

Anglo American Exploration Australia Pty. Ltd.
A.C.N. 006 195 982

Project Name:	The Lynd Project, Yarraman.
Tenement Number/s:	EPM17983.
Tenement Operator:	Anglo American Exploration (Australia) Pty Ltd.
Tenement Holder:	Anglo American Exploration (Australia) Pty Ltd.
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1:100 000 map sheet/s:	Lyndhurst - 7,759.
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List of Assays:	N/A.

DISTRIBUTION:

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SUMMARY

The tenement EPM17983, is part of the Lynd Project and is located within the Georgetown Inlier, Queensland Australia. Anglo American Exploration Australia Pty Ltd (AAEA) was granted the Licence on 19th October 2010 for a period of five years.

AAEA is seeking to discover significant NiS deposits in the Lynd area using a variety of magmatic NiS related empirical criteria and models.

The tenement area consists predominantly of Cambrian to Ordovician metasediments intruded by a Silurian mafic complex with minor Quaternary cover. The targets are Voisey's Bay style NiS and the area has not previously seen NiS exploration. Anglo American has the rights to proprietary technology that we believe will be able to detect massive NiS at great depths.

Work completed in the second year of the tenement has consisted of a site visit to inspect the ground geophysics survey target areas identified from the Spectrem Airborne geophysical survey.

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1. INTRODUCTION

EPM17983, Yarraman, is part of the Lynd Project, located approximately 100 km southwest of Greenvale and 280km west of Townsville. Access to the tenement is from Townsville via the Gregory Development Rd that links Charters Towers to the Lynd Junction and then various station tracks. The tenement is situated on the Clarke River (SE55-13) 1: 250,000 map sheet and the Lyndhurst (7,759) 1:100,000 map sheet.

Anglo American Exploration Australia Pty Ltd (AAEA) was granted the tenement on 18th October 2010 for a period of five years. EPM17983 covers an area of approximately 123km² within the Georgetown Inlier.

This report summarises the exploration activities conducted on EPM17983, during the reporting period 19th October 2011 to 18th October 2012.

2. TENURE

The tenement EPM17983, was granted to AAEA on 30th October 2007 and consists of 38 graticule blocks covering an area of 123km². The tenement details are in *Table 1* below and the tenement location plan is presented as *Figure 1*.

Table 1: Tenements Details					
Tenement	Holder	Date Granted	Expiry Date	Area Km ²	No Sub Blocks
EPM17983 A	AEA	19/10/2010	18/10/2015 123		38

Table 2 (below) and *Figure 2* details the 38 sub blocks that comprise the lease.

Table 2: Sub-blocks that comprise EPM17983.			
1:1,000,000 Plan Name	Primary Number	Graticular Section	No of Blocks
Townsville	2809	d e j k o p t u y z	10
	2810	a b c d f g h j l m o q r s t w x y	18
2	881	d	1
	2882	b c f g h l m q r	9
		Total	38

3. REGIONAL GEOLOGY

EPM17983 is part of the Lynd Project, which lies within the Greenvale Province, defined as the eastern, and youngest part of the Georgetown Inlier. The Georgetown Inlier is located in the Cairns-Townsville hinterland and covers an area of about 50,000km². The Georgetown Inlier contains the most eastern occurrence of extensive Precambrian outcrops in Australia that are thought to represent the remnant eastern margin of the Proterozoic Australian continent after the Neoproterozoic Rodinian breakup. The eastern margin of the Georgetown Inlier is in faulted contact with the Palaeozoic Tasman Orogenic Zone and these boundary faults define the Tasman Line - the boundary between the Australian Craton in the west and the mobile orogenic belt to the east.

The Georgetown Inlier comprises multiple deformed and polymetamorphic Palaeoproterozoic to Mesoproterozoic rocks of dominantly sedimentary and volcanic origin which have been divided into five main Groups – the Dargalong Metamorphic Group, McDevitt Metamorphics, Etheridge Group, Langlovale Group and Croyden Volcanic Group. These have been subjected to five separate tectonothermal events, including regional metamorphism up to amphibolite grade related to the Cambrian Delamerian Orogeny.

