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EL 5497

CORUNNA NORTH

PACE INITIATIVE : THEME 2, YEAR 8

DRILLING PARTNERSHIP – CORUNNA STATION, NORTH-EASTERN EYRE PENINSULA, STRUCTURALLY CONTROLLED MESOPROTEROZOIC EPITHERMAL SILVER-GOLD AND BASE METAL PROSPECTS

PROJECT DPY 8-12 FINAL REPORT

Submitted by
Musgrave Minerals Ltd
2016

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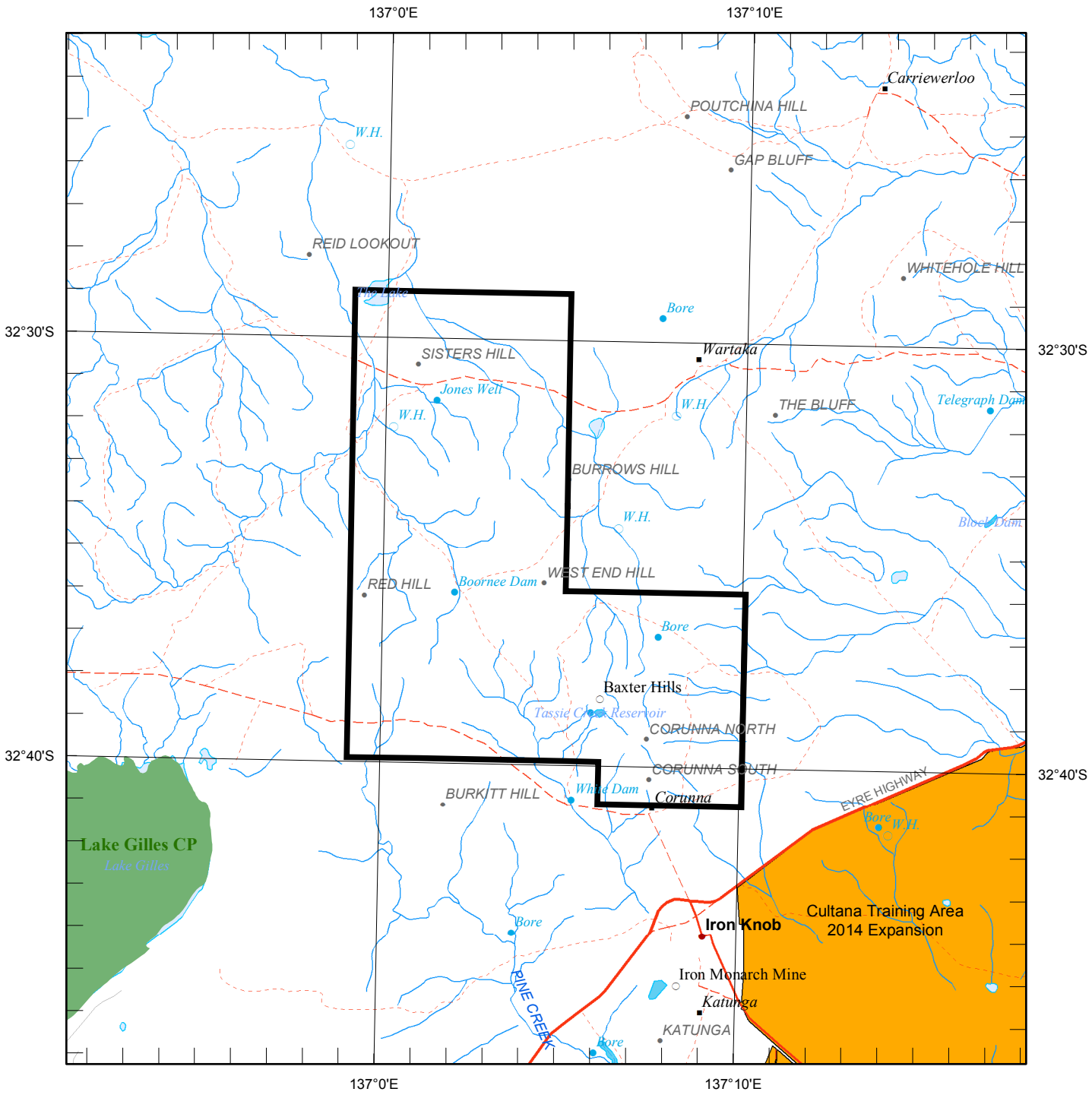
Government of South Australia
Department for Manufacturing, Innovation, Trade, Resources and Energy

SCHEDULE A



SCALE 1 : 250 000

4 0 4 8 12 16 20

Kilometres

GDA
GEOCENTRIC DATUM OF AUSTRALIA

LICENCE BOUNDARIES IN : DATUM AGD66

LOCALITY

APPLICANT : **MUSGRAVE MINERALS LIMITED**

FILE REF : **2014/00092** TYPE : **MINERAL ONLY**

AREA : **260** sq km (approx)

1 : 250 000 MAPSHEETS : **PORT AUGUSTA**

LOCALITY : **CORUNNA NORTH AREA -**
Approximately 70 km WSW of Port Augusta

DATE GRANTED: **13-Oct-2014** DATE EXPIRED: **12-Oct-2016** EL NO: **5497**

Report No. MGV:DPY8-12-001

PACE Collaborative Drilling 2015-16
DPY8-12
Corunna

Final Drilling Project Report
EL5497

R Waugh & I Warland
March 2016

Tenement(s):	EL5497
1:250,000 Sheets:	Port Augusta Sheet SI 53-04
Commodity:	Ag, Pb, Zn, Au, Cu
Method(s):	Geological Mapping, Soil Sampling, Rock Chipping, Magnetics, Aircore Drilling.

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SUMMARY

The PACE funded aircore drilling program on EL5497 Corunna Project successfully intersected anomalous Pb, Zn, Ag worthy of follow up drilling. Aircore drilling was designed to test Ag, Pb, Zn geochemical anomalies that were proximal to significant structures interpreted in the aeromagnetic imagery. Forty nine holes for 1741m of aircore drilling were completed in late June/July 2015 by McLeod Drilling. Composite samples were taken for all drill holes. Five of the 49 holes intersected base metals greater than 0.5%. The anomalous Pb, Ag, Zn all came from area 1b at the western side of the tenement. The best intersection was in aircore hole COAC017 with 3m @ 1.66% Pb, 0.70% Zn and 4.15 g/t Ag from 24m.

This is the first drilling program by Musgrave Minerals Ltd on EL5497 and it is recommended to complete tighter spaced aircore drilling north and south of the base metal anomalism to define the extent of the mineralisation.

1.0 INTRODUCTION

Musgrave Minerals Ltd (MGV) applied for an ERA over EL5497 in 2014 and won the license by ballot process. EL5497 was granted on the 13th of October 2014 for a period for 2 years. MGV is primarily focussed on exploration for base and precious metals within the tenement and the Corunna Project makes up part of MGV's larger Southern Gawler Project comprising the Menninnie Dam Project tenements in joint venture with Terramin Australia and the 100 percent owned Toondulya Bluff tenement (Figure 1).

Table 1: Corunna Tenement Details

EL	LOCATION	AREA km^2	Granted	Expiry
5497	Corunna	260	13/10/2014	12/10/2016

2.0 LOCATION AND ACCESS

The Corunna Project (EL5497) is located in the Southern Gawler Ranges approximately 65km to the west of Port Augusta and 10km north of Iron Knob (Figure 1). The tenement is located on two pastoral leases including the Corunna and Wartaka Stations. Access is via the main Eyre Highway from Port Augusta then the Gawler Ranges road from Iron Knob to Corunna Station. Corunna Station has a number of unsealed tracks to access the tenement area.

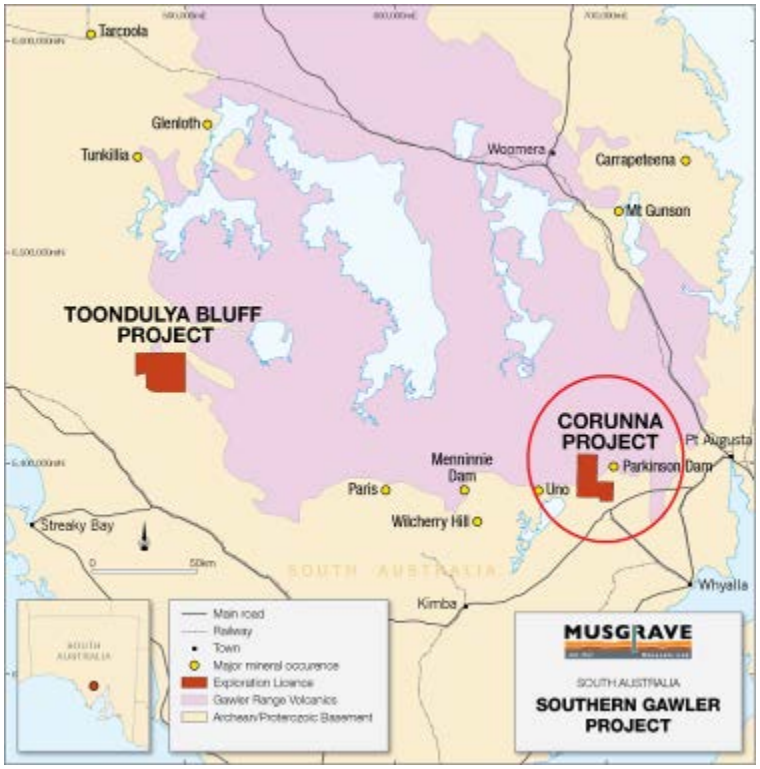

Figure 1: Location Diagram

3.0 REGIONAL GEOLOGY

EL5497 is located at the southern margin of the Mesoproterozoic Gawler Range Volcanics (GRV) and to the north of the Middleback Ranges. The main rock types observed in the area are summarised in Table 2. The basement rocks include Paleoproterozoic Hutchison Group Rocks which have been intruded by granite from the Lincoln Complex. Basement is overlain by mid Proterozoic Corunna Conglomerate and GRV (Figure 2), which dominate the license area. No Paleoproterozoic units are mapped in the area, however work by the Shell Company of Australia around the Triumph prospect identified ferruginous units of the Lower Middleback Jaspilite suite. Outcrop included banded carbonate, BIF and ironstone units. These units are associated with mineralisation at the Menninnie Dam deposit to the west.

The Corunna Conglomerate unconformably overlies the Burkitt granite and granitic gneisses of the Lincoln Complex. The Corunna Conglomerate is host to Tasman Resources Parkinson's Dam prospect to the north east (Figure 2).

Three deformation events have occurred in the area associated with the Kimban orogeny. These events deformed and metamorphosed the Hutchison Group prior to the extrusion of the GRV and intrusion of Hiltaba Suite Granites. A number of mafic rocks have intruded the Hutchison Group during and post the Kimban Orogeny and most have now been altered to amphibolite. The Gairdner Dyke Swarm intruded between 700-1000myr and still retain doleritic textures.

The major Uno Fault runs through the project area near the boundary of the GRV, this fault may be important in the emplacement of intrusive rocks and possibly act as a major conduit for fluid flow important for the formation of base and precious metal deposits. In EL5497 the Uno Fault appears to swing from a dominantly E-W orientation to a NE orientation and intersects a north-westerly trending fault that runs adjacent to the Triumph prospect (figure 2). The intersection of these major faults presents an interesting structural target for epithermal style of deposits, or porphyries and skarns at depth. The Gairdner dykes are offset by the Uno Fault in this area indicating reactivation of the fault over a protracted period of time. The Uno Fault continues to the north east where it is interpreted to align with the Parkinson's Dam deposit.

Table 2: Summary of Geological Units in the Tenement

Rock Unit	Description
Quaternary Units	Thin veneer of soils, sand and gravel (mainly soft and platy with nodular calcrete horizons), with fluviatile sands and gravels in drainage channels.
Corunna Conglomerate	Polymictic conglomerates, quartzite's and shale units. Locally altered by haematite and brecciated towards the base.
Gawler Range Volcanics	A vast volcanic province encompassing a range of volcanics from basalt to dacites, rhyodacites and rhyolites. They are predominantly pyroclastic, being ash flows, ignimbrite, lava flows, domes and dykes. They are aged ~1592 Ma and cover the northern and central portion of the EL.
Lincoln Complex Granites	A series of granitoid and mafic intrusions emplaced during the Kimban Orogeny, these include the Burkitt Granite which is located in the south of the EL5497.
Basement: Hutchison Group, Sleaford Complex, & possibly other tectonostratigraphic units	Beneath the GRV and poorly exposed in the Corunna area. Basement rocks range in age from late Archaean to Palaeoproterozoic. They include metamorphosed carbonate packages that host the best base metal mineralisation known in the region.

