PACIFIC-NEVADA LIMITED PARTNERSHIP

EL 4/1998 - BALFOUR AREA

RELINQUISHMENT REPORT

June 2001

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MAP:

1. EXPLORATION BACKGROUND and PHILOSOPHY

In 1997 research investigations by Pacific-Nevada Mining Pty Limited identified the Proterozoic in western Tasmania as being both highly prospective for gold and copper deposits, and largely underexplored.

Pacific-Nevada undertook a major re-assessment of available State geological, magnetic and gravity data sets. This project led to the identification of major deformational and structural events which affected the Proterozoic. Tenement acquisition strategies focused on regions where these trends were interpreted as intersecting.

Pacific-Nevada identified five north-west trending crustal features which were termed "focal structures" (FS), and assigned the names (south to north) Macquarie Harbour FS, Savage River FS, King Island FS, Devonport FS, and Launceston FS.

EL 4/1998, acquired because it lay on the interpreted Savage River focal structure, and is underlain by Precambrian sedimentary formations which have been weakly metamorphosed and structurally deformed.

The area is influenced by a number of major faults and accompanying shear zones. Regional geophysical data suggests the area has also been affected by the intrusion at depth of a Devonian granite.

Copper mineralisation is developed along 30 km of the north-west trending Balfour Shear/Fault, either side of its intersection with the north-east trending Roger River Fault.

Principal target styles for Pacific-Nevada were:

- Proterozoic iron formation hosted gold (Homestake)
- Proterozoic iron formation hosted Au-Cu pipes (Selwyn)
- Proterozoic Cu-Au shoots or pipes (Tennant Creek)
- Proterozoic stratiform Cu (Michigan)

2. WORK COMPLETED

Pacific-Nevada explored EL 4/1998 in conjunction with several contiguous licences covering much of the Proterozoic of north-west Tasmania.

Work on this group of tenements was concentrated along the Roger River Fault, and only minimal work was completed on EL 4/1998.

In late 2000 Pacific-Nevada relinquished part of the licence and no field work was undertaken after that date on the remaining licence.

3. REFERENCES:

(a) *"EL 4/98 Report on Exploration Activity 10-7-98 to 10-7-99"*, by Sean Westbrook for Pacific-Nevada Mining Pty Limited

