



APPENDIX 2

Work Programme for SMRV for 2004

**SMRV PROJECT
EL 21/1999 - Wanderer River
South West Tasmania.**

**COMBINED ANNUAL REPORT
YEAR ENDING 27 January 2004**

SUMMARY

- The primary targets are high-grade gold (such as Henty) and high-grade polymetallic volcanic hosted massive sulphide deposits (such as Rosebery).
- The year one exploration program consists predominantly of drilling. A total of 19 holes are proposed in 6 target zones for 3795m.
- Most drill sites are close to existing tracks (<200m) and can easily be accommodated by the onsite conditions with minimal disturbance. Hole collars will be modified as much as possible to utilise site conditions.
- The program will be carried out by a small team of eight people. All personnel will be accommodated at the existing Wart Hill camp.
- It is anticipated that mobilisation will commence in December with drilling scheduled to start in January.
- Camp and drilling equipment will be ferried to Birch Inlet and then flown to the Wart Hill Camp by helicopter.
- The attached table details potential locations and orientations of the proposed drill holes. The program will be subject to continuous review and evaluation which may result in on site adjustment to the program. MRT will be notified of any major changes to the program that may impact the environment.
- Most rig moves will be accomplished by 4WD Bike and manpower.

BHID	East_AMG	North_AMG	Dip	Azm	Depth	Priority	Comments
V24/5	378450	5247640	-60	270	120	High	Test V24/3 high grade intersection for structural info.
V24/6	378490	5247650	-60	270	180	High	40m down dip test of V24/3 high grade intersection.
V24/7	378450	5247580	-60	270	120	High	50m along strike extension of high grade intersection.
V24/8	378180	5247370	-60	270	150	High	Soil Au anomaly, structural E-W Fault.
V24/9	378470	5248020	-60	270	160	High	Soil Au geochem, IP Resistivity anomaly.
V24/10	379000	5248260	-60	270	160	High	Soil Au geochem, IP Chargeability and Resistivity anomaly.
V24 6 holes for 890m.							
V30/1	378325	5246360	-60	270	250	High	Pb-Zn soil, weak Au soil anomaly. IP chargeability and Resistivity Anomaly.
V30/2	378715	5246125	-60	270	250	High	Strong linear Au, weak Pb-Zn soil anomaly. VLFEM conductor.
V30/3	378720	5246370	-60	270	250	High	Strong linear Au, weak Pb-Zn soil anomaly. VLFEM conductor.
V30 3 holes for 750m.							
V33/3	378901	5252626	-50	60	250	Mod	Pb-Zn anomaly, favourable geology.
V33/4	379111	5252700	-50	60	250	High	V19 host horizon, Magnetic high.
V33 2 holes for 500m							
V34/1	381210	5252370	-60	90	250	High	Strong linear Pb-Zn anomaly, IP chargeability anomaly.
V34/2	381180	5252170	-60	90	250	Mod	Strong linear Pb-Zn anomaly, IP chargeability anomaly.
V34/3	381230	5252770	-60	90	250	Mod	Strong linear Pb-Zn anomaly, IP chargeability anomaly.
V34 3 holes for 750m							
V29/1	379892	5248453	-60	90	200	Low	Pb-Zn mineralisation in altered shale.
V29/2	378783	5249768	-60	90	300	Mod	Strong IP chargeability Anomaly below silica-py alt volcanoclastic.
V29 2 holes for 500m							
WH13	379450	5251420	-45	90	100	Low	Test updip of WH10
WH14	379449	5251418	-75	90	175	Low	Down dip test of WH10
WH15	379305	5250921	-50	90	130	Low	Moderate Pb-Zn, weak Turam anomaly.
V19 3 holes for 405m							
Total					3795		

Table 1. Proposed drill holes.

1 INTRODUCTION

This report details TasGold's summer work program on EL's 21/99 and EL20/96. The two tenements are located in SW Tasmania. A total of eight people are expected to be located in the district for the campaign, four drillers and four geologists/field crew. It is envisaged that limited mobilisation will occur during December involving establishment of the camp, pegging of drill sites, transportation of some field supplies and possibly a limited soil sampling survey. Full mobilisation of heavy equipment and personnel and initiation of the drilling program will occur in early January. The field season is expected to be completed in late March/early April.

TasGold plan to use a man portable RB37 drill rig supported by 4WD motorbikes. This rig will minimise environmental impact as well as reducing the cost of rig shifts. A limited soil sampling program is planned for the summer field season. The 4WD bikes will only be used on formed tracks and for access to specific drill sites to minimise the spread of *Phytophthora cinnamomi*. All other field access will be on foot.

2 MOBILISATION/DEMOBILISATION

Access to the area will involve both helicopter and sea support. The December reconnaissance trip will mobilise via Birch Inlet using ATV Bikes with trailers. The bikes and trailers will be taken to Birch Inlet by boat and driven to the Wart Hill Camp via the Low Rocky Point Track. The Bikes and Equipment will be left at the Wart Hill Camp for the duration of the summer season. Several loads of camp equipment and field supplies will be flown in while the crew are present. At the end of the December trip the crew will be flown out by Helicopter to Strahan.

The rig, rods, fuel and extra camp equipment will be ferried to Birch Inlet or to the Mainwaring River depending on weather conditions. The barge will be moored in Birch Inlet/Mainwaring River and the equipment flown directly to the V24 prospect or the Wart Hill Camp by helicopter.

Demobilisation will be a reverse of the first process, with heavy equipment and non-essential camp items flown to a barge in Birch Inlet. The bikes and remaining equipment will be driven to Birch Inlet and demobilised by fishing boat after clean up of the camp and work sites.

The Drill Rig and possibly some heavy equipment may be left in the SW for the following season if drilling results are favourable. This will minimise mobilisation/demobilisation costs for the following season. MRT will be notified if this is the desired course of action prior to demobilisation in late March.

3 ENVIRONMENTAL

- TasGold have purchased a man portable RB 37 diamond rig capable of drilling 300m NQ to remove the need for earth moving equipment in site preparation and rig shifts.
- The RB 37 Drill Rig will be mobilised between drill sites by hand and 4WD Bike utilising existing tracks as much as possible to minimise environmental impact. Long or remote moves will be achieved by helicopter.
- 4WD bikes will remain on formed tracks and use only one track to drill sites to minimise the spread of *Phytophthora cinnamomi*.
- All access to and from worksites will be on foot.
- The rig, bikes and boots will be washed down between different prospects with the high volume water pumps on site.
- A foot bath of ABF 42 or phytoclean will be provided at the camp to wash boots when working in areas removed from drilling (eg. soil surveys, mapping etc).
- All fuels will be kept in a bunded (plastic sheeting), cleared area removed from the campsite. Fuel for the rig will be kept in a similar (smaller) bunded area and transported by 200 litre drum as required.
- The camp will utilise a long drop sited at least 100m from watercourses to minimise/control effluent from the camp. The latrine will be over 100m from the camp for personnel hygiene.
- Cooking will be by gas stove only.

- A wood heater is the preferred method of heating for the camp (+hot water). The fire will only be used in a contained (44 gallon drum) open fireplace in the camp and will not be used on days of high fire danger.
- A gas heater will be used on the drill rig.
- Only dead and down wood will be used for the fire.
- Washing will be done in a sink with waste water filtered through a trap and button grass over 50m from the nearby watercourse. Biodegradable detergents will be used.
- Fire fighting equipment includes two high volume water pumps on the rig, a fire fighter pump and two water knapsacks. A water tank will be kept at the camp for fire fighting and water storage. The rig has a mud tank full of water. Two of our crew are experienced fire fighters. A serviceable fire extinguisher will be fitted to the camp and the drill rig.
- A helicopter will service the camp on a weekly basis providing fresh supplies and removing rubbish and core/samples on the back load.

4 CAMP

The field crew will utilise the Wart Hill Camp. Basic details of camp set up are listed in Table 1. Full lists of equipment are being compiled.

Utility	Item	Quantity
Cooking	Gas Stove	1
	Gas Bottles (Large)	2
Heating	Open Fire with hot water supply.	
Latrine	Long drop, bags of lime.	2
Power	Generator Diesel, Generator Petrol	2
Refrigeration	Deep Freeze	1
	Fish keep/Meat safe	2
Shower	Field Shower	1
Communications	Sat Phone	2
	UHF radio	4
Lighting	240v and 12v	
Fire Prevention	High volume water pump.	3
	Back Packs	2

5 OCCUPATIONAL HEALTH AND SAFETY

- All field work has an element of risk that can be minimised through the application of safe working procedures, risk analysis, training and personal protective equipment.
- All TasGold staff are accredited to work safely in their designated work place.
- All staff will have a minimum of a Work Place Level II First Aid Certificate.
- All staff have completed an induction to their work place.
- A safety meeting outlining the risks involved with remote area working, working with helicopters and communication procedures will be conducted prior to mobilisation.
- First Aid Kits will be visibly located in the camp, on the rig and carried with each field crew.
- Scheduled communications must be made between the field crew and a designated outside source at the start and end of each day.
- An emergency evacuation procedure will be posted on the rig, in the camp and with the outside source.

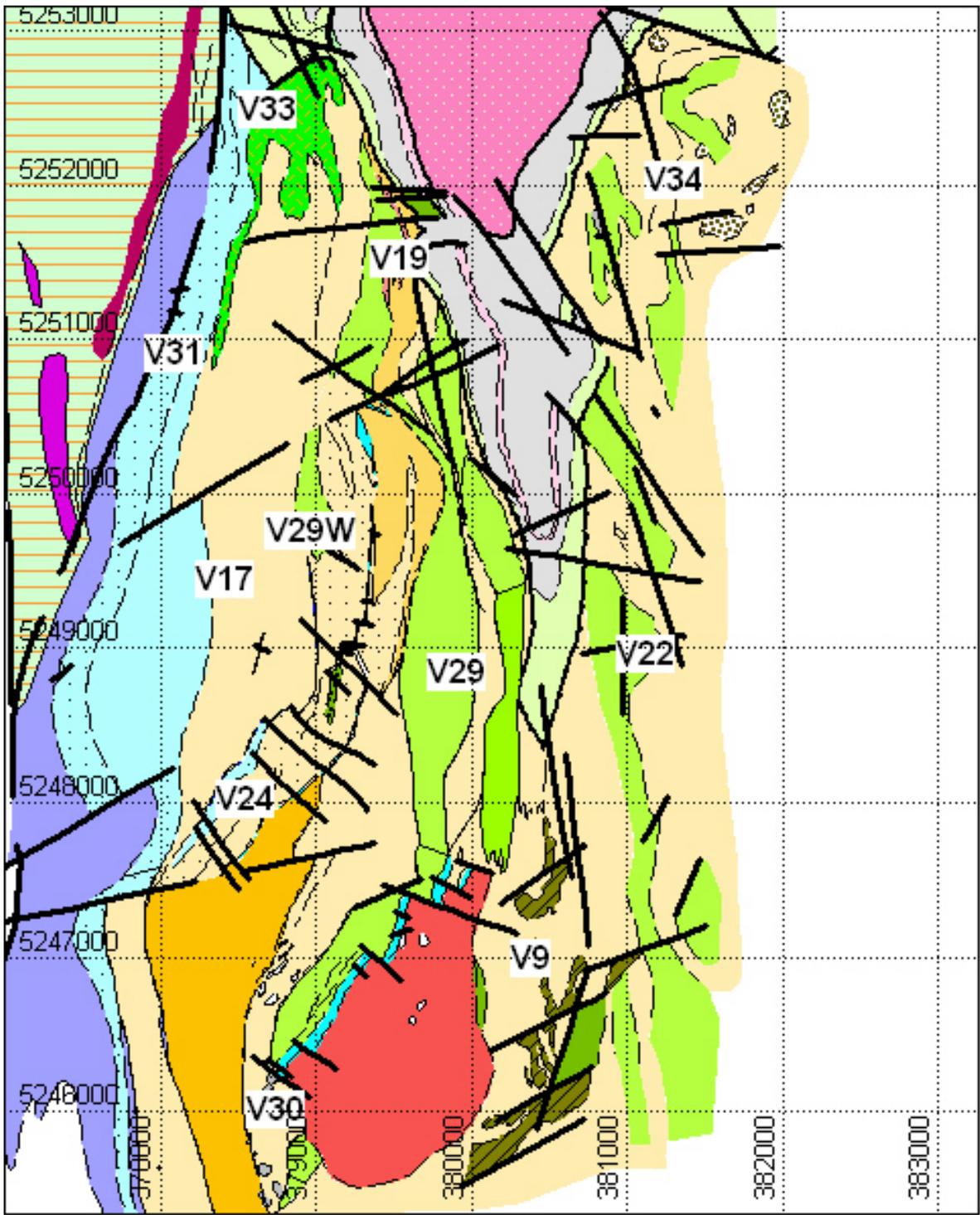


Figure 1. SMRV Prospect Locations and Geology.

