2011 ANNUAL GROUP REPORT

EL's 9608, 10347, 23270, 23431, 23432, 23536, 23540, 23541, 24018, 24051, 24058, 24351, 24405, 24409, 25295, 10012, 25748 ELR89 and 97

Burnside Exploration Project

For Period Ending 15 January 2012

Group Report GR185/11

Distribution:-

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

Group reporting number: GR185/11

Marcelle Watson
February 2012

TABLE OF CONTENTS

1 EXECUTIVE SUMMARY

The Burnside exploration group is made up of 17 Exploration Licences (EL) and 2 Exploration Licence in Retention (ELR). The tenements are located about 120 km south of Darwin, along the Stuart Highway. The licences were originally granted to various companies including Northern Gold, Dominion Gold Mines Pty Ltd and the Burnside Joint Venture (50:50 Buffalo Creek Mines Pty Ltd and Territory Goldfields NL). GBS Gold Australia acquired the tenements in 2007 before going into voluntary administration in 2008. On 6 November 2009, Crocodile Gold Australia acquired the Burnside exploration licences after purchasing all assets held by GBS Gold Australia (liquidated).

The stratigraphy of the Burnside Project area is dominated by the Wildman Siltstone of the Mt Partridge Group and units of the South Alligator Group and the overlying Finniss River Group. This volcano-sedimentary sequence has been moderately to tightly folded along several northwest trending axes within the project area, the most prominent of which are the Howley, Brocks Creek/Zapopan and the Fountain Head Anticlines and the Margaret Syncline. The axial plane of these folds is characterized by intense bedding-parallel faulting and shearing along predominantly north-west trends.

Exploration activities conducted during the reporting period included a VTEM geophysical survey and interpretation, historic geophysical interpretation, drill hole planning and design, RC and diamond drilling and assaying, purchase of new satellite imagery and reconnaissance field visits.

During the next reporting period exploration activities will include ongoing analysis and interpretation of geophysical data looking at identifying additional targets, following up with field reconnaissance and geological mapping. Crocodile Gold will also conduct a review of recent and historical drilling conducted at Iron Blow and Mt Bonnie with the aim of recreating wireframes and geological re-interpretation. A review and update of the Cosmo Deeps resource model will also be conducted using assay information from recent drilling.

Thundelarra Exploration will continue work on the Thunderball and Lady Josephine uranium prospects.

2 COPYRIGHT

3 INTRODUCTION

The Burnside exploration group is made up of 17 Exploration Licences (EL) and 2 Exploration Licence in Retention (ELR). The tenements are located about 120 km south of Darwin, along the Stuart Highway. The licences were originally granted to various companies including Northern Gold, Dominion Gold Mines Pty Ltd and the Burnside Joint Venture (50:50 Buffalo Creek Mines Pty Ltd and Territory Goldfields NL). GBS Gold Australia acquired the tenements in 2007 before going into voluntary administration in 2008. On 6 November 2009, Crocodile Gold Australia acquired the Burnside exploration licences after purchasing all assets held by GBS Gold Australia (liquidated). Element 92/Thunderlarra Exploration Pty Ltd has the rights to explore for uranium under an agreement with Crocodile Gold.

Crocodile Gold Australia applied for group technical reporting status on the group of tenements comprising the Burnside project area. This was approved by Department of Resources in December 2010 and the Burnside project area was given the group reporting number GR-185/11.

In this report, exploration activity conducted from 16 January 2011 to 15 January 2012 is discussed.

4 LOCATION AND ACCESS

The Burnside tenements are situated 120km south of Darwin along the Stuart Highway. Access to the various tenement is via the access roads leading from the Stuart Highway, and then via secondary tracks. These tracks provide good access for 4WD vehicles during the dry season, however some of these tracks become impassable after heavy rain, and therefore access to some of the tenements is not possible throughout the wet season.

The Burnside tenements fall within the Pine Creek 1:250,000 mapsheet and on the Noonamah 1:100,000 mapsheet.

Figure 1 shows the Burnside tenement group location.

5 TENEMENT DETAILS

The Burnside group of exploration tenements were originally granted to various companies including Northern Gold, Dominion Gold Mines Pty Ltd and the Burnside Joint Venture (50:50 Buffalo Creek Mines Pty Ltd and Territory Goldfields NL). The EL's were granted from 2002 to 2007. ELR 89 and 97 were granted in 1989 (previously ELR 89 & 97).

GBS Gold Australia Pty Ltd acquired all tenements of the Burnside exploration group in July 2007 until going voluntary administration in September 2008. Crocodile Gold Australia acquired the tenements from GBS Gold Australia (liquidated) in November 2009. Thundelarra Exploration has the rights to explore for uranium over the Burnside tenements in agreement with Crocodile Gold Australia.

Table 1 lists the Burnside group tenement details.

Tenement	Blocks	Area	Grant Date	Expiry Date
EL9608	3	10.02	25/05/2004	24/05/2012
EL10347	3	10.02	15/04/2002	14/04/2012
EL23270	4	13.36	20/02/2003	19/02/2012
EL23431	4	13.36	20/12/2002	19/12/2012
EL23432	3	10.02	9/05/2003	8/05/2012
EL23536	23	70.42	29/07/2003	28/07/2012
EL23540	5	16.7	17/02/2003	16/02/2012
EL23541	1	3.34	17/02/2003	16/02/2012
EL24018	7	23.37	10/08/2004	9/08/2012
EL24051	26	86.87	10/08/2004	9/08/2012
EL24058	1	3.34	10/08/2004	9/08/2012
EL24351	13	43.45	23/02/2005	22/02/2012
EL24405	2	40.9	6/05/2005	5/05/2012
EL24409	7	22.1	6/05/2005	5/05/2012
EL25295	5	16.69	15/02/2007	14/02/2013
EL10012	22	73.57	28/11/2003	27/11/2011
EL25748	197	642.6	1/10/2007	30/09/2012
ELR89	-	3.25	19/09/1989	18/09/2011
ELR97	-	6.5	19/09/1989	18/09/2011

Table 1: Burnside group tenement details.

