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BOWEN ENERGY LIMITED

PARTIAL RELINQUISHMENT REPORT FOR EPM 17364 NORMAN RIVER FOR THE PERIOD ENDING 03.11.2012

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EXECUTIVE SUMMARY

This report summarises exploration carried out by Bowen Energy Limited in 6 sub-blocks relinquished from EPM 17364 effective 03.11.2012.

The 6 sub-blocks relinquished were part of EPM 17364 which in conjunction with three other tenures forms part of the Croydon Project approximately 125km south east of Croydon in north Queensland. Here the Company targeted strong magnetic features for possible mafic intrusions that could host Cu-Ni-PGE. Work carried out involved an open file review and a review of aeromagnetic and gravity images for targets. However, no magnetic or gravity feature of interest occurs within the area of the 11 sub-blocks, so relinquishment of these was undertaken.

1 INTRODUCTION

EPM 17364 is one of four contiguous tenures that comprise the Croydon Project of Bowen Energy Ltd. The tenure is located approximately 125km south southeast of Croydon in North Queensland (**Figure 1**).

Access to the tenure from the north is via the Croydon – Richmond road off the Gulf Development Road and then by station tracks. From the south, access is by the Richmond-Croydon Road off the Townsville-Mt Isa road. The tenure sits between the Norman and Clara Rivers.

The tenure was taken up to explore for possible Cu-Ni-PGE mineralisation within an interpreted mafic complex visible as a broad magnetic high within a more subdued magnetic response on magnetic images (**Figure 4**).

