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EL 3704

LAKE GILLES

FIRST PARTIAL SURRENDER REPORT FOR THE PERIOD 13/2/2007 TO 12/2/2010

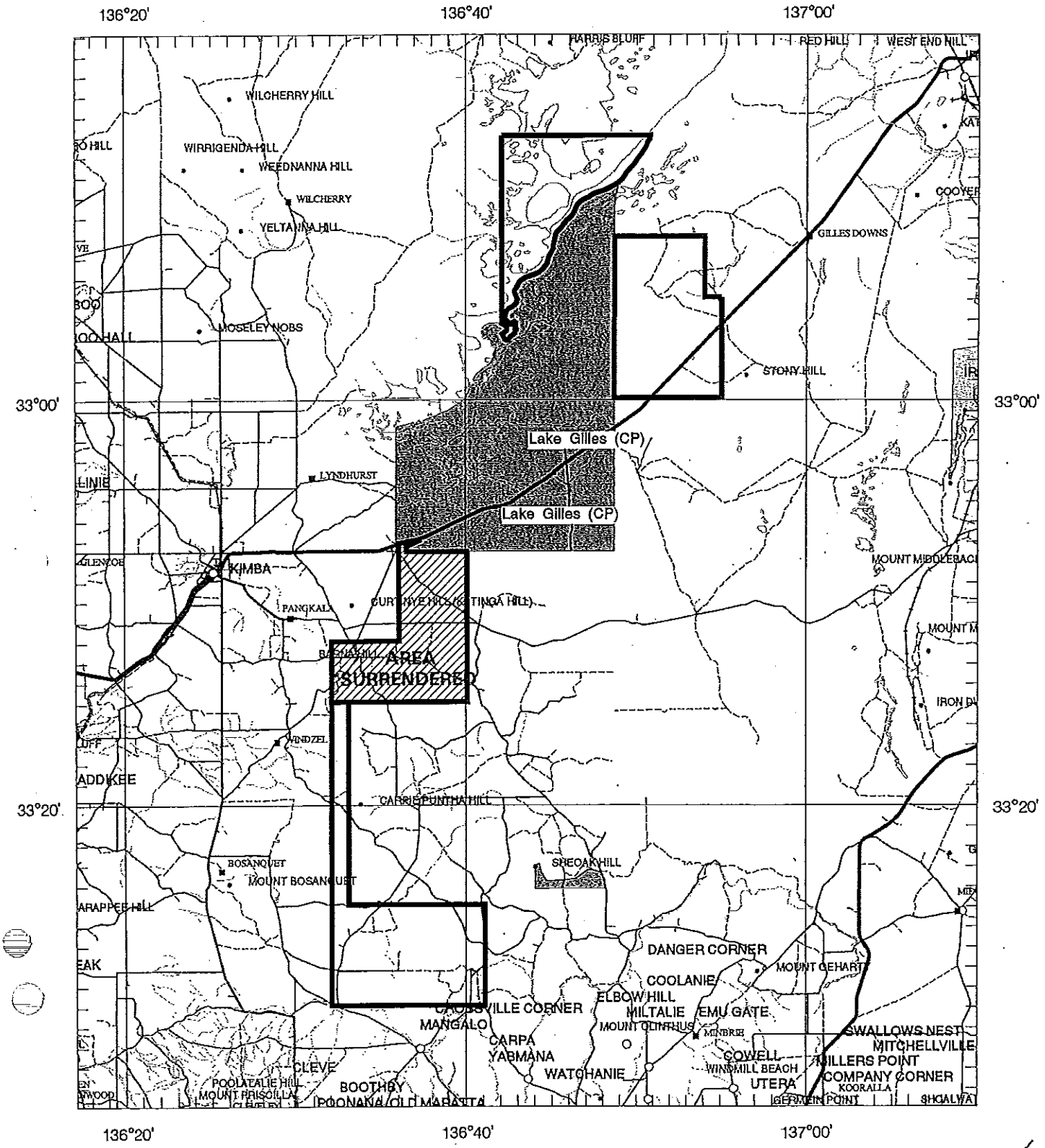
Submitted by
Lincoln Minerals Ltd
2010

Enquiries: Customer Services Branch
Minerals and Energy Resources
7th Floor
101 Grenfell Street, Adelaide 5000

