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**ANNUAL REPORT TO 3 APRIL 2002  
ON  
DOLCOATH EL 37/97  
TASMANIA  
FOR  
JERVOIS MINING N.L.**

**February 2002**

## **SUMMARY**

The helicopter-borne electromagnetic survey over the central portion of Jervois Mining N.L.'s exploration licences at Dolcoath and Stormont (Moina area), which had been planned for March 2001, was flown in November 2001.

Interpretation of the data has shown that the survey was conducted over an area 1.2 kilometres north of that requested. It has failed to cover the main areas of interest.

Discussions are being held to have the survey re-flown.

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CD - Processed Located Data, ERM Grids

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## INTRODUCTION

Dolcoath EL 37/97 (12.5 sq. km) is situated near the old township of Moina, 40 km south of Ulverstone in NW Tasmania. The terrain is rugged and forested, but accessible via several unsealed roads and numerous all-weather 4WD tracks. The sealed Cradle Mountain Road traverses the area.

The licence covers strongly altered Ordovician sediments, principally the quartzose Moina Sandstone, adjacent to the Devonian Dolcoath Granite. There are numerous old mines and prospects on the tenement, mainly of tin-tungsten, gold, lead-zinc, bismuth and molybdenum. None were significant producers and total gold production is estimated at 1,000 oz (Jack, 1961).

EL 37/97 was taken up by Jervois Mining N.L. in April 1998 to test the gold and associated basemetal potential of part of the Dolcoath Granite aureole. Previous exploration and small-scale mining had delineated significant gold and lead-zinc mineralisation in the catchment of Narrawa Creek, centered on the old Higgs and Narrawa Reward goldmines.

Drilling by Jervois in late 1998 discovered a deposit of gold and basemetal mineralisation at Higgs. This outcropping resource is estimated to contain 215,000t @ 3.5 g/t Au, 23 g/t Ag, 1.5% Pb & 1.3% Zn (Purvis, 1999).

EL 37/97 lies less than 1km east of Australia's largest undeveloped fluorite resource, the skarn-hosted Moina deposit of 26 mmt @ 18% CaF<sub>2</sub> (Askins, 1979). The deposit contains patchy gold values in the 0.2-0.4 g/t Au range. Higher grade gold mineralisation is hosted by peripheral pyrrhotite and sphalerite-rich parts of the

skarn, with the Hugo Deposit (300m west of the EL 37/97 boundary) estimated to contain 250,000t @ 5-6% Zn, 1 g/t Au and 0.1% Bi (Newnham, 1997).

## **TENEMENT**

The Dolcoath EL 37/97 covers 12.5 sq. km and was granted to Jervois Mining N.L. on 3<sup>rd</sup> April 1998. The licence will expire on 3<sup>rd</sup> April 2003.

The area was won by Jervois in competitive tender for ETA 457, which became available as a result of a statutory 50% reduction in the adjacent EL 20/92 then held by the Goldstream Mining - Titan Resources JV. EL 20/92 is now held by Jervois under a royalty arrangement with Goldstream-Titan.

EL 37/97 is predominantly Crown Land. It includes State Forest (Multiple Use Forest Land), RFA – Informal Reserves, Land Vested in the HEC and a small amount of Private Property. A 10ha Mining Lease (part of a 16ha Gravel Lease beside the Cradle Mountain Road) is excluded from the licence.

EL 37/97 abuts the eastern and northern boundaries of Retention Licence 8810, held by Anglogold and Rio Tinto over the Moina fluorite deposit.

## **GEOPHYSICAL**

The Commonwealth and Tasmanian Governments have provided funds for airborne geophysical surveys over parts of Western Tasmania. In the Moina region lines will be flown 200 metres apart and electromagnetic and magnetic data will be collected.

Subsequently Jervis has contracted with the geophysical contractor, GeolInstruments Pty. Ltd., for the interspersed 100 metre lines to be flown as well.

Jervis were informed in February 2001 that the survey would be delayed because GeolInstruments had lost the "bird" in an accident on another survey.

The survey programme was ultimately undertaken on 14 November 2001. The Operations and Processing Report (see Appendix) and CD of Processed Located Data were received on 10 December 2001.

The data were passed on to the company's consultant geophysicist, Hugh Rutter, for interpretation.

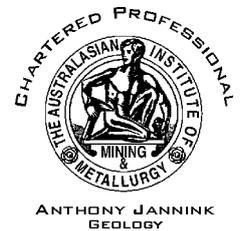
On inspection, Hugh Rutter observed that the area surveyed was 1.2 kilometres north of the requested area. The survey covered only the northern fraction of the target area (see GeolInstruments Appendix 1 - the Flight Path Map does not fit the corner co-ordinates).

## **DISCUSSION**

The interpretation of the Helicopter Electromagnetic Survey has been abandoned for the time being. It is understood that the 200 metre spaced lines flown for Mineral

Resources Tasmania will not be available until August 2002 and thus cannot be interpreted yet.

In the meantime discussions are being held with GeoInstruments P.L. to re-fly the correct area. Apparently, they are operating in Tasmania at present.



Douglas McKenna & Partners Pty. Ltd.

19 February, 2002

# PROSPECT LOCATION

