

**Newmont Tanami Pty Ltd
A.C.N. 007 688 093**

**ANNUAL REPORT FOR EL 23150
(OFFICER HILLS)
FOR THE PERIOD 29th July 2014 to 28th July 2015**

Minerals explored for: Au

1:250,000 SHEET REFERENCE: THE GRANITES SF52-03

1:100,000 SHEET REFERENCE: PEDESTAL HILLS 4756 & INNINGARRA 4857

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SUMMARY

No work was completed during the second operational year on EL23150 owing to a contraction of Newmont's exploration activities back to MLS154.

The work program proposed for 2016 is exactly the same program that was proposed for 2015. Planned work includes immobile element geochemistry, rock chip sampling and mapping, and relogging of historic drill core with a view to generating a 3D model from which drill targeting can be completed.

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INTRODUCTION

The Officer Hills Lease is located, approximately 80km SW of The Granites Gold Mine (Figure 1).

The area has attracted interest from several exploration companies. Enterprise Exploration were active in 1961, between 1968 and 1971 Peko Wallsend tested magnetic anomalies identified by an airborne BMR survey and Otter Exploration NL undertook a uranium search in 1978.

North Flinders Mines Ltd began exploration in 1987, initially holding the ground as EL2368 and later as EL6938.

This report serves as the Annual Report for the second year of tenure for EL23150.

PREVIOUS EXPLORATION OVER AREA

In 1961 Enterprise Exploration reported anomalous Cu and Zn assays in the region of Officer Hill (Otter, 1978).

From 1968 to 1971 Peko Wallsend undertook limited testing at Officer Hill (Pioneer 20) of magnetic anomalies located by a BMR airborne survey conducted in 1962. Thirty-one auger holes plus some surface sampling returned no significant gold or base metal results (Mayer, 1985)

In 1978 Otter Exploration NL commenced exploration at Officer Hill by following up the base metal anomaly reported by Enterprise Exploration. Exploration consisted of helicopter supported spectrometer surveys over the regional anomaly. Exploration of the six anomalies generated consisted of confirmation ground scintillometry and rock chip sampling of small pits exposed by explosives. Gridding and ground magnetics were also conducted over Officer Hill and "NCO Hill", to the north west. The conclusion reached was that the radiometric anomalies were derived from granite, iron rich Mt Charles Beds and laterite concentrations. Peak U results were 65ppm, though highly anomalous base metal results, including 3000 ppm Cu, 7000ppm Pb, 1% and 1500ppm As, were returned.

North Flinders Mines began exploration in 1987 with rock chip sampling and rotary air blast (RAB) and reverse circulation (RC) drilling of the Officer Hill Ridge. This revealed gold concentrations at the prospect that were around or below the detection limit (0.02ppm), despite the recognition of visible gold in quartz veins at surface locally. The RAB drilling covered only the link areas of the major F3 fold closure. Selective RC drilling was taken to indicate that any mineralization present was patchy and erratic in nature, with a marked lack of continuity from hole to hole and from one drill-traverse to another (spaced 100m apart; Wilson, 1990).

Chadwick (1990) subsequently interpreted the drilling results to suggest a syngenetic association to the mineralization, and thus concluded the mineralization likely to be stratabound. A subsequent phase of RC drilling conducted to test this hypothesis indicated that a lithological association was improbable. Further RC drilling of a fold hinge to the east of Officer Hill, which was interpreted from magnetic data, failed to produce any further encouragement.

A change in tenure from pastoral lease to Aboriginal ownership, coincident with a falling gold price and high perceived exploration and subsequent infrastructure developments costs resulted in further exploration at Officer Hill being abandoned.

An application was lodged in 2001 by Quantumn Resources Limited with a Joint Venture being entered into with Newmont Tanami Pty Ltd in 2005.

