

**PACIFIC-NEVADA  
LIMITED PARTNERSHIP**

**EL 29/97 - CYGNET AREA**

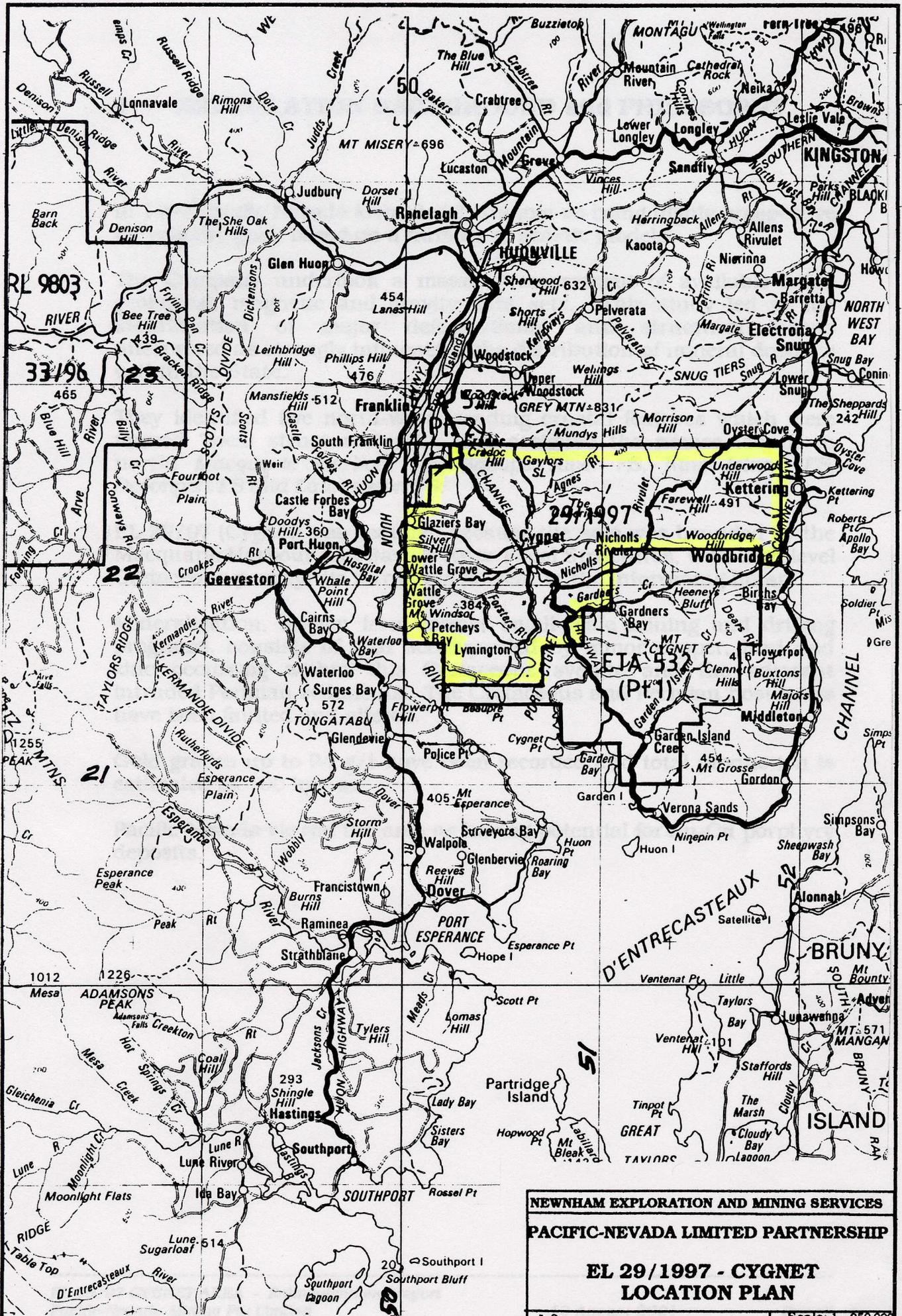
**RELINQUISHMENT REPORT**

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NEWNHAM EXPLORATION AND MINING SERVICES

PACIFIC-NEVADA LIMITED PARTNERSHIP

**EL 29/1997 - CYGNET  
LOCATION PLAN**

Scale: 1: 250,000

Drawn: LAN Date: JUN 2001 Fig 1

## **1. EXPLORATION BACKGROUND and PHILOSOPHY**

In 1997 Pacific-Nevada identified Tasmania as being highly prospective for primary gold, based on a number of genetic models.

The Company undertook a major reassessment of available State geological, magnetic and gravity data sets. This study led to the identification of major deformational and structural events interpreted as strongly influencing the distribution of mineral deposits within the State.

They 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 29/97 (Cygnet) was acquired because the area was bounded by the Macquarie Harbour and Savage River Focal Structures, with high level Cretaceous porphyritic intrusives present in the intervening horst.

Mineralisation, known from former small-scale mining and drilling programs, consists of gold accompanied by minor copper, lead and zinc occurring within this Cretaceous syenite and the adjacent intruded Permian sediments. The Cretaceous and Permian host rocks have been faulted and altered.

Gold grades up to 24 g/t have been recorded and total production is estimated as 100 kg Au.

Pacific-Nevada viewed the area as having potential for Au-Cu porphyry deposits.

## **2. WORK COMPLETED**

In 1997, Pacific-Nevada completed a 2,400 line kilometre high resolution aeromagnetic survey over EL 29/97. Interpretation of this data suggested there was reasonable correlation between known Au mineralisation and structural features.

Minor rock chip and stream sediment geochemical surveys were undertaken in selected areas.

Results of drilling programs completed by previous explorers were reassessed in detail, and core was relogged and re-assayed where appropriate.

In 1999-2000, Pacific- Nevada completed three cored drill holes totaling 1271 metres at the Mount Mary gold mine. These holes, CM 1, CM 2 and CM 3, were designed to test for extensions of mineralised structures located with drilling by previous explorers.

The holes intersected Permo-Carboniferous sediments intruded by Jurassic dolerite and Cretaceous intermediate porphyries. Gold mineralisation was sparse, the best intersection being 230 mm 11 g/t Au in CM 1.

### **3. REFERENCES**

- (a) *“EL 29/97. Report on Exploration Activity 30-1-97 to 30-1-98”* by Robert Reid for Pacific- Nevada Pty Limited, November 1998
- (b) *“EL 29/97 - Cygnet: Annual Report for Exploration to 30th January 1999”*, for Pacific-Nevada Mining Pty Limited
- (c) *“EL 29/97 - Cygnet, Tasmania. Geophysical Interpretation”*, by N Hungerford, Flagstaff GeoConsultants, August 99
- (d) *“EL 29/97 - Cygnet: Annual Report to 30 December ‘99”*, by N J Turner for Pacific-Nevada Mining Pty Limited, 14 December 1999
- (e) *“EL 29/97 - Cygnet Interim Report to 31 March 2000”*, by NJ Turner for Pacific-Nevada Pty Limited, 05 April 2000.