EPM 18344

"BRITTEN SOUTH"

PARTIAL RELINQUISHMENT REPORT FOR THE PERIOD ENDING 16-3-13

TENEMENT HOLDER:	**Navaho Gold Ltd**
MANAGER:	**Navaho Gold Ltd**
AUTHOR:	**Robyn Grayson**
PROJECT:	**Bowen**
COMMODITIES:	**Gold - Silver**
MAP SHEETS:	**1:100,000 – Nebo** **1:100,000 – Mirani** **1: 250,000 - Mackay**
DATE:	**19 January 2013**

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SUMMARY

This report summarises the exploration undertaken by Navaho Gold Ltd ("Navaho") on the EPM 18344 ("Britten South") for the 33 relinquished sub-blocks during the 3 years of tenure to 16-3-2013. EPM 18344 was granted to Navaho Gold Ltd for an area of 100 sub-blocks on 17th March 2010 to explore for gold and silver disseminated deposits of the Carlin style in the Bowen Basin in North Queensland.

Navaho carried out the following work during the period:

- Review of previous work
- Collation, capture and digitising of previous sample data
- Acquisition of geophysical imagery, modelling and interpretation
- Surface geochemistry sampling

Fifteen stream sediment samples were collected, 7 rock-chips, and a two line soil grid consisted of 49 soil samples, within the relinquished area.

There were no anomalies in the stream sediment sampling. The soil grid at the most northern extremity of the tenement is also the most southerly limit of the historic Mt Britten Goldfield. Two gold anomalies of 12 & 14 ppb gold were returned from the soil sampling. Previously, a rock-chip from the area returned 5 ppb gold (DR6640). There were no other anomalous rocks within the relinquished ground.

INTRODUCTION

This report is the Partial Relinquishment Report for EPM 18344, for 3 years of tenure and summarises the exploration work undertaken by Navaho Gold Ltd on 33 relinquished sub-blocks during the period to 16-3-13. The main target type in this area is Carlin-like gold mineralisation.

1.1 Location and Access

EPM 18344 is located 70 kms west-south-west of Sarina in North Queensland.

1.2 Exploration Rationale

The Bowen area was originally reviewed by Navaho Gold for its precious metal potential in 2009. The carbonaceous and calcareous sediments of the Permian Bowen Basin are thought to be a potential host for disseminated or Carlin-like gold-silver mineralisation. The presence of known porphyry copper occurrences, were also seen as encouraging indicators of the region's potential, and is similar to the geological setting for several sediment-hosted gold deposits near the Bingham Canyon porphyry copper deposit in Utah, USA.

2. TENURE DETAILS

Application for 100 sub-blocks comprising EPM 18344 was granted for a period of 2 years on 17-3-2010. The company lodged a renewal in October 2011 for a further 2 years. A relinquishment of 50 sub-blocks was accepted by the Department on 25-11-2011. A further 33 sub-blocks are now relinquished with the statement lodged on 13th August 2012.

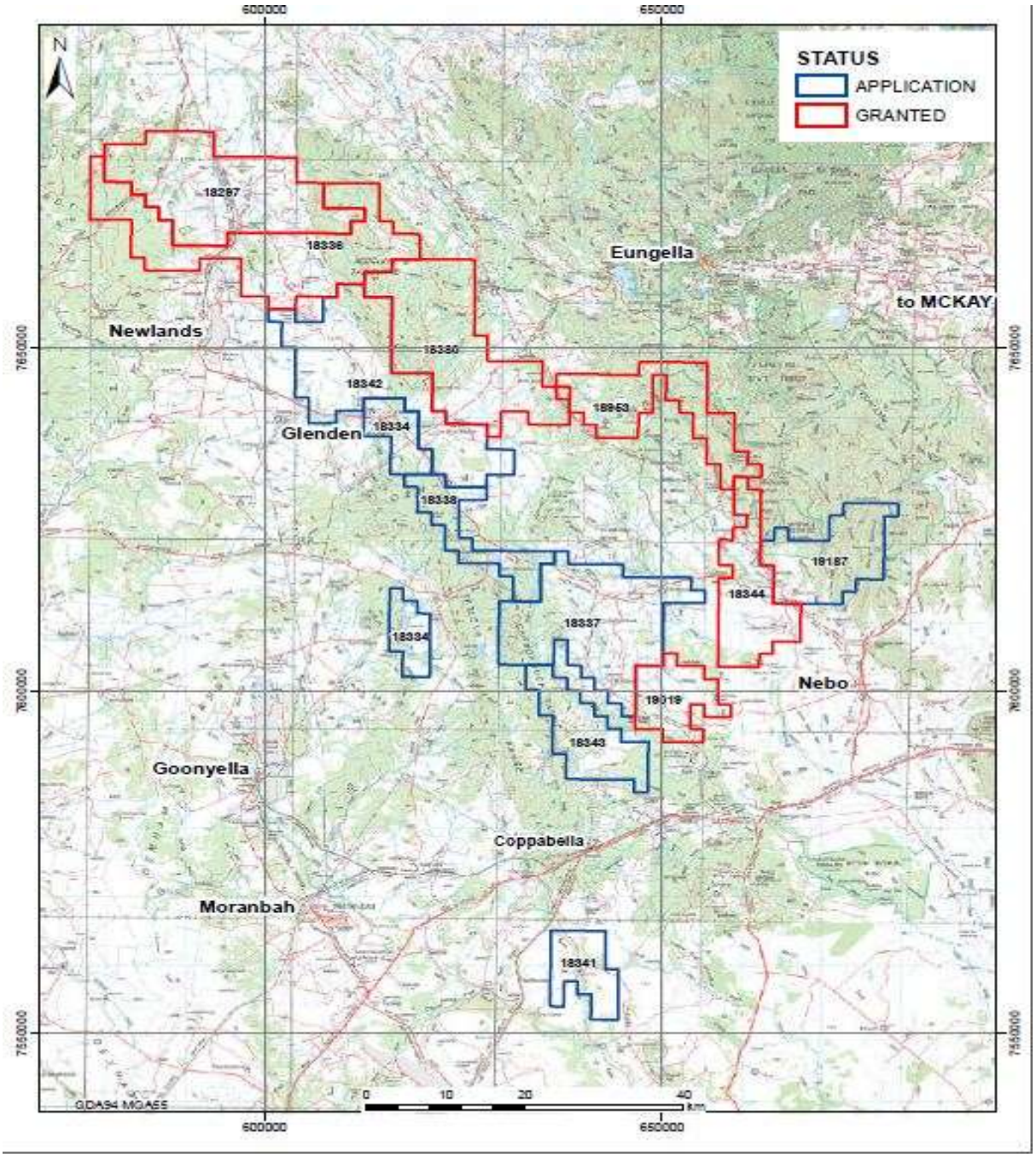

Figure 1 – Location of EPM 18344 (before relinquishment)