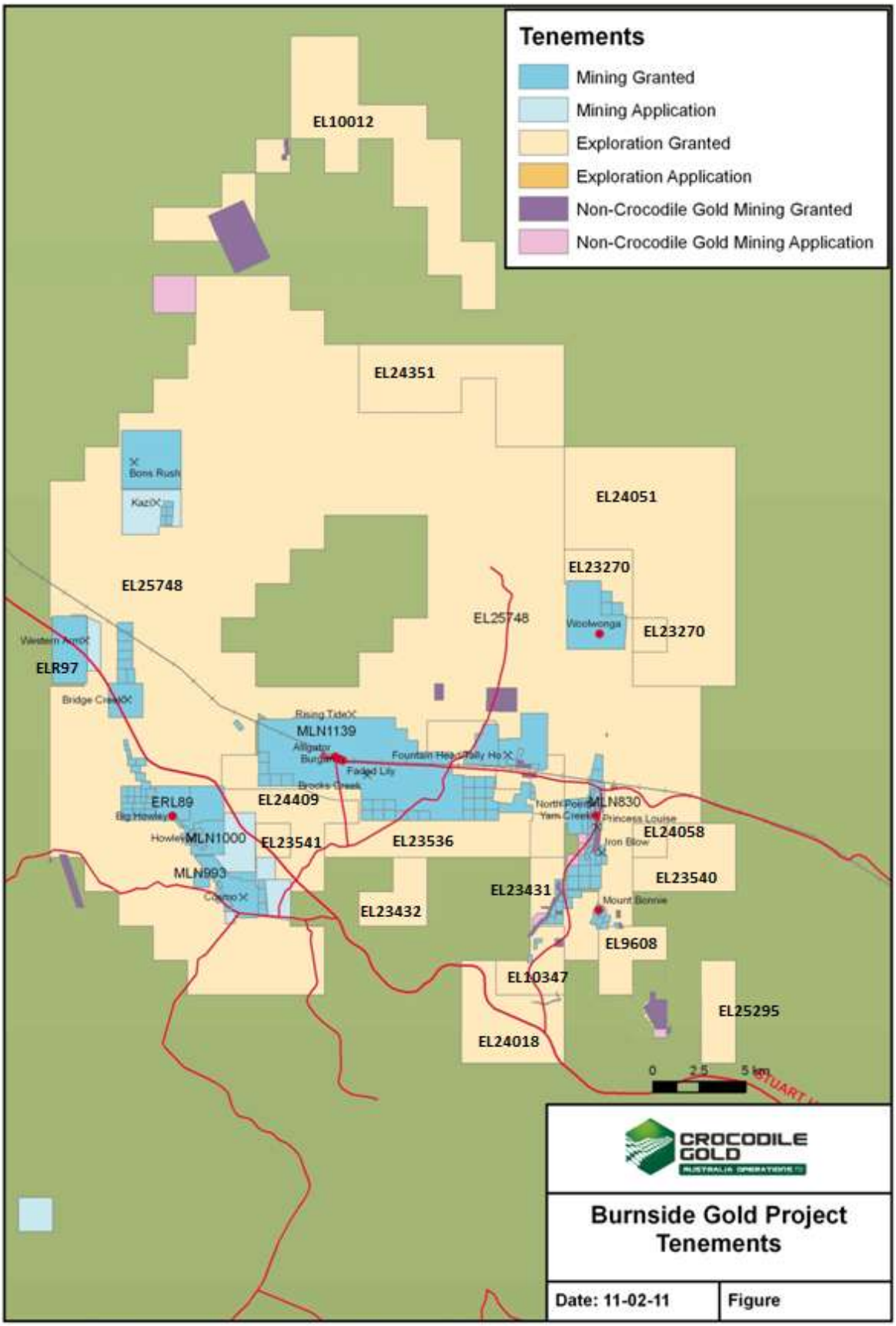

Figure 1: Burnside Project Tenement Group

6 GEOLOGICAL SETTING

6.1 DISTRICT GEOLOGY

The stratigraphy of the Burnside Project area is dominated by the Wildman Siltstone of the Mt Partridge Group and units of the South Alligator Group and the overlying Finniss River Group. This volcano-sedimentary sequence has been moderately to tightly folded along several northwest trending axes within the project area, the most prominent of which are the Howley, Brocks Creek/Zapopan and the Fountain Head Anticlines and the Margaret Syncline. The axial plane of these folds is characterized by intense bedding-parallel faulting and shearing along predominantly north-west trends.

The Howley Anticline is a regionally continuous structure which extends over a strike length of some 30 km. The fold can be described as a doubly plunging upright, asymmetric, tight, non-cylindrical fold, which plunges north in the vicinity of the Cosmo Deeps deposit and to the south in the Bridge Creek area. The Howley Anticline hosts several zones of significant gold mineralization including the Cosmo Howley/Deeps, Chinese Howley, Big Howley and Bridge Creek deposits. This mineralization is predominantly associated with quartz veining, brecciation and shearing within interbedded ironstone and carbonaceous mudstone units of the Koolpin Formation.