The package has been intruded by contemporaneous mafic and felsic magmas during three major events that occurred in the Mesoproterozoic, Siluro-Devonian and Permian-Carboniferous. These batholiths occur throughout the Inlier (and predominantly comprise tonalite, trondhjemite and granodiorite). The Dido Batholith has been the focus of Anglo American's exploration efforts.

The Dido Batholith was intruded into Early Palaeozoic supracrustal rocks of the Greenvale Province during the Silurian and is classified as part of the Pama Province granites. It forms a large NNE trending batholith at least 90km long and up to 30km wide, and is divided into two parts by a narrow (1-3km) screen of metamorphic rocks. This screen separates clearly distinct lithologies - to the west the rocks are predominantly biotite tonalite to granodiorite and hornblende-biotite tonalite, whereas to the east more melanocratic quartz diorite, diorite and lesser hypersthene gabbro, olivine gabbro and troctolite. The Dido Batholith is the most mafic of the Pama Province granites in the region.

The dominant lithostructural trend in the area is NNE – SSW. The Proterozoic metasediments are generally magnetically quiet with minor linear, often folded, magnetic highs defining lithological layering. The Silurian intrusives typically occur as NE - NNE trending, elongate lensoidal bodies of varying magnetic character. They often appear to be in fault contact with the older metasediments.

In parts of the Georgetown Inlier, the above mentioned geology is overlain by Mesozoic sedimentary cover sequences and Cainozoic basalt (of which the Undara Lava tubes is the most well known example). The government and mapped geology is included as Figures 3 and 4.

4. PREVIOUS EXPLORATION

Exploration carried out during the first year of the tenement, 2010-2011, was a Spectrem Airborne Geophysics Survey covering the entire tenement.

5. EXPLORATION CONDUCTED

Exploration work carried out on EPM1 7983, during the second year of the tenement, has consisted of a site visit to inspect the ground geophysics survey target areas identified from the Spectrem Airborne geophysical survey (Figure 5).

In June 2012, a field visit took place to scout out the Lynd Project area before the geophysics crew mobilised to the project to commence a ground geophysical survey. It was determined that EPM17983 would be difficult country to undertake a ground geophysical survey. An attempt was made in early July to start the survey but was abandoned due to excessive rain and ground flooding. The surveys were focused on tenements within the Lynd project that were not so inundated with rain. It is hoped that the ground geophysics survey within EPM17983 will be completed at a later date pending ground conditions.

6. PROPOSED EXPLORATION

Exploration in the third year of the permit will include the completion of the proposed ground geophysical survey (Figures 6 and 7).

7. CONCLUSION

During the second year of the tenement, exploration activities consisted of a site visit to inspect the ground geophysical target areas identified from the Spectrem Airborne geophysical survey.