3. GEOLOGY

3.1 Regional Geology

The Bowen Project covers the eastern portion of the northern part of the Bowen Basin which consists of a north westerly trending belt of folded rocks comprising the structural remnant of a site of major Permo-Triassic sedimentation in the east of Australia. The foreland, Early Permian to Middle Triassic Bowen Basin of eastern Queensland occupies about 160,000 km^2, the southern half of which is covered by the Surat Basin. It has a maximum sediment thickness of about 10,000 metres concentrated in two N trending depocentres, the Taroom Trough to the east and the Denison Trough to the west. Deposition in the basin commenced during an Early Permian extensional phase, with fluvial and lacustrine sediments and volcanics being deposited in a series of half-graben in the east while in the west a thick succession of coals and nonmarine clastics.

Following rifting there was a thermal subsidence phase extending from the mid Early to Late Permian, during which a basin-wide transgression allowed deposition of deltaic and shallow marine, predominantly clastic sediments as well as extensive coal measures. Foreland loading of the basin spread from east to west during the Late Permian, resulting in accelerated subsidence, which allowed the deposition of a very thick succession of Late Permian marine and fluvial clastics, again with coal and Early to Middle Triassic fluvial and lacustrine clastics. Sedimentation in the basin was terminated by Middle to Late Triassic contractional event.

Basement rocks to the east of the northern Bowen Basin are granites of the Carboniferous to Mesozoic Urannah Complex and minor outcrops of the Devonian to Carboniferous Connors Volcanics. To the west are the Carboniferous Bulgonunna Volcanics, carboniferous intrusions, and Devonian and Carboniferous sedimentary and volcanic rocks.

The Permian sediments and coal measures are domed by the Early Cretaceous Bundarra Granodiorite and Gotthardt Granodiorite and numerous smaller intrusions of Cretaceous age along the east and north side of the basin.

Early Cretaceous porphyry-type mineralization is found in the northeast part of the region with a type example at Mt Flora within the Bundarra Granodiorite.