The Brocks Creek - Zapopan gold mineralization is hosted by argillite and greywacke units of the upper Gerowie Tuff and lower Mount Bonnie Formation. This sequence has been folded around the Brocks Creek - Zapopan Anticline, a tight southeast plunging anticline which is evident over a strike length of 12 km. The axial plane of the Brocks Creek - Zapopan Anticline is largely coincident but slightly asymmetrical to the Brocks Creek shear zone.

In the Hayes Creek area, stratiform gold and base metal mineralization is hosted within ironstone and fine grained carbonaceous to tuffaceous sedimentary units of the Mount Bonnie Formation which have been openly folded about the north-northeast trending Margaret Syncline and associated parasitic folds.

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.

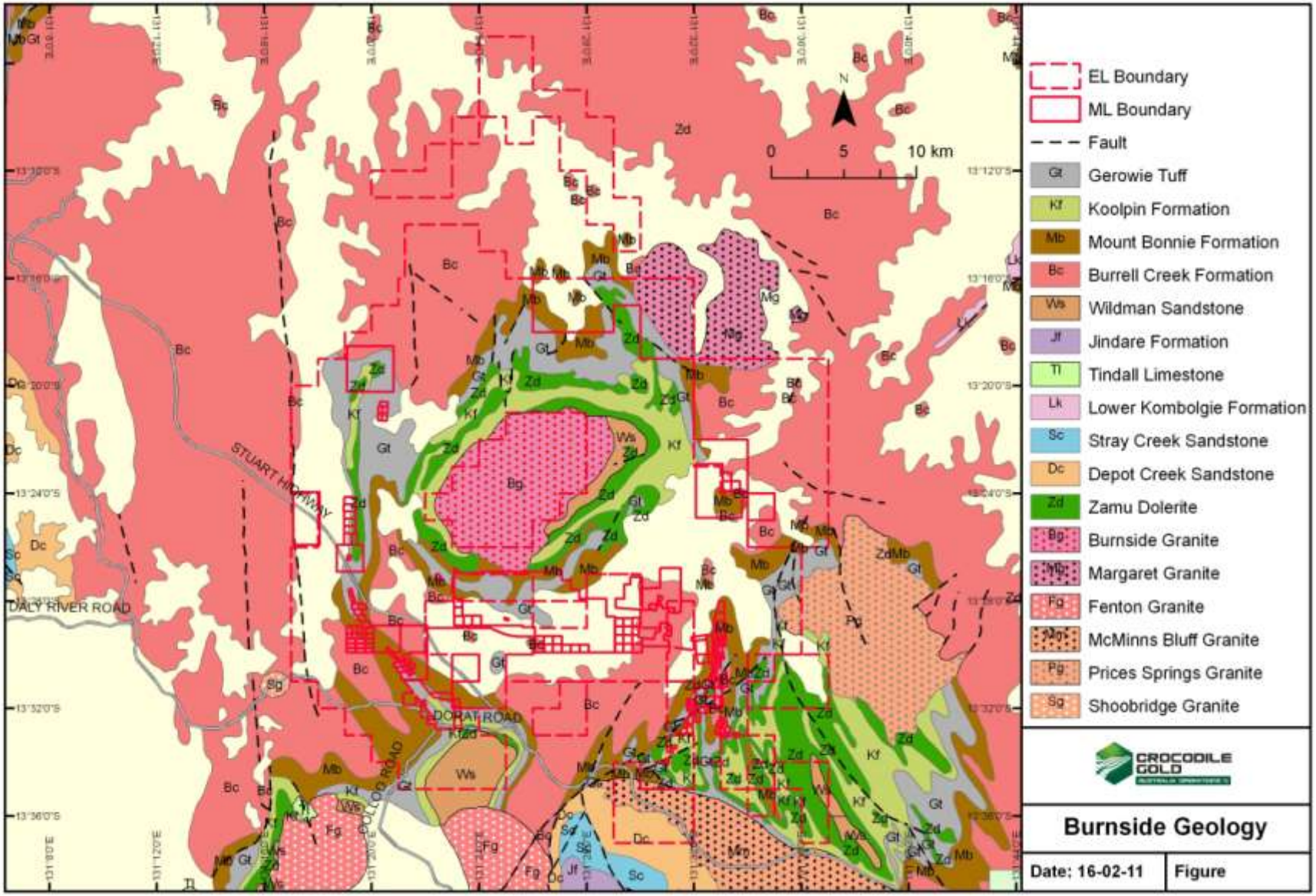

Figure 2: Burnside Regional Geology

7 PREVIOUS EXPLORATION

Crocodile Gold acquired the Burnside group of exploration tenements in November 2009. Exploration activities over the Burnside exploration licences was limited during the 2010 reporting period due to a focus on defining ore reserves for mining and processing.

Exploration activities consisted of a review of the tenement group analysing and re-interpreting historic geophysical and geochemical data as well as conducting field reconnaissance visits and geological mapping. Exploration activities focused on ELR89 which included a geophysics review by Archer Geophysical Consulting and a review of the Big Howley resource model. Some geological mapping was conducted at ELR97 with 6 grab samples collected near a small test pit close to the Western Arm deposit. A database review and data validation process was also completed.

Joint venture partner Thundelarra Exploration has conducted exploration for uranium over EL10347, EL23431, EL24018 and EL23536.

