

Low Impact Diamond Drilling Specialists Pty Ltd
ACN 079 634 692

EL 7/98 DORSET

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RELINQUISHMENT

REPORT

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Copies to:

- LIDDS
- Minerals Resources Tasmania

ABSTRACT:

Exploration Licence EL 7/98 comprising 4 square kilometres was granted to Low Impact Diamond Drilling Specialists (LIDDS) on the 18th June 1998.

The tenement was obtained to explore for the source of the alluvial gold in the Dorset River.

Only minor exploration has been completed on the tenement due to a focus on the adjoining tenement EL 23/92. It has been decided to relinquish the tenement.

1 Introduction:

Exploration Licence EL 7/98 comprises 4 square kilometres.

The exploration licence was obtained to explore for the source of the alluvial gold in the Dorset River and as an extension to EL 23/92 held in joint venture between LIDDS and Hercules Resources.

Only minor exploration has been completed on the tenement due to a focus on the adjoining tenement EL 23/92.

Two field visits have been made to the site of alluvial gold workings in the Dorset River. It was planned to drill some holes to try and locate the source of the alluvial gold but this never eventuated.

Due to the lack of work completed to date and the higher potential of LIDDS work on the adjoining exploration licence EL (23/92) it has been decided to relinquish the tenement.

2 Exploration Philosophy and Objectives:

The philosophy and objectives of the exploration undertaken by LIDDS is directed to the definition of a substantial hard rock gold resource that would be amenable to narrow vein, underground mining.

3 Tenement, location and Access.

Exploration Licence EL 7/98 is located on the outskirts of the rural township of Ringarooma in the northeastern region of Tasmania.

Exploration licence EL 7/98 was granted on the 18th June 1998. The licence covers an area of 4 km² and is described as commencing at the southwest corner at grid coordinates 566 000 metres E, 5 428 000 metres N thence west to 565 500 metres E then grid north to 5 429 000 metres N, then grid west to 565 000 metres E, then North to 5 430 000 metres N then grid west to 564 500 metres E then grid North to 5 432 000 metres N, then grid east to 566 000 metres E then grid south to the point of commencement (See Figure 1. EL 7/98 Location Plan).

The licence is situated within both rural and State Forest areas and is serviced by an excellent network of sealed and all weather graded roads and fire trails.

The tenement follows the Dorset River and for the most part is flat river flats covered in grass.

4 Regional Geology:

The regional geology of EL 23/92 has been previously described by MRT geologists and summarised on the 1:50,000 Alberton geological map. Recent publications specific to the economic geology of the area are provided by Taheri (1992 and 1993) and Keele et.al (1994) as part of the Netgold project. The following is gleaned from this work.

The exploration Licence is located within the 70 kilometres long, 2 kilometre wide northwesterly trending Mangana to Lyndhurst gold lineament. The Silurian to Devonian Mathinna Beds hosts gold mineralisation contained within the lineament. The Mathinna Beds comprise an alternating sequence of bedded quartzites, sandstones, siltstones and slates. The quartzites have a lithic component and display graded structures locally. The Mathinna Beds are unconformably overlain by probable Carboniferous and Permian-Triassic sedimentary sequences of the Parmeener Supergroup.

Granites and granodiorite of Devonian age have intruded the Mathinna Beds. Sporadic tin and tungsten mineralisation is associated with granitic intrusion.

Regionally the Mathinna Beds are folded about northwest trending axes to form small scale and kilometre scale wavelength tight to moderate folds. Axial plane cleavage development takes the form of a slaty cleavage in the pelitic units. A subsequent deformation has produced regional mega kinking about steep, northeast trending kink planes, and numerous steep, northeast trending kink planes, and numerous steep dipping bands with both sinistral and dextral geometry.

The age of the gold mineralisation is uncertain, however it is probable that gold mineralisation was concurrent with folding and cleavage development prior to emplacement of the Devonian granites.

5 Work Completed:

Only minor exploration has been completed on the tenement due to a focus on the adjoining tenement EL 23/92.

Two field visits have been made to the site of alluvial gold workings in the Dorset River. It is uncertain how much gold was won from these alluvial workings although the amount of disturbance is extensive.

The site visits were made to attempt to understand the source of the alluvial gold in the river. Minor gold panning was completed with some very fine gold detected. It was planned to drill some shallow holes just upstream from these alluvial workings but this has not eventuated.

6 References:

Keele, R.A., Taheri, J., and Bottrill, R.R., 1994. Structural and veining in the Devonian aged Mathinna-Alberton Gold Lineament, northeastern Tasmania. *Report 1994/06, Mineral Resources Tasmania.*

Taheri, J., 1992. Northeast Goldfields: A summary of the Tower Hill, Mathinna and Dans Rivulet Goldfields. *Report 1992/10, Mineral Resources Tasmania.*

Taheri, J., 1993. Northeast Goldfields: A summary of the Alberton Goldfield. *Report 1993/34, Mineral Resources Tasmania.*