Stratigraphy	
	Region
	Feldspar-pyroxene phyric andesite
	Feldspar-pyroxene crystal lithic volcanoclastic
	Sedimentary and volcanoclastics of felsic to inter
	Cambrian volcanoclastic/siliciclastic conglomerate
	Feldspar phyric dacite lava
	Cambrian, siliclastic, micaceous sandstone.
	Cambrian, rhyolitic pumice-qtz-crystal-lithic brecc
	Quartz-feldspar-(biotite) porphyritic lava
	Cambrian microgranite
	Intensely Chloritised volcanics
	Rhyolitic volcanoclastic-lithic breccia
	Quartz-feldspar-(biotite) porphyritic lava
	Cambrian rhyolitic lava breccia
	Volcanoclastic/siliclastic sandstone/siltstone. Mi
	Black, pyritic shale.
	Quartz crystal volcanoclastic sandstone, sericitic
	Rhyolitic volcanoclastic-lithic breccia
	Polymict volcanoclastic mass flow breccia. (V19 ho
	Black, pyritic shale.
	Denison Group, Ordovician Owen Conglomerate
	Ordovician black shalesand siltstones. (pyritic)
	Ordoviciansiliclastic sandstone. Denison group
	Cambro-Ordovician coarse, rhyolitic volcanoclastic
	Cambro-Ordovician rhyolitic volcanoclastic sandsto
	Tertiary Gravels

6 WORK PROGRAM

6.1 Sassy Creek Gold Zone

Pan concentrate geochemical sampling by Geopeko in the late 1970's and early 1980's has outlined a 6km by 1km zone of significantly anomalous Au with associated Sn and W. The zone appears to be spacially associated with the Stony Creek granitic porphyry in the south of E120/96 and extends north along the Wart Hill Volcanics. Several prospects in the area were selected for follow up work (V24, V30, V9) culminating in the drilling of the V9 and V24 prospects. Geopeko withdrew from the project in the late 1980's leaving many targets untested. No serious exploration has focussed on this zone since.

Voyager 24.

The Voyager 24 prospect was delineated by Geopeko after follow up of anomalous panned concentrate Au, Sn and W stream sediments. Subsequent gridding, B and C horizon soil sampling, pitting and rock chip sampling defined an elongate, stratabound zone of gold mineralisation hosted in sericite-silica-pyrite altered rhyolitic volcanoclastic breccias associated with minor stockworked basemetal-sulphide veining (Wilson *et al*, 1982, Herrmann, 1984). Subsequent drilling in 1982 and 1984 intersected extensive zones (>50m) of anomalous gold (>0.1 g/t) hosted in moderately altered volcanoclastics. Best intersections include:

V24/3	125.0m to 128.0m	3m @ 17.5 g/t Au
V24/2	202.0m to 203.0m	1m @ 2.7 g/t Au
V24/4	111.0m to 112.0m	1m @ 3.5 g/t Au

The mineralised zone appears to be essentially stratabound striking north-northeast dipping steeply east. Individual stringer veins had a low core angle intersection suggesting a steep easterly dip. The information available suggests the optimal drilling azimuth should be oriented west.

Gold grain geomorphology and geochemistry suggest the mineralisation is syngenetic and possibly of fumarolic origin (Herrmann, 1983). Lead isotopes suggest the mineralisation is contemporaneous with Cambrian volcanism (Herrmann, 1984). Massive quartz carbonate veining is common throughout the prospect. This veining appears to be most intense on the western margin of the mineralisation.

The mineralisation is hosted in a rhyolitic quartz crystal lithic volcanoclastic breccia overlain to the west by a laterally continuous volcanoclastic shale and mixed siliclastic/volcanoclastic sediments. The Stony Creek granitic porphyry is located in the west of the prospect. An east west striking dextral fault with an offset of 2-300m is located in the south of the prospect. A dacite lava has been mapped on the south side of the fault (Herrmann, 1984). Anomalous gold in soil geochemistry extends beyond the fault but does not extend south for any distance. The western offset of the host horizon has not had any previous geochemical or geophysical exploration. C-horizon soil geochemistry should be extended to cover this portion of the Wart Hill volcanoclastics (Table 2).

Gradient Array IP and dipole-dipole IP surveys completed by Geopeko identified a resistivity anomaly semi coincident and slightly west of the mineralisation. A weak dipole-dipole IP chargeability anomaly is coincident with the disseminated mineralisation intersected in drill holes V24/2, V24/3 and V24/1. Chargeability anomalies are predictably associated with black shale horizons to the east and west of the mineralised zone.

The work proposal for Voyager 24 consists of six diamond drill holes for a total of 960m. Drill hole locations are displayed in Figure 2 and are listed in Table 1.

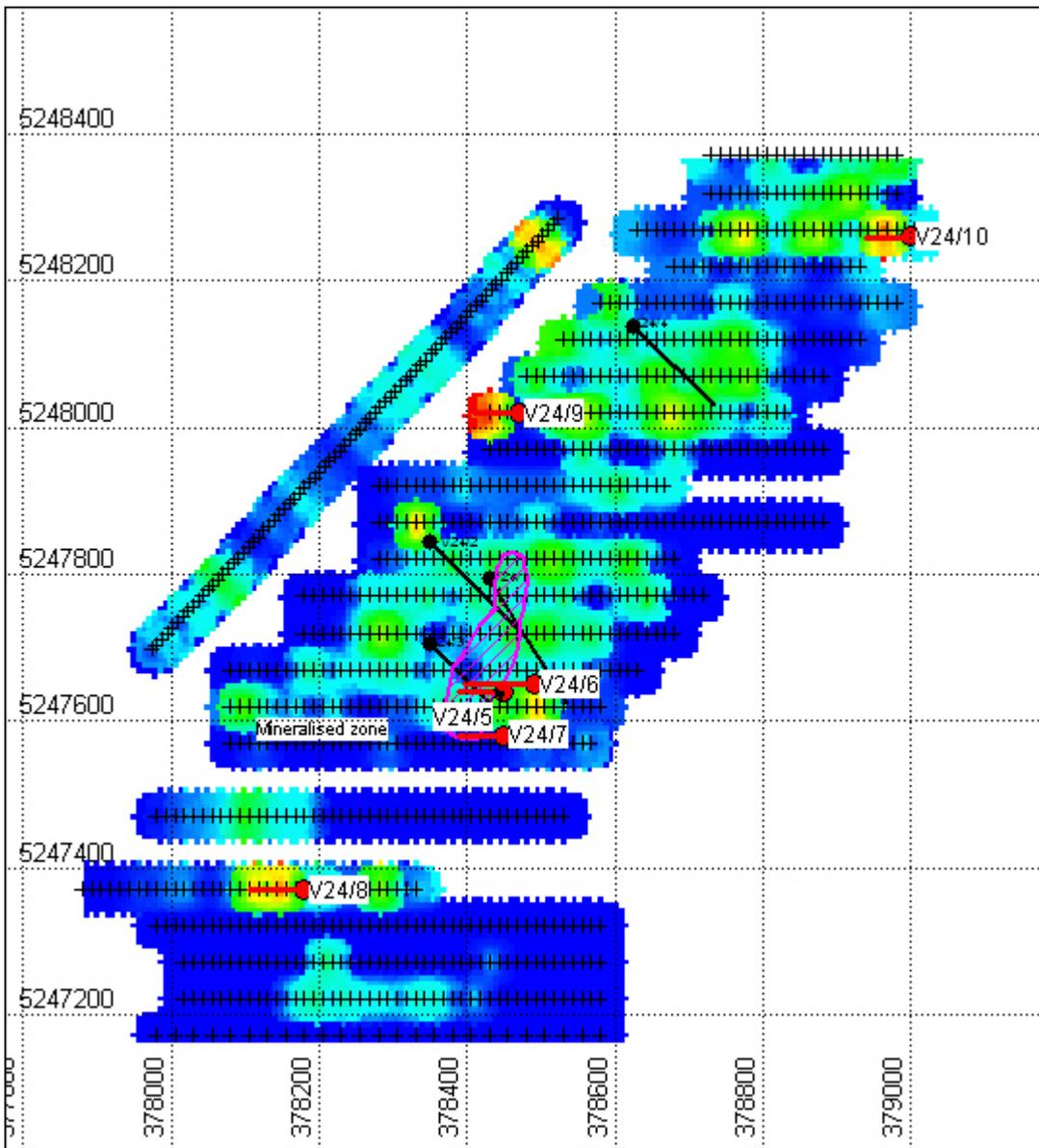


Figure 2. Drill hole locations and C-horizon Soil Au geochemistry and zone of Au>0.1ppm in drillholes.

