

**Partial Relinquishment Report for EPM 18222
for Period Ending 21st May 2013**

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Figure 1: Location and Area of EPM 18222 (green outline) prior to area relinquishment.

Figure 2: EPM 18222 (green outline) and location of relinquishment area (red outline).
Refer to Table 2 for details of sub-blocks relinquished.

Summary

The following Relinquishment Report has been prepared as part of the requirement accompanying the relinquishment of sub-blocks within Exploration Permit 18222 and Environmental Authority No. EPSX00458413 (MIC200910109) pursuant to the *Mineral Resources Act 1989, Mineral Resources Amendment Regulation (No.4) 2008 (Subordinate Legislation 2008, No. 367)*.

A review of regional geological data indicated the best potential for diatomaceous earth resources exists within the retained sub-blocks. The sub-blocks relinquished were only entered upon by the holder along existing station tracks and public roads. Consequently there has been no environmental impact and therefore no rehabilitation activities to be undertaken. Visual inspection and topographic data showed the relinquished sub-blocks are covered by excessive overburden and therefore sterilised from mining activities.

EPM 18222

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Mining District: Department of Mines and Energy, Central Region, Emerald District Office (Mining Registrar) State Government Offices, 99 Hospital Road, Emerald, QLD., 4720; PO Box 245, Emerald QLD 4720; Phone: (07) 4987 9373, Fax: (07) 4987 9333.

Environmental authority

The Environmental Authority ("EA") covering EPM 18222 is EPSX00458413 (MIC200910109)

Location (Figure 1):

Centre of EPM 18222 is located approximately 21km east of Rolleston along the Dawson Highway.

EPM 18222, Total Sub-blocks = 84

Exploration Permit for Minerals (EPM) 18222		
BIM	Block No.	Sub-block No.
Char	417	j, k, o, p, t, u, y, z
Char	418	f, g, h, l, m, n, o, p, q, r, s, t, u, v, w, x, y, z
Char	419	q, r, s, t, u, v, w, x, y, z
Char	420	q, v
Char	489	d, e, j, k, o, p, u, z
Char	490	l, q, v, w
Char	492	a, b, c, f, g, h, l, m, n, q, r, s, v, w, x
Char	562	a, b, f, g, l, m
Char	564	a, b, c, f, g, h, l, m, n, q, r, v, w

Table 1: Block and sub-block description of Application for EPM 18222, (BIM = Block Identification Map, Char = Charleville)

On 21st May 2013 the Holder relinquished the following 42 Sub-Blocks

Exploration Permit for Minerals (EPM) 18222		
BIM	Block No.	Sub-block No.
Char	418	h, o, p
Char	419	q, r, s, t, u, w, x, y, z
Char	420	q, v
Char	492	a, b, c, f, g, h, l, m, n, q, r, s, v, w, x
Char	564	a, b, c, f, g, h, l, m, n, q, r, v, w

Table 2: Sub-blocks relinquished 21st May 2013, EPM 18222.
(BIM = Block Identification Map, Char = Charleville)

Author of Relinquishment Report

The author of this Partial Relinquishment Report is Michael Roby Leu (B.Sc. Hons. 1), a consulting geologist who is the holder of EPM 18222.

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Project Description and Geological Data

The EPM is situated in east-central Queensland within the south-east portion of the Bowen Basin.

The Tertiary sediments (fluvial and lacustrine) and basalts lie unconformably on Triassic fluvial sediments that in younging order comprise the Rewan Formation, the Clematis Sandstone and the Moolayember Formation. The uppermost basement rocks within 'Planet Downs' comprise the Rewan Formation (Lower Triassic, red-bed unit consisting predominantly chocolate-brown mudstone and siltstone, greenish lithic and volcanic sandstone and minor quartz sandstone, Olgers 1966). These basement Triassic rocks are covered by Tertiary basalt and Tertiary-Quaternary alluvium within EPM 18222. The holder

of EPM 18222 has explored and discovered previously unreported commercially viable diatomite deposits within the uppermost intervals of the Tertiary sediments.

Geophysical Data

There is no geophysical data relevant to the relinquished sub-blocks.

Geochemical Data

All geochemical data collected previously was outside the relinquished area and has been presented in Annual Reports.

Drilling Data

No drilling was undertaken on the relinquished sub-blocks.

Remote Sensing Data

No assessment of remote sensing data was conducted.

Resource Statement

No resources were identified within the relinquished sub-blocks.

Conclusion

A review of regional geological data indicated the best potential for diatomaceous earth resources exists within the retained sub-blocks. The sub-blocks relinquished were only entered upon by the holder along existing station tracks and public roads. Consequently there has been no environmental impact and therefore no rehabilitation activities to be undertaken. Visual inspection and topographic data showed the relinquished sub-blocks are either covered by excessive overburden and therefore sterilised from mining activities.