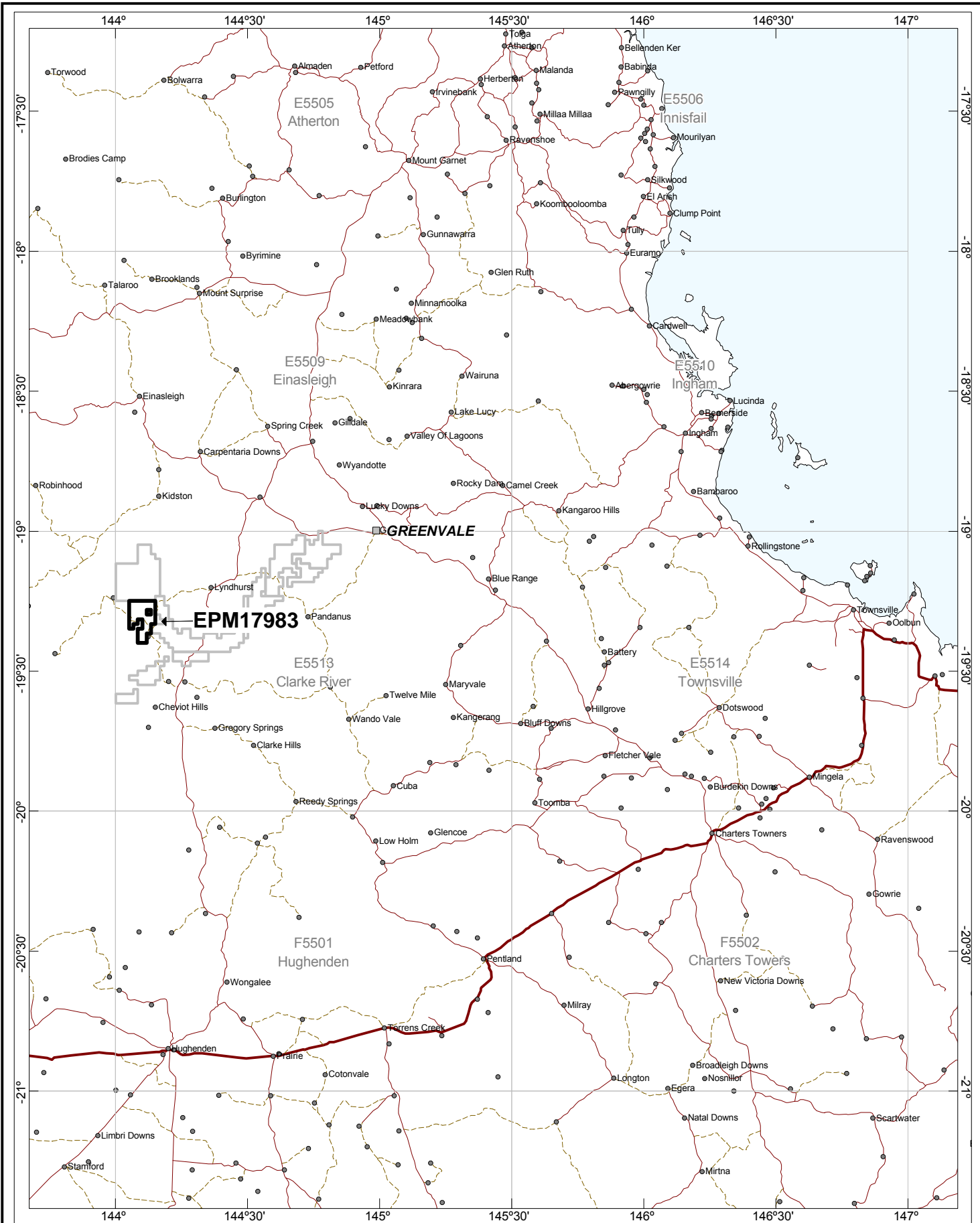
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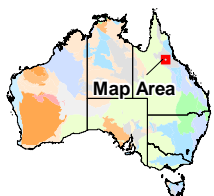
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LOCATION MAP