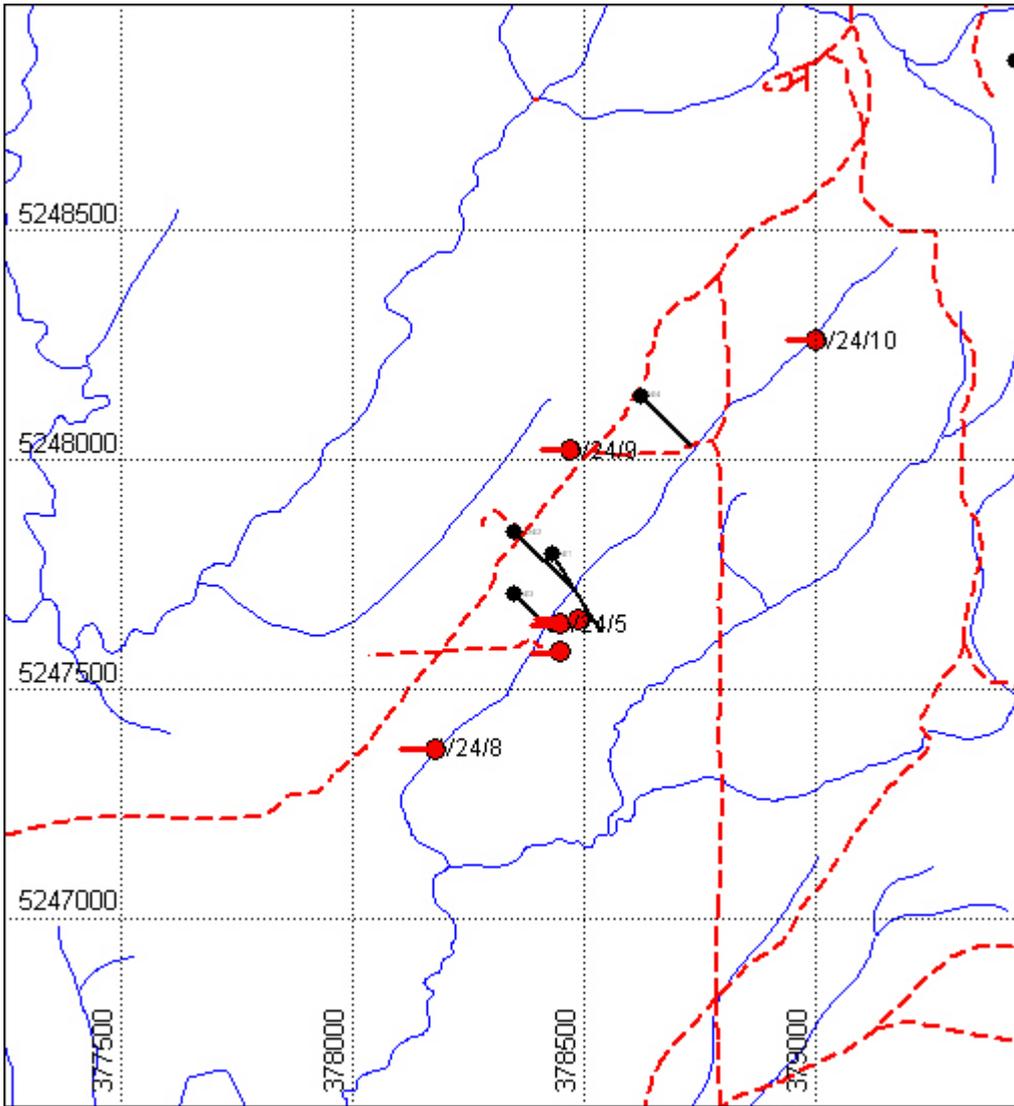


Figure 3. Voyager 24 drillhole location plan.

The first three drillholes V24/5, V24/6 and V24/7 are designed to test the high-grade mineralisation intersected in V24/3. The first hole (V24/5) is designed to test the mineralisation above and close to the V24/3 intersection to verify the orientation of the mineralisation. V24/6 is designed to test the stockwork mineralisation 40m down dip and V24/7 is designed to test the mineralisation approximately 60m south of the V24/3 intersection.

V24/8 is designed to test a strong gold soil anomaly adjacent to the major WSW-ENE striking fault. The geology interpretation indicates the anomaly is located in a dacite lava on the south side of the fault. A further hole may be warranted on the north side of the fault.

V24/9 is designed to test a strong gold soil anomaly and coincident resistivity anomaly. The hole will also intersect the black shale in Steele Creek which hosted an anomaly of 2.77 g/t Au. This result was not repeated in follow up costean sampling.

Drill hole V24/10 is designed to test a gold soil anomaly with coincident IP chargeability and resistivity anomalies.

All drill holes are located close to existing tracks and should have minimal environmental impact. Holes will not be collared in nearby watercourses.

Voyager 30

The Voyager 30 prospect was first identified by Geopeko in the 1980's after follow up of anomalous Pancon Au, Sn and W around the Stoney Creek granitic porphyry. The area was subsequently gridded and soil sampled (Wilson *et al* 1982). Both Gradient array and dipole-dipole IP surveys and a ground VLFEM survey cover the V30 grid. Costeaming and rock chip sampling identified quartz sulphide veining with up to 2.26 g/t Au. One sample was reported to be 7g/t but this appears to have been miss reported as ppm rather than ppb.

The prospect is located along strike from V24 and is hosted in rhyolitic volcanics, siliclastic sediments, quartz-biotite porphyries and dacite lavas adjacent to the Stoney Creek granitic porphyry. A magnetic high is located on the boundary of the quartz-biotite porphyry and volcanoclastic sediments in the north of the prospect.

A prominent linear gold soil anomaly with coincident VLFEM conductor is located in volcanics in the northern central part of the grid. Rock chip samples to 0.5 g/t were collected near this anomaly. A weak Pb and moderate Zn soil anomaly is coincident with this area. Two drill holes, V30/2 and V30/3 are planned to test this zone (Figure 4). A further drill hole (V30/1) is designed to test a strong Pb-Zn soil anomaly with a weak Au support and coincident IP chargeability and resistivity anomalies in dacite lavas in the northwest of the grid (Figure 5). Rock chip samples to 2.26 g/t were returned from this zone.

Strong basemetal soil anomalies are associated with pyrite stringers in strong chlorite alteration in the granitic porphyry. A costean on one of these zones in the SE of the prospect returned low grade basemetal values and below detection Au and Ag (Wilson *et al*, 1982). No work is warranted for these zones at this stage.

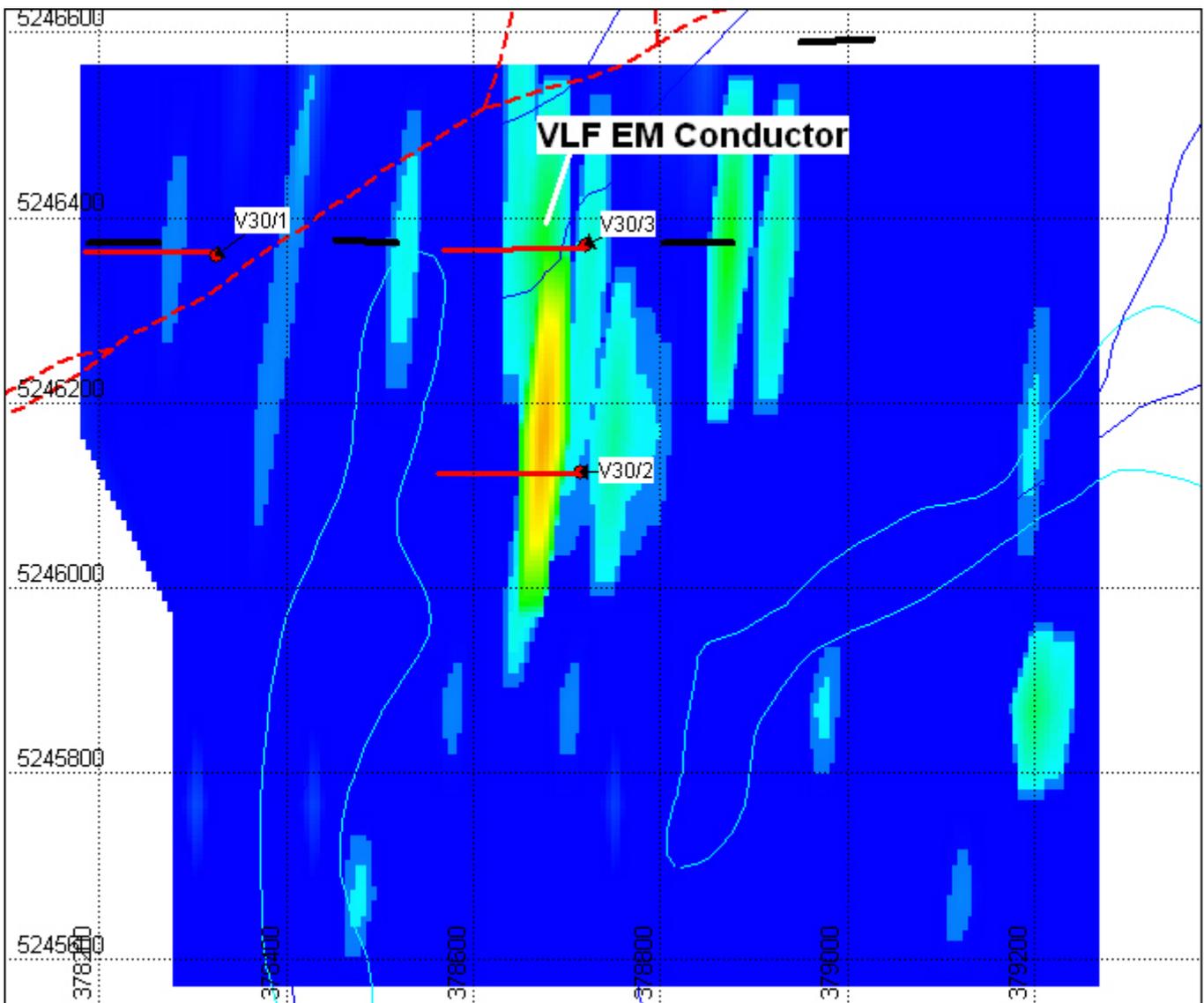


Figure 4. Soil Au, IP chargability anomalies and drillhole locations.

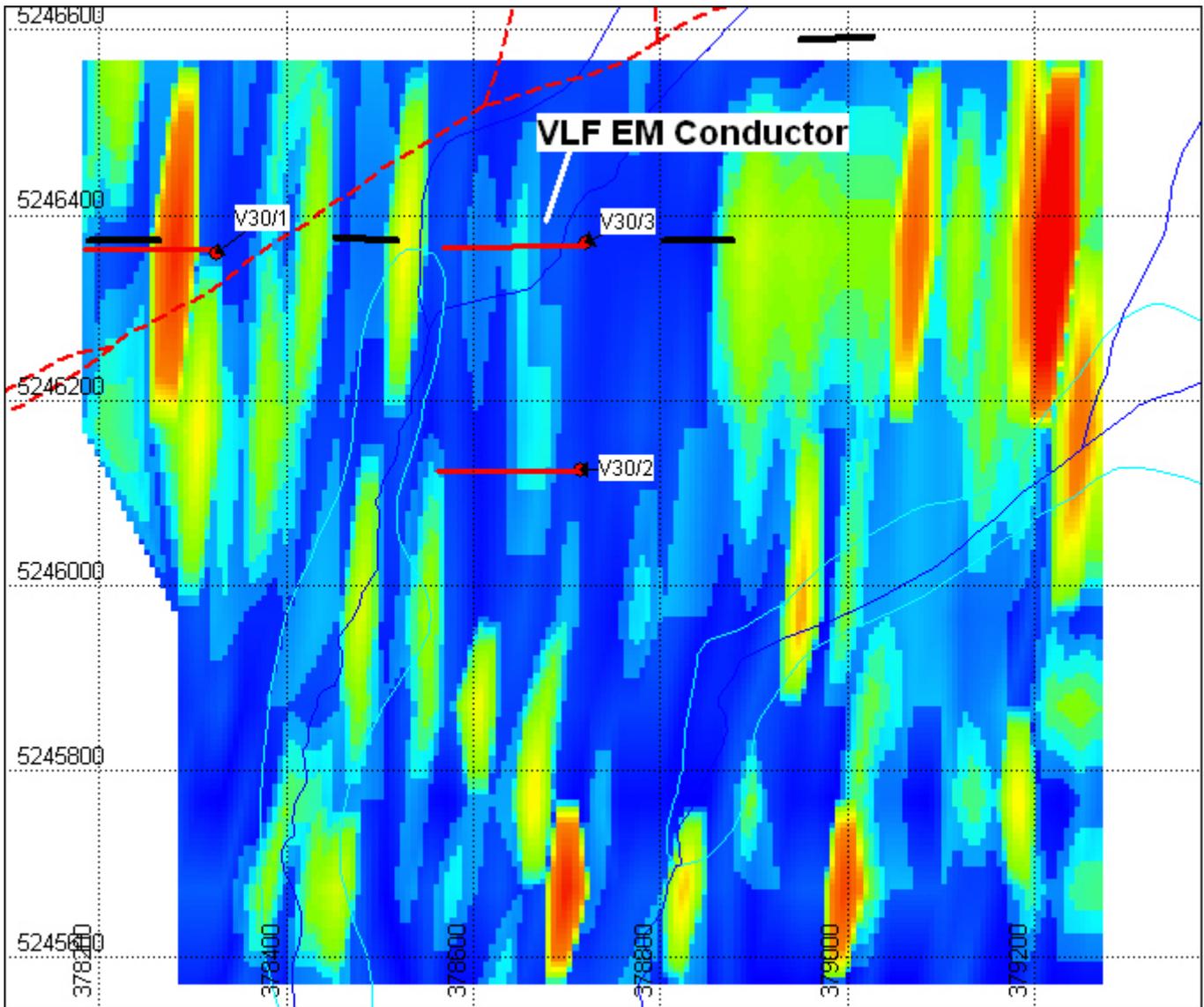


Figure 5. Soil Pb, IP Chargability and DDH locations.

