

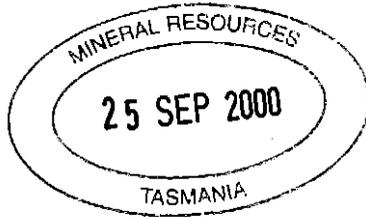
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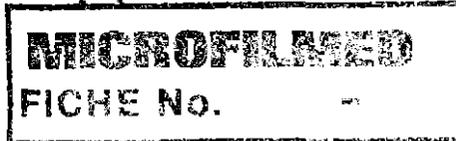
Western Metals Copper Ltd
Townsville Exploration Office

Final report to June 2000 - EL4/1996 - Henty River

Western Metals Resources Limited*
Henley, R.L. EL4/1996



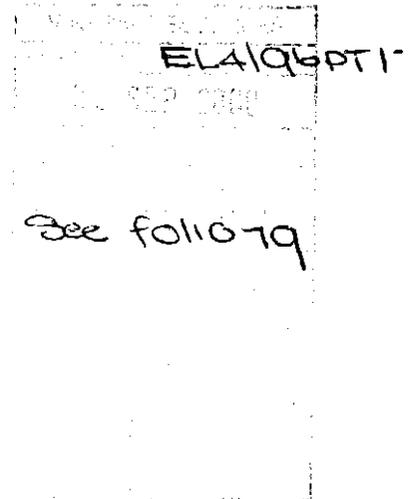
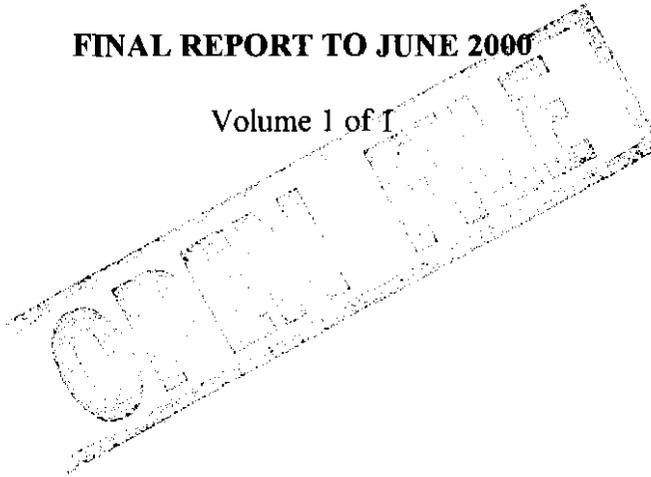
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EL 4/96 HENTY RIVER
TASMANIA

FINAL REPORT TO JUNE 2000

Volume 1 of 1



00_4485

Final report to June 2000 - EL4/1996 - Henty River

Western Metals Resources Limited*
Henley, R.L. EL4/1996

Reporting Period: May.99 to Apr.00
May.00 to Jun.00

Tenement/s: EL 4/96 Tasmania

- Distribution :
- Western Metals - Townsville Office
 - Western Metals - Perth Library
 - Dept of Mineral Resources Tasmania

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SUMMARY

EL 4/96 was taken out in May 1996 by Aberfoyle Resources Limited to explore for stratabound Zn/Pb Volcanic Hosted Massive Sulphide mineralisation within Tyndall Group correlatives in the Henty Fault Wedge.

During 1998, Western Metals Ltd completed a takeover of Aberfoyle Limited and changed the name of Aberfoyle Resources Ltd to Western Metals Resources Ltd.

Work carried out by Aberfoyle/ Western Metals consisted of review of previous work, Pb isotope determination on samples from the Henty Adits Prospect, and soil sampling employing both partial leach and total digest analytical techniques.

The Cambrian Pb isotope signature of the Henty Adits mineralisation confirmed the VHMS prospectivity of the Tyndall Group correlatives within the Henty Fault wedge. Soil sampling over these units, employing partial leach analysis techniques to detect loosely bound or 'transported mobile metal' ions (TMI) interpreted to represent buried mineralisation, did not produce significant anomalies outside of the known Henty Adits Prospect. Ground EM surveys were recommended because of the uncertainty of the newly developed TMI technique but were not carried out. The tenement was surrendered in June 2000.

1.0 INTRODUCTION

Exploration Licence 4/96 - Henty River was granted to Aberfoyle Resources Ltd on 24 May 1996.

During 1998, Western Metals Limited completed a takeover of Aberfoyle Limited and changed the name of Aberfoyle Resources Ltd to Western Metals Resources Ltd.