0 50 100
Kilometres



LYND PROJECT EPM17983 TENEMENT LOCATION PLAN

PROJECT: LYND
REGION: GEORGETOWN

Figure 1

Plan: AUS_QLD_LYN_TN_12710_EPM17983.wor

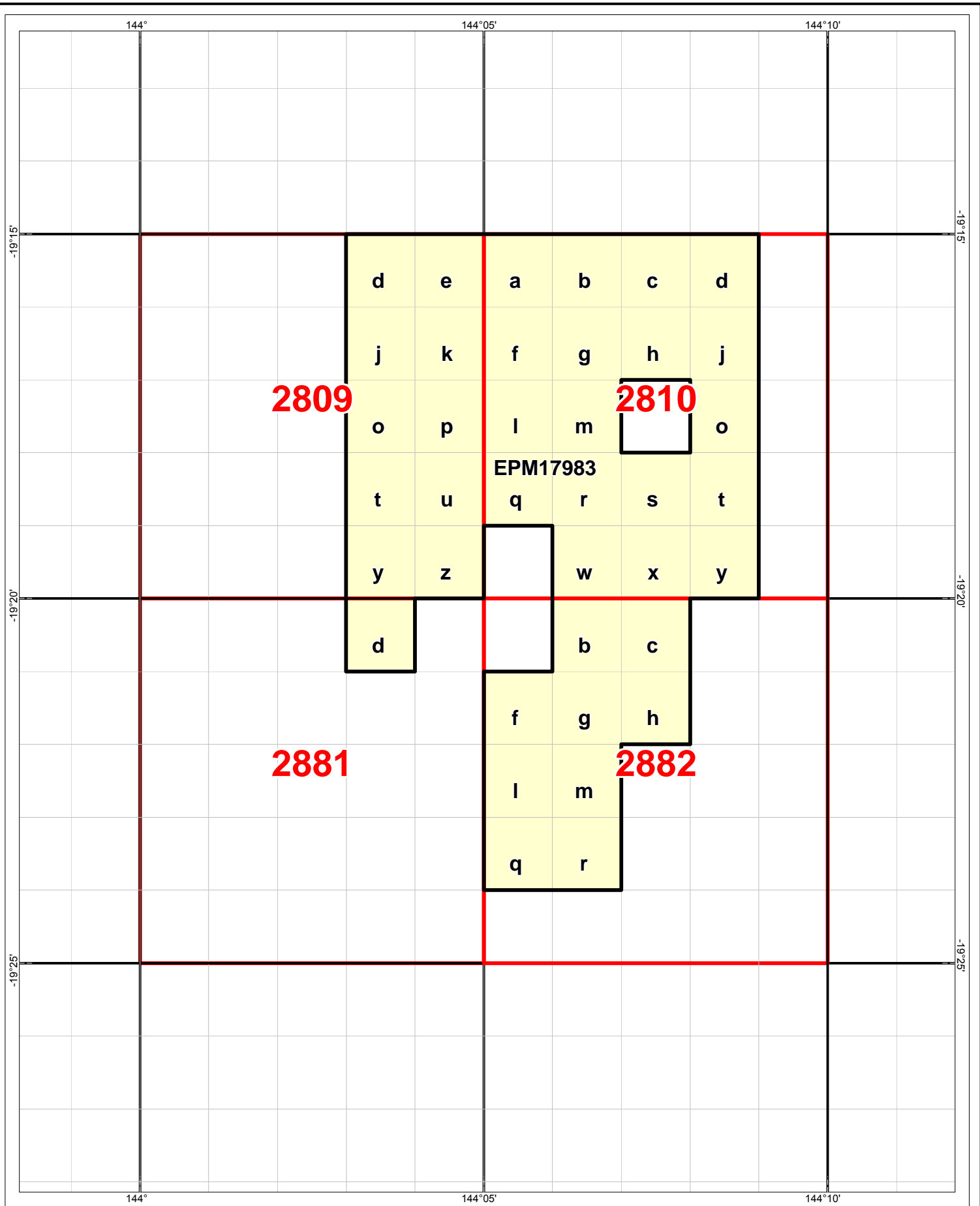
AUTHOR:
P Polito

COMPILED BY:
C Lucy

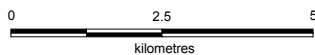
DATE:
19/11/2009

PROJECTION:
Long/Lat (WGS 84)