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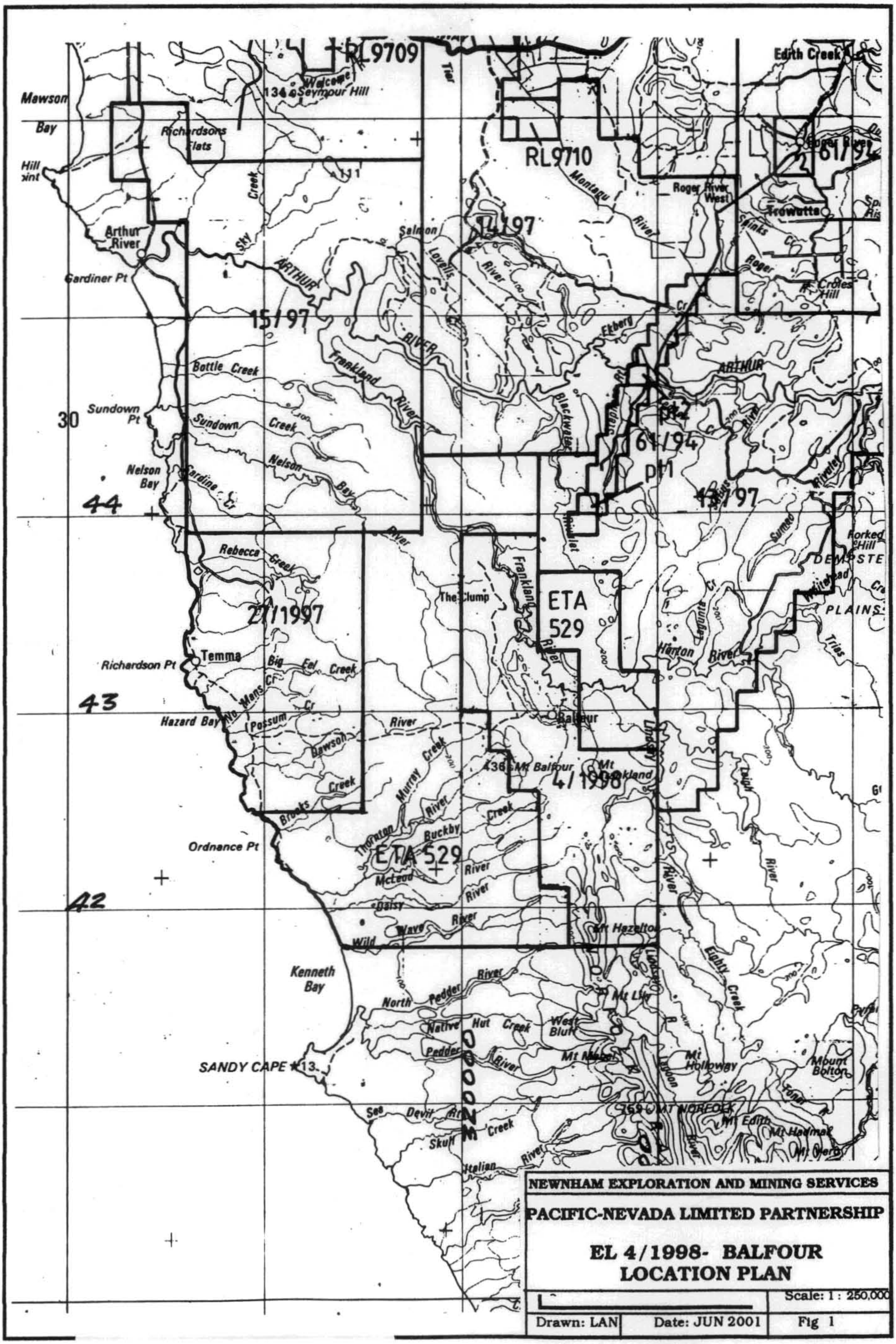
RL9709
RL9710
61/94
14/97
15/97
61/94 pt1
43/97
27/1997
ETA 529
4/1998
Mawson Bay
Richardsons Flats
Welcome
1344 Seymour Hill
Arthur River
Gardiner Pt
ARTHUR
RIVER
Sky Creek
Salmon
Lovells
Montagu River
Roger River West
Roger River
Trowutta
Croles Hill
Edith Creek
Bottle Creek
Frankland River
Sundown Pt
Sundown Creek
Nelson Bay
Nelson Bay River
Gardiner Cr
Blackwater
Ekberg
Rebecca Creek
The Clump
Frankland River
Horton River
Forked Hill
DEMPSTER PLAINS
Whitehead
Trias
Temma
Richardson Pt
Big Eel Creek
No Mans Cr
Hazard Bay
Possum Cr
Dawson
Brooks Creek
River
Murray Creek
Balfour
436 Mt Balfour
Mt Frankland
Lindsay
Leigh
Thornton River
Buckby Creek
Ordnance Pt
McLeod River
Daisy River
Wild Wave River
Mt Hazelton
Kenneth Bay
North Pedder River
Native Hut Creek
West Bluff
Mt Lily
Pedder River
Mt Mabel
Mt Holloway
Mount Bolton
SANDY CAPE 13
Sea Devil Rt
Skull Creek
Italian River
659 MT NORFOLK
Mt Edith
Mt Hadmar
Eighty Creek
Tonah
30
44
43
42
NEWNHAM EXPLORATION AND MINING SERVICES
PACIFIC-NEVADA LIMITED PARTNERSHIP
EL 4/1998- BALFOUR
LOCATION PLAN
Scale: 1 : 250,000
Drawn: LAN
Date: JUN 2001
Fig 1

5 cm