EL 4/96 is located 10 - 15 kilometres NNW of Queenstown (Figure 1). It originally covered 45 sq km of the Henty Gorge and western flanking plateau, east to the Anthony road and southwest to the Murchison Highway (Figure 2). An area of 26 sq km was relinquished in April 1999.

The tenement was acquired to explore for stratabound Zn/Pb Volcanic Hosted Massive Sulphide mineralisation within Tyndall Group correlatives in the Henty Fault Wedge. Yolande River Sequense rocks to the east of the South Henty fault are not considered prospective for this type of mineralisation.

The Henty Adits mineralisation has broad similarities to the Henty Gold Mine. No systematic exploration for gold has been completed within the area of EL4/96.

This report summarises exploration on EL4/96 for the period May 24, 1996 to June 22, 2000.

2.0 GEOLOGY

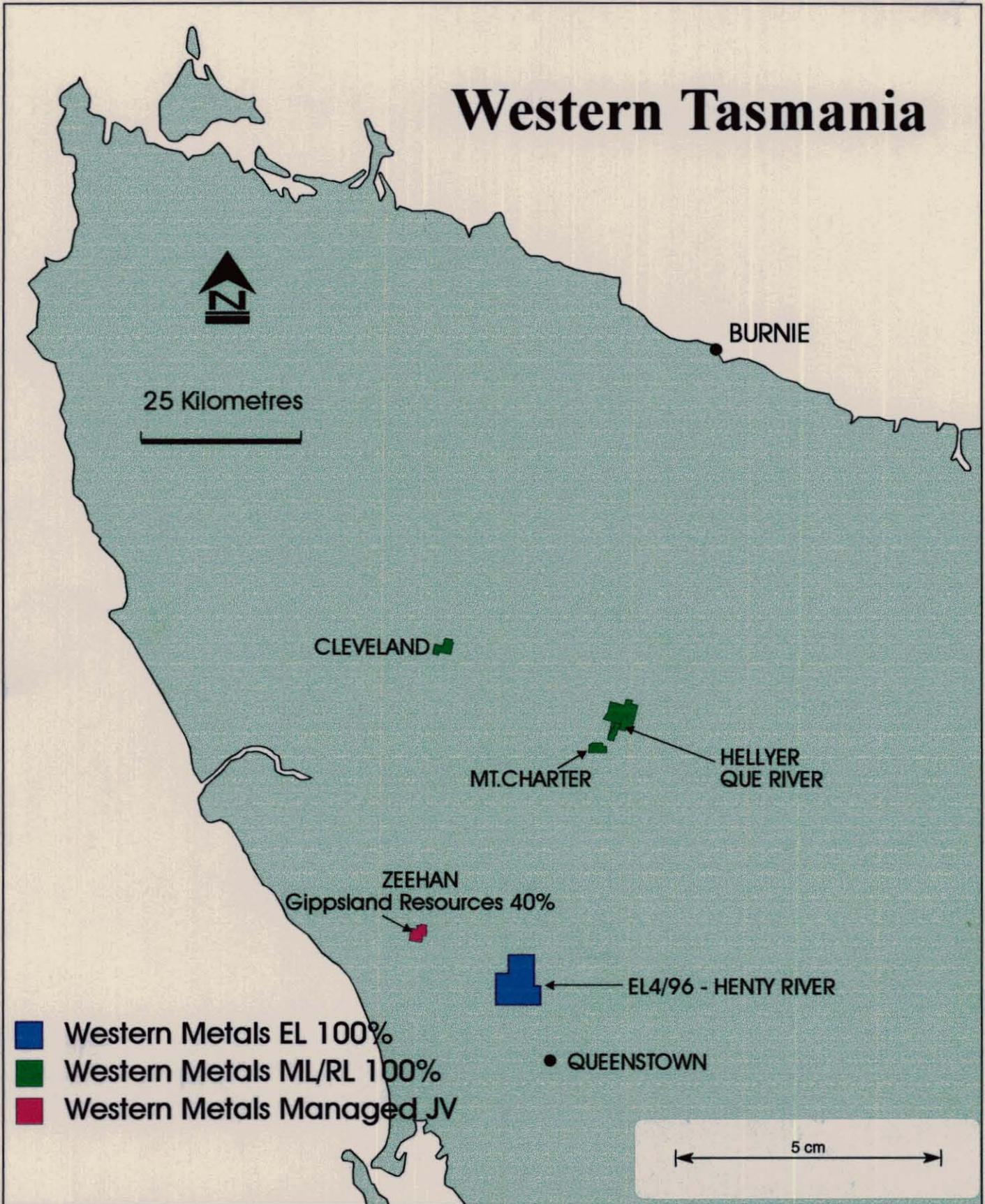
Stratigraphic nomenclature used in this report is that of Poltock (1992); see Figure 3. He divided Tyndall Group correlatives within the Henty Fault wedge, east of the ophiolite complex, into two sequences. The basal sequence, known as the Henty Adits sequence, comprises a lower andesitic siltstone 85m thick, which hosts base metal mineralisation at Henty adits. The upper unit of the sequence consists of basaltic andesite lava and volcanoclastics around 250m thick. Overlying the Henty Adits sequence is the Halls Rivulet Track sequence, up to 1000m thick. The sequence comprises volcanogenic sandstone and siltstone hosting basaltic andesite lava, overlain by a thick unit of volcanoclastic wacke and conglomerate.