SCALE
1:2,000,000



LOCATION MAP



LYND PROJECT EPM17983 GRATICULAR BLOCK PLAN

PROJECT: LYND
REGION: GEORGETOWN

FIGURE 2
PLAN No: EMP17983_Grat_Fig2.wor

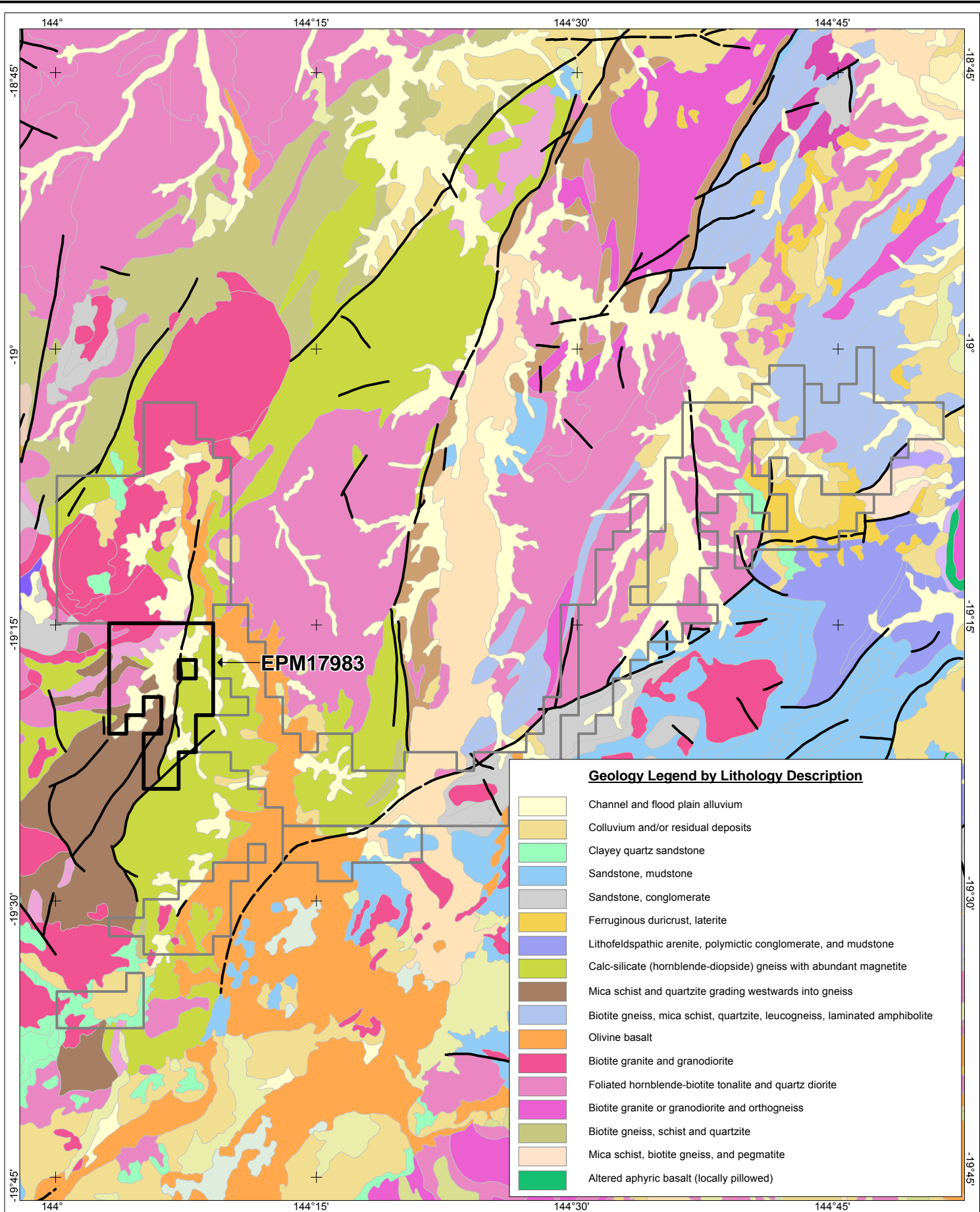
AUTHOR:
P Polito

COMPILED BY:
C Lucy

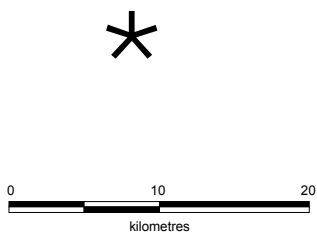
DATE:
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PROJECTION:
Long/Lat (WGS 84)