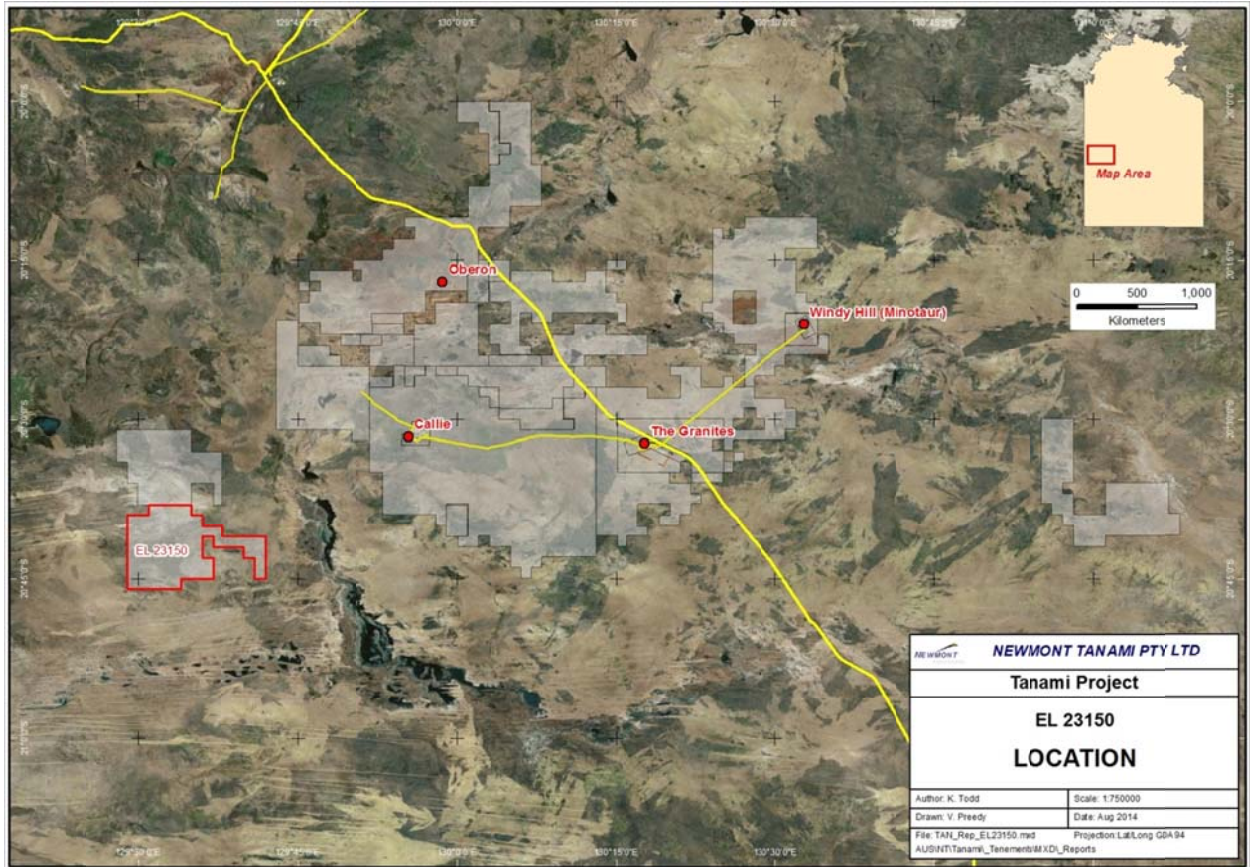


Figure 1: Location of Officer Hills

TENEMENT DETAILS

EL23150 is a single Exploration Licence comprising an area of 64 Blocks (Table 1). The application was made by Quantumn Resources Ltd (*“Quantumn”*) in 2001. Quantumn entered in to a Farm-In Agreement with Newmont Tanami Pty Ltd (*“Newmont”*) in August 2005.

Newmont negotiated an agreement with the representatives of the Traditional Owners of the land to facilitate the grant of the Application. The negotiations were successful and the tenement was granted on 29th July 2013.

Tenure is held until the year 2019.