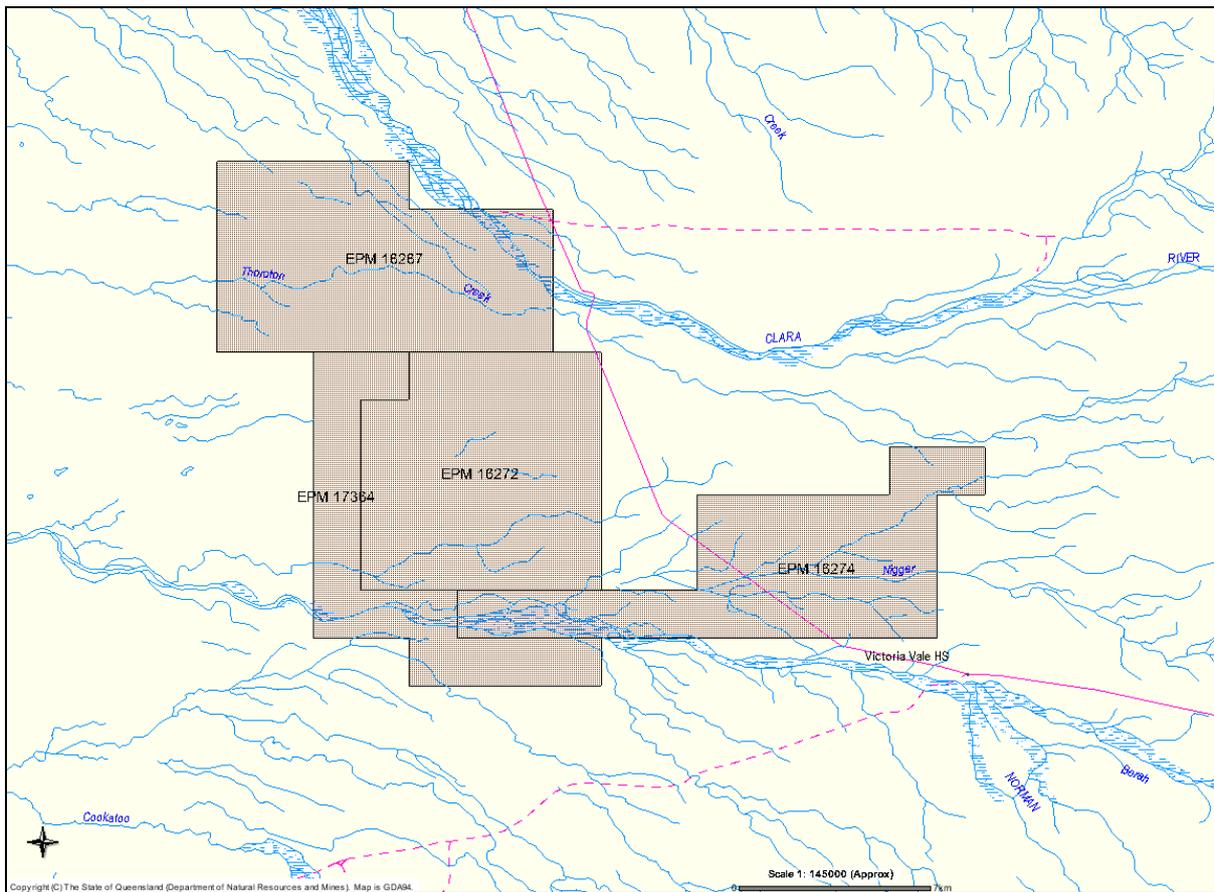


Figure 1. Location of EPM 17364 and other tenures comprising the Croydon Project.

2 TENURE

This tenure of 26 sub-blocks was granted on 4 November 2009 for a term of 3 years. It was reduced to 13 sub-blocks on 30 January 2012. A further 6 sub-blocks were relinquished in January 2013 (from 13 sub-blocks to 7 sub-blocks).

The 6 sub-blocks relinquished are given in **Table 1** and indicated in **Figures 2** and **4**.

Table 1. Details of sub-blocks relinquished EPM 17364.

BIM	BLOCK	SUB-BLOCKS
NORM	2935	C, D, K
NORM	2936	F, G, H
	TOTAL	6 sub-blocks

3 GEOLOGICAL AND GEOPHYSICAL SETTING

EPM 17364 is located in an area of Tertiary and Recent cover between the Clara and Norman Rivers. Outcrop of basement lithologies of the Mesoproterozoic Croydon Volcanics intruded by Esmeralda Granite of the Esmeralda Supersuite occur well to the north of the tenure. This basement is overlain by Jurassic sediments of the Carpentaria Basin (Eulo Queen Group) and then by Tertiary to Quaternary sediments (**Figure 3**).

Aeromagnetic imagery shows a broad magnetic high and a smaller feature both well to the south of the relinquished area (**Figure 4**) with some weaker magnetic trends extending into the tenure. The magnetic highs may represent metabasalt and/or mafic intrusives that predate the Croydon Volcanics or postdate them.

To the west of the tenure, the aeromagnetism suggests there is a south southeast trending dyke swarm as well as east southeast dykes that all cut across a magnetically quiet basement of probable Croydon Volcanics.

Gravity data show that the Croydon Project area of which EPM 17364 is a part lies close to the intersection of two major gravity lineaments, one trending north – northwest and the other trending northeast (**Figure 5**).