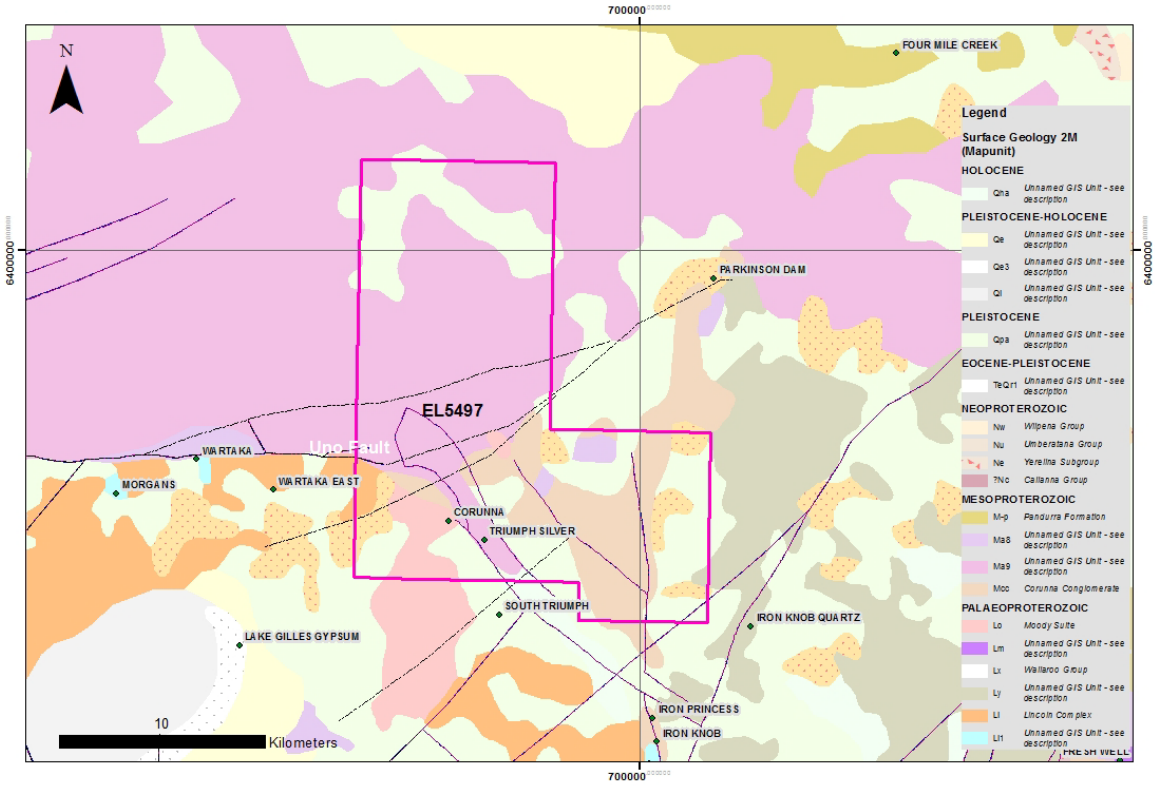

Figure 2: Regional Geology

3.1 TARGET STYLE

Musgrave is primarily targeting base and precious metals with a strong focus on silver, lead, zinc, copper and gold. However there is also potential for other commodities such as graphite, uranium, molybdenum and tin which have been assessed as part of the exploration program.

The high exploration prospectivity of the northern Eyre Peninsula has been demonstrated over the last several decades with the discovery of many mineralised occurrences, the most significant of which is the Menninnie Dam and Viper deposits hosted in Palaeoproterozoic Hutchison Group Rocks. Other notable discoveries are the Paris silver deposit hosted in volcanic flows and breccias of the GRV, Parkinson's Dam epithermal occurrence hosted within Corunna Conglomerate and GRV, Baggy Green and Barnes gold deposits hosted in Tunkillia Suite granodiorites.

Several mineral occurrences occur proximal to large basement structures such as the Uno and Buckleboo faults. These faults may have acted as important fluid pathways for mineralising fluids associated with intrusive rocks during the middle Proterozoic. A DET/CRC paper on predictive targeting outcomes for the GRV highlighted the prospectivity of basement rocks proximal to the margins of the GRV and within the GRV rocks. EL5497 is proximal to the margin of the GRV and the Uno Fault and contains reactive rocks types such as BIFs and calcsilicates. There is also evidence of intrusive rocks within the regional magnetics and outcrop.

Early workers considered Menninnie to be an example of a Broken Hill Type (BHT) style of mineralisation. Current thinking is that the metals were introduced post metamorphism along structures and deposited as fracture fillings, veinlets and as replacement bodies in the more reactive rocks. Hence the thicker, more massive intersections of Pb-Zn-Ag mineralisation tend to occur within the white dolomitic and calcitic units (i.e. marble). The driver for the mineralisation and source of metals is thought to be a 'granite' body at depth, informally termed the Wilcherry Batholith with cupolas to the south and east. Menninnie Dam appears to have similarities to the Triumph prospect on EL5497. Both are hosted in Hutchison group rocks, proximal to the GRV contact and a major fault.

The potential of the area for high grade epithermal silver mineralisation is demonstrated by the discovery of the Paris silver deposit by Investigator Resources, to the west of EL5497 and more recently the encouraging high grade Ag (plus low grade base metals and gold) drilled by Musgrave Minerals at the Frakes prospect on the Menninnie Dam Project. Mineralisation at Paris, Frakes and Spare Rib is predominantly hosted in volcanic breccia of the GRV. The edge of the diatreme breccia pipes are potential sites of mass fluid flow and deposition of mineralisation. Musgrave is also looking for porphyry Cu-Au-Mo potential of the intrusions associated with epithermal mineralisation.

There is also potential for copper-gold bearing skarn or IOCG style mineralisation, particularly at depth as evidenced in regional aeromagnetic surveys.

Figure 3 was modified from a presentation by Claire Wade in May 2014 SAREIC conference and it summaries the mineralisation styles that we are focusing on in the Corunna project area. The yellow labelled targets are the shallow targets that were considered more likely to be intersected during the proposed program, with potential for deeper targets in the Hutchison Group rocks.

Table 3: Summary of target styles relevant to the area

Deposit Style	Metals	Target Geology	Methods	Example
Epithermal /hydrothermal deposits	Ag, Pb, Zn, Cu, Au, Mo	GRV, Corunna Conglomerate, Hutchison Group Rocks.	Mapping, geochemistry, EM, IP, magnetics, gravity and drilling.	Paris Ag deposit, Menninnie Dam, Parkinson's Dam
IOCG	Cu, Au, U	Hiltaba Granites.	Magnetics, gravity and drilling.	Olympic Dam , Carrapateena
Skarn/carbonate replacement	Sn, W, BSM	Felsic intrusives proximal to calcsilicates and graphitic schists.	Magnetics, geochemistry, IP, EM and drilling.	Zealous
Uranium	U308	Corunna Conglomerate.	Radiometrics, geochemistry and drilling.	Unconformity style , IOCGU
Graphite	Graphite	Hutchison Group Schists.	Mapping, EM and drilling.	Uley Graphite deposit
Shear/structurally hosted lode Au	Au	Granites/ granodiorite and sediments surrounding intrusives, GRV.	Demagnetised zones in granites, geochemistry and drilling.	Barnes, Baggy Green , Yarlbrinda Shear Zone

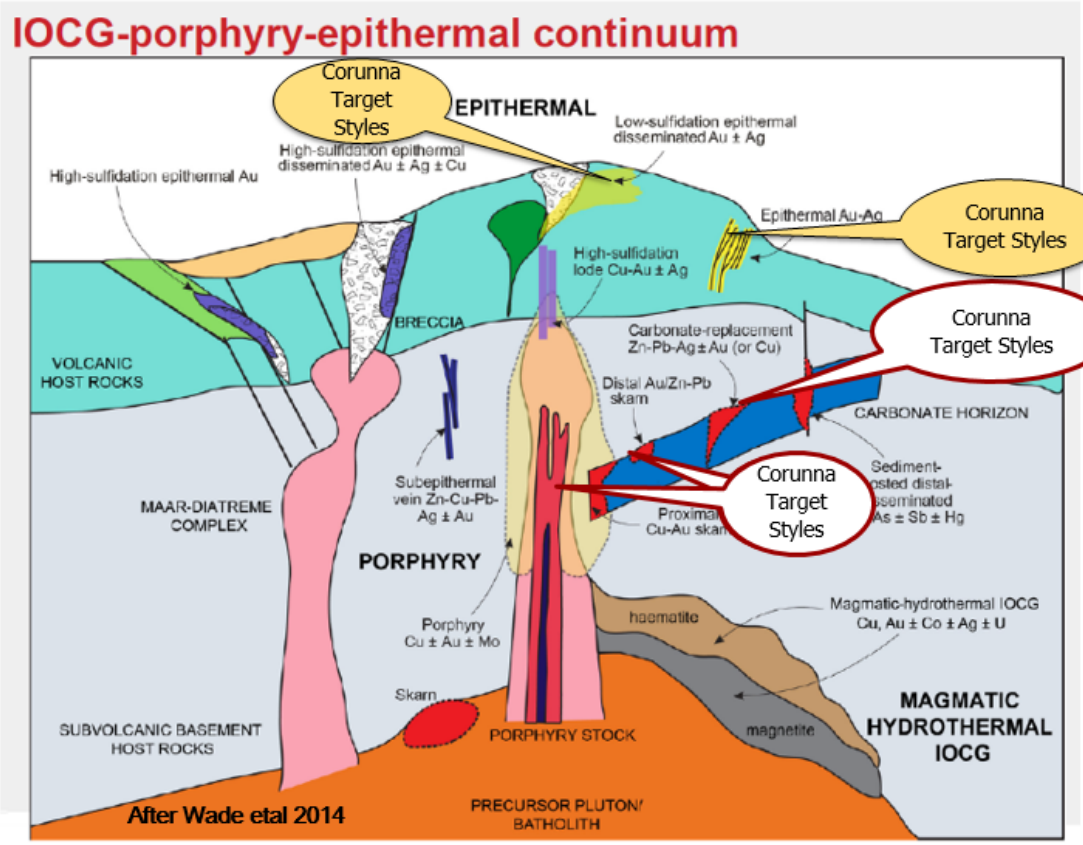

Figure 3: IOCG-porphyry–epithermal continuum (After Wade, May 2014)

4.0 PACE PROPOSAL OVERVIEW

An overview of the PACE proposal appears below.

4.1 PROJECT AIMS

1. The primary aim of the project was to discover economic base and precious metal mineralisation related to the intrusion and extrusion of the Gawler Range Volcanics (1590 Ma).

2. The secondary aim was to provide lithological, geochemical and petrophysical information, to build a geological model that could be used for future exploration.

4.2 TARGETS

The commodities being targeted during the program were base and precious metals hosted in Archean and Proterozoic rocks. The mineralisation styles targeted included; epithermal (e.g. Parkinson's Dam, Paris Ag deposit), skarn/carbonate replacement (e.g. Menninnie Dam) and porphyry deposits.

Musgrave Minerals have reviewed all available information from previous explorers and considers the potential for base metal and silver mineralisation on EL5497 to be high. The preferred models are Ag +/- base metals associated with epithermal, and skarn/carbonate replacement style mineralisation.

Figure 4 shows Ag anomalies encountered in a regional 400m soil survey undertaken by Mega Hindmarsh in 2012. A partial leach method by Genalysis Terra Leach 8 was used.

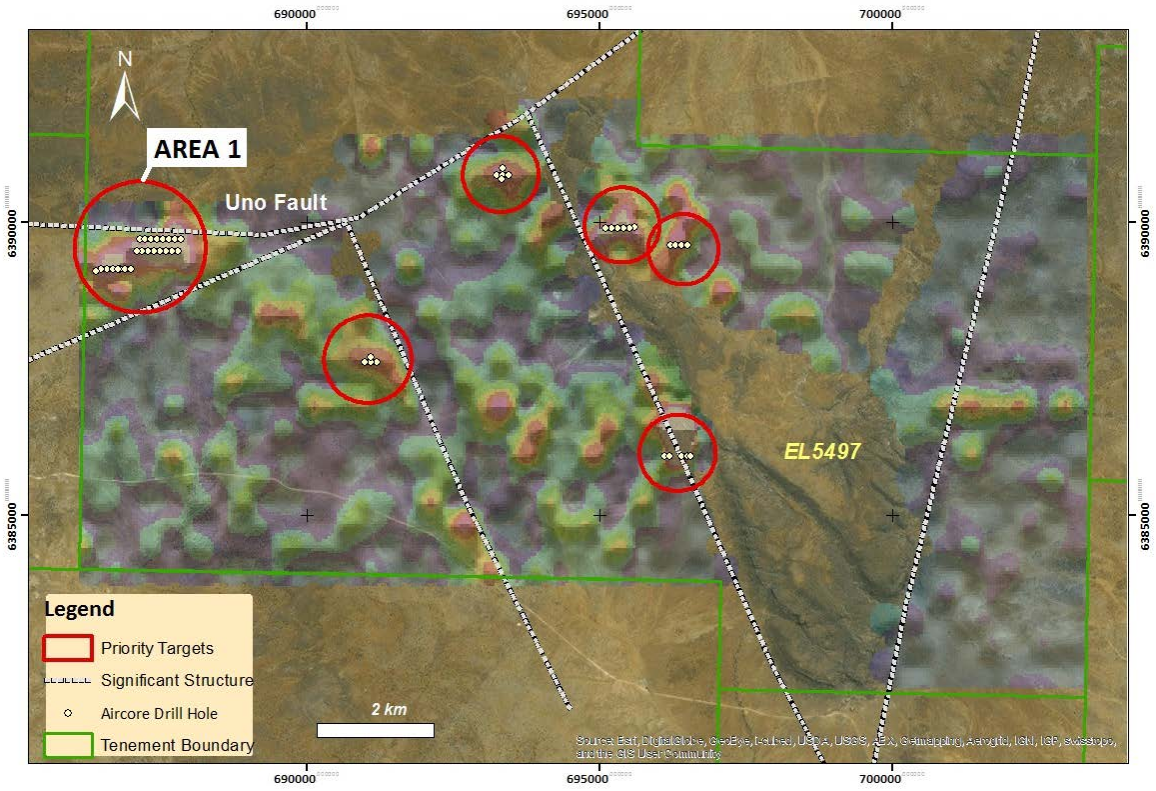

Figure 4: Mega Hindmarsh regional soil grid highlighting the location of significant silver anomalism

Key criteria for targeting of the Ag anomalism include:

1. Ag values > 50ppb are considered anomalous, anomalies above 150ppb are considered highly anomalous;
2. Ag anomalism is proximal to the major Uno Fault and secondary NNE trending faults (Parkinson's Dam is proximal to the Uno Fault);
3. The Uno fault displays a characteristic inflection trending from EW to the NE and is associated with secondary faults at the inflection point. Zones of structural complexity may have provided paths of higher fluid flow and evidence of a long living fault system;
4. The surficial footprint extent of the Ag anomalism is comparable to the Paris soil anomaly; and
5. The depth of cover is variable over the soil anomalies and drilling is considered the only way to effectively test the source of the anomalism.

