Open File Envelope No. 9298

EL 2669

WUDINNA HILL

PARTIAL SURRENDER REPORT FOR THE PERIOD 11/11/99 TO 10/11/2000

Submitted by

Adelaide Resources Ltd
2001

Enquiries: Customer Services
Ground Floor
101 Grenfell Street, Adelaide 5000

Telephone: (08) 8463 3000
Facsimile: (08) 8204 1880

PRIMARY INDUSTRIES AND RESOURCES SA

Adelaide Resources Limited
ACN 061 503 375

378 Unley Road Unley Park SA 5061
PO Box 3006 Unley SA 5061

Ph: (08) 8271 0600
Fax: (08) 8271 0033
email: adelres@senet.com.au
Web: www.adelaideresources.com.au

Report No: **AR2001/04**

EL 2669
PARTIAL RELINQUISHMENT REPORT FOR THE PERIOD ENDING 10 NOVEMBER 2000

Adelaide Resources Limited

Date: March 2001

Volume: **1** of **1**

ADELAIDE RESOURCES LIMITED (ACN 061 503 375)

PARTIAL RELINQUISHMENT REPORT
FOR EL 2669 "WUDINNA HILL"
EYRE PENINSULA, SOUTH AUSTRALIA.

(Covering areas relinquished on
10 November, 2000)

Author **C G Drown**

Date **March 2001**

Distribution:

PIRSA	**(2)**
Adelaide Resources	**(1)**

CONTENTS

List of Appendices

List of Figures

1. INTRODUCTION

This report describes exploration completed on that part of EL 2669 which was relinquished on 10 November 2000, the end of the first year of title. The licence is located in central Eyre Peninsula (Figure 1) and originally covered an area of 111 sq. km. A total area of 55 sq km was relinquished following negative exploration results.

Access to the area is by way of a number of existing council-maintained roads and by farm tracks. Virtually all native vegetation has been cleared to allow cereal cropping with remnants of scrub generally confined to road verges and the crests of sand ridges.

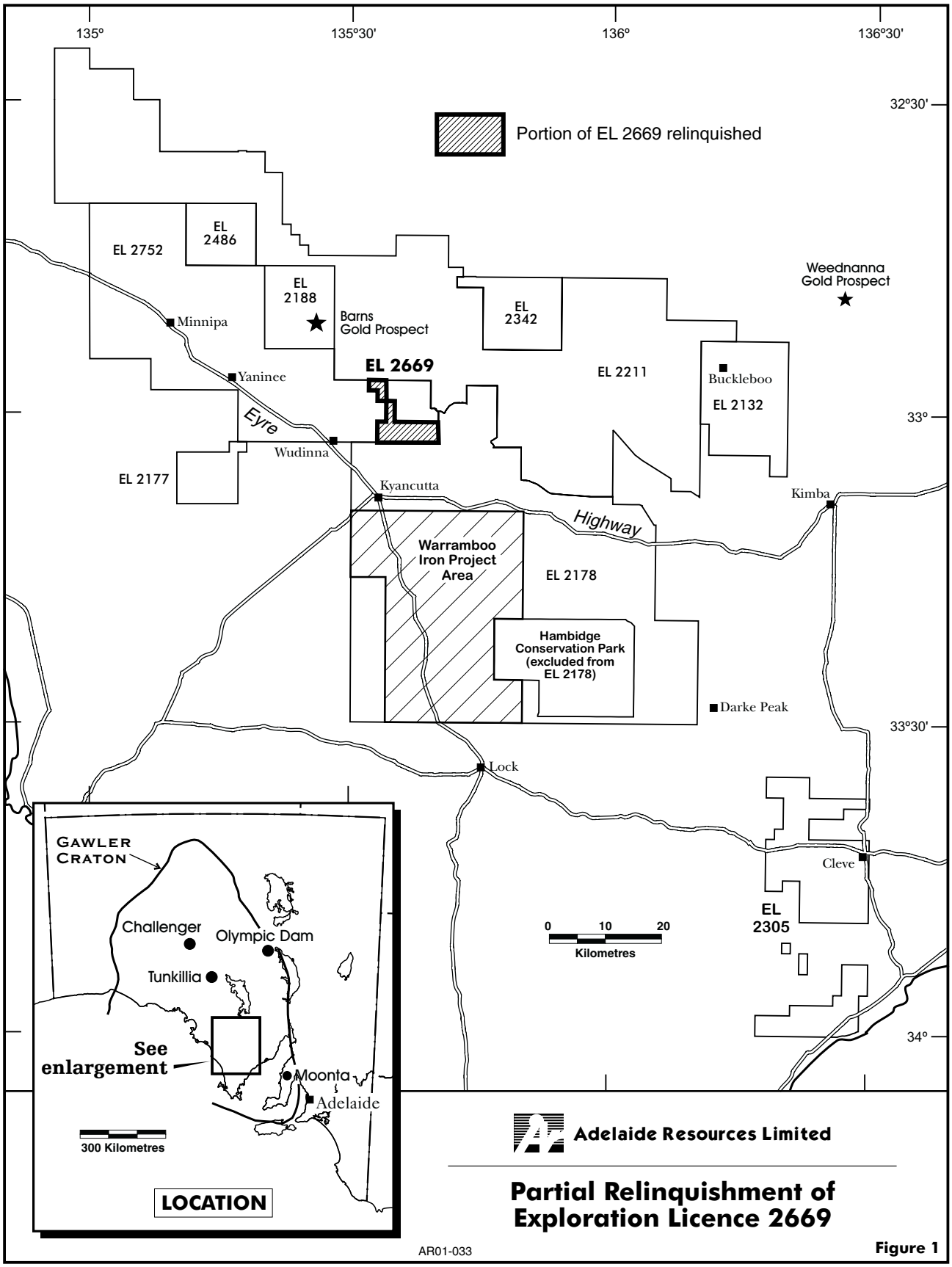
Work completed by Adelaide Resources on the dropped area included the collection of 28 reconnaissance calcrete samples and completion of an Aboriginal Heritage survey. The calcrete sampling did not discover any geochemical gold and copper anomalies deserving follow-up.