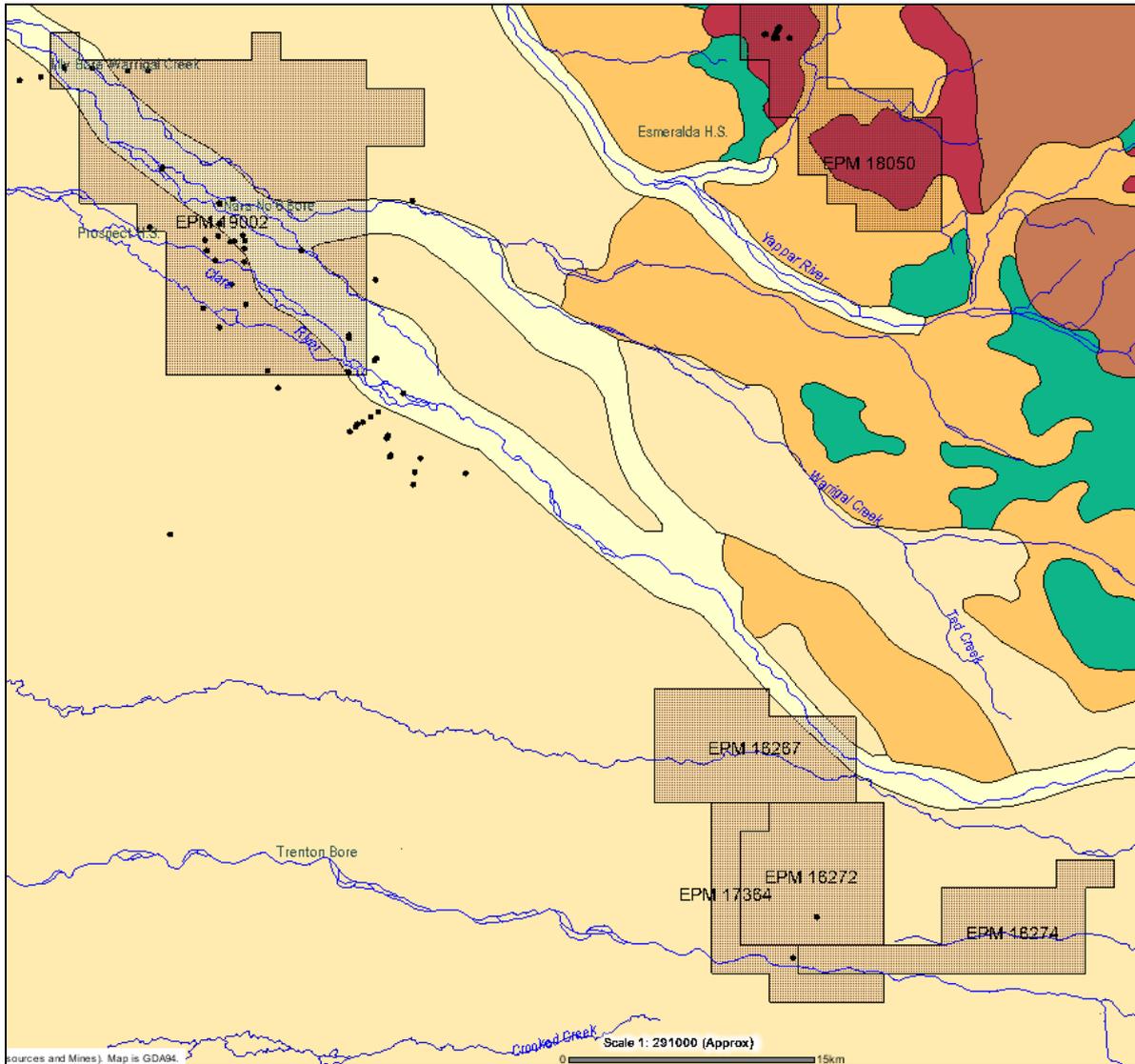


Figure 3. Regional geology of EPMs 17364, 16267, 16272 and 16274 which are covered by Tertiary to Quaternary sediments (beige). To the north basement Croydon Volcanics (medium brown) are intruded by Esmeralda Granite (red) and overlain by the Blantyre Sandstone of the Jurassic Eulo Queen Group (green) and by Late Tertiary-Quaternary sediments (orange). Open file drill holes in black dots (Data from DME Interactive Maps).