6.2 Mt Osmund Syncline VHMS Zone.

The Mt Osmund syncline covers prospective VHMS prospects including V19, V33, V34, V29 and V22 (Figure 1). The zone includes the Wart Hill and Hudson River volcanics folded around the core of the syncline which is composed of the the Waterloo Creek Volcaniclastics and the siliclastics of the Owen Group. The area was extensively gridded, soil sampled and mapped by Geopeko Ltd in the 1980's. This work identified the bulk of the existing prospects in the district, some of which have gone under various names since (eg, V19, Wart Hill, Silver Hill).

V34

The V34 prospect was delineated by Geopeko after gridding the eastern side of the Mt Osmund syncline searching for repetitions of the V19 VHMS horizon. A strong linear coincident Pb and Zn soil anomaly is located over rhyolitic volcaniclastic sediments and quartz-feldspar-biotite lavas. Outcrop in the area is poor but the Cambrian volcanics are thought to dip moderately west and strike NNW. They are unconformably overlain to the east by the Waterloo Creek Group. The soil anomaly extends for over a kilometre in length and is approximately 200m wide (Figure 6). The 1984 dipole-dipole IP survey identified a weak coincident chargability anomaly whilst gradient array IP surveys identified a prominent linear resistivity anomaly to the immediate east and parallel to the soil anomaly. The chargability anomaly is probably due to disseminated pyrite in chlorite altered volcanics associated with the prospect.

An extensive moderate Pb-Zn anomaly is located in the SE of the grid area. No Au geochem data exists for the grid.

Three drill holes have been proposed. The second two holes will only proceed if the results of the first hole are encouraging.

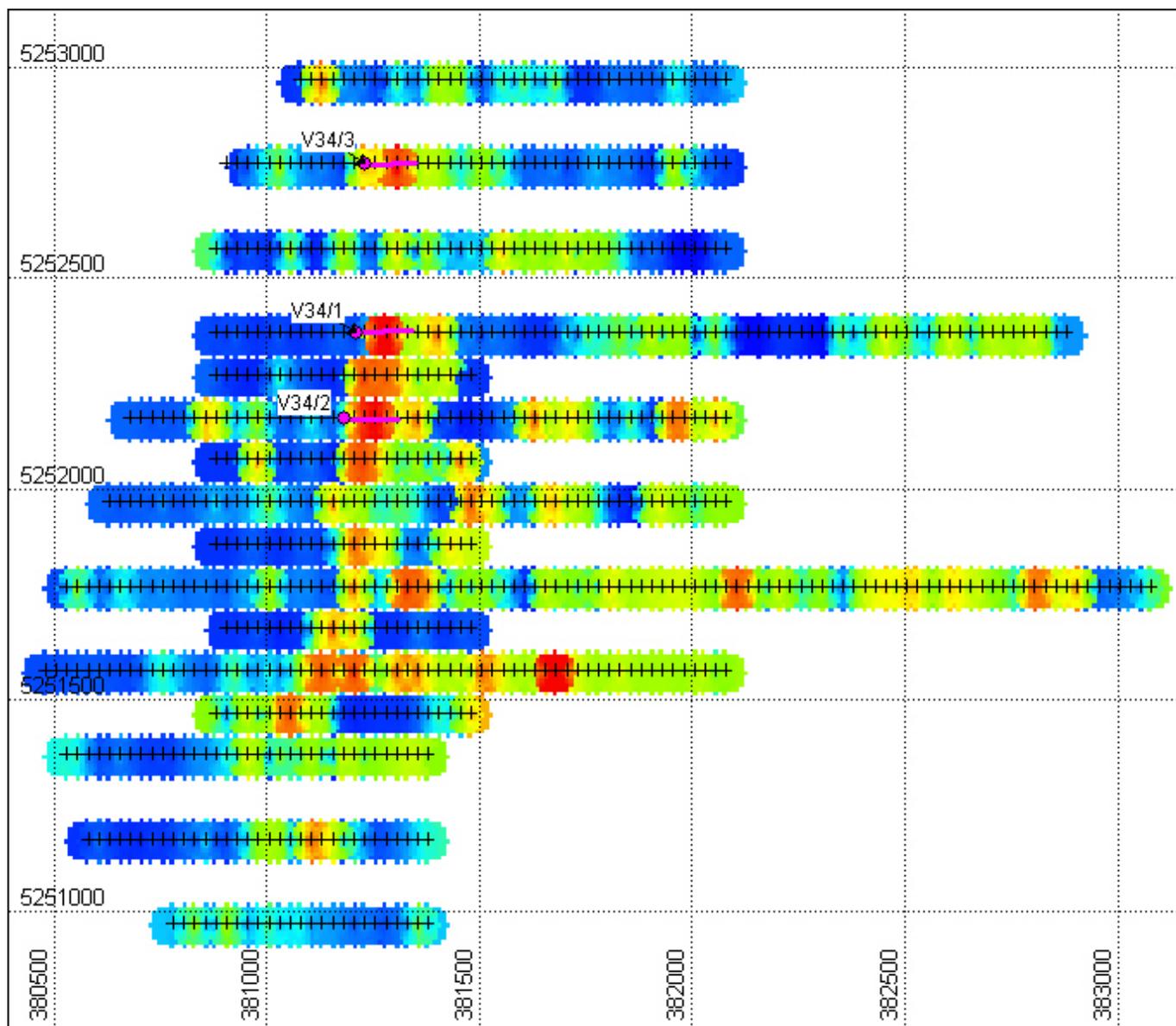


Figure 6. V34 soil Zn geochemistry and proposed DDH.

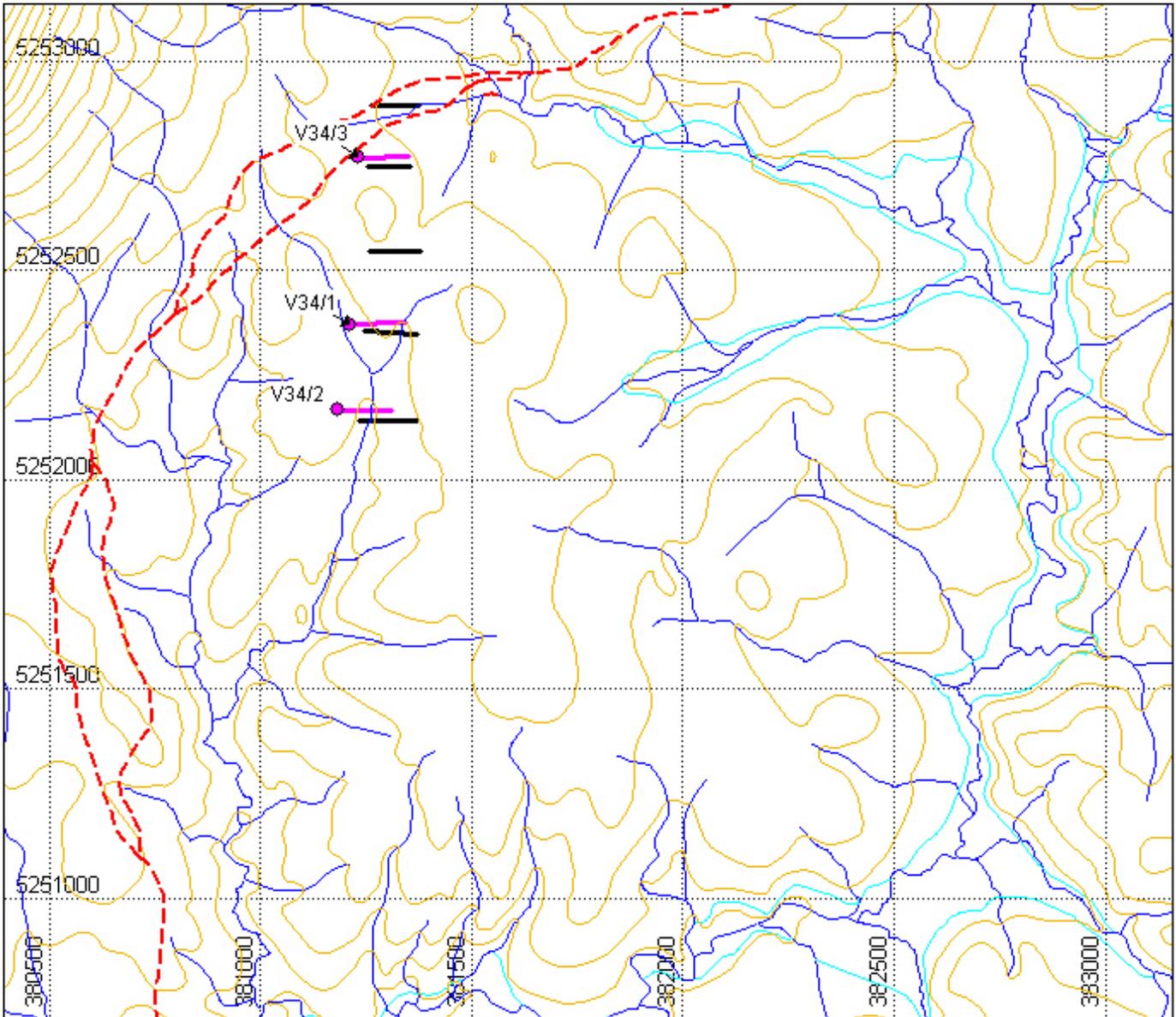


Figure 7. V34 IP chargeability and proposed DDH.

V33 (North Wart)

The V33 prospect was defined by Geopeko after gridding to the north of V19 while following up anomalous stream geochemistry including significant panned concentrate Au (Wilson *et al*, 1982).