4.2.1 COPPER AND GOLD TARGET

The Mega Hindmarsh regional soil sampling program also highlighted a coincident Au and Cu anomaly on the edge of the Corunna Conglomerate that may be associated with epithermal veining similar to that seen at Parkinson's Dam. Peak Au value of 5.58 ppb were identified coincident with elevated Cu values (Figure 5). Limited IP data is also available for this area and was reviewed by MGV for potential targets. Following field inspection, Corunna Conglomerate outcrop was noted at surface in the area of the anomaly and no evidence of epithermal veining or alteration was encountered. This target was subsequently downgraded and not drilling in the campaign.

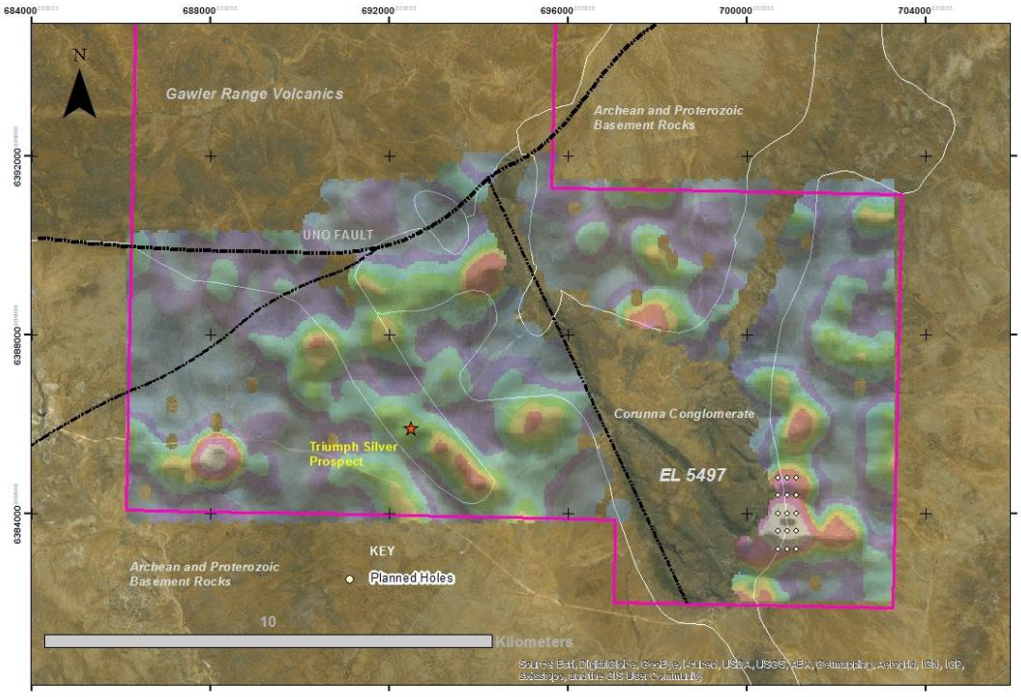

Figure 5: Major Structures, Au soil geochemistry and planned AC-RC holes for Cu-Au targets

5.0 HERITAGE

MGV signed a Part 9b Native Title agreement with the Barngarla Aboriginal Corporation on the first of December 2014. A heritage survey was conducted in May 2015 to cover the proposed drilling areas and provide wider coverage for future exploration drilling. The survey was successful in clearing all of the proposed drilling areas with a number of restrictions to protect sites and certain topographical features.

6.0 MUSGRAVE MINERALS EXPLORATION

6.1 GEOLOGICAL SAMPLING

In May 2015 (prior to the AC drilling) three areas were selected for infill soil sampling based on anomalous Ag results found in the original 2012 Mega Hindmarsh regional survey, coincident with favourable structural locations proximal to the major Uno Fault or secondary faults. The 2012 Mega Hindmarsh survey was conducted at 400m spacing collecting lag samples (-2mm) which were submitted to Genalysis for TL8 analysis. Musgrave Minerals used TL1 method which provides more reliable Pb result and the -80# fraction, which was shown to produce a better result at Menninnie Dam. The infill program was to 200m spacing with 127 samples collected in total. Each sample was sieved to -80 mesh on site, collecting ~100g of sieved material in Kraft paper packets and sent to Genalysis in Perth WA.

During the infill soil sampling an epithermal vein striking north south was discovered in the vicinity of 2012 9.7g/t Ag soil anomaly. The massive quartz vein outcrops for ~200m and shows some evidence of brecciation and epithermal textures (Photo 1). Little visual evidence of mineralisation was present in outcrop, with the best of three rock chip samples taken returning 15.7g/t Ag and 7ppb Au. This target could not be drilled in outcrop due to PEPR restrictions associated with geological monument in the area. Instead an IP chargeability anomaly outlined by previous explorers and thought to be along strike from the outcropping epithermal vein was targeted by the MGV AC drilling program. The IP was thought to represent sulphides on the edge of epithermal vein, possibly associated with epithermal mineralisation.

Photo 1: Example of brecciation on epithermal vein in area 2

A prospectors pit was discovered in Area 1 (Figure 7). The steep sided pit extended to a depth of ~3m and appeared to be in a weathered brecciated rock (possibly granite). A small stock pile of green rock was set to one side of the pit (Photo 2 & 3). No records have been found referring to the prospectors pit however MGV submitted 2 samples for assay. The green rock was found to have elevated Ni (3086ppm) and Cr (885ppm) and thought to contain fuchsite alteration mineral. The significance of the alteration is uncertain however fuchsite is sometimes associated with Au in greenstones in the WA. The position of the alteration and brecciation is proximal to a granite contact and possible zone of enhanced fluid flow tapping into a mafic source at depth.

Photo 2: Prospectors Pit looking south (6…N 6…E)

Photo 3: Green (Fuchsite altered rock) taken from prospectors pit

The area of Cu and Au anomalism discovered in the Mega Hindmarsh soil survey just east of the Baxter Range (Figure 5) was downgraded during reconnaissance because the area was covered by an extensive coarse scree slope of Corunna Conglomerate, thus the anomalism is likely to be transported and the scree slope is not conducive to AC drilling. This area was not drilled by MGV.

6.2 RESULTS OF INFILL SOIL GEOCHEMISTRY

In most cases the 200m infill geochemistry either confirmed or enhanced the Ag anomalism originally detected in the 2012 Mega Hindmarsh survey.

In area 1, the 200m infill results were the most encouraging due to the presence of strong coherent Ag anomalism (Figure 6), with weak but a coincident trend in Cu and Cd. Area 1 is proximal to the important Uno fault and NNW trending fault in the area (Figure 6). Aircore holes were designed to cover the Ag, Cu and Cd anomalism.

Area 2: During sampling an epithermal vein was discovered (see above) and the infill soil grid confirmed the epithermal vein was the source of the Ag anomalism.

Area 3 the infill results in Ag were comparable to the Mega Hindmarsh 2012 survey. Peak value in the infill was 345.9ppb Ag while it was 451.7ppb Ag in the original Mega Hindmarsh Survey.

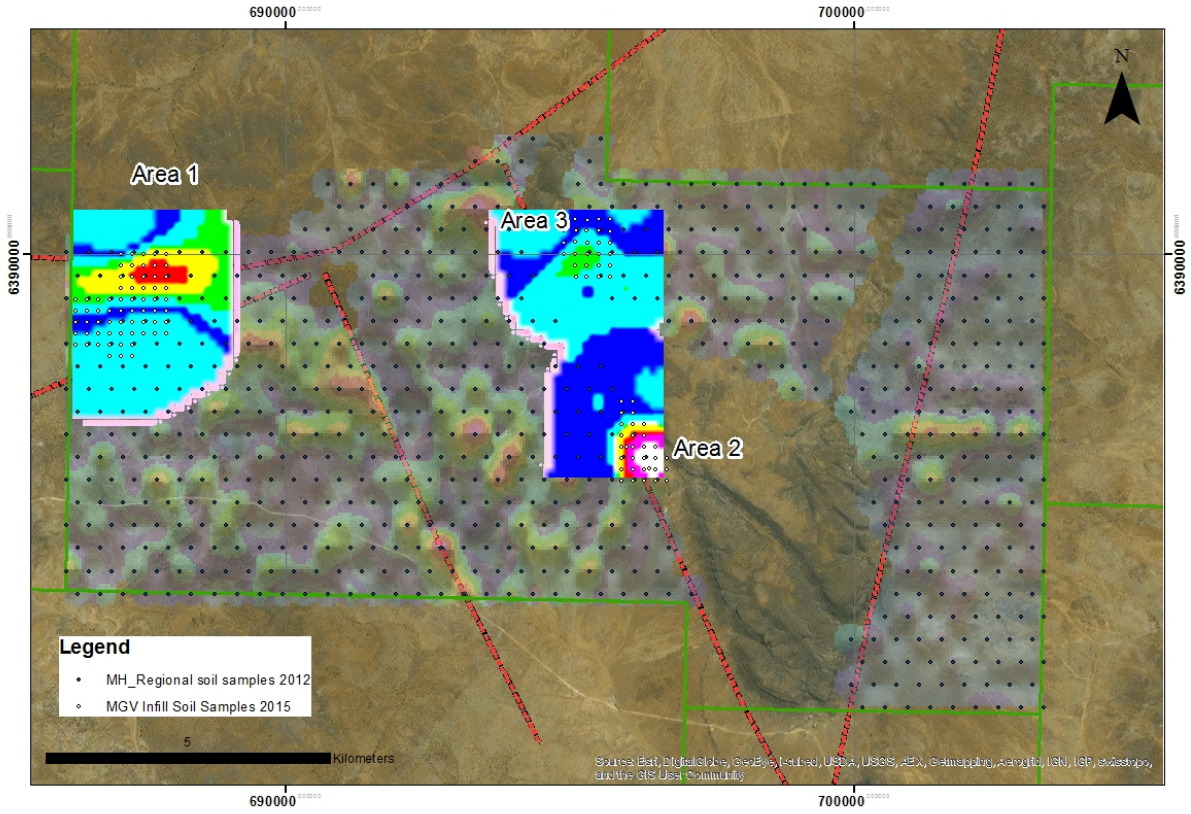

Figure 6: Ag soil contour grids, highlighting the location of Musgrave Minerals (MGV) 2015 infill soil samples with respect to the Mega Hindmarsh 2012 regional soil sampling.

6.3 AIRCORE DRILLING

A total of 49 holes for 1,741 metres was completed in June 2015 over six target areas as per the PACE proposal. McLeod Drilling completed the aircore program over 8 days from Monday the 22nd of June to Monday the 29th of June 2015. Drilling was trouble free with no significant safety or environmental incidents or production issues.

Photo 4: McLeod Drilling June 2014 Area 2 looking east with Baxter Range in the background

6.3.1 DRILLING AND SAMPLING PROCEDURE

Aircore drilling was designed to drill down through the cover to blade refusal and occasionally slim line RC was used to penetrate hard silcrete layers or obtain a fresh rock sample. Drill holes were drilled vertically, 100m apart with infill in areas of interest.

Drilling Equipment

Operator	: McLeod Drilling
Rig	: MD150 drill rig mounted on a MAN 6x6 truck
Auxiliary Unit	: Airman compressor (range 320psi 850cfm)
Support Truck	: MAN 4x4 with 2500lt diesel tank and 2000lt water
Maintenance	: Toyota Landcruiser (4x4 ute)
Camp Set Up	: Shearers Quarters at Corunna Homestead

Sampling Protocol

Sampling Frequency	: 1m intervals (collected in bucket beneath cyclone and placed in rows)
Collection Method	: PVC sample spear
Assay Frequency	: 3m composites with 1m sampling across anomalous zones
Data Collected	: geological logging & portable XRF every 3m
QA/QC	: duplicates and standard submission rate of ~1:50
Assay Method	: SP01 (sample prep), 4AB/OE01 (33 elements) & FA25/MS (Au)
Lab	: Intertek Genalysis

Each metre sample was coarse sieved, washed on site and logged into a excel spreadsheet collecting lithological, sampling and collar data. 1m to 2m representative samples were collected in chip trays for all holes. DSD representative samples were taken from the bottom of several holes (Appendix 3).

Three metre composite samples were collected routinely through the whole hole, with some selected individual metre samples taken in areas or geological interest or if the portable XRF indicated elevated (> 1%) Pb, Zn or Cu. Each composite or individual sample was collected with a 50mm poly pipe spear though the centre of the original 1 metre sample and placed into a numbered calico bag. About 10 calico bags were placed into each poly weave bag and clearly labelled with the HoleID and the sample number sequence. All samples were submitted to Genalysis laboratory in Adelaide and tested for 34 elements including Au. Samples were generally dry and 1 to 1.5kg each. Only limited water was intersected in COAC002 (39m) during the program.

A Niton Gold XL3t portable XRF unit was used to test every 3rd metre routinely and any samples of geological interest. The Niton test period was a minimum of 15 seconds to obtain base metal readings to aid individual sample selection.

6.3.2 SUMMARY OF DRILLING RESULTS

Of the 49 holes drilled, 5 holes intersected base metals greater than 0.5%. The best intersection was in aircore hole COAC017 with 3m @ 1.66% Pb, 0.70% Zn and 4.15 g/t Ag from 24m. All 5 holes were from Area 1 b near the western margin of the tenement (Figure 7). This area is adjacent to the Uno fault and a significant NNW secondary fault. Mineralisation was hosted in weathered schist and gneiss possibly of the Hutchison Group rocks (Figure 8). Ag anomalism was strongest in hole COAC021, an infill hole on line Area 1b. Ag values peaked at 3m @ 20.4g/t from 24m in a zone of 21m @ 12.5g/t Ag from 18m (Figure 9).