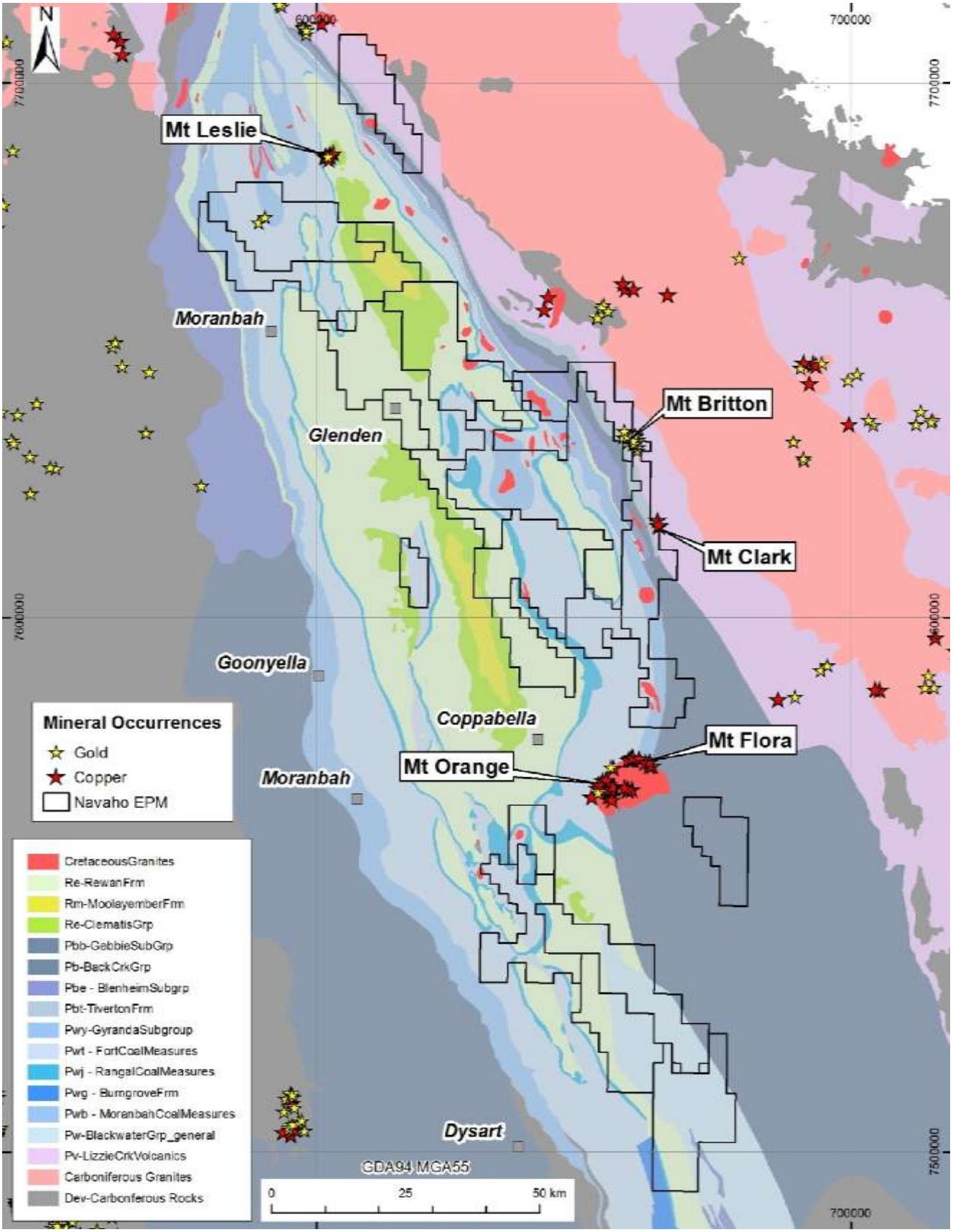

Figure 2 – Regional Geology of the Bowen Project

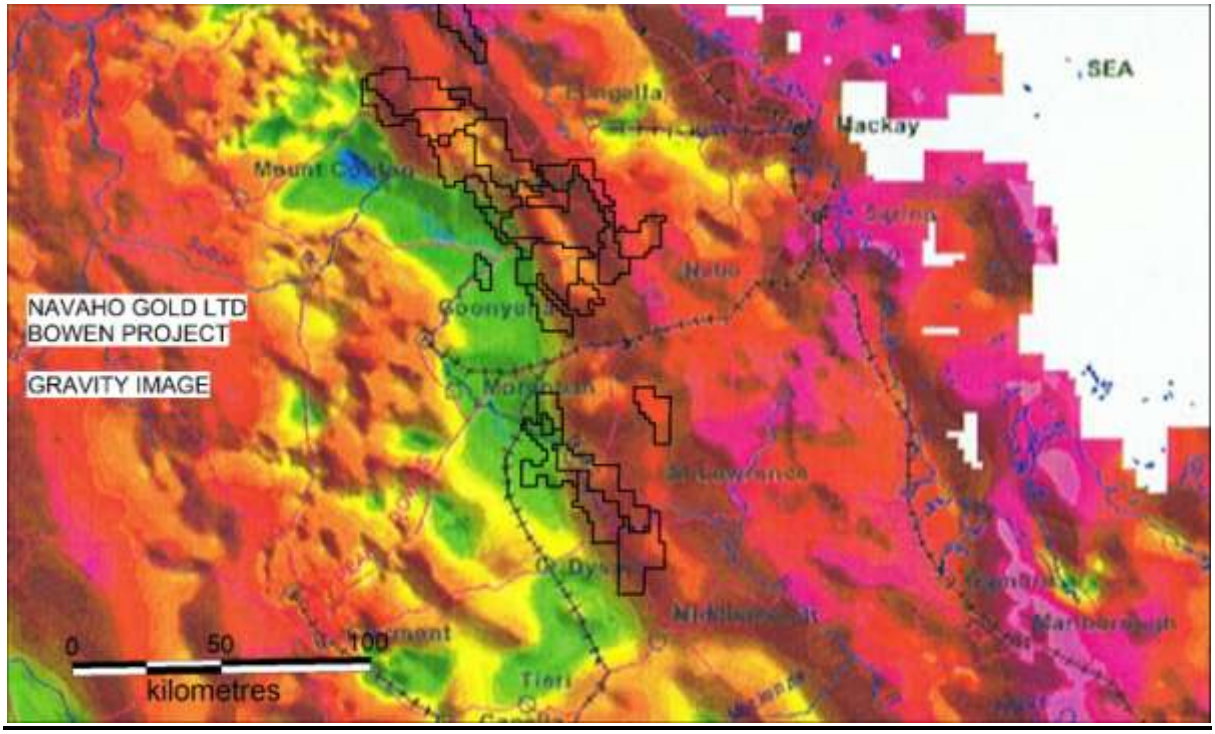

Figure 3 – Navaho's Bowen Project over a gravity image displays the tenements straddling the eastern margin of the Bowen Basin

4. RELINQUISHED SUB-BLOCKS

Thirty-three sub-blocks were relinquished on EPM 18344 in August 2012. This is the required relinquishment set out by the terms and conditions of the permit. Figure 4 shows the location of the relinquished sub-blocks.

Block No.	Sub-blocks
CLER 1279	c, h, j, n, o, t, x, y
CLER 1423	b, c, d, e, g, h, j, k, m, n, o, p, r, s, t, u, w, x, y
CLER 1424	a, b, f, g, l, m