The central zone of the prospect consists of rhyolitic volcanoclastics and quartz-biotite porphyritic lavas (Figure 8). Unconformably overlying the prospect to the east is the Waterloo Creek Group. The V19 host horizon extends underneath the unconformity just to the south of the V33 area. The V19 mass flow horizon has a moderate magnetic response which appears to intensify locally beneath the unconformity to the north (Figure 9). It is possible the strong magnetic signature is associated with volcanogenic mineralisation associated with the V19 horizon beneath the unconformity. Alternatively the strong magnetic susceptibility may be due to increased detrital magnetite at the base of the unconformity. The unconformity is deformed into a complex syncline with a few middle order faults transecting it. This fold may be in response to increased phyllosilicate alteration in the underlying volcanics. The Hellyer and Que River massive sulphide deposits are similarly located in local anticlines and synclines. A strong coincident Pb and Zn soil anomaly lies within the quartz-biotite porphyry immediately west of the magnetic anomaly within the axis of the syncline (Figure 10).

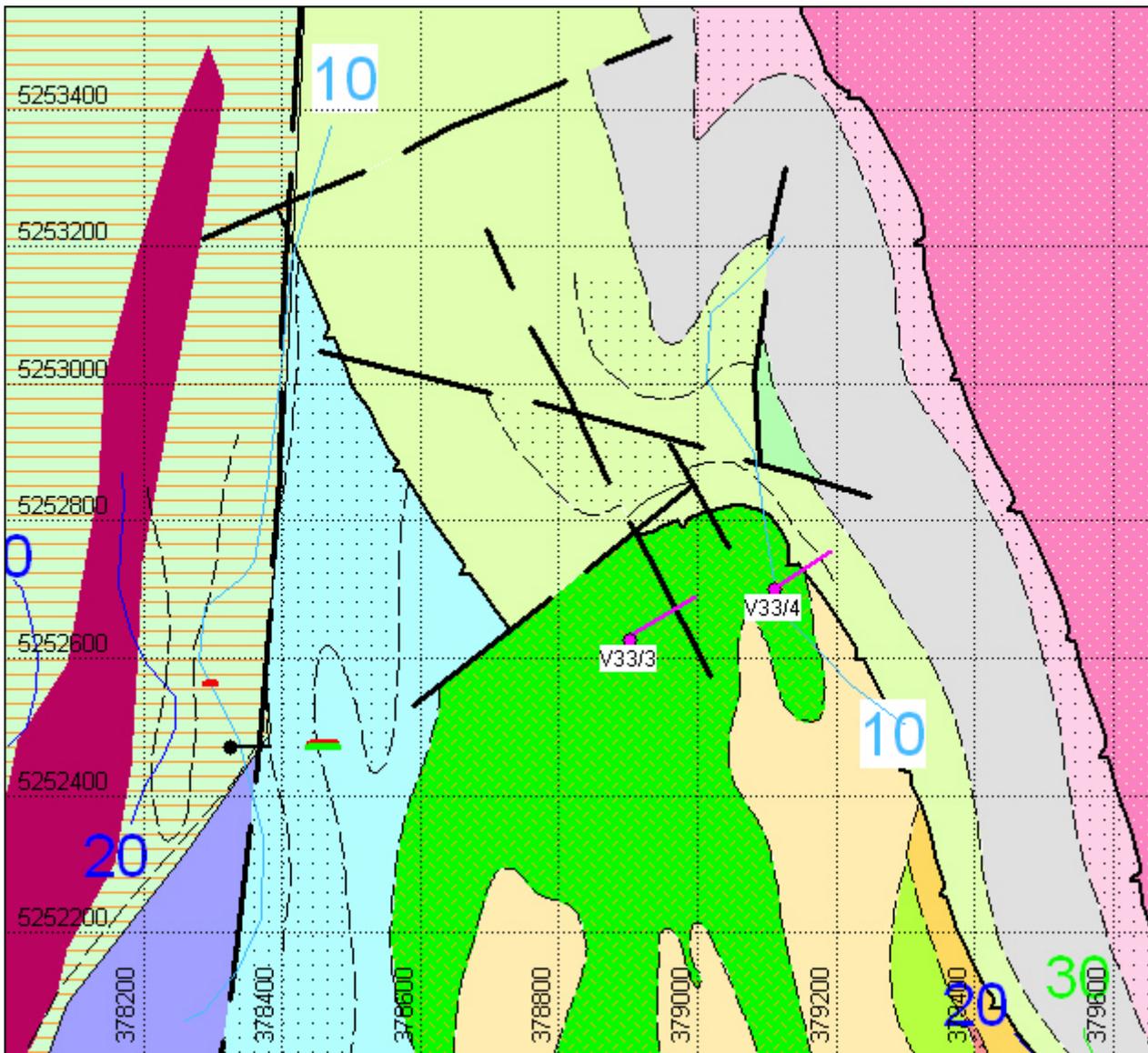


Figure 8. V33 Geology and Proposed DDH.

The west of the prospect is dominated by siliclastic and volcanoclastic sediments of the western Sequence which is truncated by the major NNE trending Copper Creek Fault. Follow up work on a strong basemetal anomaly in the western sequence culminated in the drilling of two holes on soil and IP anomalies alongside the Copper Creek Fault. A costean across the mineralisation returned 8m at 1.1% Pb, 0.32% zn, 96 g/t Ag and 0.35 g/t Au. Mineralisation consisted of fine galena-sphalerite-pyrite veins and disseminations in a silicified breccia. Subsequent drilling of two holes returned low grade mineralisation from the same style of mineralisation. No further work is recommended for this part of the prospect at present.

Two speculative drillholes have been proposed for the central and eastern parts of the prospect. The first V33/3 is designed to test the Pb-Zn horizon in the centre of the syncline. Rock chip geochemistry from pits dug on similarly anomalous volcanics just west of the proposed hole were weakly anomalous although no visible sulphides were evident. The second (V33/4) is based on a conceptual model. The hole is designed to test the magnetic anomaly lying beneath the unconformity along the strike of the V19 host horizon. There is a one point Zn anomaly along strike to the south of the proposed target beside the magnetic anomaly. Fe staining and Pyrite box works have been mapped adjacent to the unconformity (ref??). Both of these holes are low priority.

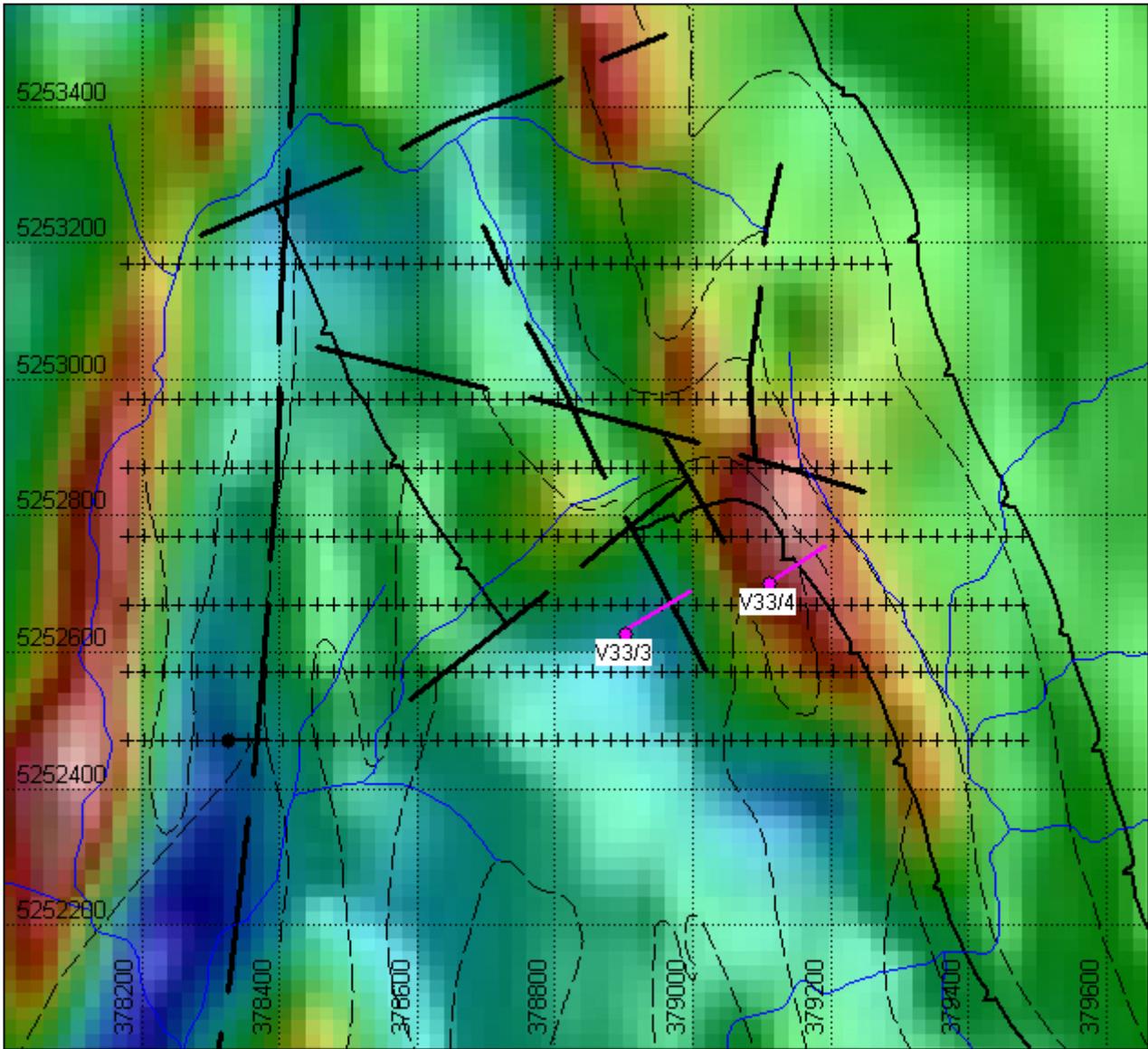


Figure 9. V33 1VD TMI, Geology outlines and proposed DDH.