SCALE
1 : 125,000



LOCATION MAP



LYND PROJECT EPM17983 REGIONAL GEOLOGY

REGION: GEORGETOWN
PROJECT: LYND

Figure 3
PLAN: AUS_QLD_LYN_GE_13177.wor

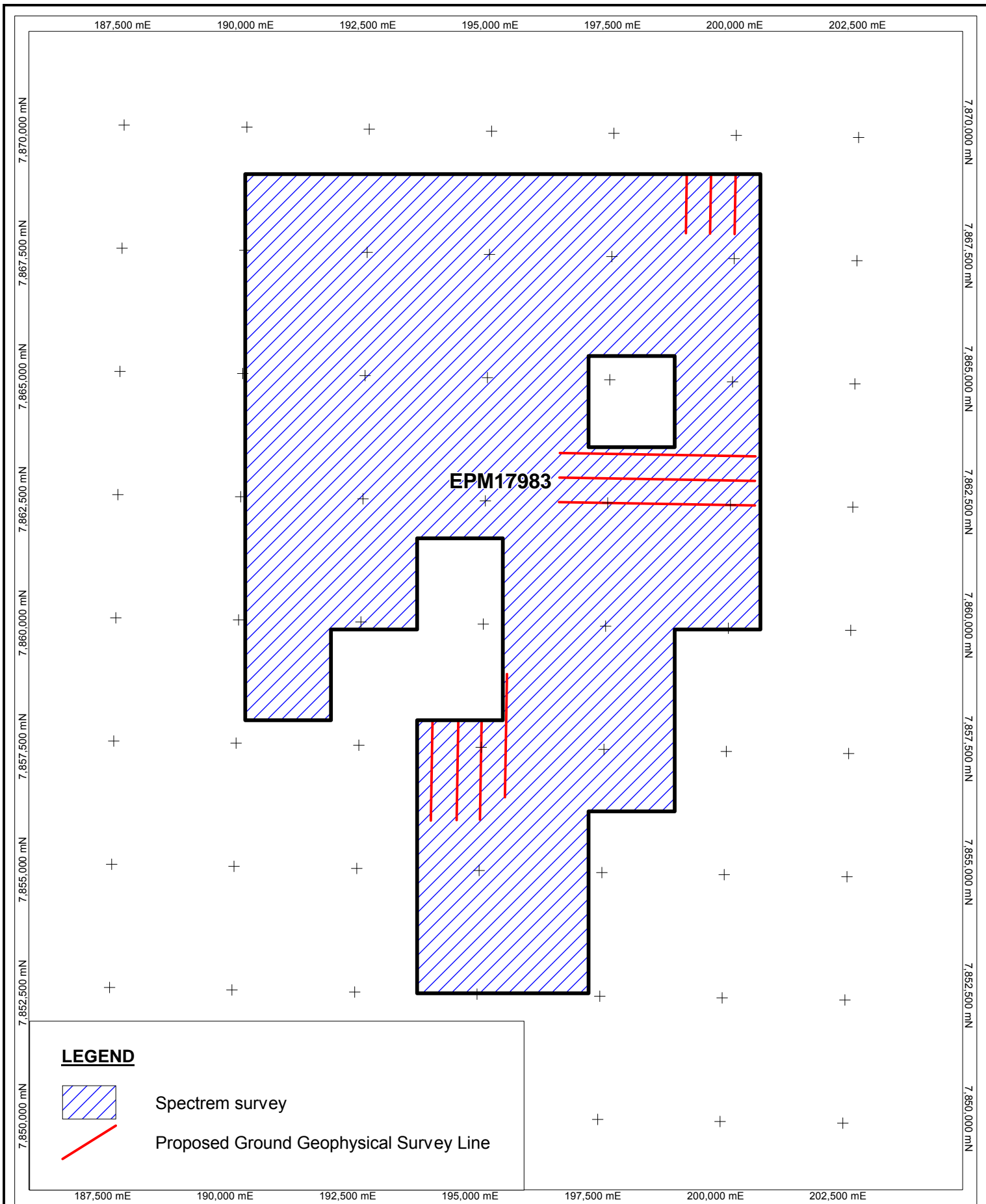
AUTHOR:
K Dixon

COMPILED BY:
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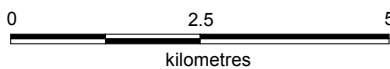
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PROJECTION:
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SCALE
1:500,000