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

Government of South Australia
Primary Industries and Resources SA

SCHEDULE A



SCALE 1 : 500 000

KILOMETRES 10 0 10 20 30 40 50 KILOMETRES

LICENCE GRANTED IN : DATUM AGD66

GDA GEOCENTRIC DATUM OF AUSTRALIA

APPLICANT : **LINCOLN MINERALS LTD**

FILE REF : **39/06** TYPE : **MINERAL ONLY** AREA : **406** km² (approx.)

1:250000 MAPSHEETS : **PORT AUGUSTA WHYALLA**

LOCALITY : **LAKE GILLES AREA - Approximately 110 km southwest of Port Augusta**

DATE GRANTED : **13-Feb-2007** DATE EXPIRED : **12-Feb-2009** EL NO : **3704**

LINCOLN MINERALS LIMITED

ABN 50 050 117 023

EL3704 (Lake Gilles) Eyre Peninsula

First Partial Surrender Report

For Twelve Months Ending:	12/02/2010	**Licensee:**	Lincoln Minerals Limited
		Operator:	Lincoln Minerals Limited
Mineral(s) Sought:	Iron Ore, uranium, gold, base metals and all minerals other than opal	**Prepared by:**	D R Bachmann
		Date:	23 July 2010
		Phone No:	08 8274 0243
Map Sheets:	UNO 6232, Kimba 6431, Barna 6231	**Fax No:**	08 8274 0242

Key Words: Gawler Craton, Hutchison Group, Lincoln Complex, vegetation sampling, uranium, base metals, gold

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Information in this report that relates to exploration targets and results was compiled under the supervision of Dr A J Parker who is a Member of the Australasian Institute of Geoscientists. Dr Parker is Managing Director of Lincoln Minerals Limited and has sufficient experience relevant to the styles of mineralisation and to the activities which are being reported to qualify as a Competent Person as defined by the JORC code, 2004. Dr Parker consents to the release of the information compiled in this report in the form and context in which it appears.

1 Introduction

This report follows an annual technical report for the period 13 February 2009 to 12 February 2010. It describes the EL and the areas proposed for relinquishment.

The lake Gilles project area (EL3704) is located in the northern Eyre Peninsula. It comprises three zones: two located about 40 km northeast of Kimba, and one southeast of Kimba (Figure 1).