Exploration on EL10347 has consisted of field reconnaissance mapping over the western flank of the Golden Dyke Dome deposit. Mapping identified doleritic rocks, tourmalinites, quartz-tourmaline veins and sulphides north of the Fishers Lode pit. Similar lithological units have been found around the Thunderball deposit, highlighting the uranium potential for this tenement.

Exploration activities for EL23431 has included a structural study of the Thunderball prospect, a program of orientated soil sampling, RC and diamond drilling with down-hole geophysics, regional photo-geological mapping and interpretation and petrology and mineralogy analysis. A total of 29 holes were drilled for 715m of HQ diamond core and 4122m of RC drilling. Drilling defined the limits of both zones of the Thunderball uranium mineralisation. Infill drilling established sufficient continuity for the estimation of a resource at Thunderball. One drill-hole yielded a significant gold intercept.

Work on EL23536 has included reconnaissance mapping and RC drilling targeting the Lady Jodephine prospect. TPCRC116 and 117 were drilled in response to the geophysical interpretation conducted in 2009. Best results were recorded in TPCRC116 at a depth of 87m with 2m @ 156ppmU. TPCRC117 was not assayed. Reconnaissance mapping identified a fold hinge within the prospect area with an inferred north-easterly plunge. The inferred plunge of the fold can be linked to the uranium, mineralisation discovered at depth in TPCRC116.

Exploration activities for EL24018 has included, reconnaissance mapping and 614m of RC drilling. One RC hole TPCRC079 was drilled from EL24018 into the Corkscrew prospect on an adjacent tenement. Seven RC holes (TPCRC107 to TPCRC113) was drilled over the Golden Eye/Thundercloud uranium prospect. Uranium mineralisation was intercepted in TPCRC109 which includes 2m@3480ppmU within a 12m wide zone of elevated Au-Pt-Pd values between 24 to 36m (0.28ppmAu, 0.32ppmPt and 0.38ppmPd). This hole intercepted a narrow sub-vertical high-grade vein trending north/north-west.

Scanning electron microscopic (SEM) analysis was completed on two samples collected from the high grade vein.

Reconnaissance mapping to the south of the prospect identified extensive outcrops of metapelites with porphyroblastic textures present towards the McMinns Bluff Granite contact zone. Nodular hematitic blocks are also found over a large area. These metapelites display similar characteristics to those described around the Thunderbolt and Thunderball deposits.

8 EXPLORATION ACTIVITIES YEAR ENDING 15 JANUARY 2012

Exploration activities conducted by Crocodile Gold and Thundelarra Exploration over the Burnside project during 2011 included a VTEM geophysical survey and interpretation, historical geophysics interpretation, RC and diamond drilling, the purchase of new satellite imagery as well as reconnaissance field visits.

Crocodile Gold

Crocodile Gold completed a high resolution VTEM survey over the Burnside project area covering approximately 321km^2. The VTEM survey specifically targeted the Bons Rush deposit, north of the Burnside Granite, Brocks Creek/Zapopan, Glencoe and Woolwonga, the south eastern tenements covering Yam Creek to Margaret diggings and the area to the south of Cosmo/Howley. Figure 3 illustrates the VTEM survey image.

Initial results from the survey highlighted two anomalous areas at Iron Blow and Mt Bonnie deposits which were investigated with diamond drilling. Analysis of the VTEM survey data is ongoing.

A campaign of resource drilling was also conducted over the Cosmo Deeps Western Lode. Additional work included reconnaissance field visits and the purchase of new satellite imagery.

Iron Blow (EL25748) & Mt Bonnie (EL23540)

Diamond hole (IBEXD001) was drilled to a depth of 90.6 metres, targeting an anomaly at the Iron Blow deposit on EL25748 while another (MBEXD001) was drilled to a depth of 93.1 metres into an anomaly north-east of the Mt Bonnie deposit on EL23540. There were no significant intercepts from the either drill holes. Results from the geological logging indicate that the anomalies are structurally complex and therefore further geological and structural information is required before any more drilling is conducted.

Figure 4 illustrates the VTEM survey image with the Iron Blow and Mt Bonnie diamond hole locations.

Cosmo Deeps (EL25748)

A campaign of resource drilling was conducted at the Cosmo Deeps underground deposit on EL25748 targeting the Cosmo Deeps Western Lode. A total of 6 diamond holes and 2 RC holes were drilled for 3,135 metres.

A resource model update completed in the previous year highlighted several areas of the model that required infill drilling. Results from this recent drilling will be used to update the Cosmo Deeps resource model during 2012.

Thundelarra Exploration

Uranium explorer Thundelarra Exploration conducted a review and reinterpretation of historic geophysical data which was then used to assist with drillhole planning. A campaign of RC and diamond drilling was conducted over the Thunderball and Moonraker projects on EL23431. One RC hole was also completed at the Lady Josephine project on EL23536. Gamma readings were taken from the RC chips and diamond core with high readings being followed up with assaying. A total of 67 RC chip samples were assayed for uranium and a suite of other metals. Further work included reconnaissance field visits and geological mapping.

Figure 5 illustrates the RC and diamond holes drilled by Thundelarra Exploration.

Moonraker (EL23431)

Three RC holes (TPCRC141 to 143) for 529m were drilled at the Moonraker prospect targeting a small radiometric anomaly identified from a previously drilled RC hole. Results from TPCRC115 (drilled prior to 2010) returned a robust intersection of 2m@800ppmU at the 41-43m interval. The hole was drilled south-easterly, targeting the north-easterly lithological trend similar to the Thunderball deposit. Two narrow intercepts of U3O8 @ 500ppm were reported beneath and along strike to the south of TPCRC 115, contained within a similar lithological package at the transition to fresh rock interface. This is most likely indicating a supergene nature to the mineralisation.