The following 17 sub-blocks are to be ***retained***: -

Block No.	Sub-blocks
CLER 1351	b, c, d, g, h, j, n, o, p, r, s, t, u, w, x, y, z

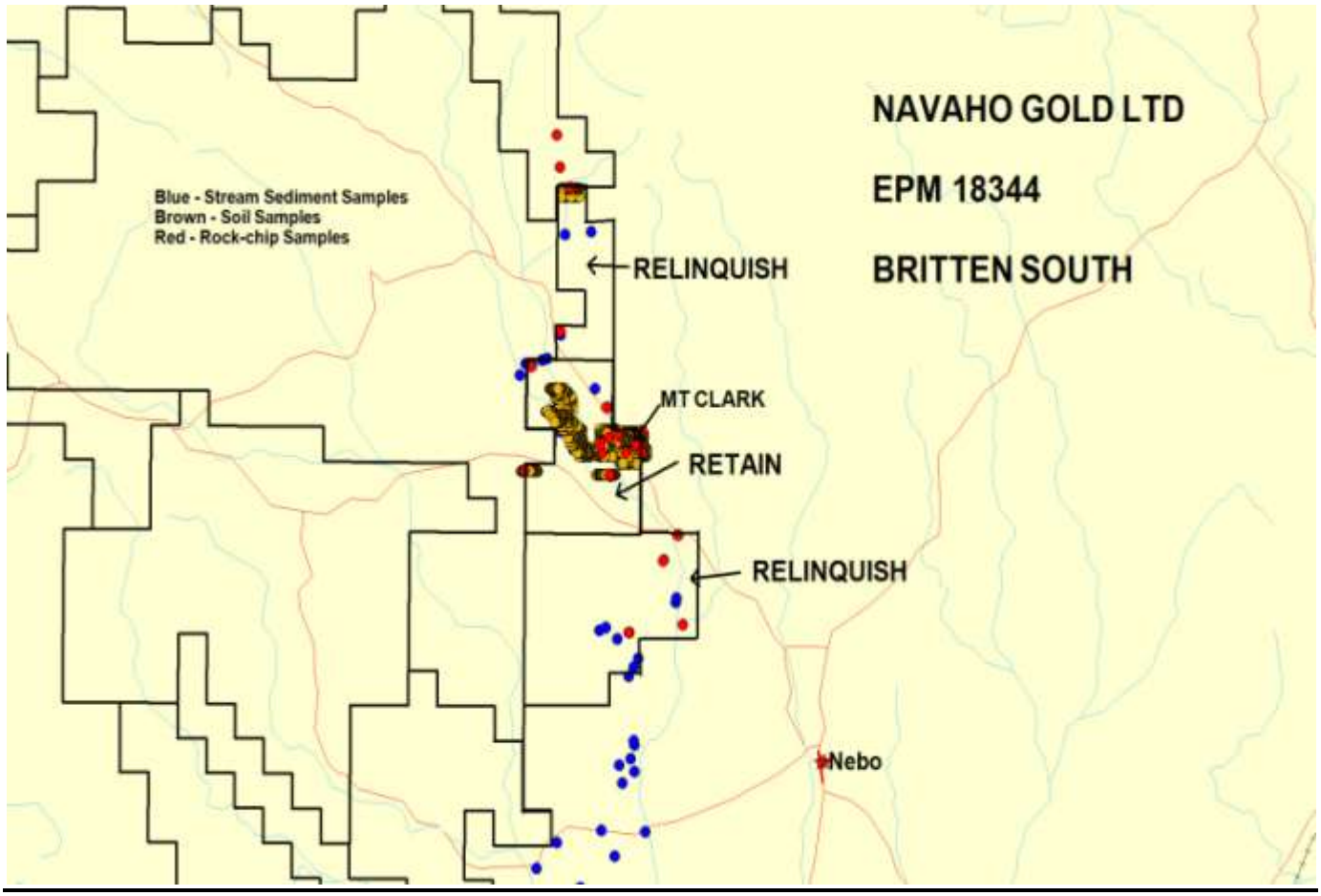

Figure 4 – Relinquished sub-blocks on EPM 18344

5. WORK COMPLETED DURING THE REPORTING PERIOD

The area is thought to contain mineral systems of Mesozoic age, similar to Cracow and Rannes to the south. The main target is sediment hosted epithermal gold, but other minerals are also sought. Exploration has been of a rapid reconnaissance nature with a heavy reliance on geochemistry and airborne imagery.

Exploration on the fifty relinquished sub-blocks is as follows-

- Review of previous work
- Collation and capture of previous stream sediment sample data
- Acquisition of geophysical imagery, modelling and interpretation
- Surface geochemistry sampling

Fifteen stream sediment samples were collected, 7 rock-chips, and a two line soil grid consisted of 49 soil samples, within the relinquished area.

There were no anomalies in the stream sediment sampling. The soil grid at the most northern extremity of the tenement is also the most southerly limit of the historic Mt Britten Goldfield. Two gold anomalies of 12 & 14 ppb gold were returned from the soil sampling. Previously, a rock-chip from the area returned 5 ppb gold (DR6640). There were no other anomalous rocks within the relinquished ground.