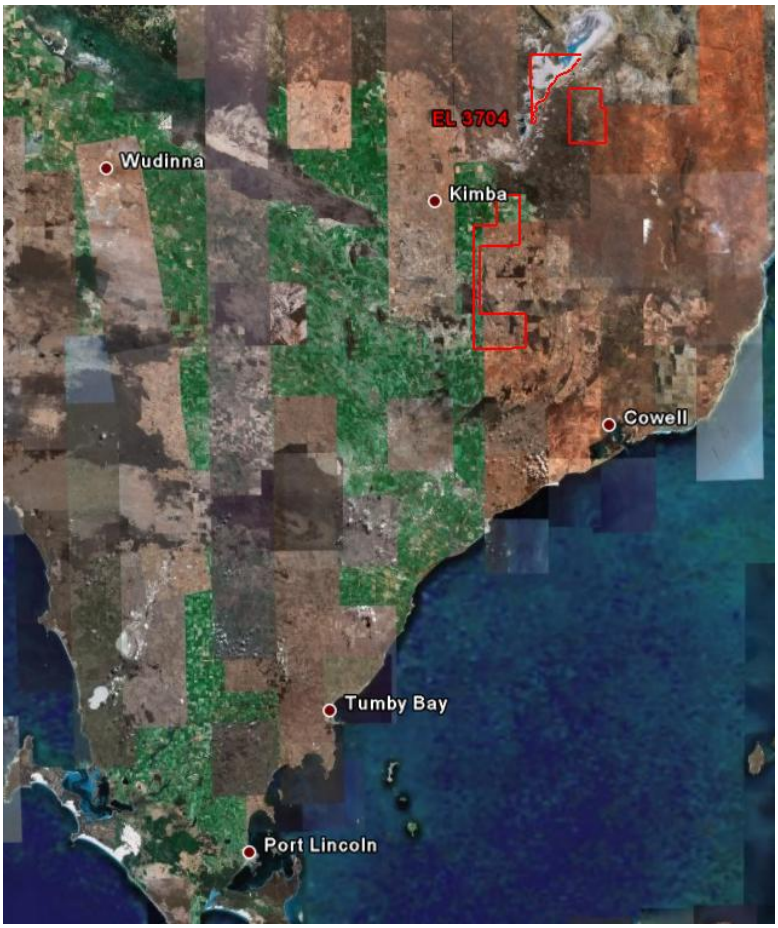

Figure 1 Locality map showing the EL3704 boundaries

The project area is prospective for a large range of polymetallic minerals including Menninnie Dam-style Pb-Zn-Ag (Cu-Au) mineralisation, U mineralisation, and Middleback Range-style iron ore (both hematite and magnetite). Previous exploration drilling is quite limited; mainly shallow holes which, generally, have not been adequately sampled.

2 Regional Geology

The regional geological setting of northern Eyre Peninsula comprises units of the Archaean and Palaeoproterozoic Cleve, Coolanie, Middleback and Moonta subdomains (Drexel et al., 1993). These were intruded by the 1590 Ma Hiltaba Suite granites and unconformably overlain by the co-magmatic Gawler Range Volcanics and its associated sedimentary units.

EL3704 and its surrounding region mainly contains the Palaeoroterozoic (~2000 Ma – 1850 Ma) Hutchison Group metasedimentary sequence, represented in both the Cleve and Coolanie Subdomains (Figure 2). The Hutchison Group contains mixed platformal carbonate and clastic sequences, with the Warrow Quartzite at its base. The Warrow Quartzite is mainly medium to coarse grained massive to flaggy quartzite containing numerous pelitic interbands and basal calcsilicate and dolomitic marble. The Hutchison Group was intruded by the 1850 Ma Donington Granitoid Suite and the 1800 Ma Tournefort Dyke Swarm.

Protoliths of the Hutchison group were metamorphosed to upper amphibolite facies and multiply deformed during the period 1840 Ma – 1700 Ma (Drexel *et al*., 1993), producing tight folds sandwiched between major faults and shear zones.