Recent magnetic interpretation also highlighted a clear north-south demagnetised corridor which slightly displaces a narrow magnetic unit along a dextral strike-slip movement. Riedel zones were found along a north-trending ridge.

Thunderball (EL23431)

Two RC holes (TPCRC097 and TPCRC140) were drilled to test the northern down plunge extensions of the lower zone of the Thunderball uranium mineralisation. A third hole (TPCRC145) was drilled to the south of the project area testing an area of mineralisation that remains open. No significant mineralisation was reported to the north however weak lower zone mineralisation was reported from TPCRC145 (200-300ppm U3O8). RC Drilling totalled 757m.

Five diamond holes (TPCRD007, 010, 018, 019 and 08PCRD020) for 1,349m were drilled to test uranium mineralisation that remains open to the south and immediately beneath known mineralisation. The diamond holes were drilled using existing holes and extending the holes (mostly RC) with diamond tails. In addition to defining mineralisation, the drilling also aimed at intersecting and defining repetitions of mineralisation and the dolerite beneath the Gerowie Tuff / lower zone mineralisation. No mineralisation was observed however a narrow dolerite sill (?) was observed in one drill hole. This observation has prompted a reinterpretation of deposit geology and structure.

Lady Josephine (EL23536)

One 180m RC hole (TPCRC139) was drilled at the Lady Josephine deposit. The main target at Lady Josephine is vein/shear zone hosted uranium-copper mineralisation hosted by meta-sedimentary rocks of the Burrell Creek Formation. The prospect shows

only limited potential; however, the underlying structure is relatively unknown, and the surface uranium anomalies may be minor bleeding from more significant concealed mineralisation. Assays returned a low result of U3O8 @ 153ppm at interval 102m to 103m.

A total of $1,882,291 was spent on the Burnside group of tenements during the 2011 reporting year. Table 2 lists the expenditure for each tenement.

Tenement	Crocodile Gold	Thundelarra	Total Expenditure
EL9608	$17,053	$1,595	$18,648
EL10347	$3,830	$6,684	$10,514
EL23270	$255	$0	$255
EL23431	$14,738	$642,139	$656,877
EL23432	$50	$2,079	$2,129
EL23536	$12,258	$24,097	$36,355
EL23540	$65,260	$0	$65,260
EL23541	$152	$0	$152
EL24018	$50	$22,019	$22,069
EL24051	$13,027	$0	$13,027
EL24058	$5,744	$0	$5,744
EL24351	$71,553	$0	$71,553
EL24405	$2,635	$2,079	$4,714
EL24409	$1,963	$0	$1,963
EL25295	$28,621	$0	$28,621
EL10012	$168	$0	$168
EL25748	$924,656	$0	$924,656
ELR89	$7,739	$0	$7,739
ELR97	$11,846	$0	$11,846
TOTAL	$1,181,599	$700,692	**$1,882,291**

Table 2: Burnside group tenements expenditure details.