LOCATION MAP

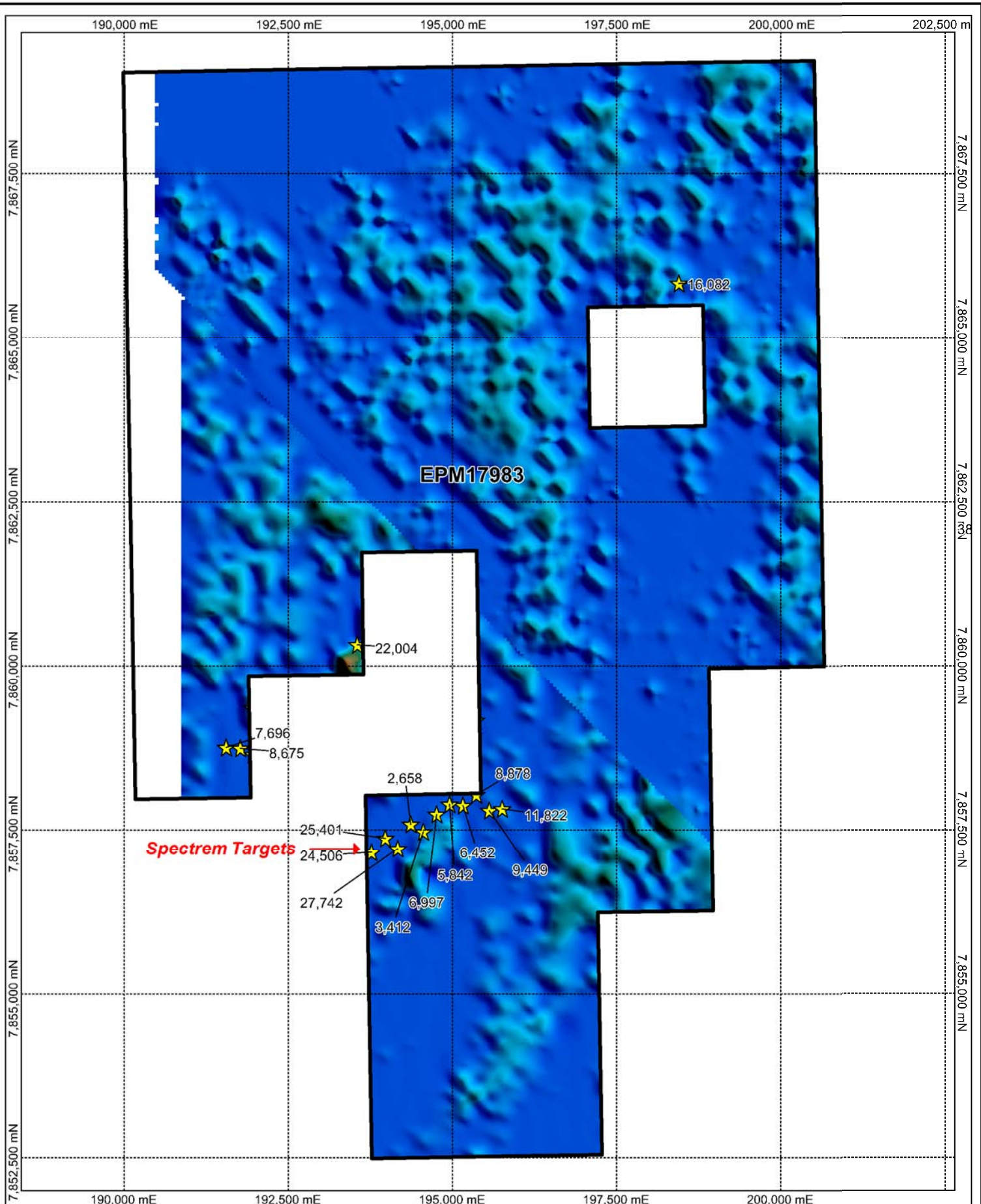


LYND PROJECT EPM17983 EXPLORATION INDEX PLAN

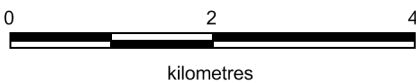
REGION: GEORGETOWN
PROJECT: LYND

Figure 5
PLAN: AUS_QLD_LYN_TO_13180.wor

AUTHOR:	K Dixon
COMPILED BY:	C Lucy
DATE:	26/10/2011
PROJECTION:	Long/Lat (WGS 84)
SCALE	1 : 100,000