3.0 PREVIOUS EXPLORATION

Previous exploration by other companies, largely targeting VHMS deposits, over the area of EL 4/96 is summarised in Hicks (1997).

Detailed work by previous explorers has focussed on the Henty River Adits prospect where galena-sphalerite disseminations and veins are hosted by andesitic volcanoclastics. In the early 1980's Mt. Lyell interpreted a resource of 1.5m.t. @ 6% Pb + Zn, from surface sampling and 5 diamond drill holes. Although re-mobilised by the South Henty Fault, mineralisation is interpreted as syngenetic (Meares, 1980). The immediate vicinity of the Henty River Adits has been intensively explored by drilling, IP, EM, mapping and rock chip sampling.

Western Tasmania



Western Metals Copper Limited



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Western Tasmania EL4/96 HENTY RIVER LOCATION PLAN

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| FIGURE 1 |
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1M Map series - Hobart SK55, 100K Map series 7914, 8014

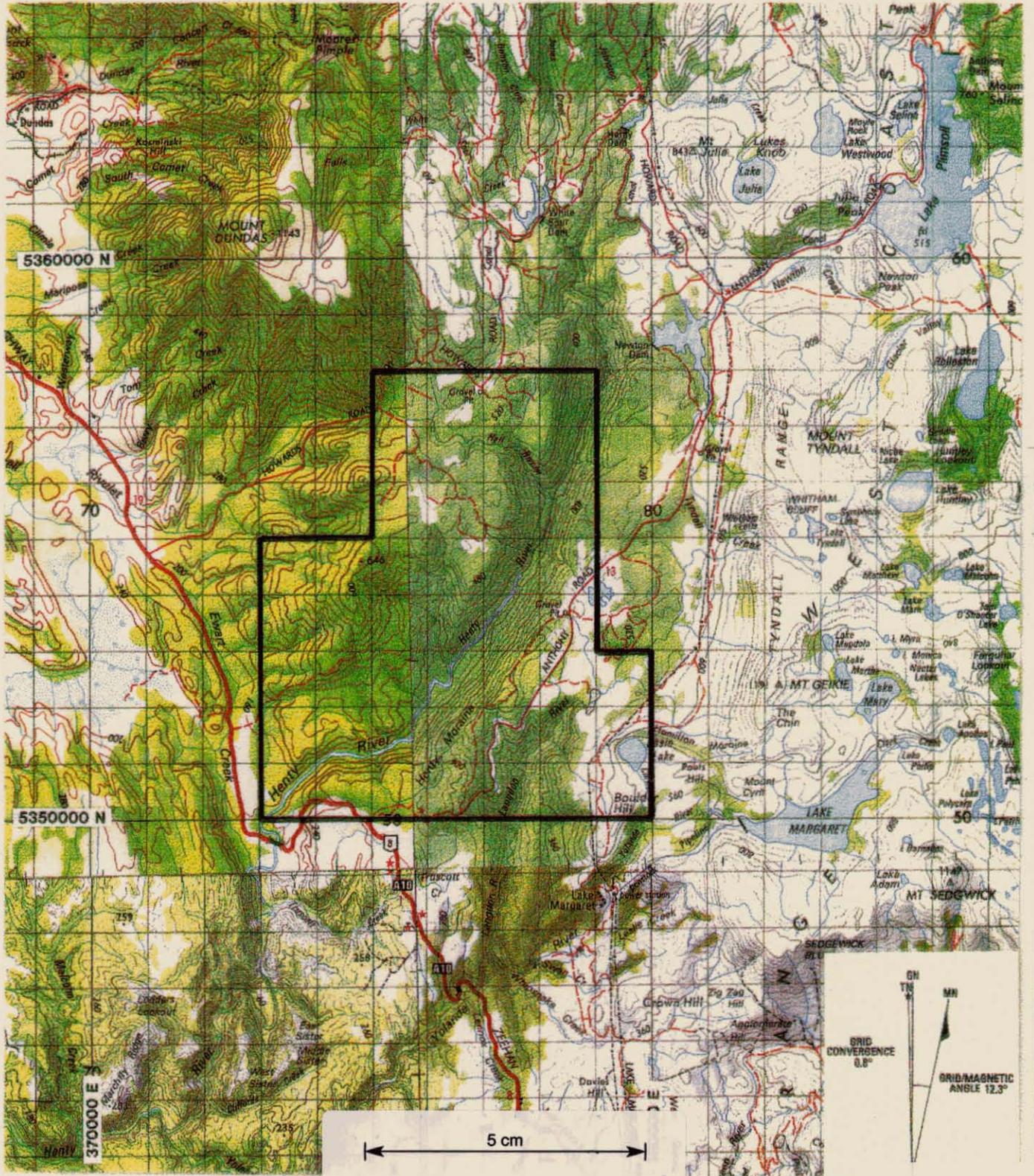


Figure 2

Aberfoyle Resources Limited
EXPLORATION DIVISION

WESTERN TASMANIA
E.L.4/96 HENTY RIVER
LOCALITY PLAN

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Plate No. : HNT1

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Date : JUNE 1996

The Henty Adits mineralisation has a similar setting to the Henty gold mine:

- both are hosted in Tyndall Group correlatives and are adjacent to the Henty Fault.
- Both deposits have Pb isotope signatures which relate primary mineralisation to a Cambrian hydrothermal event.
- Deformation and remobilisation of sulphides related to the Henty Fault is described from Henty Adits (Meares 1980) and the Henty Mine where it has affected gold grades.

Meares (1980) provides the most recent work on the Henty Adits mineralisation but this was completed well before the high Au values at Henty were discovered in 1984 (Callaghan et al 1998). Meares completed some sampling for Au and reports average grades of less than 0.1 ppm Au from 33 rock chip samples of the various Pb/Zn/Ag "lenses".