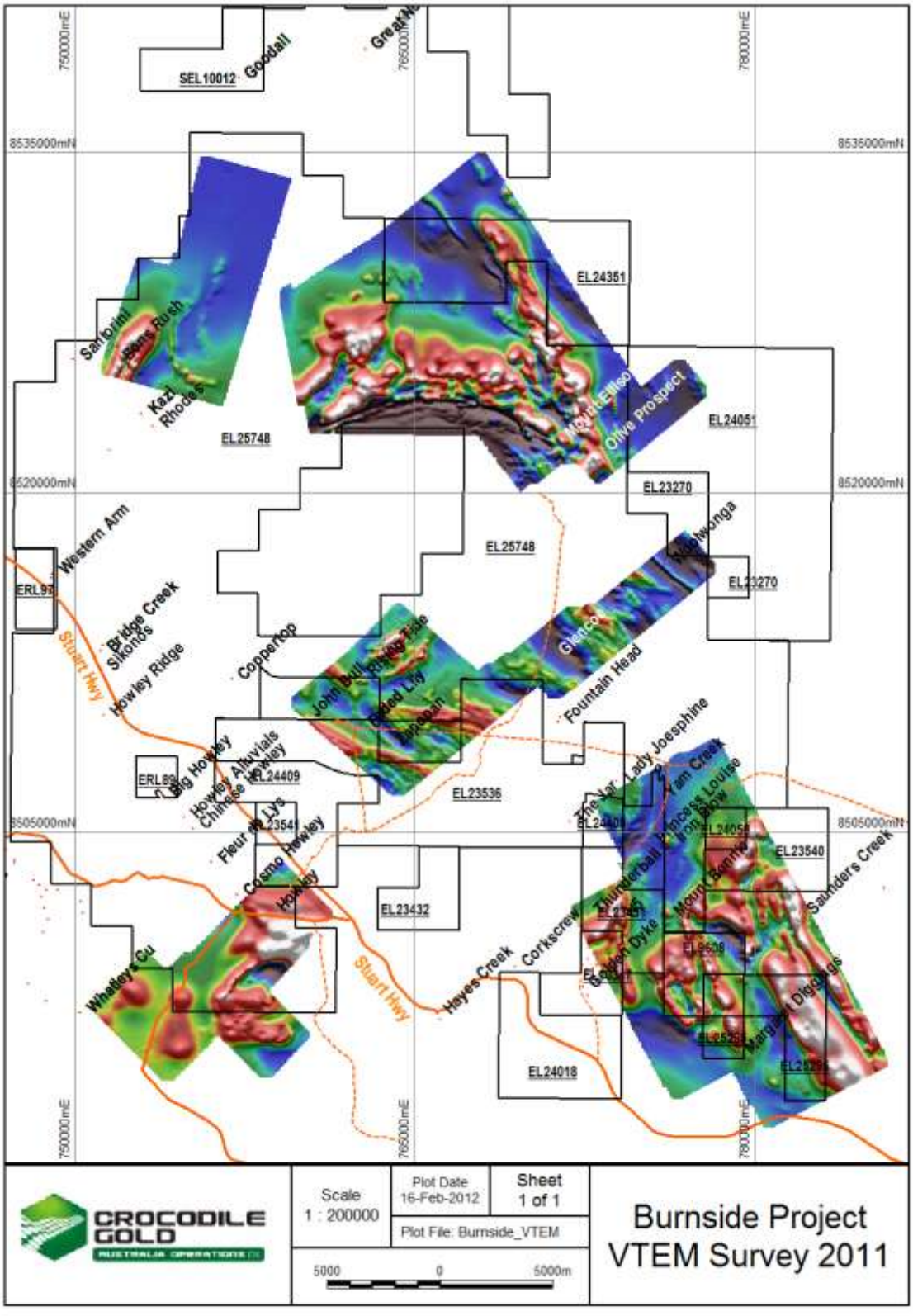

Figure 3: Burnside Project VTEM survey conducted 2011

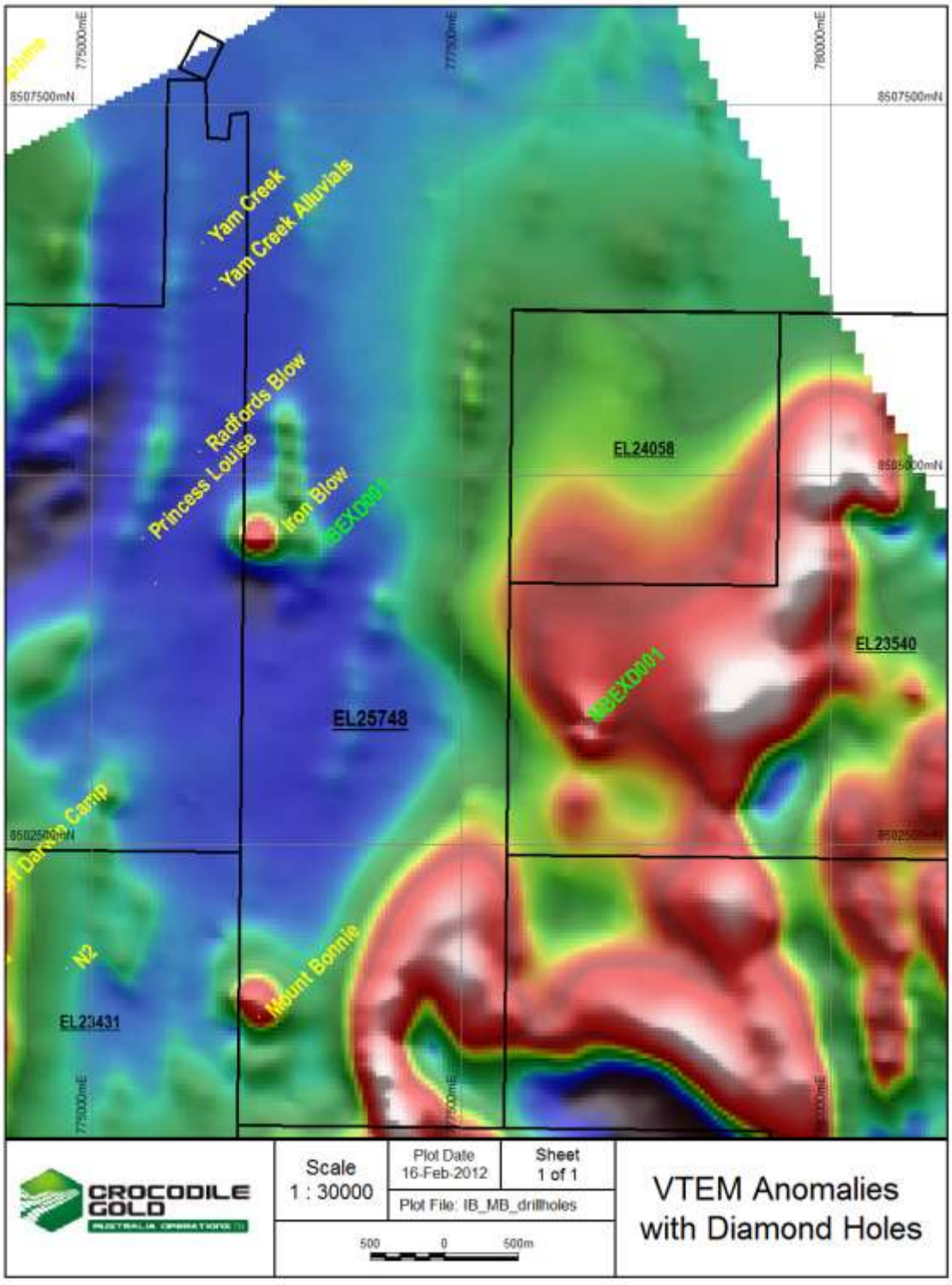

Figure 4: Iron Blow and Mt Bonnie VTEM anomalies with follow up drill holes

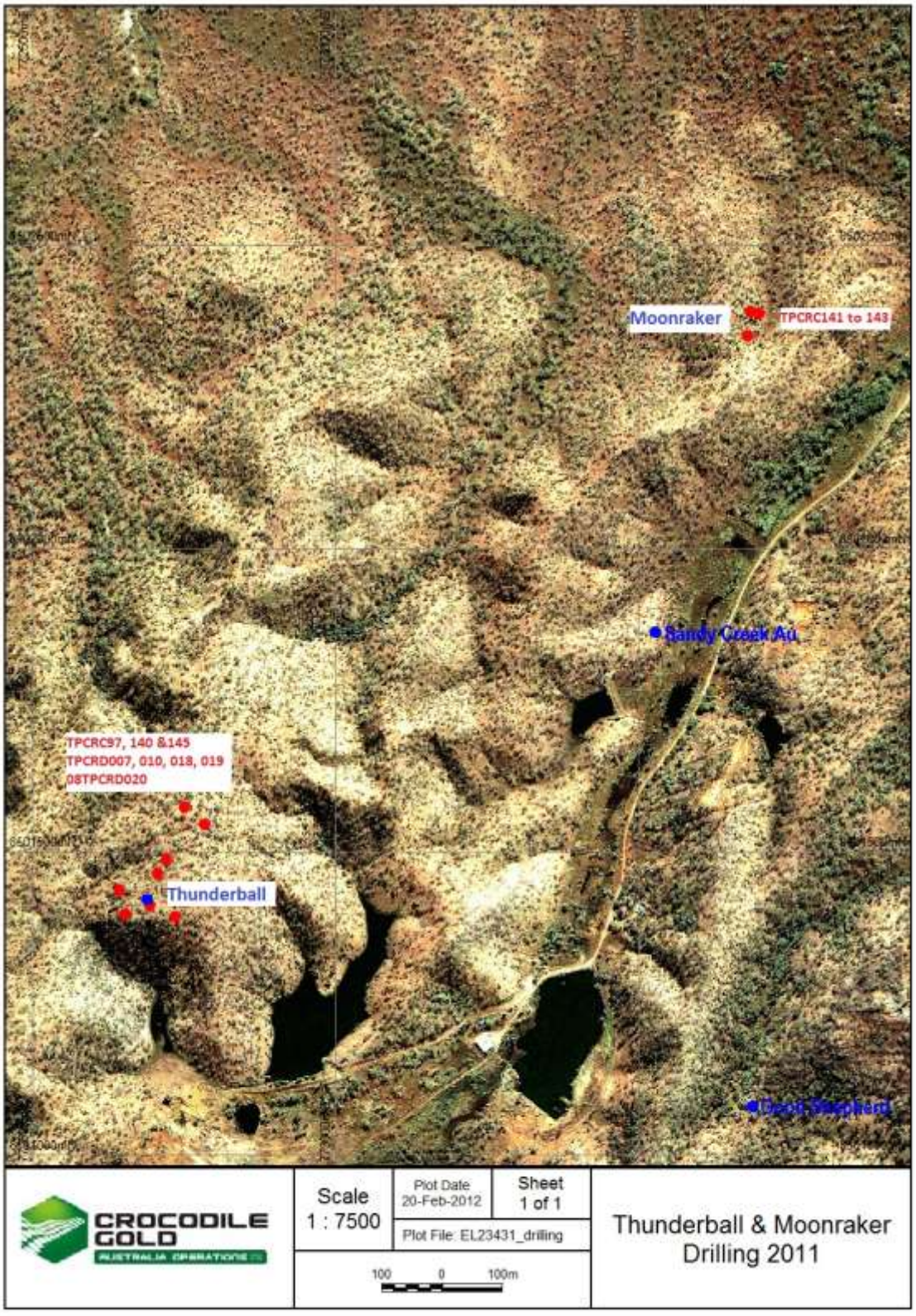

Figure 5: Thunderball and Moonraker drilling conducted by Thundelarra during 2011

9 FORWARD PROGRAM YEAR ENDING 15 JANUARY 2013

Crocodile Gold will continue to investigate anomalies identified from the VTEM geophysical survey conducted during 2011. The anomalies will be followed up with geological mapping and rock chip sampling. Geochemical soil sampling and RC or diamond drilling may be conducted if results are encouraging.

Further investigation of the anomalies identified and drilled at the Iron Blow and Mt Bonnie deposits (EL25748 and EL23540) is also required before any additional drilling is conducted.

RC and diamond samples from the Cosmo Deeps drilling will be assayed with the results used to update the resource model.

There will be ongoing scanning and collation of historical reports at the Brocks Creek exploration office as well as the creation and updating of the new reporting database by Mercator Database Consultants.

Furthermore, JV partner Thundelarra Exploration will continue exploration over the Thunderball and Lady Josephine uranium prospects.

A minimum budget of $610,000 has been proposed for the Burnside exploration group.

10 **REFERENCES**

Bajwah, Z.U., 1994. A contribution of geology, petrology and geochemistry to the Cullen Batholith and related hydrothermal activity responsible for mineralisation, Pine Creek Geosyncline, Northern Territory. Northern Territory Geological Survey Report 8.

Edwards, M., Gerritsen, H., Muller, F.L., 2011, Report on the Mineral Resources & Mineral Reserves of the Northern Territory Gold and Base Metals Properties, For Crocodile Gold Corp, April 4th 2011. Pages 84 to 85.