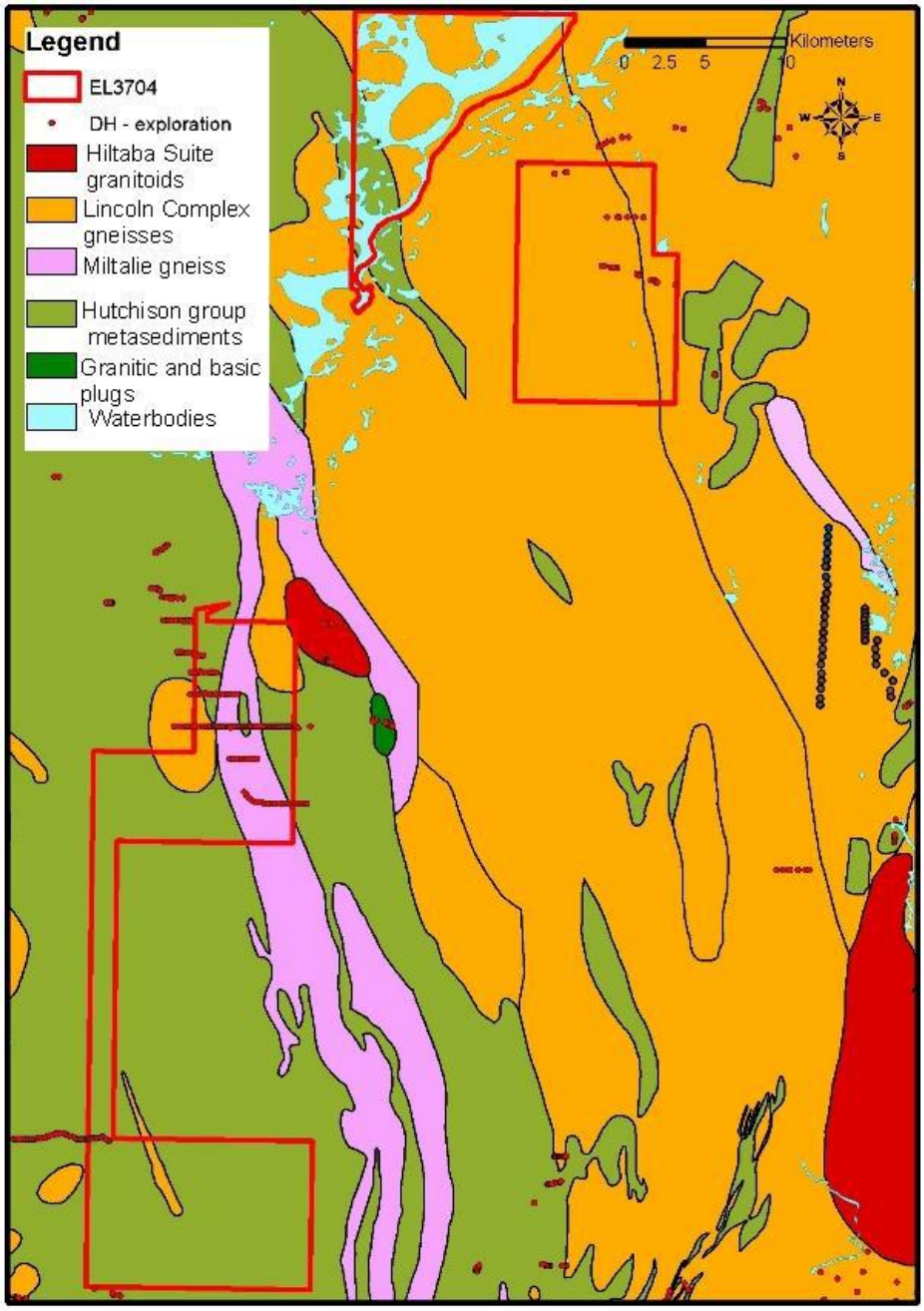

Figure 2 EL3704 solid geology

3 Previous Exploration

EL3704 and surrounding area have been previously explored for various commodities, including paleaochannel uranium, lead-zinc sulphides, diamonds, and kaolinite.

Little exploration has been performed on what constitutes the present EL3704, as previous tenements were larger. Of exception is the work performed by Pasminco Australia Ltd between

1991 and 1996. Details of previous historical exploration are given in previous annual technical reports for EL 3704.

4 Area Relinquished

A partial relinquishment of EL3704 has been accepted. The area covers now 406 km^2 (526km^2 before partial relinquishment) as per Figure 3.