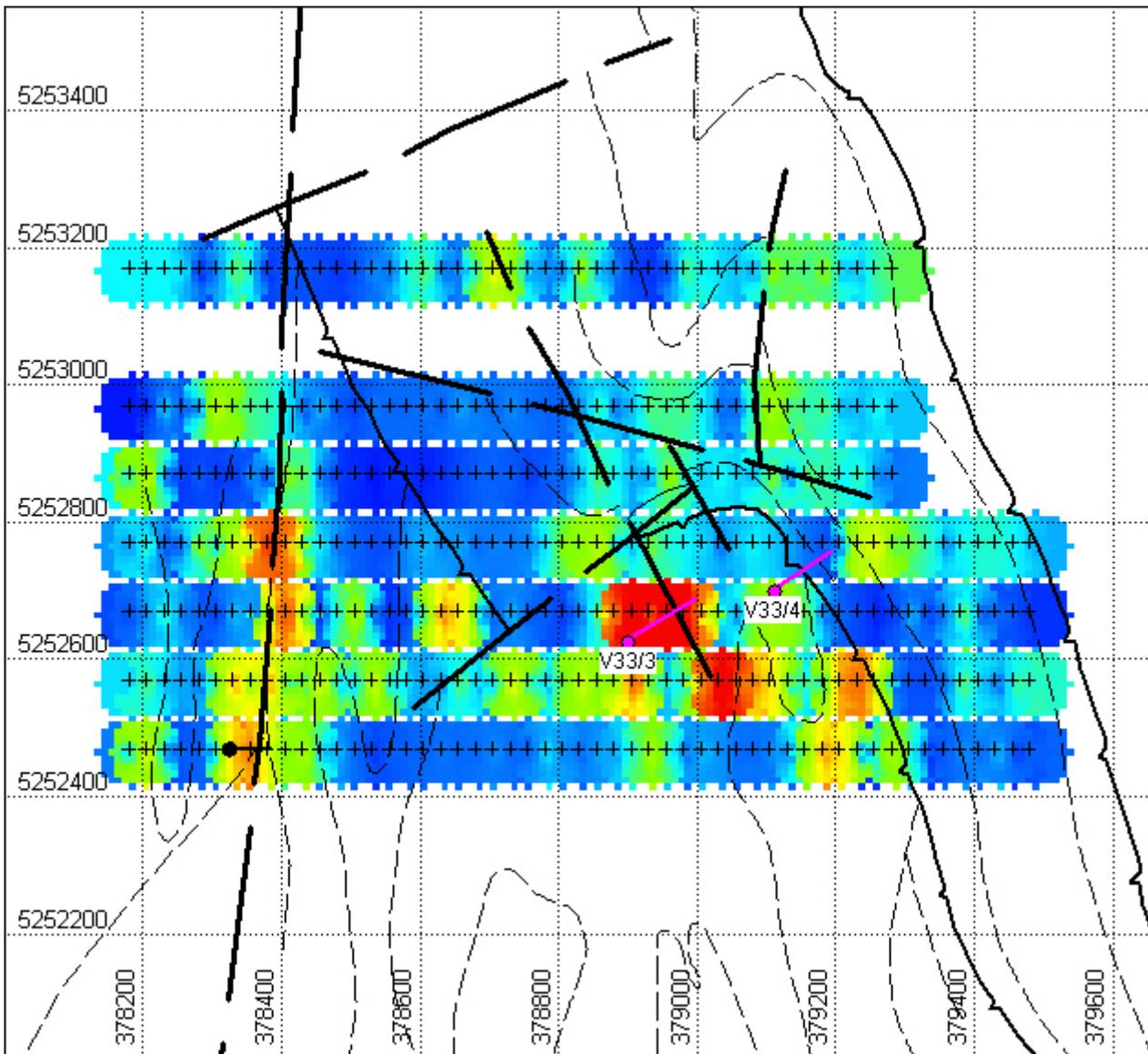


Figure 10. Soil Zn, geology outlines and proposed DDH.

V22 (Taurus)

The V22 prospect was identified from geological mapping around the Mt Osmund syncline by Geopeko geologists. They observed similarities in the volcanic sequence to the V19 area and noted areas of silicification and brecciation that they attributed to the proximity of a volcanic vent. Outcrop in the area is generally good. The western margin of the prospect is overlain by the unconformable Waterloo Creek Group. The Wart Hill pyroclastics are dominated by felsic volcanoclastic sandstones and lithic breccias with flow brecciated quartz-biotite lavas. Areas of quartz veining are abundant. Sericitic alteration is common in the SE of the grid.

Subsequent soil sampling and rockchip sampling identified linear bands of anomalous Zn with little Pb support (Wilson *et al*, 1982). There is one line of anomalous Pb and Zn associated with a mapped fault in quartz-biotite lavas in the SE of the grid. The extensive outcrop led the Geopeko geologists to conclude that there was little chance of a near surface sulphide body. Subsequent dipole-dipole IP surveys (Herrmann, 1984) did not identify any significant chargeability anomalies below surface. A strong resistivity anomaly is present on the eastern margin of the grid corresponding to an outcropping felsic lava. There is no geochemical support for this anomaly. No work is recommended for this area other than field checking. If drilling on V34 to the north is encouraging this prospect should be looked at in more detail.

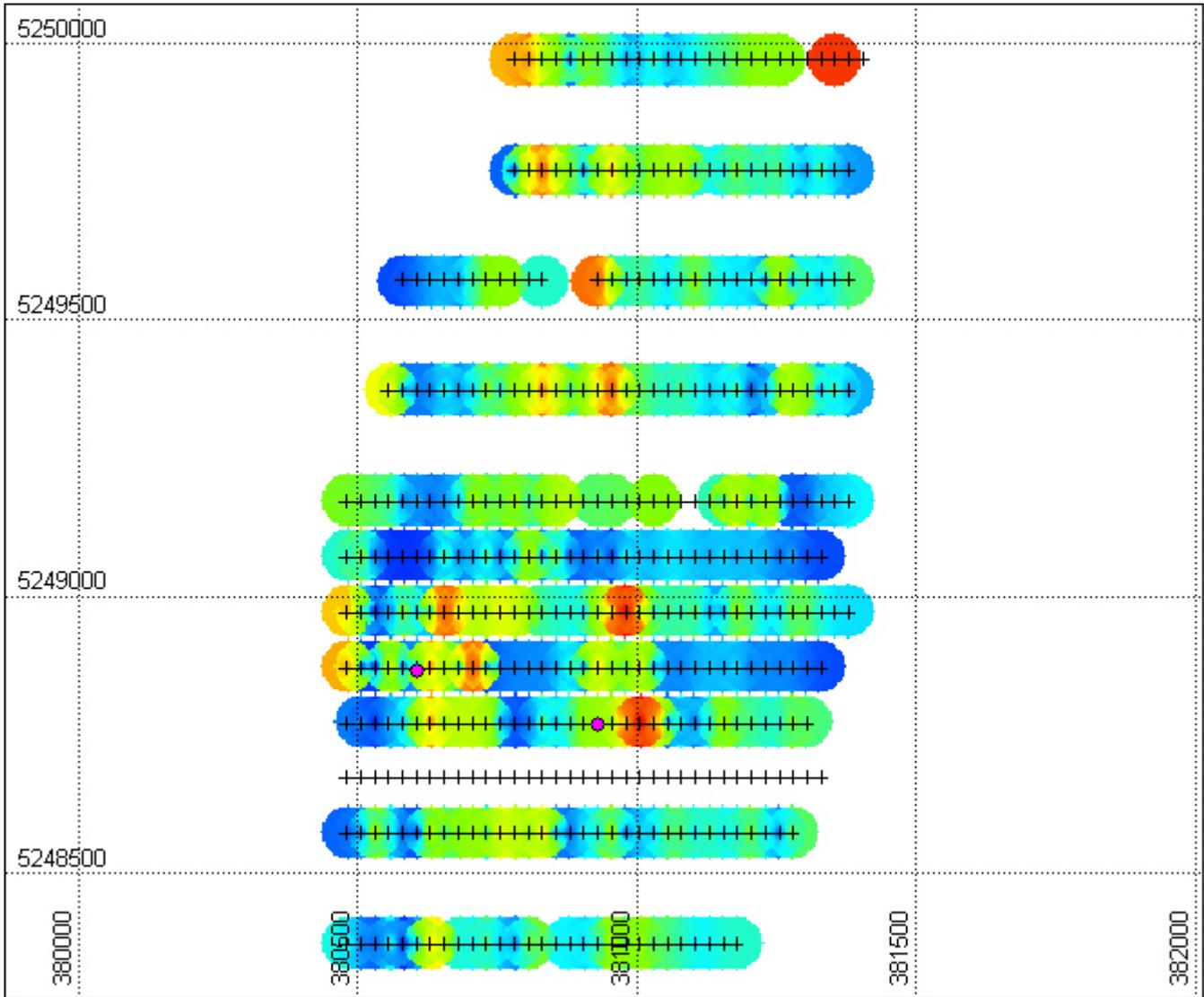


Figure 11. V22 Soil Zn geochemistry.

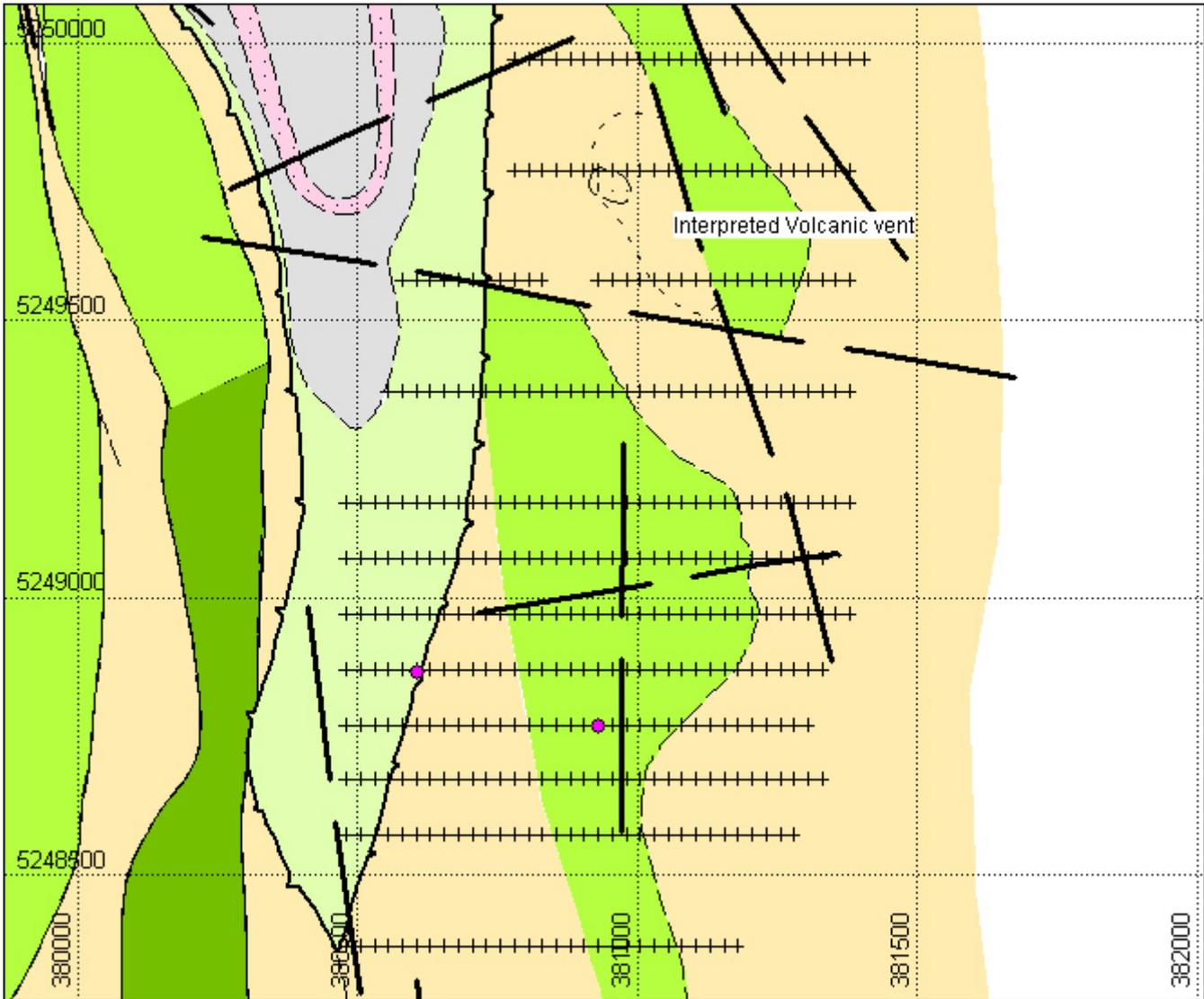


Figure 12. V22 Geology.