The mineralisation is associated with strong quartz veining and a very fine black mineral in holes COAC017, 18, 19, 21 and 41. A summary of significant mineralised intercepts appears in Table 5. The mineralised holes are close to the boundary between Hutchison group rocks and Burkitt granite. This contact may have been sheared and acted as a fluid pathway for mineralising fluids associated with the GRV event. The author has often seen elevated base metals at Menninnie Dam within weathered gneiss and schist of the Hutchison Group rocks that was not necessarily present in the underlying basement. There is some elevated Fe and Mn associated with the base metals at Area 1b which may indicate Fe and Mn scavenging in the weathering environment. However the combination of anomalous Pb, Zn, Ag and weak Cu in the drilling coincident with strong quartz veining and anomalous Ag and Cu in the soil sampling adjacent to the Uno fault makes this area worthy of follow-up aircore drilling.

Figure 10 shows a normal probability plot of several elements for three different sample populations. The green population represents Area 1b which has the anomalous Pb, Zn and Ag values, while the red population is Area 1a and the black population represents the rest of the samples. Clearly the green population has elevated Pb, Cu, Ag, Zn, Sb, As, Mo consistent with epithermal mineralisation. La and Ti are also elevated in Area 1b, La is often elevated in felsic rocks possibly from the GRV and Ti may be from nearby granite or biotite in the gneiss.

The geology intersected throughout the program varied including; granite, gneiss and schist of the Hutchison Group, siltstone, sandstone and conglomerate of the Corunna Conglomerate and rhyolite of the Gawler Range Volcanics. A summary of the geology intersected appears in table 4.

Table 4: Summary of Results from MGV 2015 Aircore Drilling

Area	Target Rationale	Work Completed	Summary Results
1a	Ag, Cu and Cd soil anomalism coincident with Uno fault and major NNW trending fault.	2 lines and 16 holes for 648m. COAC001 -016	Area mostly underlain by gneiss and granite. Granite is possibly Burkitt granite.
1b	Ag soil anomalism coincident with Uno fault and major NNW trending fault.	9 holes over 1 line for 390m. COAC017-021, COAC041 – 044.	Holes intersected a mixture of cover sequences of clay and fluvial sands and gravels underlain by gneiss and schist of the Hutchison group and minor granite at depth. A coherent elevated Pb anomaly was intersected in three holes see **Figure 8**
2a	Ag soil anomalism coincident with epithermal vein in outcrop.	5 holes for 97m, COAC026 – 030.	Holes intersected sandstone of the Corunna Conglomerate with minor quartz veining and sericite alteration.
2b	Ag soil anomalism.	4 holes for 150m, COAC022 – 025,	Siltstone intersected, some graphite and minor pyrite intersected which may explain the IP anomaly in the area (Corunna Conglomerate),
2c	Ag soil anomalism.	5 holes for 141m, COAC045-049,	Unaltered rhyolite intersected (GRV), with sandstone at depth.
2d	Ag soil anomalism and historic IP anomaly.	Old hole found at target.	Not drilled by MGV,
3a	Ag soil anomalism.	6 holes over 1 line for 204m, COAC035-040.	Siltstone intersected (Corunna Conglomerate Sequence).
3b	Ag soil anomalism.	4 holes over 1 line for 111m , COAC031-34,	Siltstone intersected (Corunna Conglomerate Sequence).

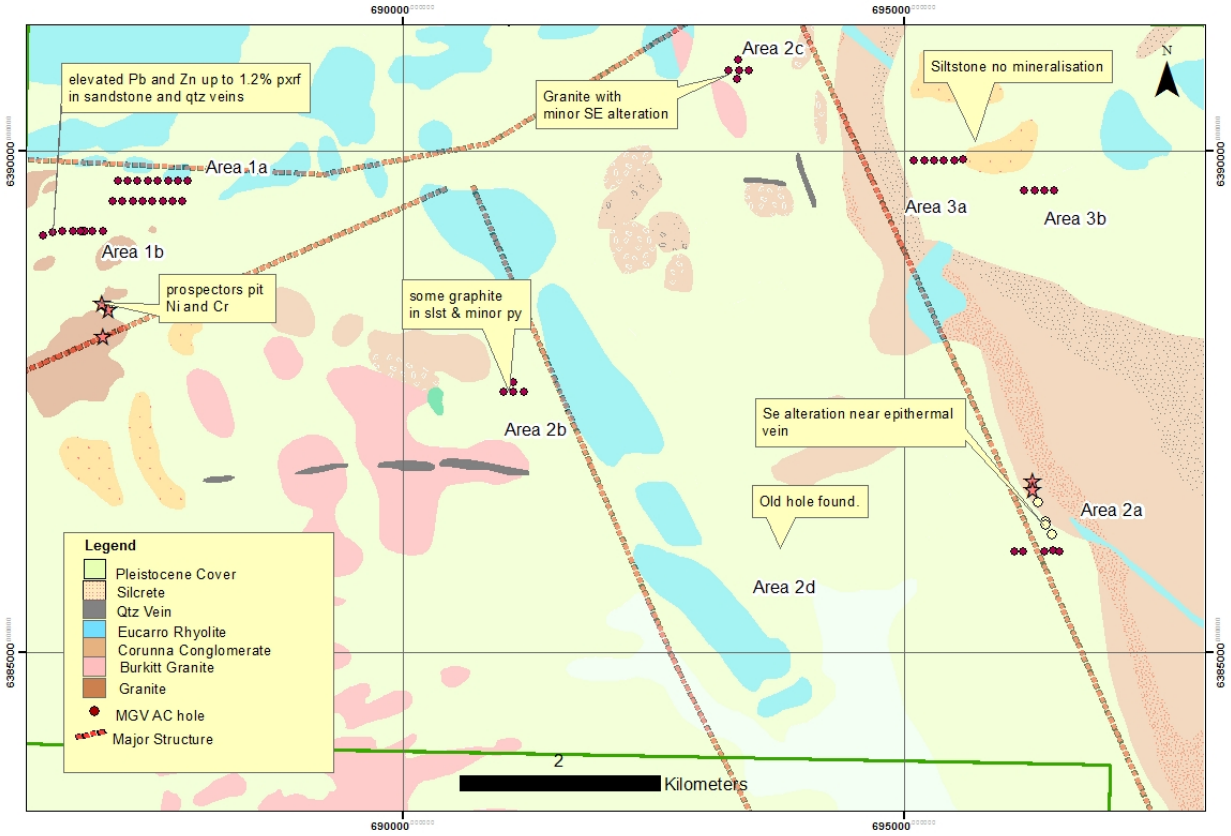

Figure 7 : Location of 2015 aircore holes against 100k Surface Geology

Table 5: List of significant base metals intercepts

Holeid	From (m)	To (m)	Interval	Cu ppm	Pb %	Zn %	Ag g/t
COAC017	18.0	30.0	12.0	451	0.86	0.42	4.0
Including							
COAC017	24.0	27.0	3.0	526	1.66	0.70	4.2
COAC018	9.0	21.0	12.0	421	0.66	0.15	7.2
Incl:							
COAC018	15.0	18.0	3.0	497	1.10	0.24	7.7
COAC019	33.0	45.0	12.0	243	0.63	0.37	9.7
Incl:							
COAC019	38.0	39.0	1.0	474	0.95	0.60	8.2
COAC021	18.0	39.0	21.0	224	0.54	0.25	12.5
Incl:							
COAC021	24.0	27.0	3.0	241	0.94	0.22	20.4
COAC041	8.0	9.0	1.0	998	1.14	0.06	X
COAC041	33.0	36.0	3.0	235	0.53	0.16	X