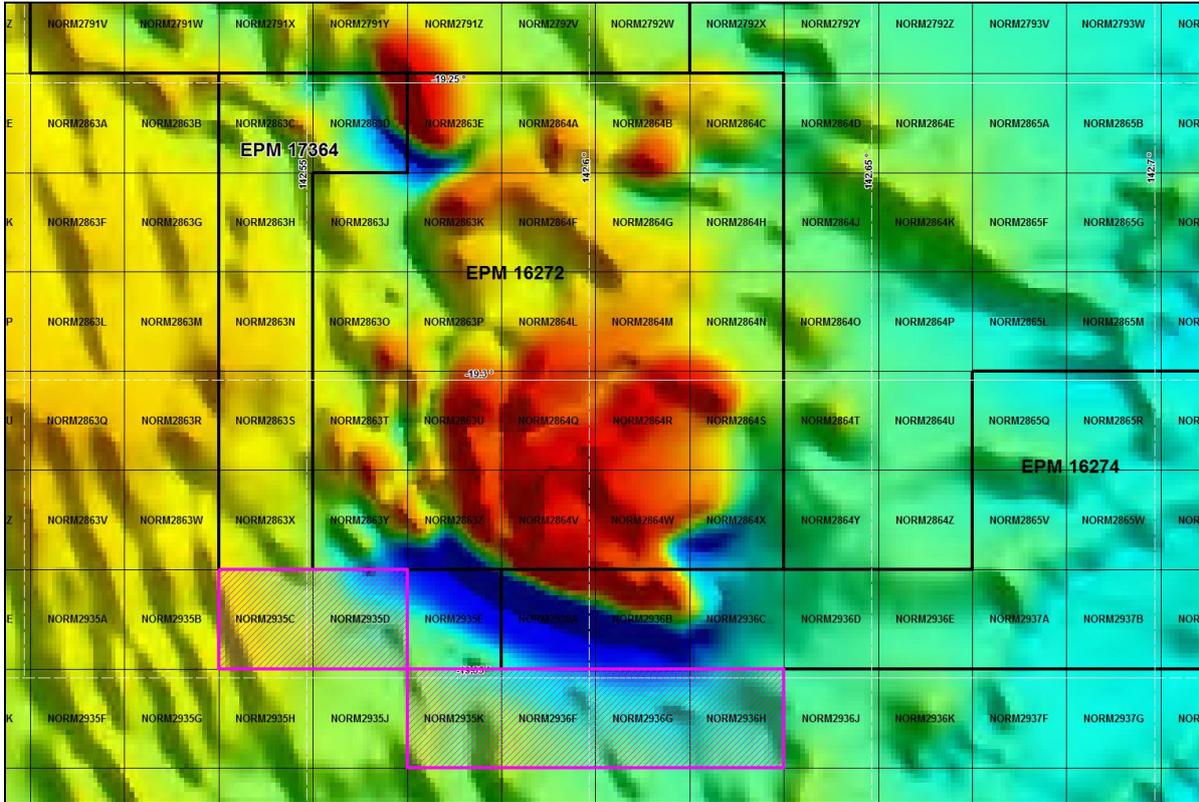
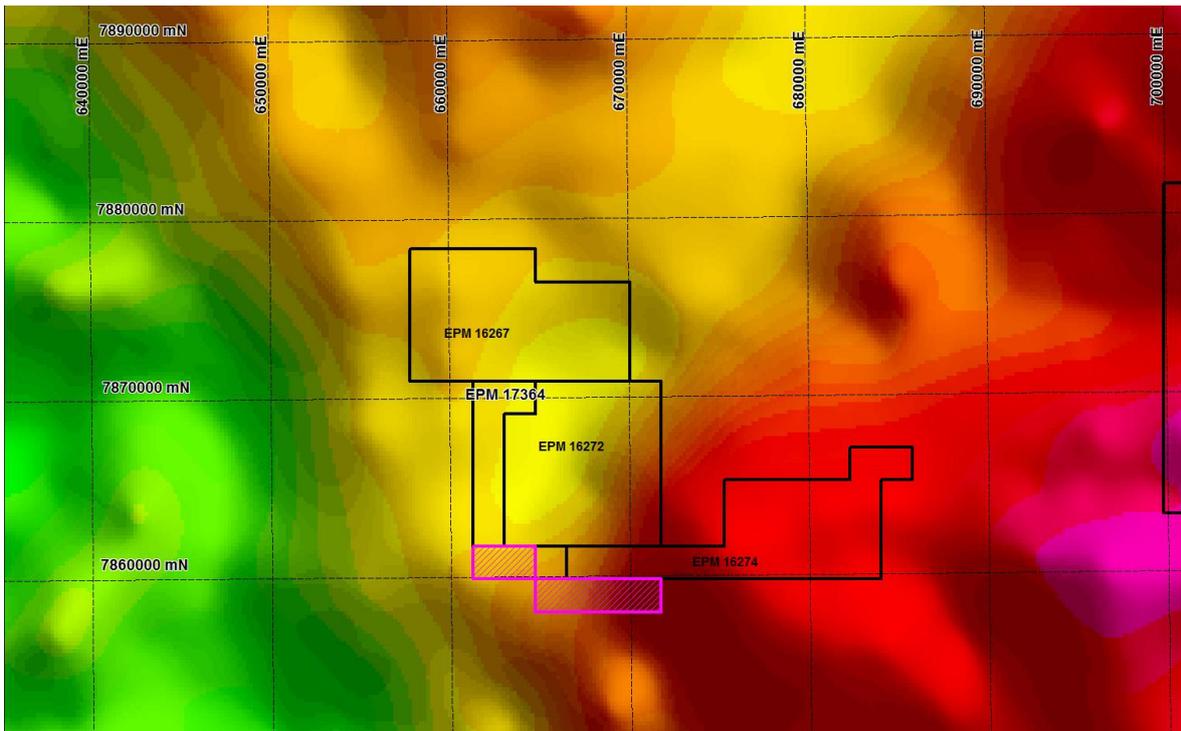


Figure 4. Relinquished sub-blocks for EPM 17364 shown in pink polygon with diagonal striping on TMI magnetics backdrop.



