

PARTIAL RELINQUISHMENT REPORT

EPM 17221
FOR PERIOD ENDING
8 January 2014

DUYFKEN EXPLORATIONS PTY LTD

January 16, 2014
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UTM GLOBAL PTY LTD

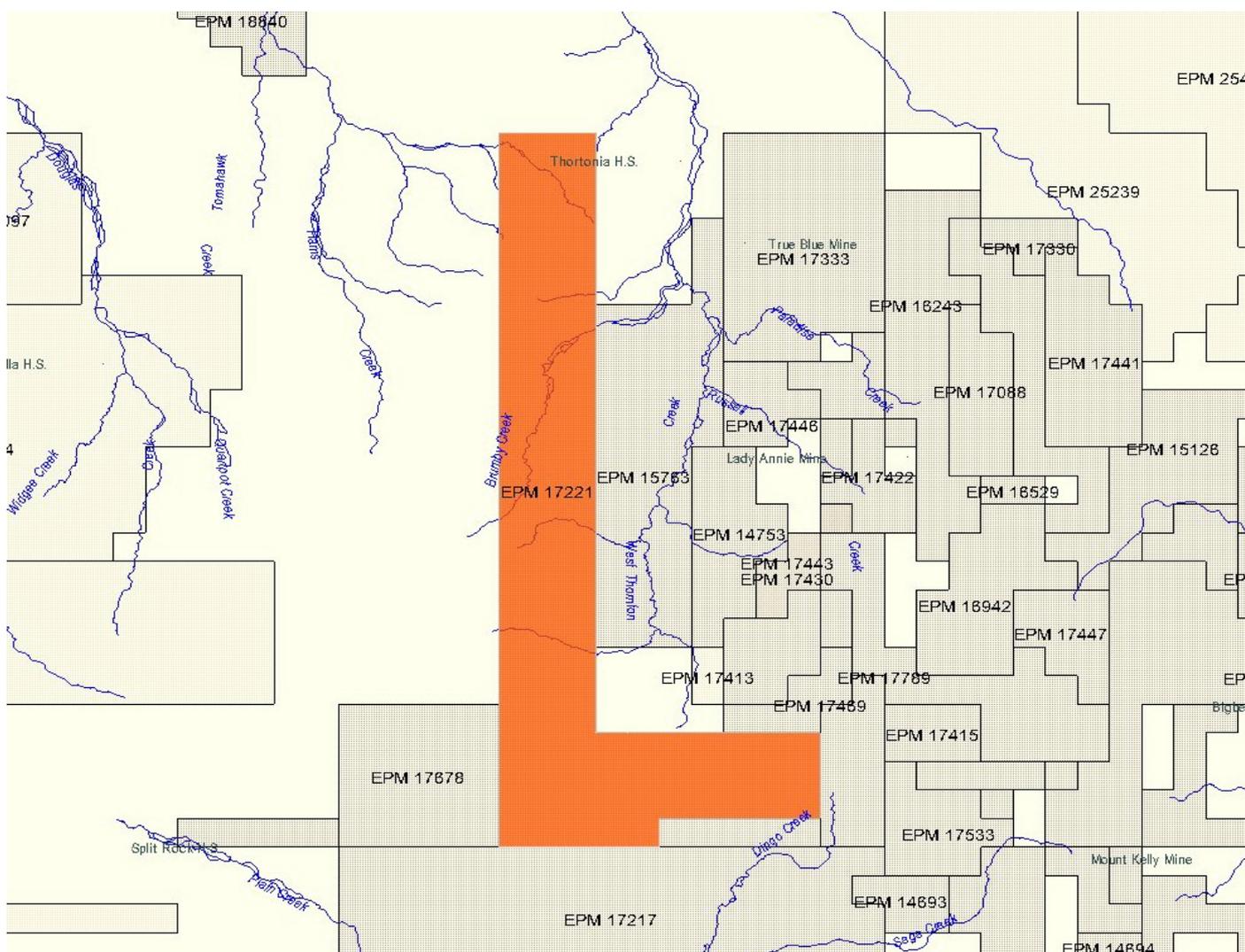
CONTENTS AS PER SECTION 13 (C) OF THE MINERAL RESOURCES REGULATIONS 2003

Tenure Information

(a) The day the exploration permit was granted;

Exploration Permit 17221 was granted to Duyfken Explorations Pty Ltd, for a period of five years from 29 October 2010 to 28 October 2015.

Tenure Type	Tenure Number	Status	Date Lodged	Date Granted	Date Expires	Principal Holder
EPM	17221	GRANTED	09-JAN-2008	29-OCT-2010	28-OCT-2015	DUYFKEN EXPLORATIONS PTY LTD



(b) The day the relinquishment takes effect;

The relinquishment of 39 sub blocks takes effect from 8 January 2014. An application to vary the relinquishment schedule in year 4 from 59 sub blocks to 98 sub blocks was lodged on 2 September 2013 and was refused on 9 December 2013; a mandatory relinquishment of 39 sub blocks was required to be lodged by 8 January 2014.