X = below detection

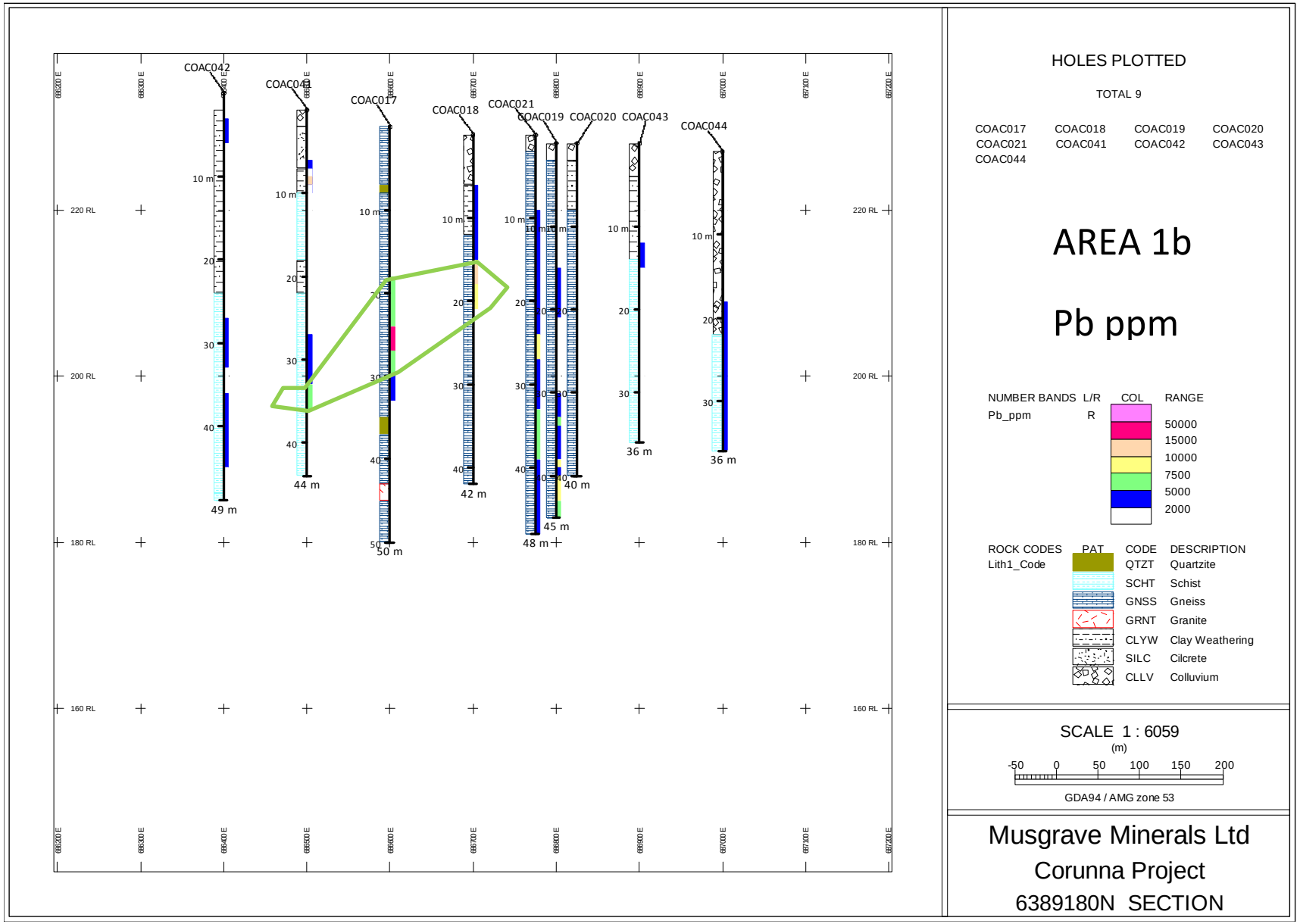

Figure 8: Section 6389180N looking north with 0.5% Pb outline

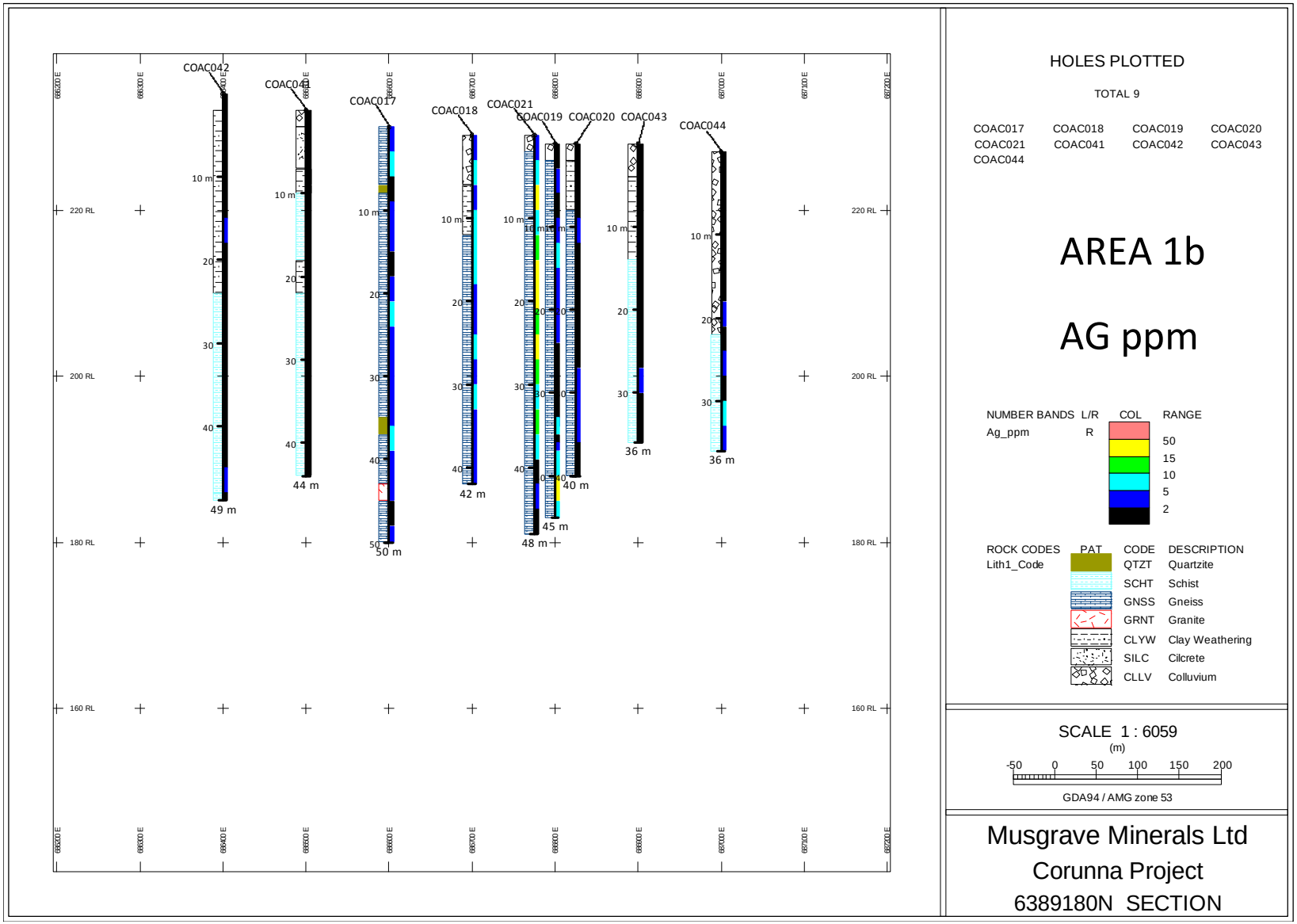

Figure 9: Section (6389180N) looking north Ag ppm

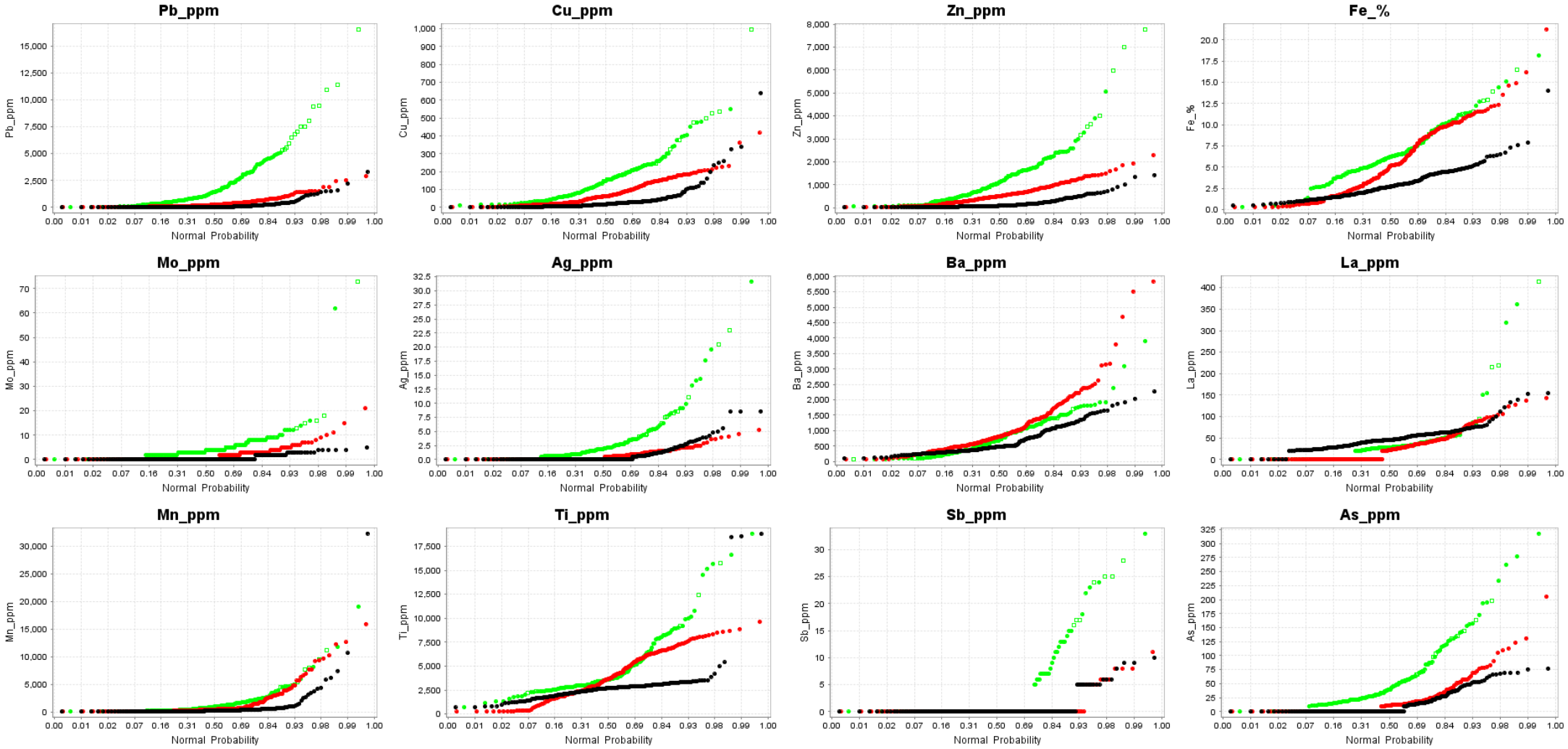

Figure 10: Normal probability plot of selected elements

7.0 ENVIRONMENT AND REHABILITATION

PEPR approval was received on 12th of May 2015 for the aircore drilling program. The PEPR had special conditions to allow for protection of geological monuments in the area. No holes were collared into outcrop or creeks. Existing tracks were used where possible, otherwise vehicles were driven across county and along fence lines to access the drill sites. No trees were removed.

No significant environmental incidents occurred, however a minor hydraulic oil leak on the drill rig resulted in ~2 litres of oil spilled onto the ground. The contaminated soil was bagged up and disposed of at the Port Augusta tip by McLeod Drilling.

All drill sites and tracks were rehabilitated at the completion of the drilling program as per DMITRE guidelines. All drill holes were backfilled with sample spoil from the green bags (last out first in basis) and plugged below the surface. The green sampled bags were removed from site and disposed of at the dump.

Please refer to separate Exploration Compliance Report for full rehabilitation details.

8.0 CONCLUSIONS AND RECOMMENDATIONS

Soil sampling, followed up with aircore drilling has proven to be a relatively cheap and effective way to obtain geological information and test targets undercover at Corunna. The PACE aircore drilling program is the first drilling program completed by Musgrave Minerals on the Corunna tenement. The Corunna tenement has had limited exploration for base and precious metals over the last decade and warrants further work.

The intersection of anomalous Pb, Zn and Ag in five holes at Area 1b is located adjacent to the Uno Fault and a possible sheared contact between Hutchison Group rocks and Burkitt Granite. The mineralisation is associated with quartz veining and is interpreted to be epithermal in style. It is recommended that infill drilling be completed to 25m on the original area 1b line and a further two lines of aircore drilling be completed north and south of the current drilling as a minimum (6389180mN). The soil sampling indicates a potential NE strike to the mineralisation, which could be tested by 20 -30 additional aircore drill holes, at 50m to 25m spacing to 50m average depth for a total of approximately 1000m to 1500m.

9.0 EXPENDITURE

A total of $78,420.63 has been spent directly associated with the PACE collaboratively funded aircore drilling program to exploring the Corunna Project (refer to Table 12 for details) with the aircore drilling invoice totalling $38,467.00. A total of $19,233.50 + GST is therefore claimed as 50% of the direct drilling costs.

Table 12: Corunna Project PACE collaborative direct drilling associated expenditure details

Group	Item	Detail	Cost (Ex GST)
Drilling	Aircore Drilling	McLeod Drilling invoice	$ 38,467.00
	Geologist wages during drilling	MGV Geologist	$16,575.00
	Field assistant during drilling	Euro Exploration Pty Ltd	$4,836.00
	Vehicle hire	Vehicle hire	$3,030.00
	Vehicle - operational	Vehicle maintenance & tyre repairs	$268.19
	Diesel fuel	Diesel fuel	$812.69
	Drilling supplies	Strength international	$234.54
	Accommodation	Corunna Station	$1,290.00
	Field food	Camping food	$1,117.34
	Field equipment	Hire field equipment	$3,330.00
	Data input	CSA Global Pty Ltd	$1,260.00
	Waste disposal	Environmental tip fees	$31.82
	Geologist & fieldy wages rehab	MGV Geologist & fieldy	$6,739.00
	Rehabilitation supplies	Field supplies for rehab	$429.05
Total			**$78,420.63**

10.0 REFERENCES

Blissett, A.H., Creaser, R.A., Daly, S.J., Flint, R.B. and Parker, A.J., 1993. Gawler Range Volcanics. In: Drexel, J.F., Preiss, W.V. and Parker, A.J. (Eds), The geology of South Australia. Vol. 1, The Precambrian. South Australia. Geological Survey. Bulletin, 54:107–124.

Enday, B.M., and Howard.J.P., 2013. ANNUAL TECHNICAL REPORT For the period 2nd February 2012 to 1st February 2013 EL4663 CORUNNA NORTH. Open File Envelope 11363, p 510-549.

Parker, A.J., 1993. Palaeoproterozoic. In: Drexel, J.F., Preiss, W.V. and Parker, A.J. (Eds), The geology of South Australia. Vol. 1, The Precambrian. South Australia. Geological Survey. Bulletin, 54:51–105.

Martin, G., 2015. ANNUAL REPORT For the period 13th October 2014 to 12th October 2015, EL5497 CORUNNA. Musgrave Minerals Ltd, Report No. MGV-C2015-001.

Appendix 1

Geochemical Sampling – Digital Files

Appendix 2

Drilling - Digital Files

Appendix 3

DSD Core Library sample submissions

Mineral samples submission cover sheet

Department of State Development Drill Core Library

Government of South Australia
Department of State Development

SUBMITTED MATERIAL STATUS Confidential? (Yes) / No *(circle as applicable)*

PROJECT INFORMATION

Tenement/permit no.: EL5497 Project name: Corunna

100 000 map sheet(s): Roopena Hd: ..... Sec.: .....

Received from: Company operator: Musgrave Minerals.com

Department/section: Geology Ph.: 08 9324 1061

Officer: Rob Waugh

Fax: ..... Email: rwaugh@musgraveminerals.com.au

Company ref. / report ref.: NA

SAMPLE INFORMATION

Classification (i.e. purpose of drillhole/sample – indicate one only)

Mineral ☑ Engineering ☐ Petroleum ☐ Seismic ☐ Stratigraphic ☐ Groundwater ☐

Target commodity(s) (if applicable) Ag, Pb, Zn, Au, Cu

Hazardous goods Are any of the samples submitted hazardous in nature? Yes / (No) / Possibly
If 'Yes' or 'Possibly' please provide information for the following:

1. Nature of hazard e.g. radioactive, asbestiform minerals etc.

.....

2. Have materials safety data sheets (Section 3.5) been submitted to the Drill Core Library prior to delivery?

Yes / (No) *(circle as applicable)*

3. Special handling instructions: NA - small AC samples

.....

.....

Drillhole/sample names/numbers (e.g. RC1–RC125) COAC003 (See Attached)

Total number of samples submitted: 21 Drilling date (MM/YY): 06 / 15

Total number of trays/ctns/bags submitted: 21 bags

AUTHORISATION (Operator representative completing this form)

Print name: Ian Warland Signature: ..... Date 13 / 8 / 15

NOTE: Cores and cuttings must be submitted in approved containers for long term storage.

Drill Core Library use only

No. of trays received: ..... Sample type: core / cut Rack location: .....

Storage: Temporary / Permanent

No of cartons received: ..... Sample type: core / cut

Suitable containers: Yes / No Suitable labelling: Yes / No Adequate documentation: Yes / No

Date received: ..... / ..... / ..... Manager/Acting Manager: .....

Disposal schedule

Review 3 months ☐ 6 months ☐ 9 months ☐ 12 months ☐ **Action** Retain / Discard

Date ..... / ..... / ..... Authorisation: .....

Department of State Development Drillhole database sheet

Government of South Australia
Department of State Development

COMPANY/OPERATOR: Musgrave Minerals PROJECT: Corunna SHEET 1 of 1 Department use only

DRILLHOLE/ SAMPLE NAME/ NUMBER	CLASSIFICATION*	TOTAL DEPTH (metres)	INTERVAL SUBMITTED FROM (metres)	INTERVAL SUBMITTED TO (metres)	DRILLING METHOD*	SAMPLE TYPE*	HAZARDOUS (Y/N)	EASTING / LONGITUDE	NORTHING / LATITUDE	ZONE	DATUM*	XY ACCURACY* (m)	SURVEY METHOD*	TENEMENT/ PERMIT	DRILLING/ SAMPLING COMP. DATE (DD/MM/YYYY)	SPECTRALLY ANALYSED (Y/N)	DATE (DD/MM/YYYY)	CONFIDENTIAL (Y/N)	UNIT NO.
COACC003	MW	27	~~17~~26	~~30~~27	ACR	CT	N	687599	6389500	53	GDA94	5	GPSAP	EL5497	23/06/15	N		Y	
COAC011	MW	40	39	40	ACR	CT	N	687350	6388700			5			24/06/15	N		Y	
COAC018	MW	42	41	42	ACR	CT	N	686700	6389200			5			25/06/15	N		Y	
COAC023	MW	42	41	42	ACR	CT	N	691100	6387600			5			26/06/15	N		Y	
COAC032	MW	27	26	27	ACR	CT	N	696300	6389600			5			27/06/15	N		Y	
COAC037	MW	33	32	~~3~~3	ACR	CT	N	695400	6389900			5			28/06/15	N		Y	
COAC048	MW	33	32	33	ACR	CT	N	693333	6390720			5			29/06/15	N		Y	
COAC017	MW	50	17	30	ACR	CT	N	686600	6389200	53		5			25/06/15	N		Y	

*See Appendix 3 for allowable codes

REPORT Mining Act 1971 ("the Act")

EXPLORATION COMPLIANCE REPORT

Government of South Australia
Department for Manufacturing, Innovation, Trade, Resources and Energy

USE THIS TEMPLTE TO: Report exploration activity and compliance on one or more licence, lease or claim

Please note that when completing this report refer to the Determination for Exploration Compliance Reporting.