The readily identifiable indicators of gold mineralisation at Henty - massive silicification and jasperoidal cherts, pyrite/carbonate bands - are not described by Meares, although carbonate alteration is widespread.

4.0 WORK COMPLETED

Work carried out during the term of EL 4/96 consisted of a review of previous work, Pb isotope determination on three samples from the Henty Adits Prospect (Hicks, 1997), and soil sampling (315 samples) employing both partial leach and total digest analytical techniques (Richardson, 1998). A stream sediment sampling program was initiated in 1996, but was terminated because of problems caused by poor drainage development, lack of a suitable size fraction and access (Richardson, 1998). Henty -style gold prospectivity was reviewed in 1999 (Hespe, 1999).

Three samples from Mt Lyell's drillhole HR-2 were submitted to the CSIRO Division of Exploration and Mining, Sydney in late 1996 for Pb isotope analysis. The aim of the analysis was to differentiate between Cambrian VHMS or Devonian vein-style origin for the Henty Adits mineralisation. Results showed the three samples to lie on a relatively short fractionation trend which passes through the Rosebery ellipse (Hicks, 1997). The samples have a Cambrian Pb isotope signature typical of the Mt Read Volcanics, and are not products of a Devonian hydrothermal vein system.

A soil sampling program (315 samples) was carried out over the previously poorly explored 2 km strike extension of the Henty Adits sequence (Figure 3). Partial digest analysis techniques were employed to detect loosely bound or 'transported mobile metal' ions (TMI) interpreted to represent buried mineralisation. Total digests were also run to test for conventional soil anomalies and as control for TMI interpretation. The program did not produce significant anomalies outside of the known Henty Adits Prospect. All details are contained within the 1998 annual report (Richardson, 1998).