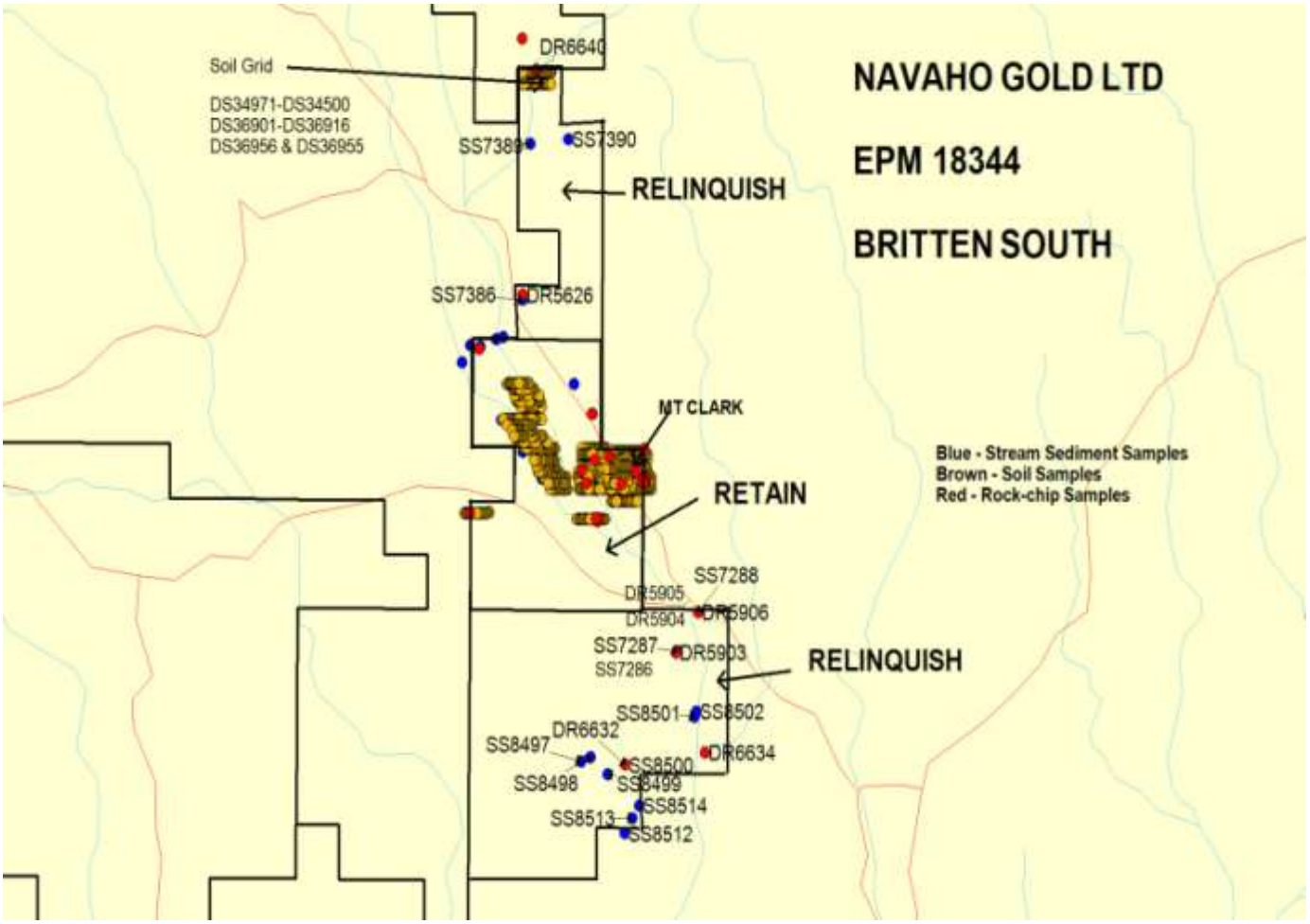

Figure 5 – Sample locations and identification numbers on the relinquished sub-blocks

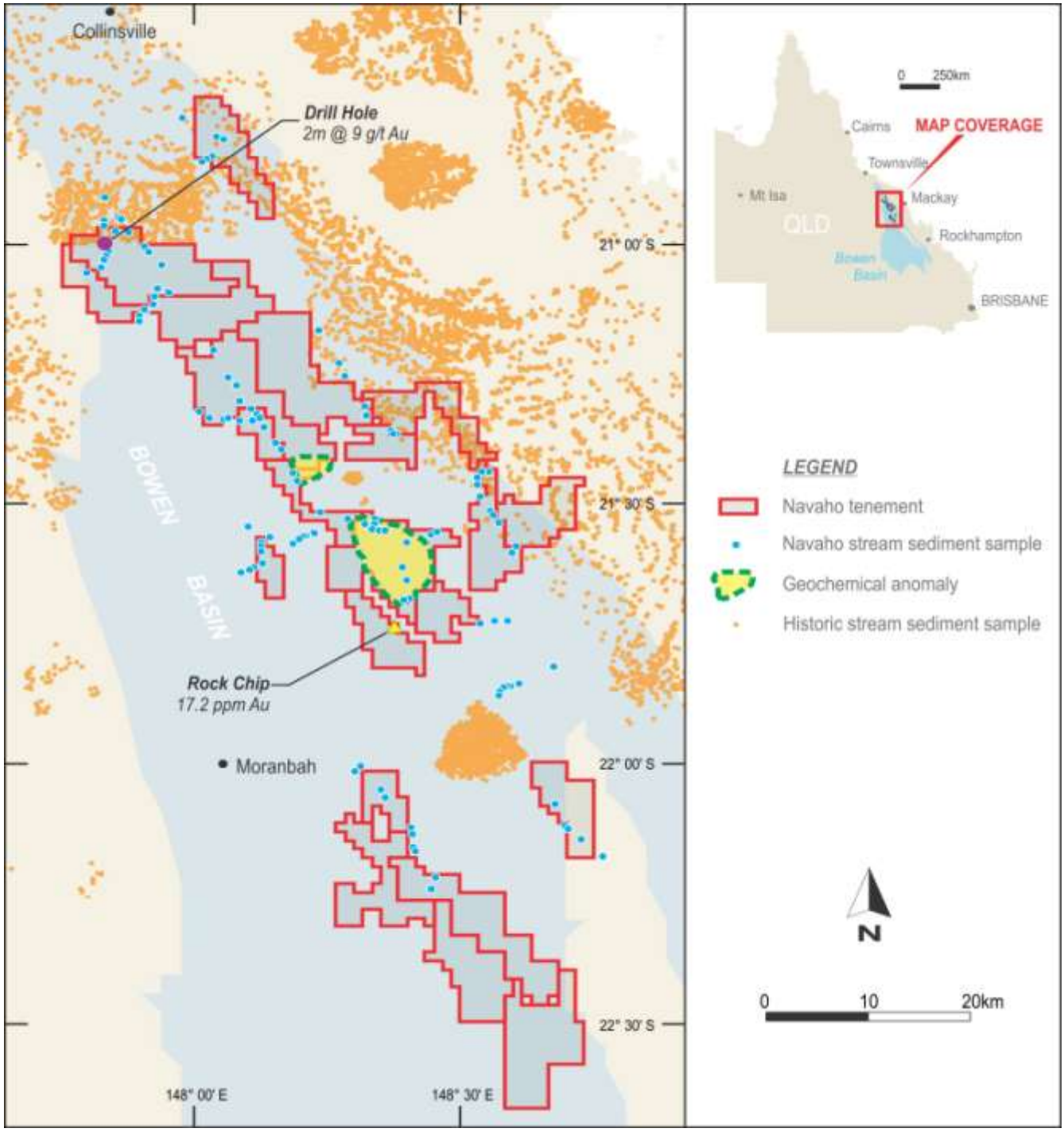

Figure 6 - Image of Navaho Gold's research capture and digitising of past surface sampling over the Bowen Project

