

1.0 INTRODUCTION

This report provides details of work completed for the relinquished portion of EL 8/1996 "South Henty".

1.1 Tenure

EL 8/1996 was granted to Resolute Ltd on the 14th of June 1996. Resolute was granted the licence as the result of a tendering process in which Resolute committed to spending \$1.4M in two years. After 18 months of exploration and an expenditure of \$1.0M, Resolute negotiated a joint venture with Goldfields Exploration to complete expenditure commitments and continue exploration.

By letter agreement dated 21 July 2000 Resolute elected to withdraw from the JV retaining no further interest in the joint venture. Under the terms and conditions of the JV Resolute was required to transfer all of its interest, free of encumbrances, to Goldfields. A transfer of Resolute's 100% interest in Exploration Licence 8/96 to Goldfields is being registered with Mineral Resources Tasmania.

Goldfields are required to relinquish the southern portion of the EL after being granted an extension of Term for the north of the EL in May, 2001.

The license area consists of crown land and land vested in the HEC, both land uses coming under the mines act. The western part of the tenement is part of the Mt Read Recommended Area for Protection (RAP) but doesn't preclude exploration. Any disturbances in this area require notification and approval from MRT and the Department of Primary Industry, Water and the Environment (DPIWE). The conditions of Exploration are outlined in the Exploration Code of Practice.

The land vested in the HEC includes Lake Newton and associated pump station and access roads, the Henty Canal and service track, and the high-tension power lines and their services tracks.

1.2 Location and Access

The relinquished portion of South Henty EL 8/96 lies midway between Queenstown and Tullah on Tasmania's west coast (Figure 1).