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**EPM 9107 “Fiery Creek West”
Surrender and Final Report
For the Period 30/10/1992 – 31/07/2003**

Volume 1 of 1

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SUMMARY

EPM 9107 ("Fiery Creek West") was granted to Western Mining Corporation (WMC) on the 30th October 1992. Anglo American Exploration (Australia) Pty Ltd (AAEA) acquired the tenement in May 2002. The tenement to be relinquished comprises 13 graticular sub-blocks.

The Fiery Creek West tenement is considered to be prospective for SEDEX style Zn-Pb-Ag mineralisation and Replacement Isa Copper. The tenement is situated on the southern margin of the Carpentaria Basin. It overlies areas of shallow Mesozoic and Cainozoic cover, immediately NE of the presently exposed outcrop margin of the highly prospective Lawn Hill Platform sequences.

Exploration since AAEA acquired the tenement was restricted to the evaluation of open-file company reports and interpretation of WMC data sets. One diamond drill hole was drilled to a depth of 247.6m to test a WMC identified IP anomaly by AAEA.

Assessment of all available data (particularly WMC surveys) plus the AAEA drill hole has suggested that the southern portion of the tenement area does not have the potential to host a 'world-class' SEDEX style Zn-Pb-Ag or Replacement Cu deposit. Therefore it is recommended that the remainder of this tenement be relinquished.

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1. INTRODUCTION

This report summarizes the exploration activities conducted on the relinquished tenement EPM 9107 (“Fiery Creek West”), during the life of the tenement, 30th October 1992 to 31st July 2003.

Fiery Creek West EPM 9107 is located about 180km north of Mount Isa in northwest Queensland on the Lawn Hill (SE 54-09) 1:250,000 map sheet and the Gregory Downs (6760) 1:100,000 map sheet. Access to the project is via the Three Ways to Gregory Downs road and several station tracks. Pastoral leases in the region include Augustus Downs and Gregory Downs (see Figure 1).

The area was considered to be highly prospective for SEDEX Zn-Pb-Ag and Replacement Cu mineralisation of the Mount Isa type. The prospective Proterozoic basement rocks in the region are covered by the Carpentaria Basin sequence (siltstones and sandstones), which varies in depth from several tens of metres to several hundred metres.

2. TENURE

Figure 2 shows the Tenement Relinquishment Plan and the table below shows the 13 sub blocks relinquished.

BIM & Block	A	B	C	D	E	F	G	H	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
Norm 2321												X	X	X		X	X	X	X		X	X	X		
Norm 2393	X	X	X																						

Sub block Relinquished

3. REGIONAL GEOLOGY

The relinquished area lies within the Lawn Hill Platform of the Mt Isa Block and is dominated by gently folded carbonate and siliciclastic sediments of the Proterozoic McNamara Group under variable thicknesses of Cenozoic and Mesozoic cover (0 to 300m). Black soil plains and braided stream complexes dominate the area.

The McNamara Group is partly equivalent to the Mount Isa Group in the Leichhardt River Trough to the southeast and to the McArthur Group in the McArthur region to the northwest. The McNamara Group sediments are interpreted as sag-phase elements of “Cover Sequence 3”, deposited between ~1720 and 1595 Ma. The “Cover Sequence 3” sediments of the Mt Isa Block host a number of world-class base-metal deposits including McArthur River

(hosted in Barney Creek Formation of the McArthur River Group), Century (hosted in the Lawn Hill Formation of the McNamara Group), the Isa group of mines (hosted in the Urquhart Shale of the Mt Isa Group), and Cannington (hosted in clastic sediments of the Soldiers Cap Group).

Deposition of the McNamara Group on the Lawn Hill Platform was controlled by a network of normal and transfer structures activated by approximately NNW-SSE extension. Key structures active on the Lawn Hill Platform at this time were NW-trending transfer faults (Termite Range Fault) and ENE- to east-west-trending extensional faults (Little River, Barramundi, Elizabeth Creek Fault Zone).

Pb-Zn mineralisation in the Mt Isa Block is hosted by carbonaceous, variably pyritic fine-grained siliciclastic sediments deposited adjacent to faults active between ~1700 and 1595 Ma. Extensional and transtensional faulting formed small, third-order basins that were the loci for deposition of anoxic strata. The faults also provided fluid pathways for the mineralising fluids. All the major ore bodies in the Mt Isa Block are immediately adjacent to major regional structures active between ~1700 and 1595 Ma.

Dominantly siliciclastic Mesozoic strata of the Carpentaria Basin onlaps the relinquished area and thickens to the east. The unconformity with the Proterozoic units is undulating and variably oxidised. Mesozoic cover in the area ranges from 20m up to 100m thick.

The nature of the Proterozoic units in the tenement area has been interpreted from nearby drilling to be Lower McNamara Group.

Government mapped geology is included as Figure 3.

4. EXPLORATION RATIONALE

Following release of the Queensland Department of Mineral Resources' "North-west Queensland Mineral Province Report" in December 2000, an independent regional targeting exercise by AAEA identified a series of target areas throughout the Isa-McArthur region as having potential for SEDEX-style Zn-Pb-Ag and Replacement Cu mineralisation. A number of high priority targets fell within the WMC Lawn Hill Tenement package. In February 2001, WMC called for expressions of interest in the Lawn Hill Project. Following a period of data review and due diligence, AAEA agreed to acquire the Lawn Hill Project in August 2001.

5. EXPLORATION CONDUCTED

5.1. Geophysics

Geophysical Exploration within EPM9107 included the acquisition of Aeromagnetic, Electromagnetic, Gravity, Ground Magnetic and Induced polarisation surveys. The locations of all these surveys are shown in Figure 4.