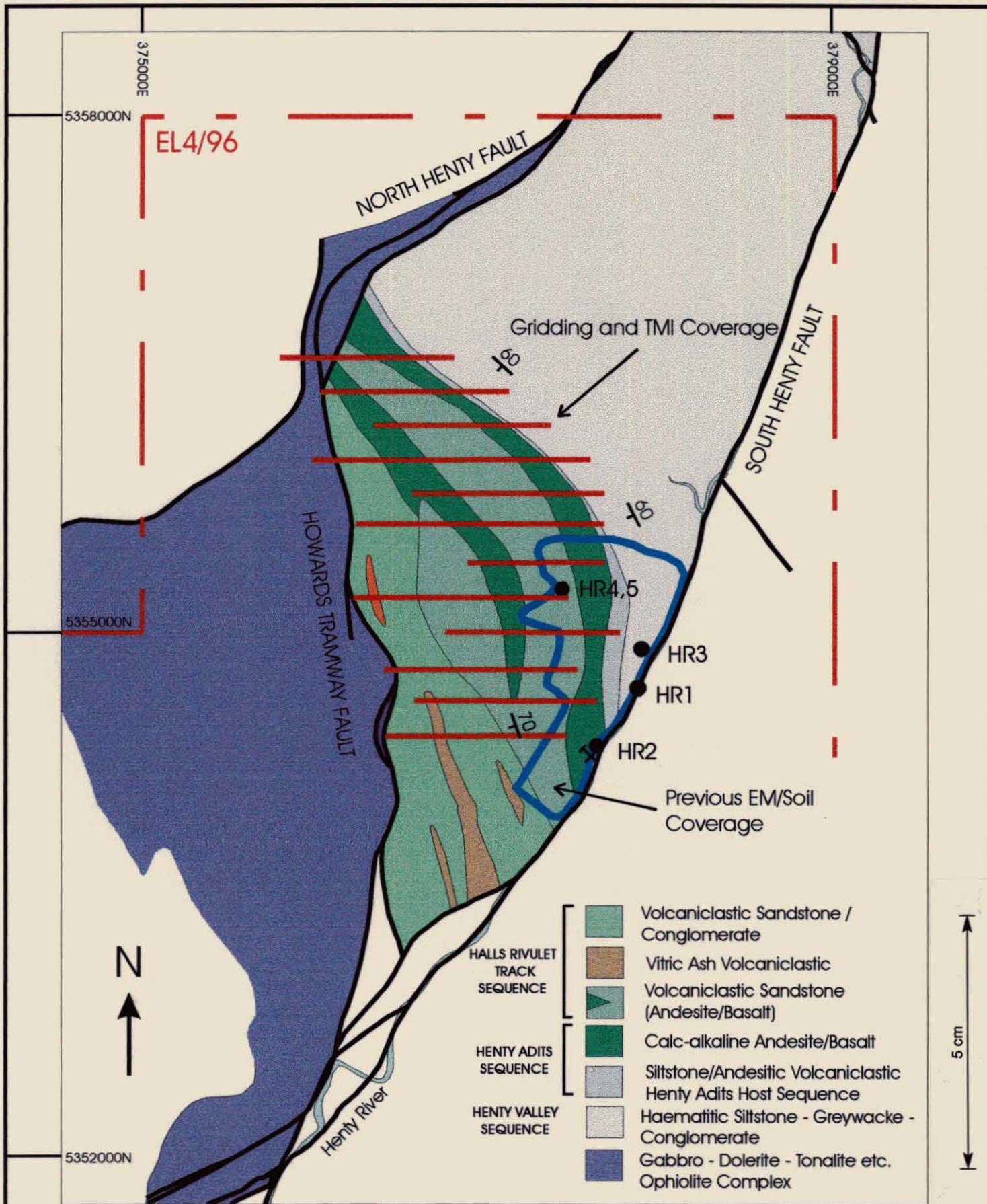


Figure 3

Western Metals Copper Limited



Scale
1 Km

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Western Tasmania
EL4/96 HENTY RIVER
Henty Adits Prospect
Gridding and TMI Soil Sampling

Location Code :

Scale : As Shown

Date : April 1998

Compiled : AMcN/SR

Drawn : RdeB

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File Name : C_HNT2.cdr

Plate No. : C_HNT002

5.0 CONCLUSIONS

The Cambrian Pb isotope signature of the Henty Adits mineralisation confirmed the VMS prospectivity of the Tyndall Group correlatives within the Henty Fault wedge. Soil sampling over these units, employing partial digest analysis techniques to detect loosely bound or 'transported mobile metal' ions (TMI) interpreted to represent buried mineralisation, did not produce significant anomalies outside of the known Henty Adits Prospect. Ground EM surveys were recommended because of uncertainty of the effectiveness of the newly developed TMI technique but were not carried out. The tenement was surrendered in June 2000.

6.0 REHABILITATION

All work was carried out in agreement with the Mineral Exploration Code of Practice. Disturbance on EL 4/96 was limited to line cutting for gridding to control soil sampling. All materials used were biodegradable. Lines have been left to regrow naturally.

7.0 EXPENDITURE

Expenditure on EL4/96 for the 12 month period 1/4/99 to 31/3/00 is shown in the table below. Expenditure on EL4/96 for the period 1/4/00 to 30/6/00 was \$417.00 only relating to reporting and administration costs..

EL 4/96 HENTY RIVER

Expenditure 1/4/99 to 31/3/00

| | |
|------------------|----------------|
| | |
| Geology Salaries | 4413.00 |
| | |
| Administration | 211.00 |
| | |
| TOTAL | 4624.00 |

8.0 REFERENCES

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