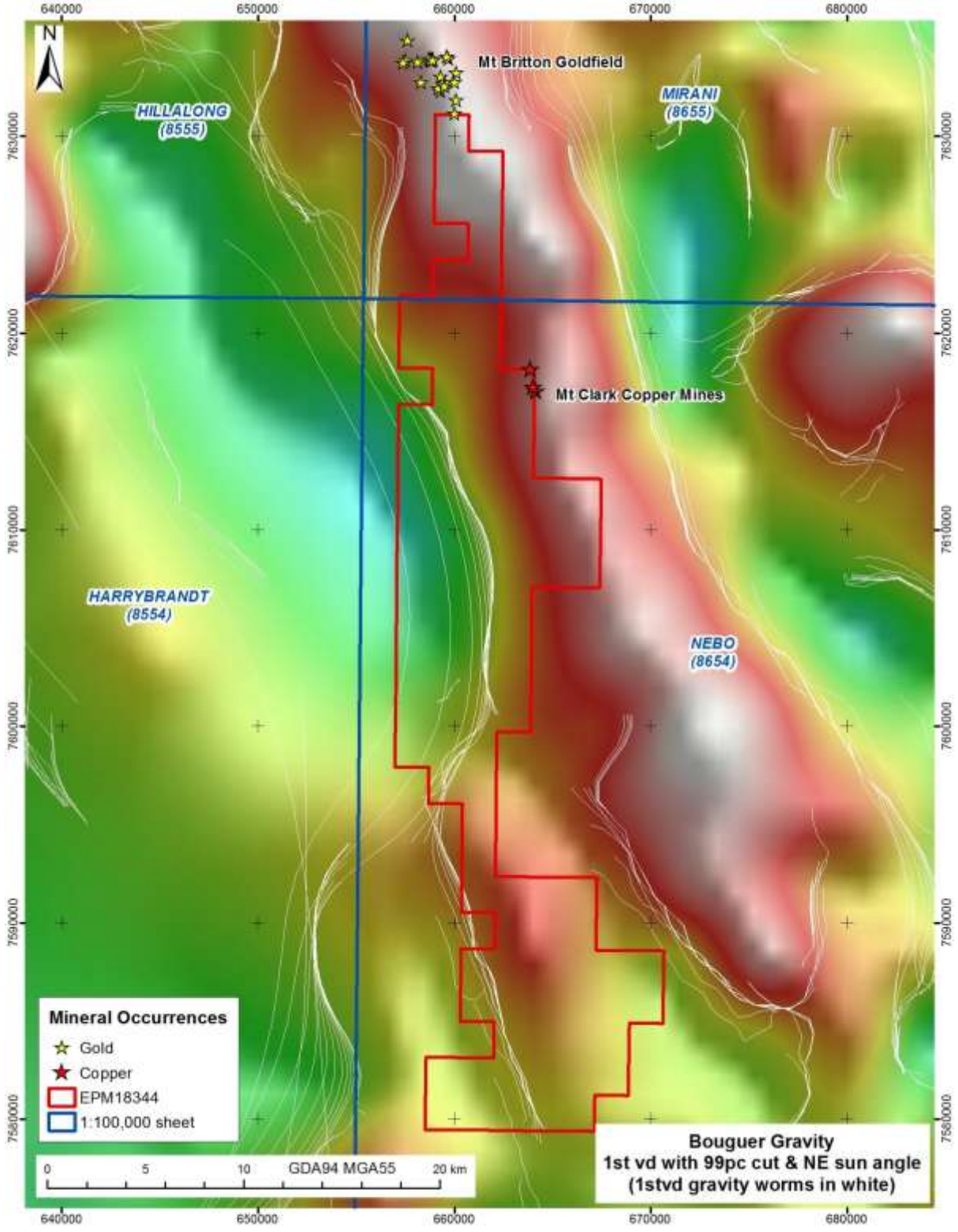

Figure 7 - Image of geophysical collation of gravity & worms by Navaho over EPM 18344

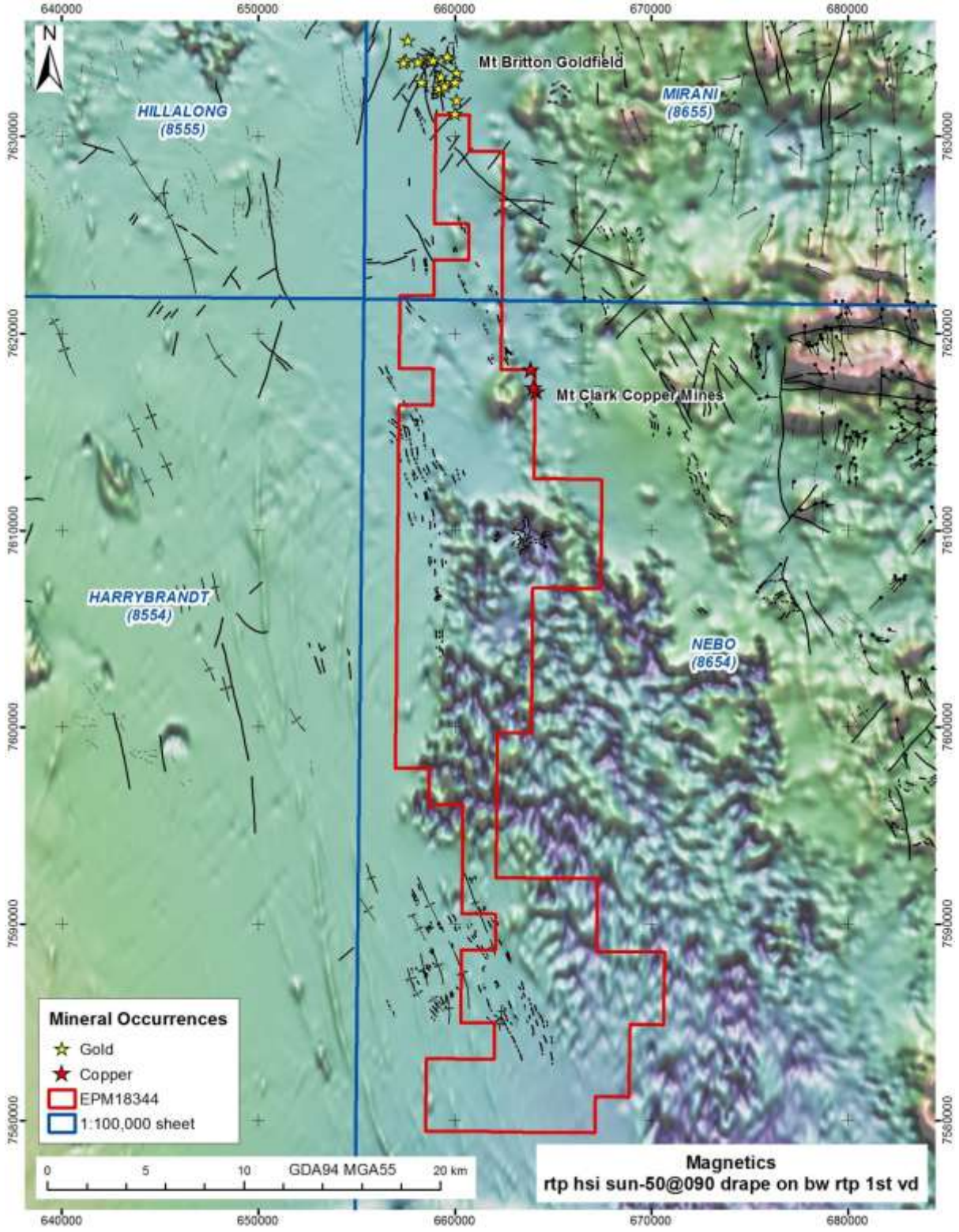

Figure 8 - Image of geophysical collation of magnetics & minoccs by Navaho over EPM 18344