2. TENURE

EL 2669 was granted to Adelaide Resources NL on 11 November 1999 for the term of twelve months with an extension of term granted by PIRSA for a second year of tenure.

3. EXPLORATION STRATEGY

The Gawler Craton is recognised as being highly prospective for gold and base metals. The widespread development of calcrete at shallow depths in the regolith profile, and calcrete's property of concentrating gold and other metals presents an easily collected and useful geochemical media to use in the search for buried mineral deposits. The basic exploration approach is to initially conduct a 1.6 km staggered pattern of reconnaissance calcrete sampling. Anomalous sample sites are then subjected to closer-spaced infill calcrete sampling to determine if drill testing is justified. If so, reconnaissance drilling is carried out to test for bedrock mineralisation sourcing the surface anomalies.


135°
135°30'
136°
136°30'
32°30'
33°
33°30'
34°
Portion of EL 2669 relinquished
EL 2752
EL 2486
EL 2188
Barns Gold Prospect
EL 2342
Weednanna Gold Prospect
Minnipa
Yaninee
EL 2669
EL 2211
Buckleboo
EL 2132
Eyre
Wudinna
EL 2177
Kyancutta
Kimba
Highway
Warramboo Iron Project Area
EL 2178
Hambidge Conservation Park (excluded from EL 2178)
Darke Peak
Lock
Cleve
EL 2305
0 10 20
Kilometres
GAWLER CRATON
Challenger
Olympic Dam
Tunkillia
See enlargement
Moonta
Adelaide
300 Kilometres
LOCATION
Adelaide Resources Limited
Partial Relinquishment of Exploration Licence 2669
AR01-033
Figure 1

4. RECONNAISSANCE CALCRETE SAMPLING

Following granting of the title, work commenced with the service of statutory notices (Notice of Entry, Waiver of Exemption) on the Landowners of properties covered by EL 2669. No landowner denied access to their property.

Reconnaissance calcrete sampling commenced on 11 November 1999 and by 9 December 1999 sample collection over the entire licence area had been completed. Samples were collected at 1.6 km spacing with sample sites located using a DGPS navigation instrument. Sample collection was completed using shovel and crowbar or hand-augers with the presence of calcrete confirmed by testing with weak HCl acid.