Table 1: Tenement Summary for EL23150

Title	Area Name	Blocks	Grant Date	Expiry Date
EL 23150	Officer Hills	64	29/07/2013	28/07/2019

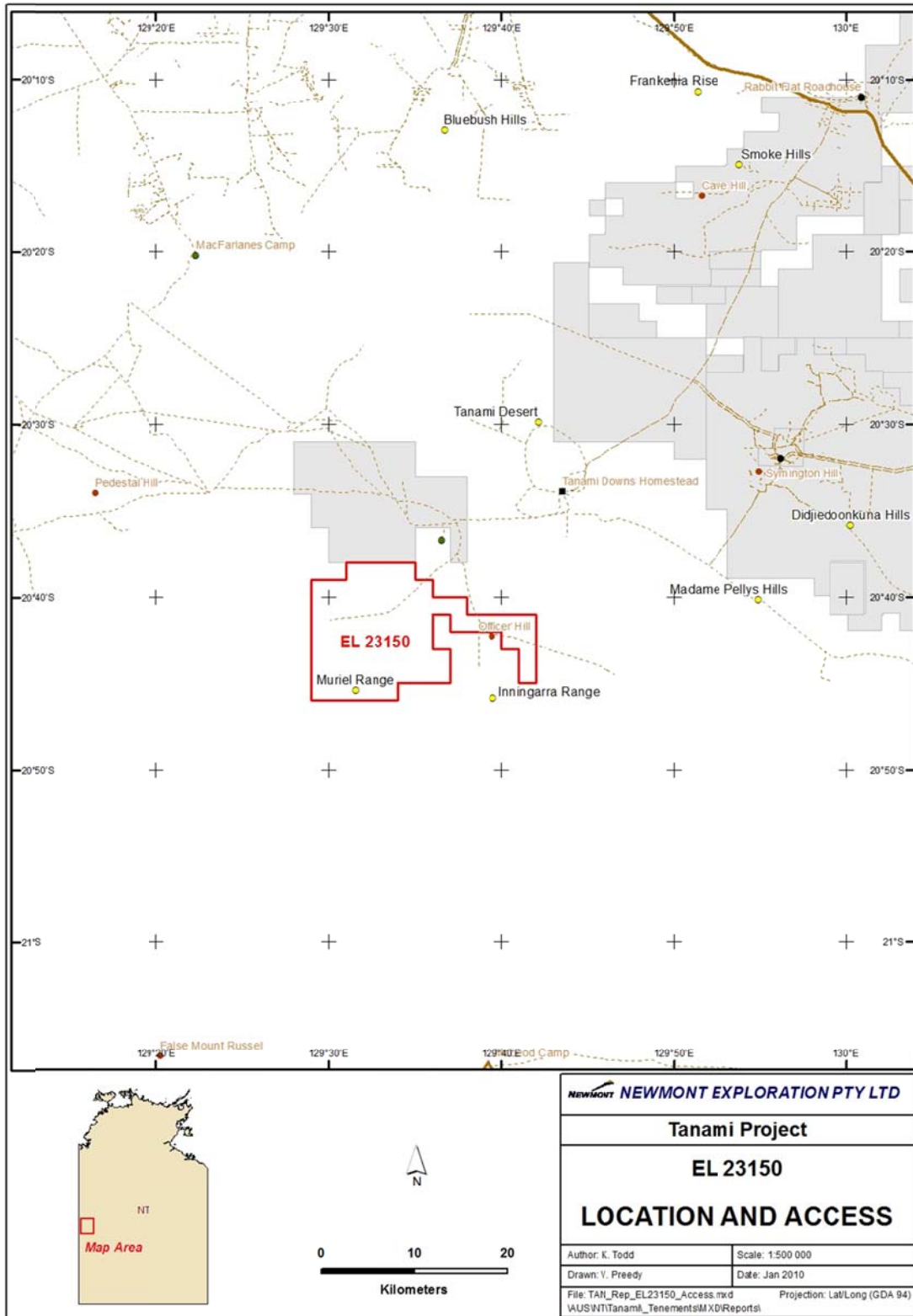


Figure 2: Location: EL23150 Officer Hills

LOCATION, ACCESS AND PHYSIOGRAPHY

EL23150 is situated within the 1:250 000 map sheet SF52-3 (Figure 2), the Officer Hill tenement lies approximately 80km west-southwest of The Granites Gold Mine. Access is best achieved via the Tanami Road and the Tanami Downs – Balgo track (turn off 3km west of Rabbit Flat Roadhouse). Graded tracks lead from the Tanami Downs Homestead to the Officer Hill prospect grid.

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 overlapped by younger cover sequences including the extensive Paleozoic Wiso Basin on its northeastern margin. To the west, clastic sediments of the Middle Proterozoic Birrindudu Basin overlie and separate the Inlier from similar age rocks in the Halls Creek Province.

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 100m deep, presenting a formidable barrier to mineral exploration.

WORK COMPLETED IN THE REPORTING PERIOD

No work was completed on EL 23150 during the reporting period owing to a contraction of Newmont's exploration activities back to MLS154 during the gold industry downturn.