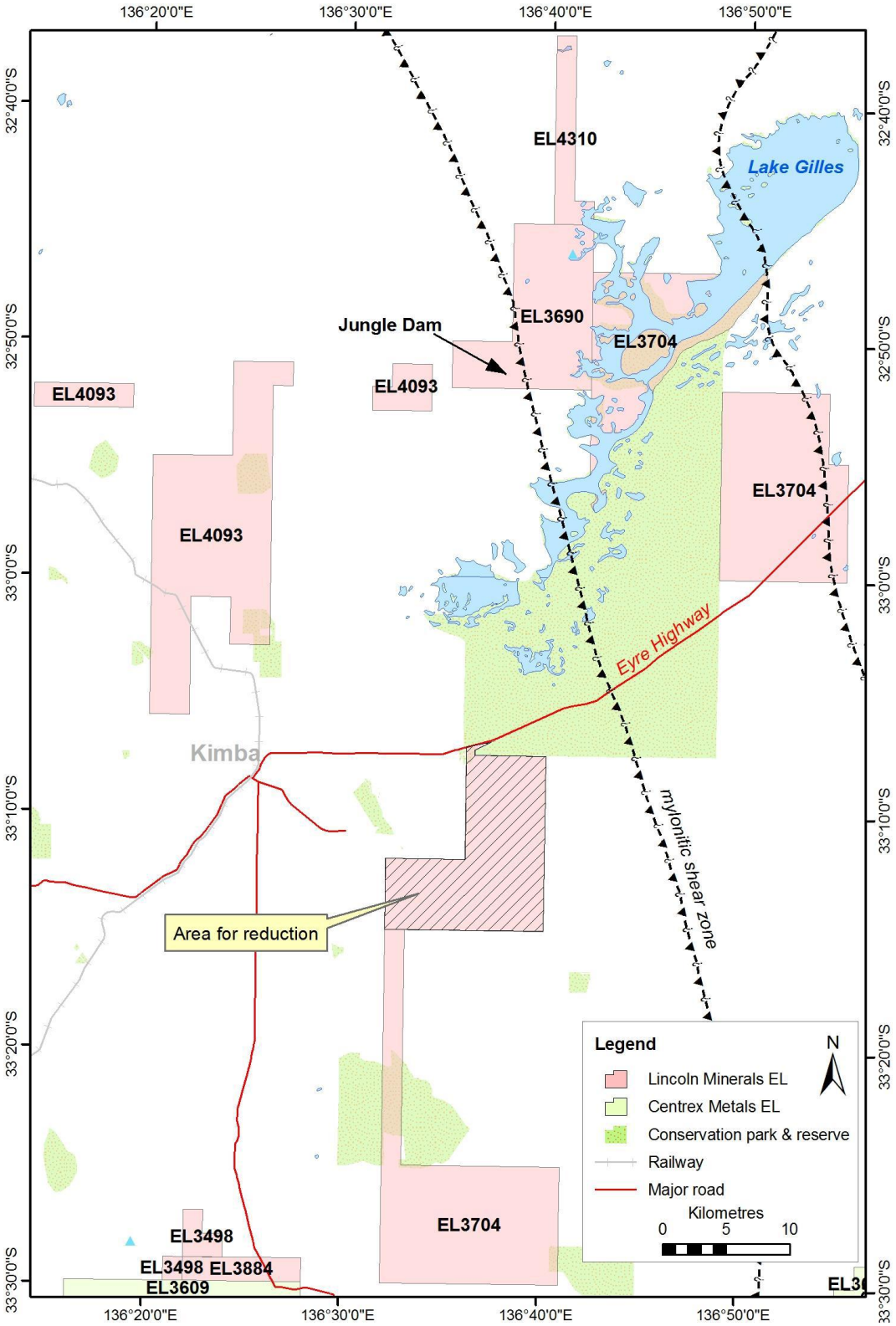

Figure 3 EL3704 showing relinquished areas.

5 Geophysics

No geophysical work has been done in the reported period.

6 Results

The only results acquired by LML on the area relinquished are a set of calcrete samples described in the First Annual Report for the period ending in February 2008.

No anomalies of any sort have been found during the calcrete sampling campaign.

7 References

Drexel, J.F., Preiss, W.V. and Parker, A.J., 1993. *The geology of South Australia, Vol. 1*, The Precambrian, South Australia. *Department of Primary Industry and Resources. Geological Survey, Bulletin*, 54.

EL3704 (Lake Gilles) Eyre Peninsula: Second Annual Technical Report for Period 13th January 2008 to 12th January 2009. *Lincoln Minerals Limited (unpublished).*

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