V29 (East camp) and V29W

The V29 and V29W prospects were first gridded and mapped by Geopeko. The prospects are located on the western limb of the Mt Osmund syncline along strike from the V19 prospect to the north and V24 to the south. Felsic volcanoclastics, siliclastic sediments and quartz-biotite lavas of the Wart Hill sequence underlie the prospects. Strong Pb and Zn soil anomalies are located on the V29 prospect. There are only low order geochemical anomalies in the V29W area.

Two prominent Pb-Zn soil anomalies were identified from C-Horizon soil sampling in the SW of the grid (Wilson *et al* 1981). Follow up work included pitting and costeaning and close spaced auger sampling (Wilson *et al* 1982). The soil geochemical anomalies overlie pervasively sericite and chlorite altered shales and volcanoclastics with disseminated pyrite and minor galena sphalerite. The best results were obtained from Costean 1 on the eastern anomaly which had a peak value of 1.15% Zn and 0.17% Pb in a schistose shale with disseminated sulphides. No gold analyses are available. Mineralisation diminished rapidly away from the shale horizon. Cyprus drilled two holes on the western anomaly (EC1 and EC2). These holes intersected similarly low order Pb and Zn in altered volcanoclastics (0.1% Pb and Zn). Gold analyses were all below detection.

It is recommended that the area be inspected in the field this season. One low priority drillhole could possibly be drilled to test the mineralised shale horizon identified in Costean 1.

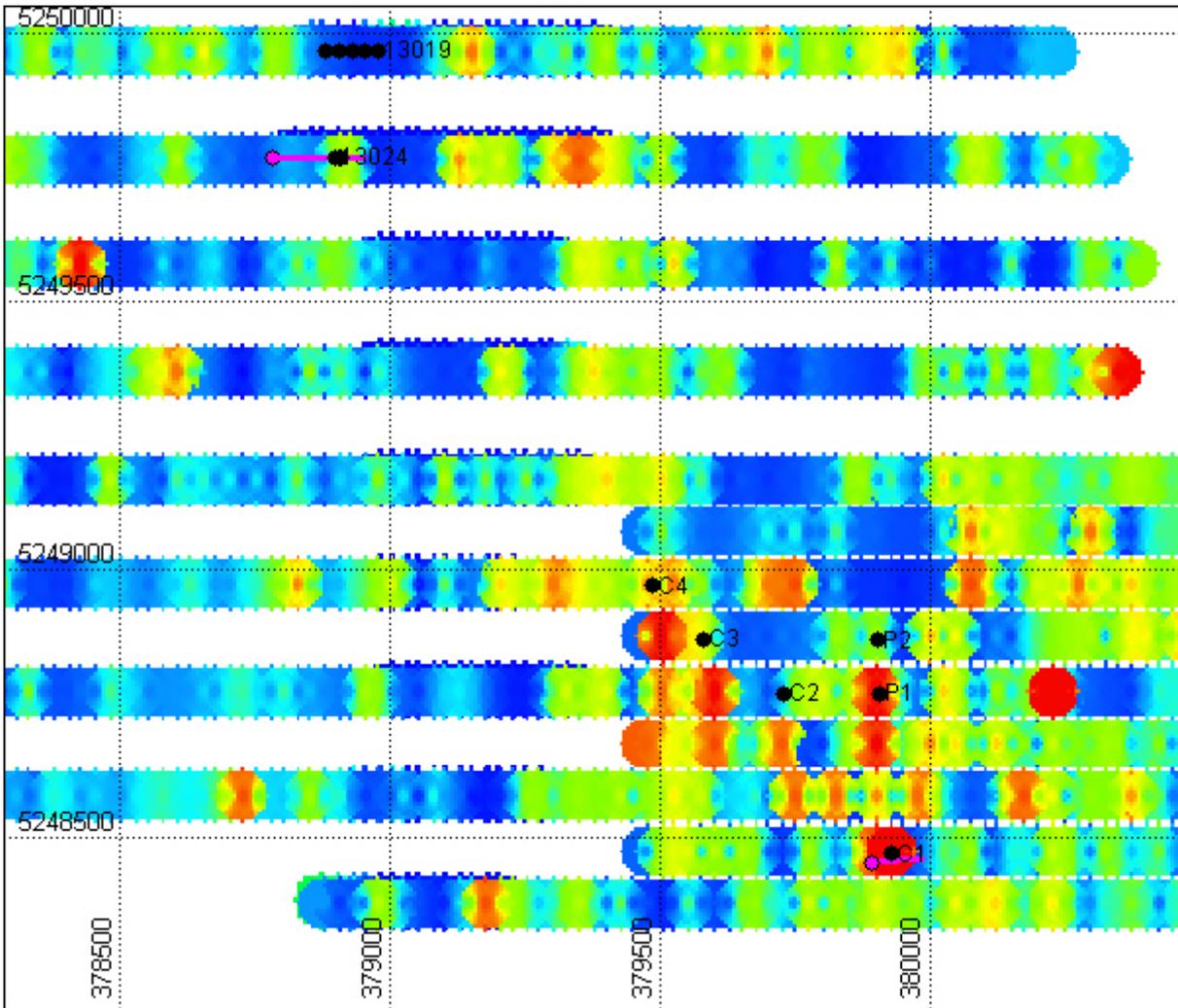


Figure 13. V29 Soil Zn and costean locations.

The eastern geochemical anomaly has a broad Sirotem high. VLF-EM surveys revealed no coherent anomalies associated with the soil geochemical anomalies. The black shales of the Waterloo Creek gave the expected prominent conductive anomaly. Residual gravity highs are located west of and under drillholes EC1 and EC2. The western gravity anomalies are associated with weak basemetal soil geochemical anomalies extending along the footwall of a shale marker horizon.

The V29W prospect is essentially a strong dipole-dipole IP anomaly with little geochemical support apart from a single point Pb-Zn anomaly (Herrmann, 1984). A costean over the anomaly revealed a 2m zone of silicified and brecciated volcanoclastic sandstone with up to 30% pyrite. Channel samples returned up to 0.96%Pb, 0.34% Zn 24g/t Ag and 0.17% As. Gold was below detection. The chargeable source is interpreted to be 100m below surface. One drillhole has been designed for this prospect but this must be considered a low priority and very speculative target.

V19 Wart Hill

The V19 VHMS prospect was discovered by Geopeko Geologists in the 1980-81 field season. Since that time the prospect has been extensively explored with 20 diamond drill holes completed, numerous costeans, UTEM, SIROTEM, gradient-array IP, dipole-dipole IP, gravity, groundmag and soil geochemistry surveys completed. Several well regarded geologist/vulcanologists (W. Herrmann and R. Poltock) have worked on the prospect. The universal conclusion from all this work is that a massive sulphide body of sufficient size is not located within 200m of the surface within the surveyed area. However, it is obvious that a favourable stratigraphic horizon for VHMS mineralisation has been identified and mapped for approximately 400m strike length. The host horizon trends northwards

beneath the unconformable Waterloo Creek Group. The mass flow does not appear to be sulphide clast bearing to the south of Wart Hill. However the abundance of clasts intersected in drilling, costeans and outcrop suggests the source was not too far removed. Detailed descriptions of the geology of the prospect can be found in Wilson *et al* (1982), Herrmann *et al* (1983), Poltock *et al*, (1988), Herrmann and Close, (1996) and a review by G. MacDonald, (1997). No strong geochemical or geophysical targets are indicated in the vicinity that have not already been tested and palaeoflow directions of the mass flows could not be determined. The horizon remains open and untested down dip and to the north. Several deep stratigraphic holes and DHEM surveys may be warranted in the future but could not be achieved without a larger drill rig and significant expenditure commitment.

To the south of the main prospect area several soil geochemical and weak geophysical targets have been tested by drilling, (V19/5, V19/3, SDH2), costeaning and rock chip sampling. Mineralisation has been demonstrated to consist of minor sphalerite-galena veinlets and disseminations associated with silica-carbonate alteration in volcanoclastics and coherent lavas. This style of alteration is consistent with proximal alteration around other VHMS mineralising systems (eg Rosebery). The recognition of limestones and carbonate nodules with radial extinction is supportive of proximal alteration around other Mt Read Volcanic deposits (eg. Henty, Mt Lyell, Hercules and Rosebery).

Several low priority drill holes testing geochemical anomalies along the V19 host horizon and around the WH10 intersection have been proposed (Figure 14. Table 1).

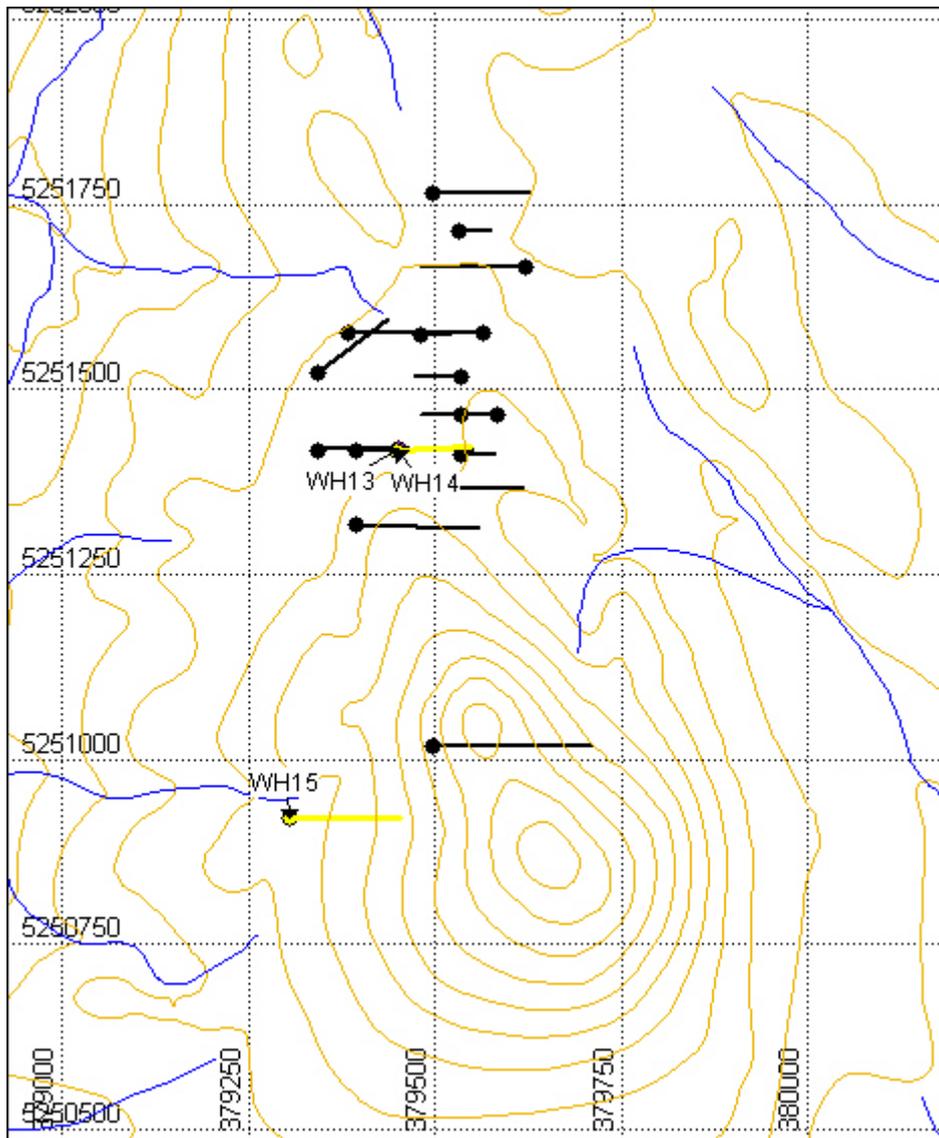


Figure 14. V19 Proposed DDH locations.