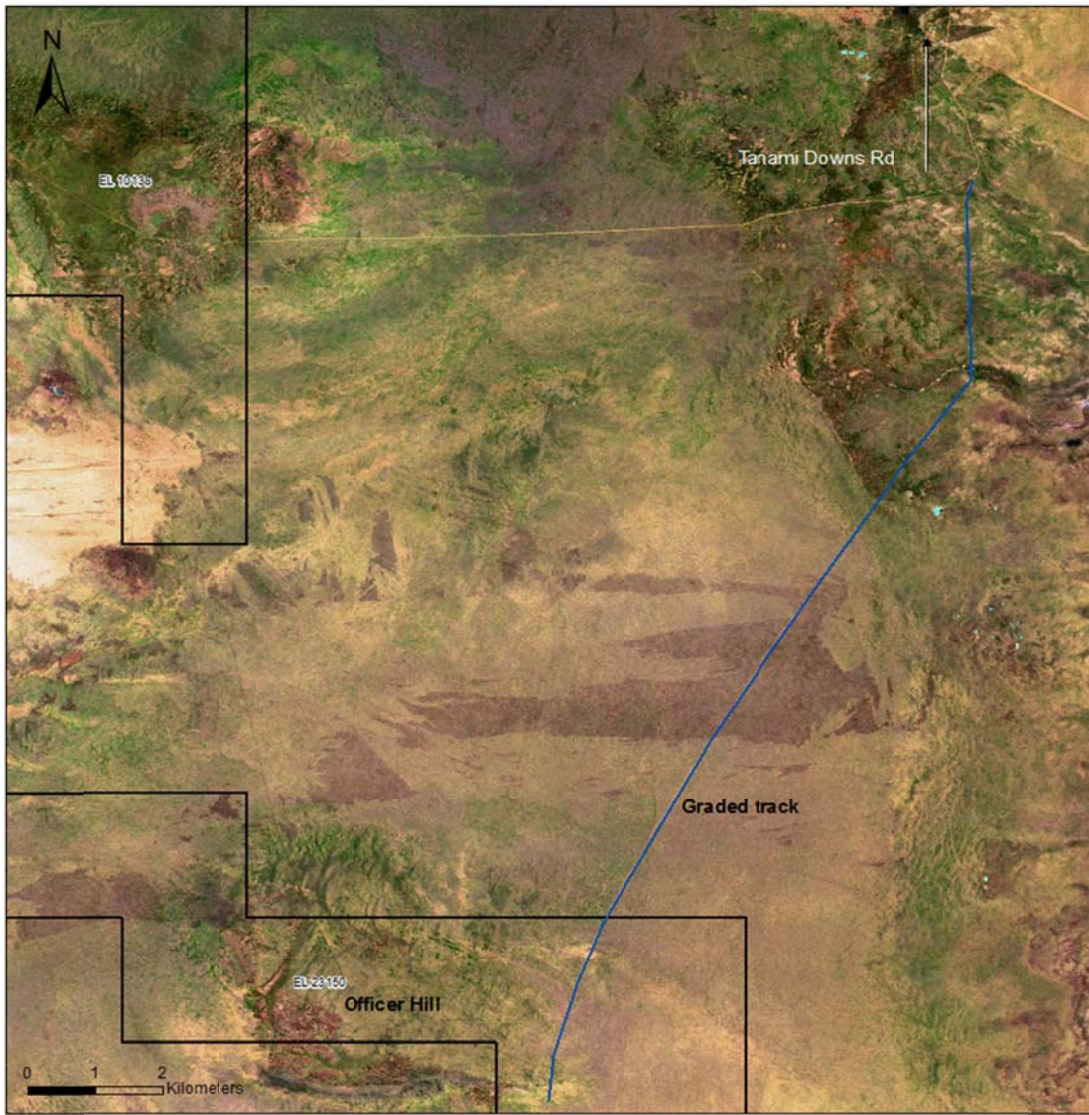


Figure 3. Map showing length of the access track graded during 2013.

PROPOSED WORK PROGRAM

The work program proposed for 2016 is the same program proposed for 2015 which was delayed owing to a focus of exploration activities on MLS154.

The anticipated work program will be designed to progress the project to target generation for drill testing. The final outcome is planned to be a 3D-model which incorporates geologic mapping at surface, rock chip geochemistry and existing historic drilling and interpretation. The model will form the basis for a proposed drill program for 2017 budget consideration.

To deliver this it is envisaged that several days of field traverses and mapping by 2-3 workers will be required to confirm/finalise the geologic surface expression. Rock chip sampling for Au and immobile element geochemistry will help to constrain the geology and confirm any association of the rocks with those at DBS. An additional few days will be required to re-log existing drill holes.

Several days will then be required to compile and complete the “at surface” interpretation and model. This work will be tied into geophysical data/interpretation and used as the top layer of the 3D model, with lithologic data being projected to depth, guided by the existing drill data and logging.

<i>ACTIVITY DETAILS FOR THE NEXT REPORTING PERIOD</i>		