The location of the reconnaissance samples, local geography and access tracks are shown on Figure 2. A total of 28 reconnaissance samples were collected over the area subsequently relinquished. Sample site field data are included in Appendix 1 of this report.

The reconnaissance samples were dispatched to Amdel Laboratories and Au and Ag determined by cyanide leach finished on a mass spectrometer (Amdel method BLEG1C, giving a 0.05ppb detection limit for Au and a 0.5ppb DL for Ag). Cu, Pb, Zn, Ni, As, Mo, Ca, Mg, Fe and Mn were determined by mixed acid digest finished on an ICP-OES instrument (Amdel method IC2EC, giving DL's of 1ppm for Cu, Zn, Ni, As, Mo, 3ppm for Pb, 5ppm for Mn, 100ppm for Fe, 0.01% for Ca and Mg). Analytical results are given in Appendix 1, together with estimated calcite, dolomite and total carbonate content calculated from the calcium and magnesium assays.

The carbonate estimates assume that all the Ca and Mg present is as either dolomite or calcite with ideal compositions. Estimates of total carbonate in the samples taken in the relinquished area range from 13.6% to 77.4%. These levels fall in the acceptable range of carbonate content and the quality of the samples collected is therefore considered to be suitable.

Gold (ppb) and copper (ppm) results of the reconnaissance samples have

550000 mE
555000 mE
560000 mE
565000 mE
6350000 mN
6345000 mN

E22154 <1 0.2
E22152 4 0.5
E22151 4 1.4
E22153 2 0.5
E22204 1 0.2
E22214 2 1.1
E22215 3 0.6
E22216 3 0.9
E22217 4 0.5
E22186 5 1.4
E22218 4 1
E22219 4 0.6
E22220 3 0.7
E22221 3 0.9
E22222 7 2.4
E22223 7 0.9
E22224 3 0.8
E22225 3 0.6
E21872 5 <0.05
E21871 15 0.9
E22226 6 0.6
E22227 7 0.7
E22228 4 1.2
E22229 6 2.1
E22230 4 0.7
E22231 9 0.5
E22232 2 1.2
E22233 7 1.1

EL 2211
EL 2752
EL 2178

WUDINNA HILL
CO

Calcrete sample
Green = Copper value (ppm)
Red = Gold Value (ppb)

Portion of EL retained

Portion of EL relinquished

Adelaide Resources Limited

Figure 2	EL 2669 Partial Relinquishment Report for the Period ended 10 November 2000
Date:5/3/2001	
Author: C. Drown	
Office: Adelaide	
Plan: AR01P-001	
Scale: 1:50000	Projection: AMG Zone 53 (AGD 84)

0 1.5 3
kilometres

been plotted and are shown with sample number on Figure 2. Assay results for all elements are tabulated and included as appendix 1 in this report.

Orientation studies, preliminary statistical analysis and experience from other areas on the Gawler Craton suggests that a threshold of 2.5ppb Au is appropriate to define regional gold anomalism, and 18 ppm copper to define regional copper anomalism.

No samples collected from within the relinquished area surpassed these thresholds and the area is not considered to warrant any further work.

Two sites were re-sampled to check for weak gold anomalism interpreted to possibly exist in samples taken by Newcrest Mining Limited, the previous holder of the area. This work did not confirm the presence of gold anomalism within the area relinquished.

5. Aboriginal Heritage Survey

In June 2000 a field survey was completed to ensure compliance with the Aboriginal Heritage Act of South Australia. A group comprising both male and female representatives of the Barngala Claimant group, whom DOSAA had advised were the Traditional Owners of the area in question, together with Traditional men and women from Coober Pedy, a male anthropologist and a company representative visited the area of EL 2669.

The granite hills and landforms located around Mt Wudinna were nominated as sites of Aboriginal significance, while no sites were located in the northern part of the licence.

Appendix 1.

