual Exploration Report Combined Technical Reporting for EL's 22966, 22967, 22968, 22970, 23605, 24127 and 24262, For period ending 30 May 2010 MOLINE GROUP. Annual Exploration Report to Dept of Primary Industry, Fisheries and Mines.

Smith, B.R. 2006. Annual Exploration Report Combined Technical Reporting for EL's 22966, 22967, 22968, 22970, 23605, 24127 and 24262 For Period Ending 1st May 2006 MOLINE GROUP. Annual Exploration Report to Dept of Primary Industry, Fisheries and Mines.