APPENDIX 1

STREAM SEDIMENT SAMPLE RESULTS

ZONE 55

ALS BRISBANE

SampleID	MGAEast	MGANorth	Auppm43	Agppm	Asppm	Bippm	Coppm	Cuppm	Hgppm	Moppm	Nippm	Pbppm	Sbppm	Teppm	Tlppm	Znppm
SS7286	665398	7611246	0.001	0.02	5	0.06	56	26	0.01	0	57	10	0.13	0.03	0.08	43
SS7287	665442	7611291	0.001	0.05	7	0.1	74	36	0.01	1	76	15	0.19	0.04	0.08	56
SS7288	666294	7612625	0.001	0.03	6	0.08	23	29	0.01	0	60	9	0.15	0.03	0.05	63
SS7386	659252	7623245	0.001	0.04	3	0.15	22	46	0.01	1	59	9	0.11	0.05	0.1	74
SS7389	659541	7628560	0.001	0.03	3	0.15	26	42	0.01	1	63	10	0.14	0.04	0.11	86
SS7390	661083	7628726	0.001	0.03	5	0.17	33	59	0.01	1	81	12	0.16	0.03	0.09	82
SS8497	661581	7607544	0	0.01	1	0.02	41	13	0	0	45	6	0	0	0.06	38
SS8498	661974	7607696	0	0.01	1	0.01	14	7	0	2	9	4	0.08	0.02	0.04	76
SS8499	662658	7607093	0	0.01	4	0.01	7	6	0	7	3	14	0.24	0.04	0.04	94
SS8500	663354	7607431	0	0.01	1	0.01	36	11	0	1	31	4	0.05	0.02	0.07	56
SS8501	666139	7609046	0	0.02	0	0.02	14	14	0	2	24	5	0.06	0	0.05	88
SS8502	666204	7609238	0	0.01	0	0.02	23	30	0	0	47	3	0	0	0.02	38
SS8512	663325	7605086	0.001	0.03	0	0.02	38	29	0.01	1	77	4	0	0.01	0.05	90
SS8513	663648	7605615	0	0.02	0	0.02	45	28	0.01	1	84	4	0	0.02	0.05	82
SS8514	663925	7606039	0	0.02	1	0.02	44	15	0	1	40	5	0	0.01	0.07	52

APPENDIX 2

ROCK-CHIP SAMPLE RESULTS

ZONE 55

ALS BRISBANE

Sample	Sample Type	Size	Oxidation	Lithology	Alteration	Comments
DR6632	outcrop	3m rad rep	strong			fg matrix, lge qtz crystals
DR6634	outcrop	3m rad rep	mod			fg mafic, massive epidote, iron stain, qtz nodules
DR6640	flt	5m rad select	strong			fg seds, high alteration
DR5903	float	select	weak	dacite	ser	in min ck, ex W
DR5904	outcrop	rep	weak	int tuff		bedding rock in lge ck, ex N
DR5905	float	select	moderate	rhyolitic tuff		rounded flt in lge ck, ex N
DR5906	float	select	moderate	plag por	ser	flt in lge ck, ex N
DR5626	float	grab select	strong	sltst	sil	

Sample	East	North	Au ppm	Ag ppm	As ppm	Bi ppm	Co ppm	Cr ppm	Cu ppm	Hg ppm	Mo ppm	Ni ppm	Pb ppm	Sb ppm	Te ppm	Tl ppm	Zn ppm
DR6632	663353	7607426	-0.001	0.01	1	0.01	20		14	-0.01	-1	29	1	0.08	0.01	0.04	87
DR6634	666566	7607848	0.001	0.01	3	0.01	12		20	-0.01	1	41	1	0.18	0.01	-0.02	33
DR6640	659789	7631088	0.005	0.03	10	0.05	4		9	-0.01	3	5	4	0.98	0.01	0.04	53
DR5903	665399	7611246	0.001	0.03	1	0.06	18	26	13	0.01	-1	24	7	0.05	0.02	-0.02	68
DR5904	666294	7612625	0.002	0.37	1	0.05	21	111	85	0.01	1	93	78	0.08	0.01	0.02	172
DR5905	666284	7612625	0.002	0.03	2	0.02	1	4	3	0.04	1	3	3	0.3	0.01	0.04	8
DR5906	666284	7612625	0.001	0.07	2	0.02	5	7	12	-0.01	-1	7	18	0.2	-0.01	0.05	37
DR5626	659252	7623425	0.003	0.05	11	0.57	13	34	39	-0.01	1	31	18	0.75	0.11	0.38	70