11 **APPENDIX 1**

Drill Collars

Collar	Prospect	East	North	Tenement	Depth	Drill Type	Geophysics
MBEXD001	Mt Bonnie	777729.63	8503522.79	EL23540	93.1	DD	N/A
IBEXD001	Iron Blow	776080.67	8507739.00	EL25748	90.6	DD	N/A
TPCRD019	Thunderball	772720.70	8501486.49	EL23431	330	DD	N/A
TPCRD010	Thunderball	772706.59	8501463.85	EL23431	309	DD	N/A
TPCRD007	Thunderball	772642.25	8501435.80	EL23431	359.5	DD	N/A
08PCRD020	Thunderball	772693.38	8501411.52	EL23431	203.1	DD	N/A
TPCRD018	Thunderball	772652.41	8501396.52	EL23431	147.4	DD	N/A
TPCRC145	Thunderball	772735.00	8501391.00	EL23431	270	RC	N/A
TPCRC143	Moonraker	773699.00	8502387.00	EL23431	132	RC	N/A
TPCRC142	Moonraker	773680.00	8502351.00	EL23431	217	RC	N/A
TPCRC141	Moonraker	773686.00	8502391.00	EL23431	180	RC	N/A
TPCRC140	Thunderball	772784.00	8501544.00	EL23431	259	RC	N/A
TPCRC097	Thunderball	772751.00	8501573.00	EL23431	228	RC	N/A
TPCRC139	Lady Josephine	773710.14	8506978.00	EL23536	180	RC	N/A
CP016	Cosmo	756525.70	8502313.20	EL25748	506.3	DD	N/A
CP016W1	Cosmo	756525.70	8502313.20	EL25748	512.3	DD	N/A
CP018	Cosmo	756525.52	8502313.17	EL25748	493.9	DD	N/A
CP018W2	Cosmo	756525.52	8502313.17	EL25748	497.3	DD	N/A
CP019	Cosmo	756552.51	8502095.39	EL25748	530.3	DD	N/A
CP019W1	Cosmo	756552.51	8502095.39	EL25748	716.3	RC	N/A
CPRC002	Cosmo	756653.76	8502427.35	EL25748	73	RC	N/A
CPRC003	Cosmo	756678.77	8502427.17	EL25748	102	RC	N/A

12 **APPENDIX 2**

Codes used in reporting

Lithology

Lith1	Description
ALUV	Alluvium
AMP	amphibolite
BIF	Banded Iron Fromation
BX	Breccia
CBRK	Carbonaceous Rock
CBSH	carbonaceous shale
CHRT	Chert
Cla	Clay
CLY	Clay
CNGL	Conglomerate
DLT	Dolermite
DOL	Dolerite
FILL	Fill
FLT	Fault
GOUG	Gouge
GYWK	Greywacke
HFL	hornfels
Lat	Laterite
LOM	loam
LPY	lamprophyre
ma	massive
MDST	Mudstone
MPEL	Pelite
MSU	massive sulphide
MUD	Mud
NSMP	no sample/ core loss
PHYL	Phylite
QZT	Quartz
REG	Regolith
SCHT	Schist
SDST	Sandstone
SHLE	Shale
SKN	Skarn
SLA	Slate
SLST	Siltstone
SOIL	Soil
SPLT	saprolite
SPRK	saprock
TUF	Tuff
VEIN	Vein

Lithology Texture

LITH1_TXTR	Description
bx	Breccia
cgr	coarse grained
eqg	equigranular
fgr	fine grained
ig	igneous
lam	laminated
ma	massive
mf	moderate foliation
mgr	medium grained
sf	strong foliation
sp	spotty
wf	weak foliation

Alteration

Alt1	Description
am	amphibole
at	actinolite
bt	biotite
cb	carbonate
ch	chlorite
cy	clay
fe	ferruginous
fl	Flortie
gn	garnet
gp	graphite
hm	hematite
ka	kaolinite
kf	K-felspar
lm	limonite
mg	magnesite
mi	mica
mu	muscovite
pg	plagioclase
ph	phlogophite
se	sericite
si	siliceous
sm	smectite
ta	tantalite
tc	talc
tm	tremolite
to	tourmaline

Sulphide

Sulp1	Description
asp	arsenopyrite
bn	bornite
cp	chalcopyrite
ga	galena
po	pyrrhotite
py	pyrite
sp	sphalerite

Veins

Vein1	Description
Vapy	Talc rich zone in ultramafic
Vb	quartz carbonate typically boudinaged
VC	carbonate +/- quartz late stage
Vcb	carbonate vein
Vch	chlorite vein
Vdt	quartz with py +/- apy pressure shadow boudinage (large)
Vgp	quartz with py +/- apy pressure shadow boudinage (small)
Vh	chlorite/pyrite thin wispy black veins
Vm	quartz carbonate chlorite/sulphides
Vp	sulphides +/- chlorite +quartz + chert
Vpb	Galena +/- chlorite +quartz + chert
Vpy	Pyrite +/- chlorite +quartz + chert
Vqb	quartz carbonate vein
Vqc	quartz chlorite vein
Vqk	quartz K-feldspar veining +/- sulphides
Vqp	quartz pyrite vein
Vqt	quartz tourmaline vein
Vqz	quartz vein
Vs	late stage quartz veins (grey)
Vz	quartz + tourmaline
Xc	breccia with carbonate matrix
Xq	breccia with quartz matrix

Transition

Ox	Description
1	oxide
2	oxide/transition
3	transition
4	transition/fresh
5	fresh