Electromagnetics

WMC collected 5 lines of TEM data between September and October 1992. All lines were collected using a coincident loop configuration and a Sirotem MK11E 1226 Rx with Sirotem standard window times. L7931200N and L7930200N were acquired using a 400m loop size. L7929100N, L7928100N and L7927100N were acquired using a 200m loop size. The locations of the Survey lines are shown in Figure 4. The digital data and profile plots of the EM data are included in Appendix 2.

No significant conductive responses were recorded.

IP

Six IP traverses with a 200m electrode spacing were read over the Poseidon target area where 100 and 200m coincident loop TEM had failed to generate a conductive response. IP was used to screen for disseminated Cu mineralisation in an area with cover depth estimated at 20-60m. The locations of the IP lines are shown in Figure 4 and the digital data and IP pseudosections for each line are included in Appendix 5.

IP anomalies were identified on the northern end of L326200E, L327000E and 327400E. Two IP anomalies were recorded on L7930400N and a lower amplitude IP anomaly was also recorded on the western end of L7931200N. No anomalies were recorded on L328000E. The anomalous responses define 2 stratigraphic IP responding horizons striking NE and dipping gently to the NW interpreted to truncate against the Gregory Flt zone. Percussion drilling was planned to test targets in the vicinity of the Gregory Flt zone in 1996. No drill testing was completed by WMC over the IP anomalies.

Gravity

Seventy nine gravity stations were collected by WMC between 1992 and 1996 as part of regional and prospect scale surveys with the aim of mapping stratigraphy and structural elements and directly detecting sulphide deposits.

The majority of EPM 9107 was covered by regional scale stations collected in November 1992 with a 500m x 1Km spacing. More detailed line traverses with a 200m spacing were collected in 1996 to the west of the EPM and eighteen gravity stations were collected on two line traverses on the western edge of the EPM. The locations of the gravity stations are shown in Figure 4 and an image of the gridded Bouguer gravity is shown in Figure 6.

The gravity survey data was acquired using a Lacoste gravity meter. Location data was collected with a GPS and elevations were recorded using a digibar digital barometer. All gravity stations were tied to AGSO station CU27 near the Gregory Hotel (315489E, 7936502N, 79.84m AHD, 9785478.35um/s**2).

A strong gravity gradient associated with the trace of the Millar Ck Flt zone was interpreted as the juxtaposition of thick sequence of metabasalts (ECV) in the east against dolomitic sediments of the middle McNamara Group in the west.

The digital data is included in Appendix 3.

Ground Magnetics

Two grid based ground magnetic surveys were collected in 1994 over the Poseidon prospect area in EPM9107. The aim of the ground magnetic surveys was to accurately define the location of NW and NE fault sets. The Poseidon NE grid was collected using NS oriented lines and the Poseidon SW grid was collected using EW oriented lines. The ground magnetics was collected with a 100m line spacing and 10m station interval. The gridded ground magnetic data is shown in Figure 7 and the digital data is included in Appendix 4.

Aeromagnetics

WMC contracted Aerodata to fly the Gregory Downs 90 survey between April and May 1990. The survey collected aeromagnetic and radiometric data using an EW line orientation with 500m spaced lines and a mean terrain clearance of 80m. Survey specifications are included with the located data file in Appendix 1.

In May 1991 WMC contracted Aerodata to fly an aeromagnetic and radiometric survey over the Lawn Hill area called the Lawn Hill 91 survey. The survey was flown with NS oriented lines with a 500m line spacing. Survey specifications are included with the located data in Appendix 1.

Interpretation of the aeromagnetic survey identified several prospect areas, including the southern end of prospect LH3 located in the north of EPM9107. The LH3 prospect covers the NS trending west margin of the Eastern Basement block. The host lithologies are thought to be Lady Loretta Fm and Gunpowder Ck

Fm. The LH3 prospect was interpreted to have potential for Sediment hosted Cu mineralization.

Between April - May 1993 WMC contracted Aerodata to fly the Nardoo Airborne Geophysical survey. The survey was flown with EW oriented lines with a 500m line spacing. Survey specifications are included with the located data in Appendix 1.

An image of the merged gridded aeromagnetic coverage is shown in Figure 5.

5.2. Drilling

DD02PD01 (247.6 - vertical)

WMC identified but never tested an IP anomaly located on EPM9107 (Fiery Creek West). It was interpreted to be an Isa copper style target. During late October a single diamond drill hole was completed (327 200E 7 930 400N AMG84 zone 54) No mineralisation was intercepted. Seventy metres of Mesozoic cover overlays the Proterozoic in this area. From 70m to EOH (247.6m) the drill hole intersected a sequence of carbonaceous siltstones interbedded with fine-grained sandstones. The proportion of sandstone increases gradually downhole. The sequence is weakly tuffaceous towards the top of the hole. There are scattered trace amounts of disseminated pyrite throughout the hole. Two small (<2mm) grains of chalcopyrite are present towards the end of the hole in weakly altered silt/sandstone. Only the bottom 42.6m was sampled and analysed. These samples did not return any anomalism.

Interval	Lithologies
0 to 70m	Mesozoic sediments (clays and sands)
70m to 247.6m (EOH)	Carbonaceous siltstones interbedded with fine-grained sandstone, becoming increasingly sandier downhole.

7. CONCLUSION

WMC completed airborne geophysics, gravity, IP, ground magnetics and electro magnetics over the tenement. One hole was drilled by AAEA to test an IP anomaly. After extensively reviewing the data AAEA identified no new targets. AAEA's assessment indicates that the area had been intensively and effectively explored and greatly downgraded the prospectivity of the area for large tonnage Zn-Pb or Cu deposits. As a result of this work it is recommended that the remainder of the tenement be relinquished.

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