(c) The period of the program of work for the permit;

The relinquishment was completed in year 4 (the 2012 to 2013 period). The program of works for this period are as detailed below:

- Ground magnetic and radio-metrics
- Soil and rock Chip sampling
- Ground electromagnetic Survey
- Assaying

(d) The block and sub-block description comprising the relinquished area

Following a review of past exploration and the published geology 39 sub-blocks were identified for relinquishment. They area as listed below;

NORM 3107 L Q V W
NORM 3179 A B F G L M Q R S V W X
NORM 3251 A B C G H M N Q R S V W X
NORM 3323 A B F G L M N Q R S

EPM 17221 consists of an elongate NS tenement totalling 98 sub-blocks. The tenement is mainly located along the eastern edge of the Georgina Basin. Outcrop mostly consists of Cambrian carbonate sediments which overlie the phosphorite bearing Beetle Creek Formation. In the south the Cambrian carbonates are overlain by the Cretaceous Polland Waterhole Shale. In the very southeast the Proterozoic McNamara Group of the Mt Isa Block crops out. Parts of the EPM were tested for phosphates during the 1960s and early 1970s. Broken Hill South under ATP 415 discovered the Lady Annie phosphate deposit to the east. They also carried out regional scout drilling and mapping over areas west of EPM 17221. A thirty two hole drilling program was undertaken with two holes located within the current tenure and a further ten located within five kilometres of the EPM. Neither of the holes located within EPM 17221 intersected phosphate mineralization. Of the ten located just outside the EPM, three intersected good mineralization. Two of the three are located on EPM 17217, just to the south with best intercepts of 3.1metres @ 9.8% P2O5, 1.7m @ 8.3% P2O5 and 0.8m @ 15.1% P2O5. Of the remaining holes, all located just to the west, only one intersected phosphates (2.4m @ 5.8% P2O5).

ATPs 354 and 375 were secured by Continental Oil to explore for phosphates. The company later joint ventured with Pickland Mather International and the ATPs were incorporated into ATP 601. The companies discovered large resources at Sherrin and Lily Creeks to the south. The company drilled three holes (named M,N and O) within area M, located near the east end of EPM 7217. I have not been able to find any assay information but suspect that no significant mineralization was located.

IMC development acquired EPM 315 to explore for phosphates. Exploration by mapping and drilling led to the discovery of the D Tree deposit just east of EPM 17221. The deposit is located approximately 6.5 kms east of EPM 17221 and contains reserves of 260 million tons averaging 17.64% P2O5.

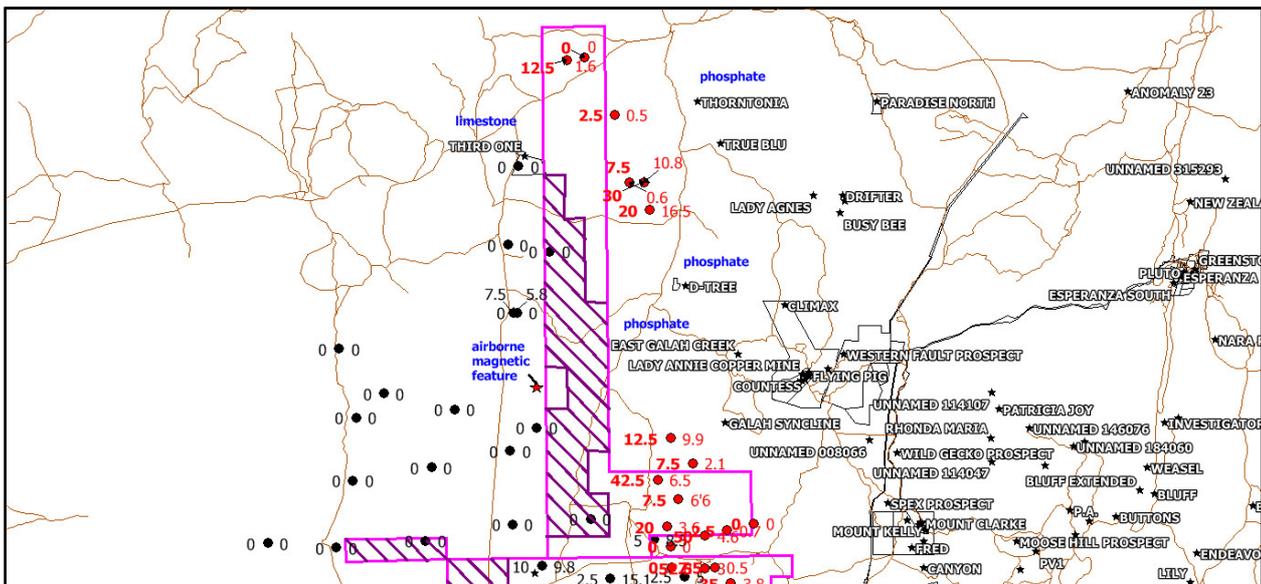
Within the current tenure IMC drilled nine scout holes and a further six holes within three kilometres of the eastern boundary. Of the holes drilled inside EPM 17221 the best intersections include 13.5m @ 6.5% P2O5 and 15m @ 4.6% P2O5. The mineralization occurs at the southeast end of EPM 17221 and link up with encouraging assays from EPM 17217. The best results from holes drilled close to the tenement include 6.3m @ 16.5% P2O5 and 9m @ 10.8% P2O5 (southeast) and 4m @ 9.9% P2O5 from the northeast.

The southeast portion as well as containing encouraging phosphate mineralization also hosts significant EM and magnetic/radiometric responses as reported by Shell on ATP 2188.

CRAE (EPM 9673) identified an interesting magnetic feature, possibly indicating Proterozoic base metal mineralization at depth and located 800m west of EPM 17221. The target was not drill tested due to difficulties penetrating the Cambrian cover. The response remains untested.

Based on the wide spaced drill results of BHP and IMC I have selected the western side of the tenure as being least prospective for phosphate mineralization. The southeast portion hosts the best phosphate drill intersections and also contains an interesting EM and airborne magnetics / radiometric response.

The northern parts of the EPM should be retained due to its proximity to the D Tree and Thorntonlia phosphate deposits.



EPM 17221 showing proposed relinquished sub-blocks. Black is the Broken Hill South drill holes with width (feet) left and P2O5 grade to right. Likewise in red for the IMC drill holes