SECTION A - GENERAL DETAILS

Tenement Details - e.g. EL, RL, MC, ML and tenement number (includes tenements prior to subsequent licences)	*EL5497*
Tenement Holder(s)	*Musgrave Minerals Pty Ltd*
Operating Company(s)	*Musgrave Minerals* *19 Richardson Street* *West Perth WA 6005* *(08) 9324 1061*
Report Author	*Glenn Martin* *Musgrave Minerals* *19 Richardson Street* *West Perth WA 6005* *(08) 9324 1061*
Project / Prospect Name	*Corunna*
Location Details	*Corunna and Wartaka Stations, 65km west of Port Augusta, and 10km north of Iron Knob, South Australia*

Reporting Period	From	13 October 2014	To	12 October 2015
Have any exploration activities been conducted during the current reporting period (excludes work conducted in accordance with the Generic Low Impact PEPR)?	NO / **YES**		*If yes, complete all sections of form*	
Have rehabilitation activities been undertaken during the reporting period?	NO / **YES**		*If yes, complete all sections of form*	
Is there any outstanding rehabilitation from current or previous reporting periods to be undertaken?	**NO** / YES		*If yes, complete all sections of form*	
	If NO to all of above, complete only Section A and the declaration			

DECLARATION

This report is prepared for DMITRE to fulfil the annual Exploration Compliance Reporting requirements for the tenements listed herein. The information contained in this report is to the best of my knowledge a true and accurate record of the exploration and rehabilitation activities for the reporting period.

Signed		Date	30/11/2015
Name	Glenn Martin		
Position	Chief Geologist		
Company	Musgrave Minerals		
Email	gmartin@musgraveminerals.com.au		
Phone	08 9324 1061		

EXPLORATION COMPLIANCE REPORT

SECTION B – EXPLORATION ACTIVITIES

Table 1 – Summary of Exploration PEPR Approvals (current and previously approved PEPRs)

Using table 2, provide a summary of Exploration PEPR approvals and program notifications (if applicable) obtained during the current and previous reporting period. (this includes ELs prior to the grant of subsequent licences)

Tenement	E-PEPR #	PEPR Approval Date	Program Notification acceptance date	Tenement Holder	Operator	Proposal description
EL 5497	2015-023	12/5/2015	12/5/2015	Musgrave Minerals Pty Ltd	Musgrave Minerals Pty Ltd	Drill up to 100 Air core drill holes from 10m – 100m depth for approximately 5000m total.

Table 2 – Summary of Exploration Activities

Using table 3, provide a summary of all exploration activities (that required a PEPR to be approved) undertaken during the current reporting period. Provide totals in unshaded cells of Total row (e.g. drill sites, tracks used and created, camp sites, excavations or any other relevant activity)

Tenement	E-PEPR #	PEPR Approval or Program Notification acceptance date	Drill holes	Type of drilling	Total metres drilled	Cleared drill pads created	No. of New drill lines/access tracks	New drill line/access track length (km)	Camp sites and/or other ancillary exploration activities	Costeans	Comments /other approved activities
EL5497	2015-023	12/5/2015	49	Air Core	1,741	0	0	0	Drilling program used Shearers Quarters at Corunna Station	0	Due to ease of access and small drill rig, no drill pads, line access were needed
TOTAL			**49**		**1741**	**0**	**0**	**0**	**-**	**0**	

SECTION C – CHANGES TO EXPLORATION OPERATIONS AND EMERGING ENVIRONMENTAL HAZARDS

Describe/detail where exploration operations varied from approved PEPRs.

NA

Provide details of any new or emerging environmental hazards (e.g. risks and/or impacts) that apply, or appear to be arising, in relation to approved exploration operations.

NA

SECTION D - COMPLIANCE WITH APPROVED PROGRAMS

Table 3: Compliance with Environmental Outcomes

Using table 3; indicate if operations were, or were not, compliant with each environmental outcome stated within approved PEPR(s) and provide compliance criteria data that clearly demonstrates whether the outcome was (or was not) fully achieved.

Please note that this section is not required for programs approved in the form of an Exploration Work Approval (EWA) or a Declaration of Environmental Factors (DEF).

Outcome	**Measurement Criteria**	**Outcome Achieved (Yes, No or N/A)**	**Evidence demonstrating Compliance with Outcomes** *Either include data, or refer to the relevant section in the compliance report or attachment(s).*
Stakeholders are fully informed and satisfied with the proposed methods used to conduct exploration activities on their land.	All complaints from stakeholders resolved to the satisfaction of both parties without the involvement of DMITRE.	Yes	Refer to PART F
All statutory forms served and agreements obtained in accordance with the Mining Act and all other relevant legislative requirements are met.	Records demonstrate that statutory forms were served and agreements obtained in accordance with the Mining Act prior to the commencement of exploration activities.	Yes	Refer to PART E, Table 5
No permanent loss/modification of native flora and fauna populations and their habitats through: • Clearance • Fire • Other Unless prior approval under the relevant legislation is obtained.	Area and method of disturbance as a result of exploration activities is consistent with that described in the PEPR (Include relevant section of PEPR). No uncontrolled fires as a result of exploration activities. Uncontrolled = no fires escape outside of work area (e.g. drill site).	Yes	All areas and methods of disturbance related to exploration activities are consistent with that described in the PEPR. There were no uncontrolled fires as a result of exploration activities.
No introduction of new species of weeds and plant pathogens, nor increase in abundance of existing weeds species.	Vehicle logs demonstrate that all vehicles clean and free of plant and mud material prior to entering properties within the exploration licence(s) areas unless otherwise agreed to with relevant landholders. Inspection of all exploration sites before and during exploration operations and after rehabilitation of disturbed sites, demonstrating that no new weeds and plant pathogens were introduced, nor an increase in abundance of existing weeds recorded.	Yes	Musgrave Minerals conduct pre and post trip vehicle inspections which include vehicle beings cleaned (free of plant and mud material).
No permanent loss/modification of significant flora and fauna populations and their habitats through: • Clearance • Introduction of feral animals • Fire • Other Unless prior approval under the relevant legislation is obtained.		Yes	All areas and methods of disturbance related to exploration activities are consistent with that described in the PEPR. There were no uncontrolled fires as a result of exploration activities. There was no introduction of feral animals.
No fauna traps created as a result of exploration activities.	All drill holes were permanently backfilled and capped prior to leaving the drill site. Records demonstrate that no fauna and livestock trapped in excavations.	Yes	Refer to tables 7, 8, 9, 10, 11, 12

EXPLORATION COMPLIANCE REPORT

Outcome	Measurement Criteria	Outcome Achieved (Yes, No or N/A)	Evidence demonstrating Compliance with Outcomes *Either include data, or refer to the relevant section in the compliance report or attachment(s).*
No disturbance to Aboriginal or European artefacts or sites of significance unless prior approval under the relevant legislation is obtained.	Records demonstrate no impact to heritage sites unless prior approval has been obtained under the appropriate legislation. Records demonstrate that work ceased on discovery of a significant site and appropriate authorities advised. Work recommenced only after authorisation. Records demonstrate Aboriginal Heritage sites were appropriately recorded and reported to authorities if not previously known.	Yes	Heritage clearances are conducted prior to the commencement of any exploration work and the senior on-site representative ensures that no personnel or contractors conduct work within exclusion zones (using maps and GPS). Any unknown heritage sites identified are recorded and reported to the relevant anthropology team.
No disturbance to sites of scientific significance unless prior approval under the relevant legislation is obtained.	Records demonstrate no impact to significant sites unless prior approval has been obtained under the appropriate legislation.	NA	Heritage clearances are conducted prior to the commencement of any exploration work and the senior on-site representative ensures that no personnel or contractors conduct work within exclusion zones (using maps and gps).
No contamination of soil and vegetation as a result of exploration activities.	Records demonstrate that all domestic or industrial waste is disposed of in accordance with the Environment Protection Act within 3 months of completion of the exploration activity. Records demonstrate that within 3 months of completion of the drill hole, drill sites are free of rubbish and hydrocarbon spills, and drill cuttings are either; • removed from site and disposed of at a licensed facility; • buried under a minimum of 30cm of soil or in accordance with EPA Radiation Management Guidelines; • backfilled down the drill hole.	Yes	Refuelling of vehicles or equipment in the field will be kept to a minimum and suitable spill containment kits will be kept on hand at refuelling sites. Should any liquid leaks occur from vehicles or other equipment, the soil will be removed to an appointed refuse disposal site
Fuel storage managed in accordance with EPA requirements.	All fuel storage facilities managed as per the EPA requirements.	NA	Due to the location and short duration of the program, no fuel storage facilities are placed within the tenement.
Soil profile and topography reinstated to original conditions.	Photographic monitoring will show soil profile and topography reinstated to original conditions and is consistent with natural surroundings within 3 months of completion of the exploration activity.	Yes	Refer to PART I
Top soil quality and quantity is maintained.	Records demonstrate that sufficient topsoil is removed (depending on soil profile), stored separately from sub soil and reinstated post exploration within 3 months of completion of the exploration activity.	NA	No clearing completed, therefore NA
No accelerated soil erosion caused by exploration activities.	Photographic monitoring will show no signs of accelerated soil erosion when undertaking the exploration activity and post rehabilitation.	Yes	Refer to PART I
No permanent modification to hydrological features caused by exploration activities	Photographic monitoring demonstrates original drainage contours reinstated and consistent with the natural relief post rehabilitation.	Yes	Refer to PART I
No modification and/or excavation within a water course and/or lake can occur without obtaining approval under the relevant legislation.	Records demonstrate that approvals were obtained under the relevant legislation prior to modifying and/or excavating within a water course or lake.	NA	NA

EXPLORATION COMPLIANCE REPORT

Outcome	Measurement Criteria	Outcome Achieved (Yes, No or N/A)	Evidence demonstrating Compliance with Outcomes *Either include data, or refer to the relevant section in the compliance report or attachment(s).*
Drillholes restored to controlling geological conditions that existed before the hole was drilled or where it is intended to re-enter the hole, the hole must completed with casing of adequate strength and the casing cemented so that all aquifers are isolated to prevent the movement of any fluids behind the casing.	Records demonstrate that drill holes abandoned in accordance with DMITRE M21 guidelines and/or specific conditions from DEWNR (Groundwater) immediately upon completion of drilling.	Yes	Refer to PART H
No discharge of groundwater into the surrounding environment unless prior approval under the relevant legislation is obtained.	Photographic monitoring will show no signs of discharged groundwater into the surrounding environment. Records demonstrate that approvals were obtained under the relevant legislation prior to discharge of groundwater into the surrounding environment.	Yes	Refer to PART I
No public nuisance impacts from noise, dust and other emissions emanating from exploration activities.	Records demonstrate all complaints from landholders resolved within 1 month to the satisfaction of both parties without the involvement of DMITRE. If complaints received, records must demonstrate that noise, dust (and other emission) levels do not exceed EPA limits.	Yes	Refer to PART F
Rehabilitated access tracks remain permanently closed unless prior approval under the relevant legislation is obtained.	Photographic monitoring will show topography reinstated to original conditions and is consistent with natural surroundings within 3 months of completion of the exploration program. Records demonstrate that all new track entry/exit points disguised/rehabilitated within 3 months of completion of the exploration program.	NA	Refer to Table 7, PART I
No accidents involving the public that could have been reasonably prevented by the licensee.	Independent investigation of all accidents involving the public demonstrates that the licensee could not have reasonably prevented the accident through the implementation of precautionary measures.	Yes	No accidents have occurred involving the public.
All personnel and contractors are fully informed of the environmental obligations outlined within the PEPR.	Records demonstrate that all personnel and contractors were inducted prior to commencement of the approved program and prior to working on site.		All personnel and contractors are given an induction which includes obligations outlined within the PEPR. Each inductee must complete a quiz on the induction content and then sign off a form stating they have understood all the requirements. The onsite senior representative keeps a copy of the PEPR to refer to as required.
A radiation plan must be endorsed by the EPA and implemented by the proponent when exploring within known uranium or thorium deposits.	Provide a copy of the radiation management plan, and confirmation of endorsement by the EPA when submitting a PEPR for approval.	NA	Musgrave Minerals is not conducting exploration for uranium or thorium.
Site is physically stable and ecologically reverting to the pre-activity state, and is likely to do so without further intervention. All foreign materials brought on site to conduct exploration activities are removed from site and disposed of appropriately.	Compliance reports demonstrate achievement of the outcomes listed above	Yes	
Additional approved outcomes specific to the program		No	

EXPLORATION COMPLIANCE REPORT

Table 4: Rectification of Non-compliances

Using table 4, list any instances of non-compliance with either the current approved PEPR (including environmental outcomes) or tenement conditions.