Calcrete Field Data and Assay Ledgers

ADELAIDE RESOURCES NL (ACN 061 503 375)

CALCRETE FIELD DATA SHEET

Project:	Tenement:	Collected by:	Date:	Order No:	Sheet No:

Calcrete Type

1. Soil + calcrete
2. Nodular calcrete
3. Powdery calcrete
4. Massive calcrete
5. Platey calcrete
6. Sandy calcrete
7. Clay + calcrete
8. Casilcrete
9. Not calcrete
0. Gypsum +/- calcrete

HCL (Acid Reaction 10% HCl)

1. Vigorous
2. Strong
3. Moderate
4. Weak
5. No Reaction

CON (Contamination)

1. Uncontaminated
2. Mine workings
3. Rubbish
4. Organic
5. Agricultural
6. Fences
7. Roads
8. Other specified in notes

TER (Terrain)

1. Roadside
2. Ploughed Fields
3. Lakes & Swamps
4. Low Bush
5. Dense Bush
6. Woodland
7. Dunes
8. Grazing Land

ST (Site Type)

1. Shallow
2. Auger
3. Crowbar + Shovel

Sample No.	Proposed AMG		Actual AMG		Depth (m)		Calcrete Type	HCL	CON	TER	ST	NOTES
	Northing	Easting	Northing	Easting	From	To						

Appendix 1: Field and Assay data for calcrete samples collected on the area of EL 2669 relinquished 10/11/2000