APPENDIX 3

SOIL SAMPLE RESULTS

ZONE 55

ALS BRISBANE

SampleID	MGAEast	MGANorth	Auppm43	Agppm	Asppm	Bippm	Coppm	Cuppm	Hgppm	Moppm	Nippm	Pbppm	S%	Sbppm	Teppm	Tlppm	Znppm
DS34971	659349	7630598	0.001	0.04	1	0.11	30	37	0.02	0	35	8	0.02	0.11	0.02	0.09	60
DS34972	659398	7630597	0.001	0.03	3	0.14	30	30	0.02	1	29	11	0.01	0.13	0.02	0.11	51
DS34973	659451	7630602	0	0.03	1	0.12	11	14	0.01	0	19	17	0.01	0.09	0.01	0.11	77
DS34974	659500	7630604	0.001	0.04	4	0.18	25	43	0.02	1	40	12	0.02	0.36	0.01	0.1	73
DS34975	659550	7630601	0.001	0.04	2	0.1	30	38	0.02	0	46	9	0.03	0.15	0.01	0.1	77
DS34976	659600	7630600	0.001	0.04	4	0.13	31	31	0.01	0	32	18	0.02	0.15	0.04	0.1	72
DS34977	659650	7630599	0	0.05	3	0.12	32	27	0.02	1	26	13	0.02	0.14	0.02	0.08	56
DS34978	659701	7630602	0.001	0.04	2	0.12	77	44	0.01	0	62	23	0.01	0.1	0.01	0.17	55
DS34979	659749	7630602	0	0.07	2	0.1	31	31	0.02	0	33	12	0.02	0.07	0	0.08	55
DS34980	659800	7630600	0.014	0.03	3	0.08	28	44	0.01	0	71	8	0.01	0.08	0.03	0.09	90
DS34981	659850	7630601	0.001	0.04	2	0.05	29	38	0.02	1	77	8	0.01	0.06	0.03	0.12	100
DS34982	659900	7630601	0.001	0.04	0	0.04	36	56	0.01	0	83	7	0.02	0	0	0.05	79
DS34983	659950	7630599	0.001	0.04	1	0.09	33	50	0.01	0	79	7	0.01	0.07	0.01	0.07	89
DS34984	659999	7630599	0.001	0.04	2	0.08	31	39	0.02	0	49	9	0.02	0.1	0.04	0.09	85
DS34985	660051	7630601	0	0.05	2	0.05	26	34	0.01	0	47	5	0	0.07	0.03	0.06	67
DS34986	660099	7630599	0.001	0.06	0	0.03	31	48	0.01	0	74	5	0.01	0.05	0.01	0.05	77
DS34987	660149	7630598	0.001	0.05	1	0.03	35	55	0.01	0	102	5	0.01	0	0	0.03	81
DS34988	660202	7630597	0.001	0.02	15	0.31	28	54	0.01	1	61	18	0.01	0.3	0.05	0.2	108
DS34989	660247	7630602	0	0.04	5	0.22	26	32	0.01	1	42	13	0.01	0.21	0.03	0.21	102
DS34990	660299	7630603	0	0.05	5	0.21	25	33	0.01	1	41	14	0.01	0.2	0.04	0.18	105
DS34991	660351	7630601	0	0.06	5	0.23	29	38	0.01	1	45	15	0.02	0.14	0.02	0.18	96
DS34992	660398	7630601	0.001	0.19	1	0.03	31	54	0.01	0	75	4	0.02	0	0	0.03	87
DS34993	660399	7630999	0	0.02	1	0.23	30	74	0.01	0	64	7	0.01	0	0.01	0.05	137
DS34994	660352	7630999	0.001	0.02	2	0.09	41	58	0.01	0	132	7	0.02	0.07	0	0.03	97
DS34995	660303	7631000	0	0.02	2	0.09	42	47	0.01	0	81	8	0.02	0.07	0.02	0.04	72
DS34996	660250	7631000	0.001	0.02	2	0.1	36	45	0.01	0	80	11	0.02	0.1	0.02	0.08	76
DS34997	660201	7631004	0	0.03	3	0.07	43	48	0.02	0	86	8	0.02	0.1	0.01	0.06	92
DS34998	660152	7631000	0.001	0.04	3	0.1	36	40	0.02	0	63	11	0.02	0.09	0.02	0.1	66
DS34999	660102	7631001	0.001	0.04	3	0.16	45	39	0.02	0	53	18	0.02	0.11	0.05	0.17	68
DS35000	660050	7631000	0.001	0.03	3	0.12	33	25	0.03	0	41	16	0.03	0.11	0.03	0.16	55
DS36901	660001	7630999	0	0.04	4	0.11	44	22	0.02	1	31	23	0.01	0.12	0.01	0.16	41
DS36902	659951	7631000	0.001	0.05	5	0.12	68	28	0.03	2	42	28	0.03	0.23	0.02	0.22	46
DS36903	659901	7631000	0	0.08	3	0.1	36	22	0.03	1	31	17	0.02	0.08	0.03	0.1	45
DS36904	659850	7631001	0.001	0.03	2	0.09	46	31	0.02	4	49	16	0.02	0.18	0.02	0.14	44
DS36905	659799	7631002	0.001	0.04	1	0.07	28	34	0.02	1	55	12	0.02	0.07	0.03	0.18	81

DS36906	659750	7631003	0.012	0.04	2	0.07	29	43	0.02	0	74	8	0.02	0.08	0.01	0.1	99
DS36907	659698	7631003	0.001	0.06	2	0.1	26	38	0.02	0	46	10	0.02	0.08	0.01	0.08	86
DS36908	659650	7631002	0.001	0.03	5	0.17	25	40	0.02	0	46	12	0.01	0.24	0.04	0.07	74
DS36909	659602	7631004	0.001	0.04	2	0.13	24	36	0.02	0	45	10	0.01	0.12	0.01	0.06	85
DS36910	659553	7630998	0	0.03	0	0.03	30	38	0.01	0	55	8	0.01	0	0.02	0.04	81
DS36911	659501	7631000	0.001	0.03	1	0.04	36	40	0.01	0	72	7	0.01	0	0.02	0.04	89
DS36912	659452	7630999	0.001	0.04	1	0.06	29	39	0.01	0	61	8	0.01	0.08	0	0.05	80
DS36913	659401	7631001	0.001	0.06	9	0.26	24	46	0.02	0	43	15	0.01	0.31	0.02	0.24	93
DS36914	659351	7630999	0.001	0.12	1	0.09	27	37	0.02	0	45	8	0.01	0	0.01	0.05	72
DS36915	659304	7630999	0.001	0.03	1	0.08	30	51	0.02	0	63	9	0.01	0	0	0.04	74
DS36916	659249	7631000	0.001	0.04	0	0.09	30	35	0.02	1	52	8	0.02	0.05	0	0.05	71
DS36955	659248	7630600	0	0.03	1	0.1	30	34	0.02	0	29	8	0.02	0.06	0	0.07	53
DS36956	659299	7630599	0.001	0.03	2	0.06	30	47	0.01	0	37	8	0.01	0.11	0	0.09	62