Date of Incident	What Environmental outcome or tenement condition was breached	If and how the non-compliance was, or is planned to be rectified	Detail the Measures taken to prevent recurrence
NA			

Provide progress reports to assess the effectiveness of rectification for the following circumstances:

- Compliance against action items listed in compliance inspection reports conducted during the reporting period.
- Non-compliances previously reported in Compliance Reports (in accordance with Regulation 86) or Incident Reports (in accordance with Regulation 87) that are not fully rectified at the time of reporting.

SECTION E – LANDHOLDER DETAILS AND LIAISON

Table 5: Land access

Where land was entered to conduct exploration operations during the reporting period (includes rehabilitation), provide the following information.

Tenement	Landholder name & contact details including phone no.	Land Tenure	Land use	Date NoE served or written agreement signed (Form 21)	Date Use of Declared Equipment (Form 22) served or written agreement signed	Type of Exempt Land	Waiver of Exemption (Form 23A & B)	Landholder concerns raised & how addressed
EL 5497	Brenton French Mob - 0418843208	Corunna Station Leaseholder	Sheep	28/4/2015	28/4/2015	NA	NA	No concerns raised
EL 5497	Barngarla Aboriginal Corporation	Native Title Holder	Traditional Activities	NA	NA	NA	NA	Heritage clearance survey completed over areas of interest

Where applicable, provide evidence that approvals were obtained from relevant land managers such as; local councils, the Department of Defence and the Woomera Prohibited Area, Aboriginal Lands (i.e. Maralinga Tjarutja and Anangu Pitjantjatjara Yankunytjatjara lands), the Dog Fence Board, and pipeline authorities.

NA

SECTION F - COMPLAINTS

Table 6: Complaint Details

Using table 6, indicate how concerns or complaints raised by third parties were resolved:

Date of Complaint	Name and contact details of complainant	Nature of the complaint	Resolution date	Detail how the complaint was resolved.
No Complaints				

SECTION G - REHABILITATION

Describe the rehabilitation methods used to achieve compliance with approved PEPR(s) (e.g. describe how drill sites/lines, tracks, camps, costeans etc. were rehabilitated), and indicate if any of these methods differ from those outlined in approved PEPR(s)

Air Core drill sites/lines:
All holes were backfilled with sample spoil from the green bags (last out first in basis) and plugged below the surface. The green sampled bags were removed from site and disposed of at Port Augusta Tip.

Tracks:
Existing tracks were used where possible, otherwise vehicles were driven across country and along fence lines to access the drill tracks. No trees were removed.

Campsites:
Accommodation was provided at Corunna Station Shearers Quarters, so no camp sites were used during the program.

EXPLORATION COMPLIANCE REPORT

List any DMITRE Compliance Inspection Reports (date of inspection and ELs) with action items identified and demonstrate how these issues have been addressed.

NA

EXPLORATION COMPLIANCE REPORT

Table 7 – **Drill Site Rehabilitation Summary** (cumulative)

Summarise the rehabilitation status of all exploration sites during the current and previous reporting period (this includes activities on ELs prior to the grant of subsequent licences). Note: use separate rows for each approval date and tenement number (i.e. 5 approvals on 1 tenement and 1 approval on 5 tenements will use 5 rows).

Reporting Period	Tenement Number	E-PEPR #	PEPR Approval or Program Notification acceptance date	Drill holes	Rehabilitated drill sites	Drill lines/ access tracks	Drill line/access track length (km)	Rehabilitated drill line/access track (km)	Costeans	Costeans rehabilitated	Comments
2014-2015	EL5497	2015-023	12/5/2015	49	49	0	0	0	0	0	All rehabilitation complete. All green plastic bags disposed at Port Augusta Tip. No track or pad clearing needed due to open nature of country. All holes backfilled and capped.
TOTAL				**49**	**49**	**0**	**0**	**0**			

Rehabilitation Status

Using tables 8 to 12 (where applicable) detail the location and rehabilitation status of all exploration sites during the current reporting period and un-rehabilitated sites from previous reporting periods (this includes sites on ELs prior to the grant of subsequent licences).

EXPLORATION COMPLIANCE REPORT

Table 8 – Drill hole/site Rehabilitation Status

Tenement Number	E-PEPR #	PEPR Approval or Program Notification acceptance date	Drill hole	Date Drilled	Drilling method**	Hole Depth (m)	Number of sumps & dimensions	Easting (GDA 94)	Northing (GDA 94)	Zone	Rehab date	Status*	Planned rehab date	Comments
EL5497	2015-023	12/5/2015	COAC001	23/06/2015	AC	47.00	NA	687798	6389496	53	23/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed.
EL5497	2015-023	12/5/2015	COAC002	23/06/2015	AC	58.00	NA	687699	6389499	53	23/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC003	23/06/2015	AC	27.00	NA	687599	6389500	53	23/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC004	23/06/2015	AC	52.00	NA	687500	6389499	53	23/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC005	23/06/2015	AC	33.00	NA	687400	6389500	53	23/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC006	24/06/2015	AC	18.00	NA	687300	6389500	53	24/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC007	24/06/2015	AC	45.00	NA	687200	6389500	53	24/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC008	24/06/2015	AC	30.00	NA	687100	6389500	53	24/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC009	24/06/2015	AC	39.00	NA	687150	6389700	53	24/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC010	24/06/2015	AC	46.00	NA	687250	6389700	53	24/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC011	24/06/2015	AC	40.00	NA	687350	6389700	53	24/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC012	24/06/2015	AC	38.00	NA	687450	6389700	53	24/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC013	25/06/2015	AC	28.00	NA	687550	6389700	53	25/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC014	25/06/2015	AC	48.00	NA	687650	6389700	53	25/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC015	25/06/2015	AC	51.00	NA	687750	6389700	53	25/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC016	25/06/2015	AC	48.00	NA	687850	6389700	53	25/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC017	25/06/2015	AC	50.00	NA	686600	6389200	53	25/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC018	25/06/2015	AC	42.00	NA	686700	6389200	53	25/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC019	25/06/2015	AC	45.00	NA	686800	6389200	53	25/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed

EXPLORATION COMPLIANCE REPORT

Tenement Number	E-PEPR #	PEPR Approval or Program Notification acceptance date	Drill hole	Date Drilled	Drilling method**	Hole Depth (m)	Number of sumps & dimensions	Easting (GDA 94)	Northing (GDA 94)	Zone	Rehab date	Status*	Planned rehab date	Comments
EL5497	2015-023	12/5/2015	COAC020	26/06/2015	AC	40.00	NA	686825	6389200	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC021	26/06/2015	AC	48.00	NA	686775	6389200	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC022	26/06/2015	AC	30.00	NA	691200	6387600	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC023	26/06/2015	AC	42.00	NA	691100	6387600	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC024	26/06/2015	AC	39.00	NA	691000	6387600	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC025	26/06/2015	AC	39.00	NA	691100	6387690	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC026	26/06/2015	AC	9.00	NA	696100	6386000	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC027	26/06/2015	AC	13.00	NA	696190	6386000	53	26/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC028	27/06/2015	AC	22.00	NA	696400	6386000	53	27/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC029	27/06/2015	AC	22.00	NA	696490	6386012	53	27/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC030	27/06/2015	AC	30.00	NA	696550	6386000	53	27/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC031	27/06/2015	AC	30.00	NA	696200	6389600	53	27/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC032	27/06/2015	AC	27.00	NA	696300	6389600	53	27/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC033	27/06/2015	AC	30.00	NA	696400	6389600	53	27/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC034	27/06/2015	AC	24.00	NA	696500	6389600	53	27/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC035	28/06/2015	AC	39.00	NA	695585	6389911	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC036	28/06/2015	AC	36.00	NA	695500	6389900	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC037	28/06/2015	AC	33.00	NA	695400	6389900	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC038	28/06/2015	AC	33.00	NA	695300	6389900	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC039	28/06/2015	AC	36.00	NA	695200	6389900	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed

EXPLORATION COMPLIANCE REPORT

Tenement Number	E-PEPR #	PEPR Approval or Program Notification acceptance date	Drill hole	Date Drilled	Drilling method**	Hole Depth (m)	Number of sumps & dimensions	Easting (GDA 94)	Northing (GDA 94)	Zone	Rehab date	Status*	Planned rehab date	Comments
EL5497	2015-023	12/5/2015	COAC040	28/06/2015	AC	27.00	NA	695100	6389900	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC041	28/06/2015	AC	44.00	NA	686500	6389192	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC042	28/06/2015	AC	49.00	NA	686400	6389160	53	28/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC043	29/06/2015	AC	36.00	NA	686900	6389200	53	29/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC044	29/06/2015	AC	36.00	NA	687000	6389200	53	29/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC045	29/06/2015	AC	33.00	NA	693250	6390800	53	29/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC046	29/06/2015	AC	19.00	NA	693350	6390800	53	29/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC047	29/06/2015	AC	27.00	NA	693450	6390800	53	29/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC048	29/06/2015	AC	33.00	NA	693333	6390720	53	29/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed
EL5497	2015-023	12/5/2015	COAC049	29/06/2015	AC	29.00	NA	693346	6390915	53	29/06/2015	C	NA	Drill hole capped and backfilled, rubbish removed

**Note: C = Drill site completely rehabilitated, N= No rehabilitation completed, PR = Partial Rehabilitation (specify remaining rehabilitation to be completed within the comments section).*

***Note: AC = Aircore/Vacuum, RM = Rotary Mud, RC = Reverse Circulation, RAB = Rotary Air Blast, D = Diamond, P = Percussion, V = Vibracore, O = other*

EXPLORATION COMPLIANCE REPORT

Table 9 - Access Track/Drill Line Rehabilitation Status

Tenement	E-PEPR #	PEPR Approval or Program Notification acceptance date	Track ID	Tracks/lines created (km)	Rehabilitated tracks/lines (km)	Rehabilitation Date	Rehabilitation Method	Tracks/lines to be rehabilitated (km)	Planned Rehabilitation Date	Comments
EL5497	2015-023	12/5/2015	NA	-	-	-	-	-	-	Access didn't require track or drill line clearing

Table 10 – Camp site Rehabilitation Status

Tenement	E-PEPR #	PEPR Approval or Program Notification acceptance date	Camp name	Date Established	Easting (GDA 94)	Northing (GDA 94)	Zone	Camp size	Waste removed	Camp Rehab date	Planned rehab date	Comments
EL 5497	2015-023	12/5/2015	NA	NA	-	-	-	-	-	-	-	No camp used, accommodated in Corunna Shearers Quarters

Table 11 – Costean Rehabilitation Status

Tenement	E-PEPR #	PEPR Approval or Program Notification acceptance date	Costean id	Date Excavated	Dimensions (length, width, depth)	Easting (GDA 94)	Northing (GDA 94)	Zone	Rehab status	Costean Rehab date	Planned rehab date	Comments
EL 5497	2015-023	12/5/2015	NA	NA	-	-	-	-	-	-	-	No costeans excavated

Table 12 – Bulk Sample Disposal Sites

Tenement	E-PEPR #	PEPR Approval or Program Notification acceptance date	Reason for bulk sample disposal site	Date Buried	Clean Cover Depth	Dimensions (length, width, depth)	Easting (GDA 94)	Northing (GDA 94)	Rehab status	Rehab date	Planned rehab date	Comments
NA – all waste removed to Port Augusta												

Summarise rehabilitation activities planned for the next reporting period

None

SECTION H – GROUNDWATER (drilling only and costeans)

Was drilling conducted within a Prescribed Wells Area? (if yes provide area name)	*No*
Provide the name of the drilling company used to conduct the program	*McLeod Drilling*
Specify the licensed well driller class (1 / 2 / 3).	*NA*
Provide a description of groundwater conditions encountered during drilling (e.g. artesian, sub-artesian, confined and/or multiple aquifers, no aquifers).	*No aquifers*
Was the Department for Environment, Water and Natural Resources (DEWNR) drilling inspector contacted 14 days prior to commencement of drilling? *Please note that the DEWNR drilling inspector must be contacted 14 days prior to commencement of a program if groundwater is likely to be encountered.*	*No, drilling was planned to be shallow only, reaching bedrock and stopping at blade refusal of air core bit*
Were cement grout plugs set to the satisfaction of a DEWNR Drilling Inspector?	*No, holes were shallow and immediately backfilled and capped once compete*

Table 13 – Drill hole Abandonment Summary

Demonstrate, using table 13, how drill holes that intersect a single confined aquifer, multiple aquifers or artesian aquifers, were abandoned in accordance with DMITRE M21 guidelines.