Datum GDA 94 zone 54

Figure 5. Regional Bouguer gravity image showing location of relinquished area north of the junction of a major north northwest gravity lineament and a northeast gravity lineament.

4 WORK COMPLETED

4.1 Introduction

This has involved an open file literature search and a review of aeromagnetic and gravity data that defined targets outside of the relinquished area. No ground work was done within the latter.

4.2 Open file search

Battle Mountain explored **EPMs 4635M and 4636M** in the Esmeralda Area as part of its Woolgar Project (Drzymulski, 1988). This is to the north of the present project area and in an area of sub-crop of Proterozoic units. Here Proterozoic Idalia Rhyolite of the Croydon Volcanics is intruded by the Proterozoic Esmeralda Granite and Nonda Granite.

Work carried out included interpretation of colour aerial photographs, review of open file data, geological reconnaissance, stream sediment sampling, mapping and a reverse circulation program of 696m. The latter was aimed at testing gold-bearing quartz-pyrite-arsenopyrite-galena-sphalerite veins where five veins (A-E) to 150m strike and 3.5m width were defined with rock chips to 5.48ppm in vein C. The best drill result was 1m of 2.8ppm Au in vein D. Results showed these veins were very small, Au was patchy and there was no potential for a significant resource.

Golden Plateau N.L in joint venture with Strategic Minerals Corp N.L. explored **EPM 4853M** in the Prospect Bore Project to evaluate anomalous tantalum-niobium concentrations discovered in a fractured quartzite north of Prospect Homestead in previous exploration (Archibald et al., 1988). Highly anomalous fluorine was also known in bores in the region. Targets defined from magnetics under Cainozoic cover that overlies Mesozoic sandstone and siltstone of the Gilbert River Formation. Besides tantalum-niobium and molybdenum, the tenure was suggested to have potential for gold, PGE and diamonds.

Previous work by **Ford, Bacon and Davis**, 1972, west of Prospect Bore defined a major magnetic anomaly that drilling established as an ilmenite and titanomagnetite-rich layered gabbro with 0.64% V_2O_5 and 15.15% TiO_2 over a vertical section of 98m. Landsat studies identified a major northwest trending fracture, the Borer River Fracture Zone linking bores rich in fluorine. This was supported by gravity data.

A further detailed magnetic survey in 1983 over the then EPM 3647 produced a number of magnetic anomalies that were ascribed to various possible sources. Two diamond drill holes were drilled by **GeoPeko** on EPM 2872 to further evaluate Prospect Bore area, but did not repeat the high niobium-tantalum results within quartzite overlying acid volcanics.

Golden Plateau focused on precious metals that may be associated with mafic intrusive complexes, carbonatites and kimberlites within the PreCambrian basement albeit under 10-100m of cover. Eight percussion holes drilled at aeromagnetic anomalies in 1987 found

mafic intrusives, felsic schists and altered felsic intrusives. Petrography indicates that quartz diorite, gabbro and norite are present with moderate to intense alteration often with sulphides. The best results indicated to 50ppb Au and 5-60ppb Pt.