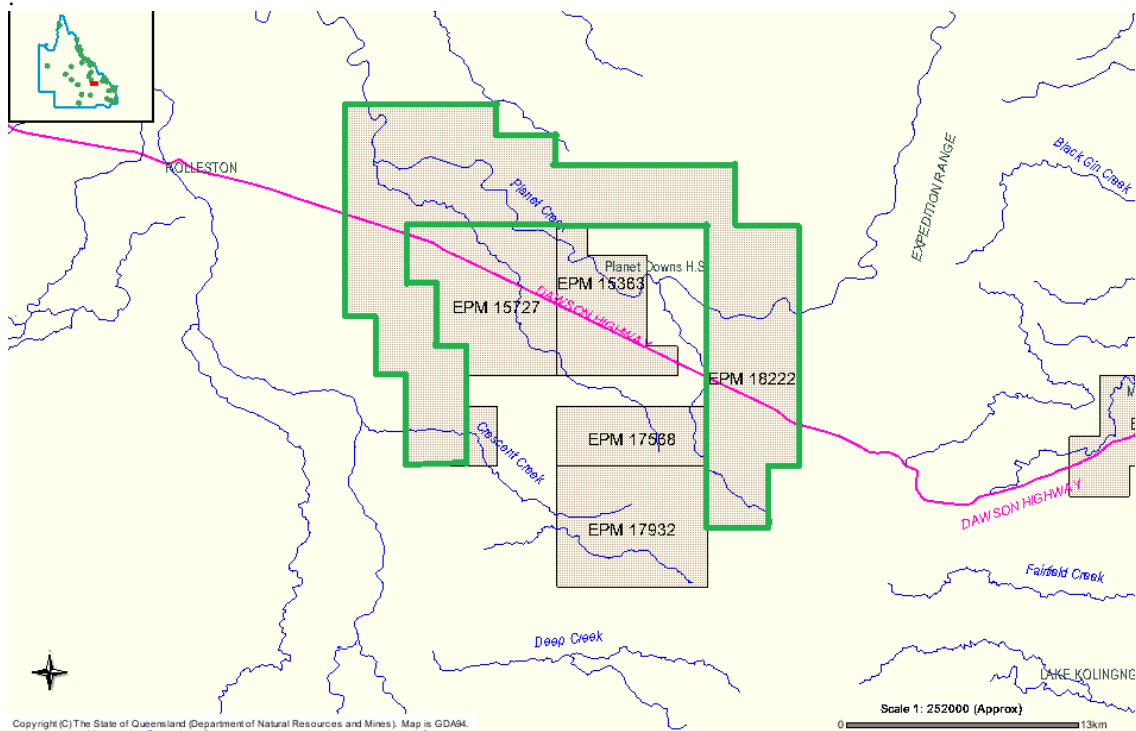


Figure 1: Location and area of EPM 18222 (green outline) prior to area relinquishment.

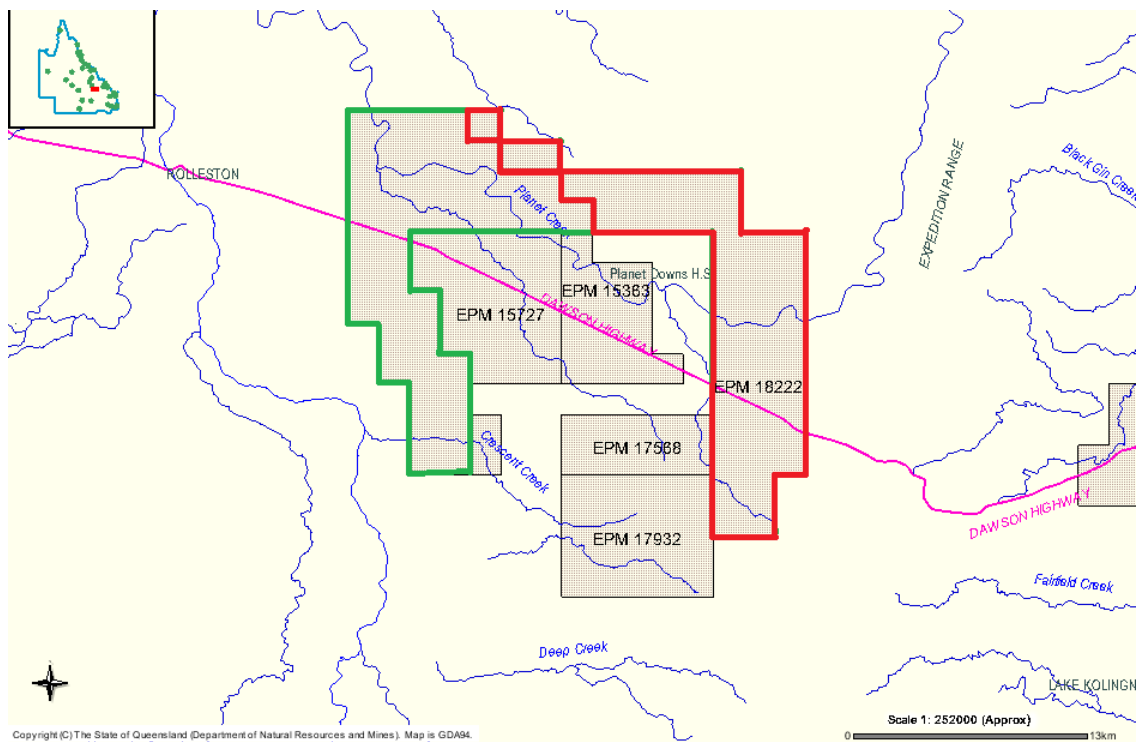


Figure 2: EPM 18222 (green outline) and location of relinquishment area (red outline). Refer to Table 2 for details of sub-blocks relinquished