Sample No	AMG Easting	AMG Northing	Depth From (m)	Depth To (m)	Class	Acid	Contam	Terrain	Site	Date	As 1ppm	Cu 1ppm	Pb 3ppm	Zn 1ppm	Mo 1ppm	Ni 1ppm	Ca 0.01%	Calcite 0.01%	Mg 0.01%	Dolomite 0.01%	CO3 0.01%	Fe 100ppm	Mn 5ppm	Au 0.05ppb	CNG 0.05ppb	Ag 0.5ppb	CNS 0.5ppb	Laboratory Job Code
E22151	552765	6353578	0.3	0.4	7321	1	1	2	3	Nov 11, 1999	2	4	4	7	<1	8	18.5	42.9	0.69	5.23	48.1	6550	60	1.4	3	14	29	9AD2886_AMA
E22152	551415	6353641	0.5	0.6	632	1	1	87	3	Nov 11, 1999	2	4	<3	5	<1	5	20	45	1.13	8.56	53.6	4000	40	0.5	0.9	5.5	11	9AD2886_AMA
E22153	550410	6352310	0.1	0.2	41	1	1	8	3	Nov 11, 1999	1	2	4	8	<1	7	19.5	47.2	0.47	3.58	50.7	6950	65	0.5	0.9	11	22	9AD2886_AMA
E22154	550130	6353585	0.4	0.5	2	1	1	8	3	Nov 11, 1999	3	<1	4	6	<1	7	23	55.9	0.53	4.01	59.9	6100	50	0.2	0.35	7	11	9AD2886_AMA
E22186	554385	6347240	0.3	0.4	32	1	1	38	3	Nov 14, 1999	3	5	6	10	<1	10	10.5	23.1	0.86	6.53	29.6	10600	55	1.4	4.8	5	16	9AD2886_AMA
E22204	552101	6352030	0.4	0.5	24	1	1	38	3	Nov 14, 1999	1	1	<3	4	<1	7	18.5	44.9	0.42	3.2	48.1	4150	90	0.2	0.3	5.5	11	9AD2886_AMA
E22214	551330	6350480	0.5	0.6	26	1	1	38	3	Nov 14, 1999	2	2	<3	7	<1	6	9.5	21.5	0.59	4.49	26	5600	40	1.1	4.1	8	30	9AD2886_AMA
E22215	552880	6350450	0.4	0.5	73	1	1	38	3	Nov 14, 1999	2	3	6	14	<1	10	4.6	9.22	0.58	4.42	13.6	11800	65	0.6	4.3	12	87	9AD2886_AMA
E22216	553580	6348760	0.5	0.6	13	1	1	2	3	Nov 14, 1999	2	3	4	9	<1	10	14	30.8	0.94	7.11	37.9	8350	60	0.9	2.3	2	5.14	9AD2886_AMA
E22217	553150	6347270	0.3	0.4	26	1	1	2	3	Nov 14, 1999	2	4	4	9	<1	6	7.5	16	0.57	4.35	20.3	6100	60	0.5	2.2	5	25	9AD2886_AMA
E22218	551506	6346501	0.3	0.4	236	1	1	2	3	Nov 15, 1999	4	4	4	10	<1	8	15	35	0.72	5.49	40.5	8900	65	1	2.3	3.5	9.19	9AD2886_AMA
E22219	552008	6345577	0.4	0.5	36	1	1	2	3	Nov 15, 1999	2	4	4	12	<1	8	7	15.3	0.58	4.42	19.8	10000	70	0.6	2.9	5	27	9AD2886_AMA
E22220	553590	6345645	0.3	0.4	236	1	1	2	3	Nov 15, 1999	3	3	4	11	<1	9	9.5	20.7	0.75	5.7	26.4	10800	60	0.7	2.6	4.5	18	9AD2886_AMA
E22221	555190	6345575	0.3	0.4	2	1	1	2	3	Nov 15, 1999	3	3	<3	5	<1	9	29.5	69.7	0.84	6.36	76.1	5000	70	0.9	1.2	4	5.57	9AD2886_AMA
E22222	556870	6345622	0.3	0.4	21	1	1	2	3	Nov 15, 1999	2	7	<3	8	<1	9	23	51.5	1.54	11.7	63.3	5950	55	2.4	3.8	4	6.63	9AD2886_AMA
E22223	558380	6345565	0.2	0.3	21	1	1	2	3	Nov 15, 1999	3	7	<3	9	<1	6	27.5	63.7	1.24	9.42	73.1	5450	80	0.9	1.2	3.5	4.81	9AD2886_AMA
E22224	559980	6345850	0.2	0.3	24	1	1	2	3	Nov 15, 1999	3	3	<3	5	<1	7	30	72.5	0.65	4.91	77.4	3500	95	0.8	0.95	4	4.9	9AD2886_AMA
E22225	561600	6345600	0.4	0.5	73	1	1	2	3	Nov 15, 1999	3	3	6	12	<1	8	4.9	10.1	0.51	3.89	14	14500	50	0.6	4	4	28	9AD2886_AMA
E22226	562300	6344195	0.3	0.4	123	1	1	5	3	Nov 15, 1999	2	6	6	13	<1	8	9	19.8	0.66	5	24.8	12500	100	0.6	2.3	10	40	9AD2886_AMA
E22227	560860	6344050	0.2	0.3	12	1	1	2	3	Nov 15, 1999	3	7	<3	10	<1	8	18	40.7	0.99	7.5	48.2	6000	100	0.7	1.4	11	23	9AD2886_AMA
E22228	558990	6344101	0.4	0.5	123	1	1	2	3	Nov 15, 1999	3	4	4	18	<1	9	13.5	29.9	0.98	7.46	37.4	12500	75	1.2	3.2	2.5	6.54	9AD2886_AMA
E22229	557598	6343992	0.3	0.4	123	1	1	2	3	Nov 15, 1999	3	6	6	12	<1	9	20	46	1.08	8.24	54.2	9650	70	2.1	3.8	4	7.41	9AD2886_AMA
E22230	556020	6344108	0.2	0.3	123	1	1	2	3	Nov 15, 1999	2	4	4	14	<1	9	9.5	20.5	0.82	6.22	26.7	9850	80	0.7	2.5	4	15	9AD2886_AMA
E22231	554315	6344060	0.4	0.5	123	1	1	2	3	Nov 15, 1999	2	9	6	14	<1	9	11	24.5	0.68	5.15	29.6	7950	120	0.5	1.5	10	33	9AD2886_AMA
E22232	552705	6344120	0.2	0.3	2	1	1	2	3	Nov 15, 1999	3	2	<3	6	<1	8	30	71.7	0.67	5.06	76.8	5200	70	1.2	1.5	12	15	9AD2886_AMA
E22233	551650	6343950	0.3	0.4	12	1	1	2	3	Nov 15, 1999	3	7	4	8	<1	9	22	50.5	0.96	7.33	57.8	7250	85	1.1	1.8	6.5	11	9AD2886_AMA
E21871	560952	6344675	0.7	0.8	7	1	1	5	2	Dec 9, 1999	5	15	12	34	<1	18	4.9	9.49	0.7	5.28	14.8	31800	240	0.9	5.9	18	121	9AD3106_AMA
E21872	556202	6344807	0.3	0.4	124	1	1	8	3	Dec 9, 1999	1	5	<3	11	<1	6	6.5	15.6	0.31	2.33	17.9	5850	80	<0.05	0.05	6.5	38	9AD3106_AMA