LOCATION MAP

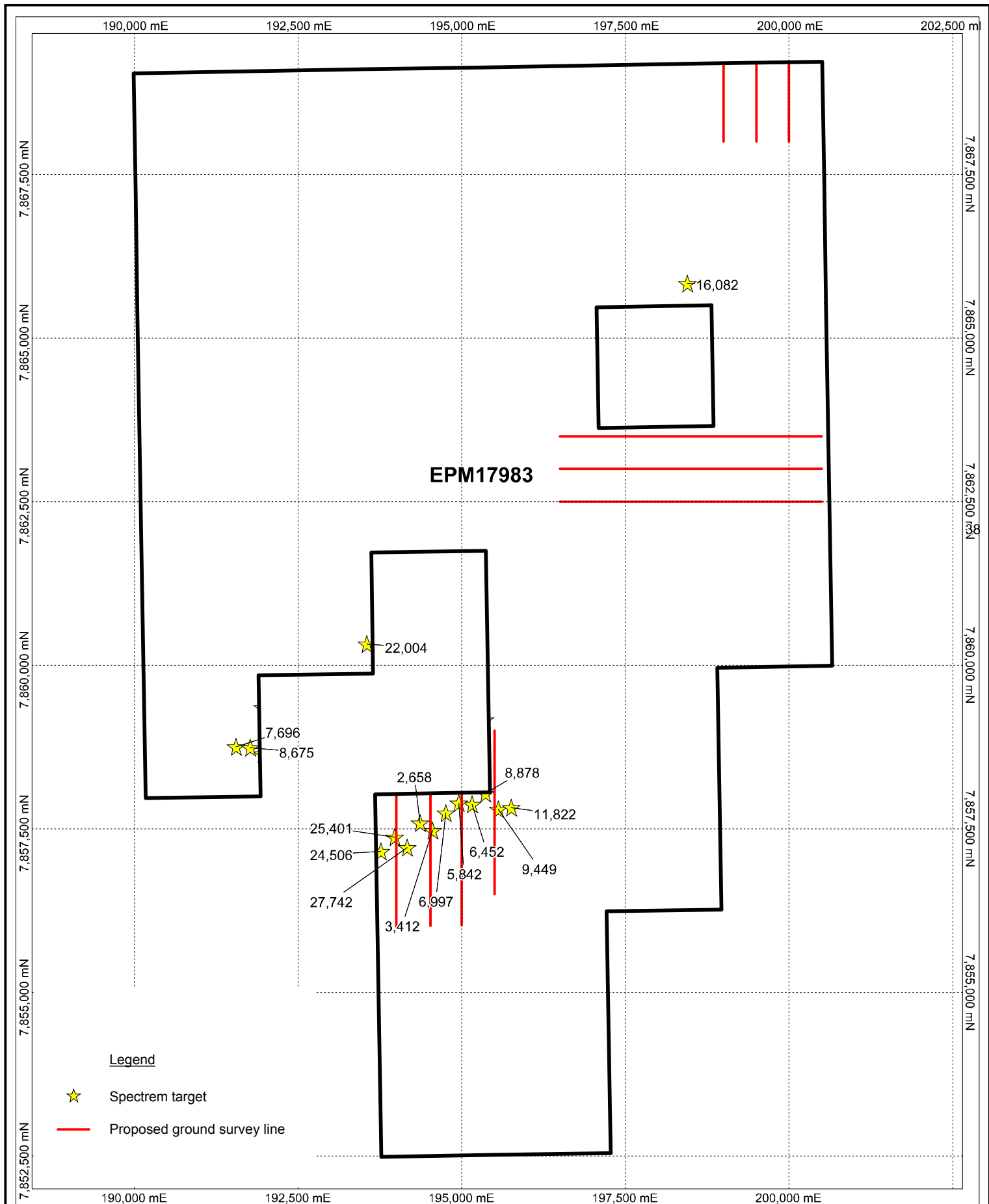


LYND PROJECT EPM17983 SPECTREM COVER THICKNESS IMAGE and SPECTREM TARGETS

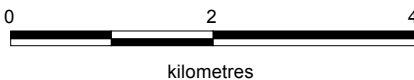
REGION: GEORGETOWN
PROJECT: LYND

Figure 6
PLAN: AUS_QLD_LYN_GP_13186_cov.wd

AUTHOR: K Dixon
COMPILED BY: C Lucy
DATE: 26/10/2011
PROJECTION: GDA94 Zone 55
SCALE 1 : 75,000



LOCATION MAP



LYND PROJECT EPM17983 EM TARGETS and GROUND GEOPHYSICS PROPOSED SURVEY LINES

REGION: GEORGETOWN
PROJECT: LYND

Figure 7
PLAN: AUS_QLD_LYN_GP_13186_cov.wor

AUTHOR:	K Dixon
COMPILED BY:	C Lucy
DATE:	26/10/2011
PROJECTION:	GDA94 Zone 55
SCALE	1 : 75,000