Admissible Expenditure	Specify the work to be undertaken	\$AU Proposed
A. Geological Activities and Prospecting	More detailed geologic field mapping – field traverses (and associated personnel and logistics costs to do this work)	\$25,000
B. Geochemical Activities	Rock chip sampling – field collection and analysis	\$15,000
C. Geophysical and Remote Sensing Activities	Geophysical interpretation	\$ 5,000
H. Office Studies	Desktop compilation and analysis of surface field work – development of drill program	\$15,000
I. Overheads (not to exceed 15% of the sum of A to H above)		\$ 5,000
J. Covenant for next reporting period		\$65,000

REFERENCE LIST & BIBLIOGRAPHY

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Perazzo, S., Todd, K., First Annual Report for EL23150 (Officer Hills) for the Year to 28 July 2014.
Newmont Report No. 36158

BIBLIOGRAPHIC DATA SHEET

REPORT NUMBER	CR36158
REPORT TITLE	Second Annual Report for EL23150 (Officer Hills) For the Year to 29 July 2015
PROSPECT NAME	Officer Hills
TENEMENT NUMBERS	EL 23150
OWNER/JV PARTNERS	Quantumn Resources Pty Ltd (100%) Newmont Tanami Pty Ltd (JV Partner)
COMMODITIES	Gold
TECTONIC UNITS	Granites Tanami Block (Inlier)
STRATIGRAPHIC UNITS	Upper Dead Bullock Formation and Lower Killi Killi Formation.
1:250,000 MAPSHEET	The Granites SF52-03
1:100,000 MAPSHEET	Pedestal Hills 4756 and Inningarra 4857