Tenement	Drill hole	Aquifer(s) Intersected (yes or no)	Backfilling requirements (e.g. cuttings only or cuttings and cement grout plugs)	Total Depth (m)	Drilling Completion Date	Aquifer Formation Name	Aquifer interval (from-to) (m)	Type of Aquifer(s) Intersected (e.g. unconfined, confined or artesian)	Cementing Interval (from-to) (m)	Comment
NA										

EXPLORATION COMPLIANCE REPORT

SECTION I - PHOTOS

Photo-monitoring

Include representative photographs in accordance with the requirements specified within the Exploration Compliance Report Determination

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC003	4/8/2015	687599	6389500	53	Before rehabilitation

EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
CAOC003	5/8/2015	687599	6389500	53	After rehabilitation

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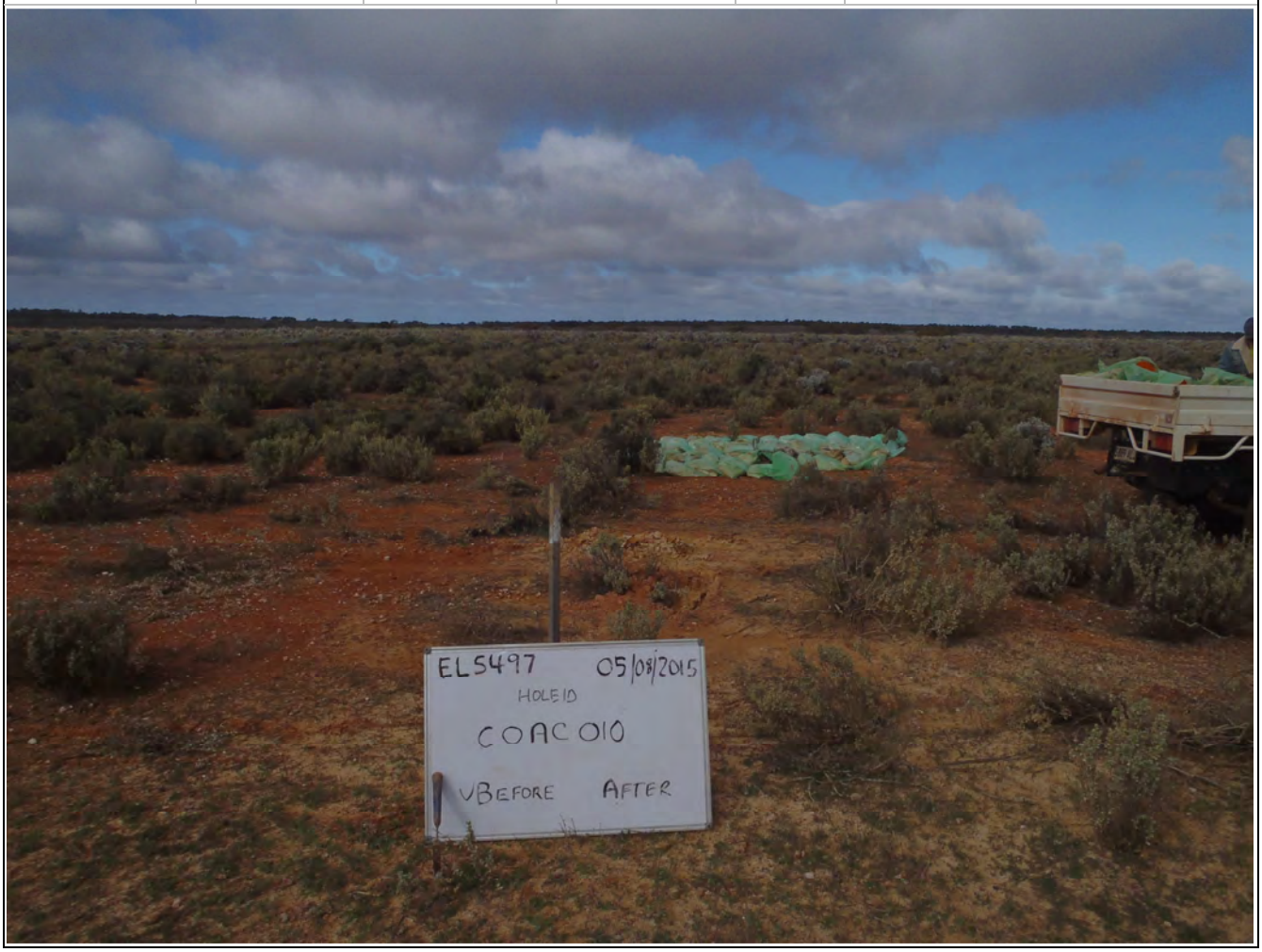
Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC010	5/8/2015	687250	6389700	53	Before rehabilitation



EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC010	5/8/2015	687250	6389700	53	After rehabilitation

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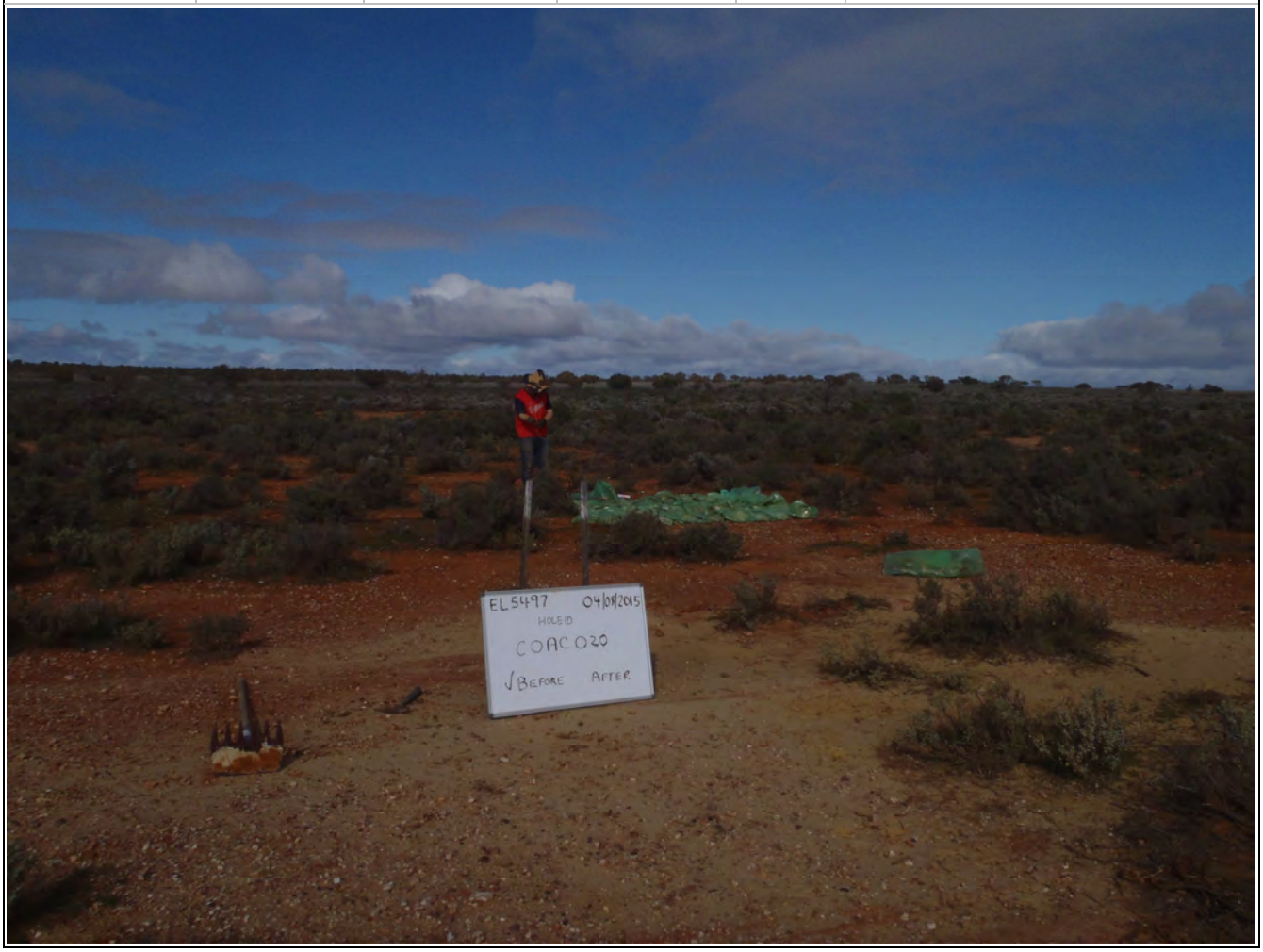
Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC020	4/8/2015	686825	6389200	53	Before rehabilitation



EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC020	4/8/2015	686825	6389200	53	After rehabilitation

EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC030	5/8/2015	696550	6386000	53	Before rehabilitation

EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC030	5/8/2015	696550	6386000	53	After rehabilitation

EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC040	6/8/2015	695100	6389900	53	Before rehabilitation

EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC040	4/8/2015	695100	6389900	53	After rehabilitation

EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC049	5/8/2015	693346	6390915	53	Before rehabilitation

EXPLORATION COMPLIANCE REPORT

Site ID/details	Date taken	Easting (GDA94)	Northing (GDA94)	Zone	Comments
COAC049	5/8/2015	693346	6390915	53	After rehabilitation

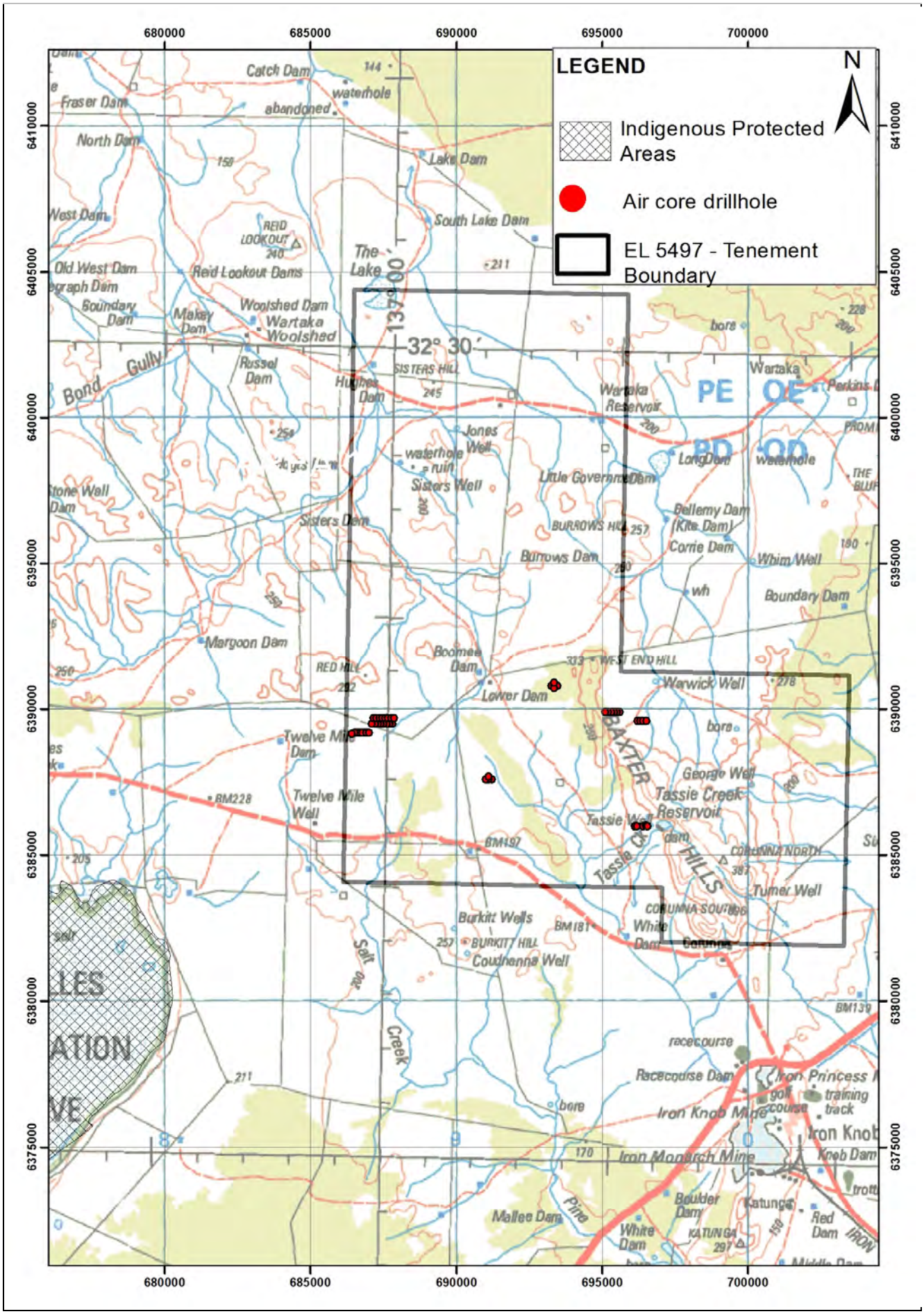
EXPLORATION COMPLIANCE REPORT

SECTION J - MAPS

Provide appropriate map/s of exploration activities in accordance with the requirements specified within the Exploration Compliance Report Determination

To insert additional maps, copy and paste the map template below. Resize maps to fit 1 page width. Ensure that all information about each map is completed.

Date prepared	Site ID/details	Comments
12/11/2015	Corunna – EL 5497	Map showing Indigenous Protected Areas and air core drill hole locations in relation to EL 5497


LEGEND
N
Indigenous Protected Areas
Air core drillhole
EL 5497 - Tenement Boundary
680000
685000
690000
695000
700000
6410000
6405000
6400000
6395000
6390000
6385000
6380000
6375000
32° 30'
Catch Dam
waterhole
abandoned
Fraser Dam
North Dam
Lake Dam
West Dam
South Lake Dam
REID LOOKOUT
Reid Lookout Dams
The Lake
Old West Dam
Boundary Dam
Makay Dam
Woolshed Dam
Wartaka Woolshed
Bond Gully
Russel Dam
SISTERS HILL
Hughes Dam
Wartaka Reservoir
Wartaka
Jones Well
waterhole
ruin
Sisters Well
Sisters Dam
Stone Well Dam
Little Governor Dam
LongDam
Bellemy Dam (Kite Dam)
BURROWS HILL
Corrie Dam
Whim Well
Burrows Dam
Boundary Dam
Margoon Dam
Boomee Dam
RED HILL
WEST END HILL
Warwick Well
Lower Dam
Twelve Mile Dam
Twelve Mile Well
BM228
BAXTER
George Well
Tassie Creek Reservoir
Tassie Well
dam
BM197
COROONA NORTH
HILLS
Turner Well
COROONA SOUTH
Burkitt Wells
BM181
BURKITT HILL
Coudhenna Well
White Dam
Salt Creek
racecourse
Racecourse Dam
golf course
training track
Iron Princess
Iron Knob Mine
Iron Knob
Knob Dam
Iron Monarch Mine
Boulder Dam
Katunga
KATUNGA
Red Dam
Mallee Dam
Pine
White Dam
IRON
BM139