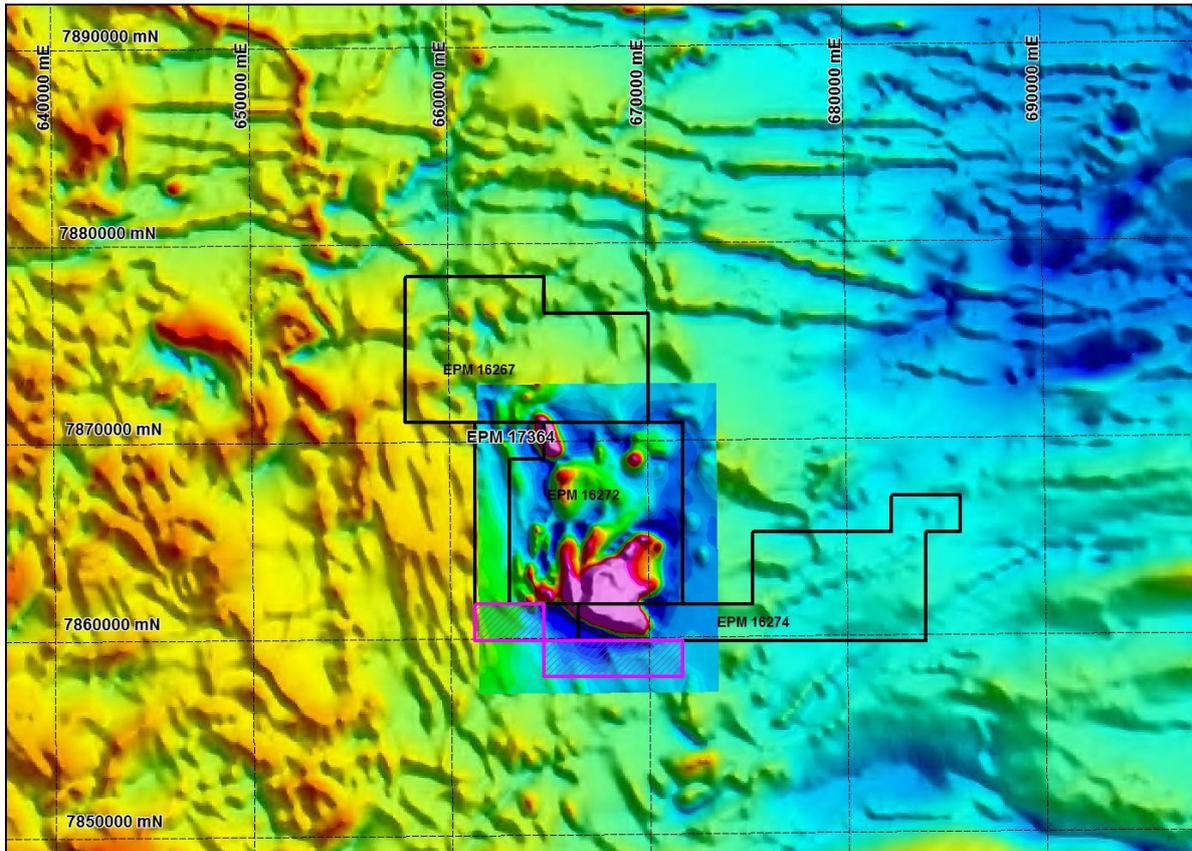
Further percussion and diamond drilling in 1988 at Prospect Bore showed a variably hydrothermal layered Ti-rich layered gabbro underlain by quartzite. Pt values range 0.01-0.04g/t, but up to 0.38g/t over 1m. Anomalous Au is associated with carbonate alteration with some epithermal quartz-carbonate veins containing up to 0.68g/t Au. Other regional holes intersected gabbros, felsic volcanics, felsic intrusives and graphite-rich breccias. The gabbros had consistent Au values 0.02-0.08g/t.

Queensland Metals acquired EPM 3689M to explore a large magnetic anomaly located 150km north northwest of Richmond. Initially a landsat study was undertaken which showed that the Crooked Creek area and the magnetic complex was located at the intersection of the northwest Norman River fault and a northeast lineament. A detailed aeromagnetic survey was followed up with ground magnetics and drilling of two targets within the magnetic anomaly. In both situations the cause of the magnetic anomalies was shown to be related to magnetite-bearing basalt and of no economic interest (Eeson, 1984). This basalt was suggested to belong to the Dead Horse Metabasalt of Palaeoproterozoic age and part of the Etheridge Group.

North Exploration-Geopeko explored the Clara River area using aeromagnetics and basement drilling to determine aquifer anomalism that might be related to mineralisation (Morris, 1994). A gravity survey was also undertaken, but did not change previous geophysical interpretations. The complexity of the magnetic data did not allow clear target definition. Drilling did not intersect gold or base metal mineralisation.

4.3 Targeting

A review of aeromagnetic and gravity data combined with results of the open file led to targets for possible mafic-hosted Cu-Ni-PGE being defined. These were associated with the main magnetic bodies where there were possibilities of mafic intrusions such as had been drilled by other companies in the Prospect Bore area 45km to the northwest, though that body is extremely small (**Figure 6**). Weaker magnetic intensity dyke-like bodies do extend through part of the relinquished area.



Datum GDA 94 zone 54

Figure 6. RTP magnetic image detail on TMI regional magnetics showing relinquished area in pink outlined with main magnetic bodies within the Croydon Project to the west.

5 CONCLUSIONS AND RECOMMENDATIONS

No targets were defined within the relinquished area with all ground work done outside this in adjacent tenures. There are no significant magnetic features that could be mafic intrusions. As there was little potential for the target type sought, relinquishment of the sub-blocks was effected.

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