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TasGold Ltd. Memorandum

To: Peter McNeil, Dave Gatehouse

From: Tim Callaghan

Copy:

Date: 5/11/2003

Subject: V24 soil sampling.

This memorandum is an appendix to the main work program previously submitted. Further details are available in the previously supplied report.

The Voyager 24 and Voyager 30 prospects were identified by Geopeko Ltd after following up panned concentrate Au stream sediment samples. B and C horizon soil sampling was completed over both prospects identifying significant Au and Pb-Zn anomalies. Drilling of V24 identified the source of the Au to be associated with stratabound silicified and sericite altered volcanics. A zone in excess of 50m in width with $>0.1\text{g/t Au}$ was identified. V30 has never been drilled.

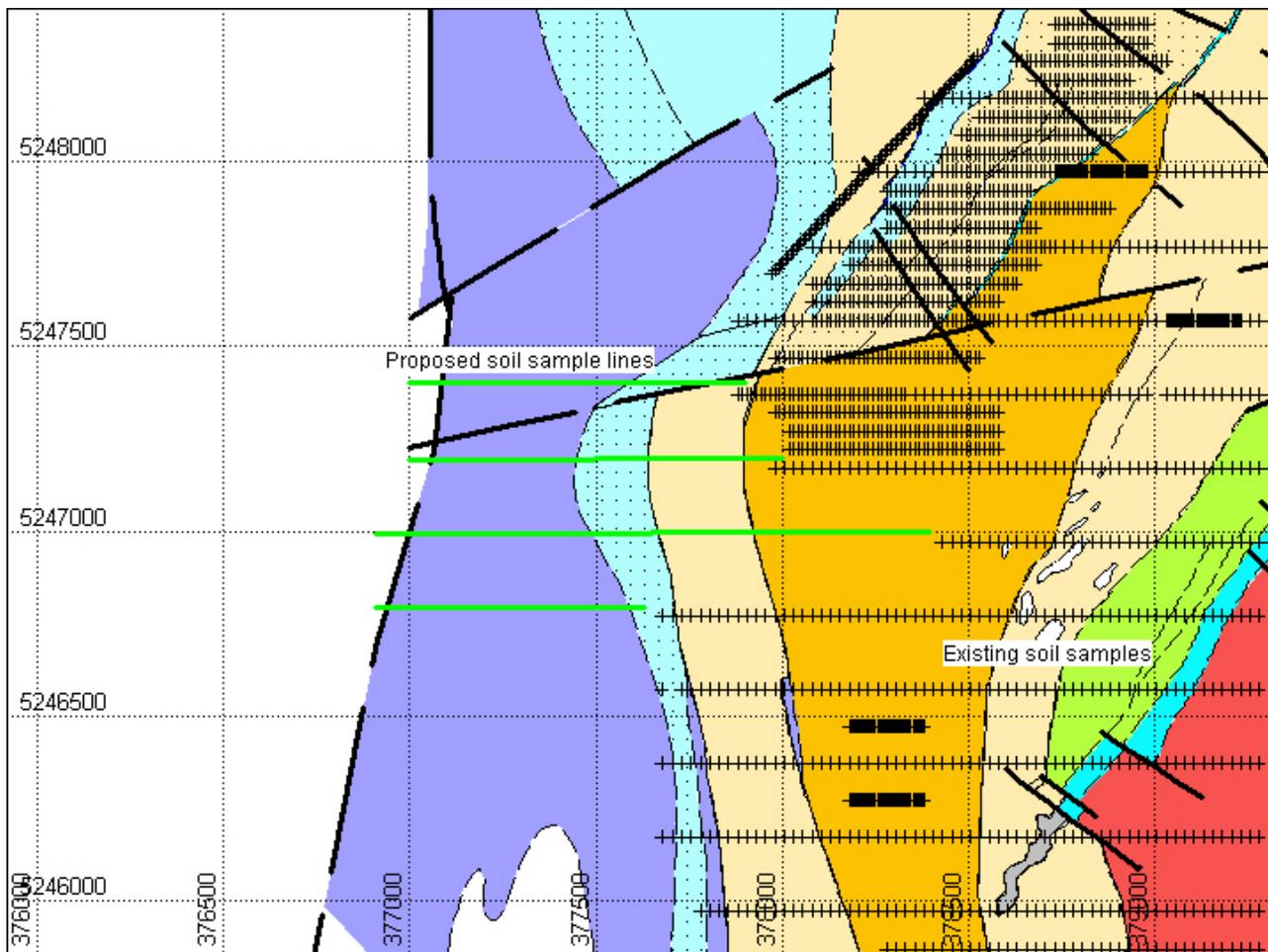


Figure 1. V24 and V30 Proposed Soil Samples.

Geological Mapping by Geopeko Ltd identified a prominent WSW striking dextral fault offsetting the host volcanics in excess of 200m (Figure 1). The host volcanics on the southern side of the fault have had no subsequent geochemical exploration. The major WSW striking fault has interpreted changes in the volcanic sequence from north to south suggesting it was a syn-volcanic fault. This fault may have been significant in the circulation of the Cambrian hydrothermal system responsible for the Au mineralisation. Drilling of previously identified anomalies around this structure has been proposed in the 2003-2004 field season. The fault extends west towards the major North striking Copper Creek Fault. The structure is cuts through pyritic black shales that would provide a significant redox front for depositing Au from upward migrating Cambrian fluids. It is recommended that soil sampling be extended to the SW of the V24 grid to provide first pass geochemical exploration of this area (Table 1, figure 1 and 2).

Some regional C-Horizon soil sampling was completed on a 200m spaced grid extending to the west of V30 in 1984. Although the lines were adjacent to known Au prospects and had significant linear Pb and Zn anomalies, the samples were not analysed for Au (Figure 2). It is recommended that these samples (Table 2) be re-analysed for Au if they can be located. If they cannot be located a few lines should be re-sampled and submitted for Au analysis.

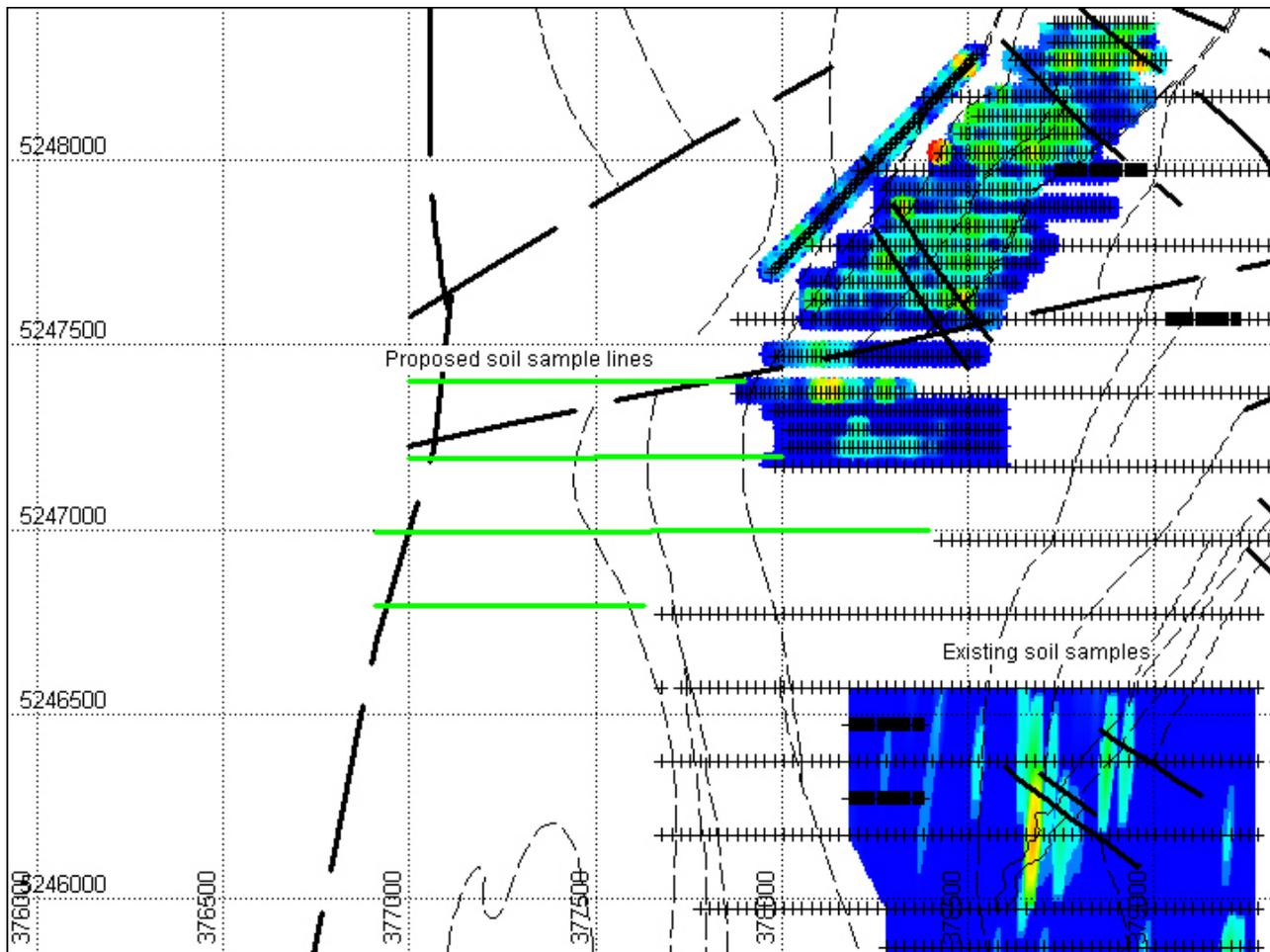


Figure 2. V24 and V30 proposed soil samples. Existing samples without Au results should be located or re-sampled and submitted for Au analysis.

Minor grid cutting may be necessary in areas of thick scrub. C-Horizon samples will be taken with a man portable power auger. All access off formed roads will be on foot. All work will proceed in accordance with the Mineral Exploration Code of Practice. This work will be completed in early December as part of the reconnaissance trip planned for the full SMRV work program.

Table 1. New C-Horizon soil samples to be taken.

C-Horizon soil lines				
Northing	Start	Finish	Length m	Samples
5247400	377000E	377900E	900	37
5247200	377000E	378000E	1000	41
5247000	376900E	378400E	1500	61
5246800	376900E	377600E	1700	69
Total			5100	208

Table 2. Soil sample pulps to be re-assayed for Au.

Soil Au reassay lines					
Northing	Spl ID from	Spl ID to	Samples	Start	Finish
5246800	22181	22204	23	377600	379300
	20045	20085	40		
5246600	20202	20208	6	377600	378200
	20143	20151	8		
5246400	20189	20201	12	377600	378200
	20152	20163	11		
5246200	20164	20188	24	377600	378200
5246000	20209	20229	20	377600	378200
5245800	20230	20250	20	377600	378200
	22151	22171	20	377600	378200
			184		

20045 – pulps available at MRT for analysis.

22181 – pulps not available??