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**NEUNHAM EXPLORATION & MINING SERVICES**

**R.L. 8810 - MOINA AREA  
(HUGO SKARN)**

**SUMMARY REPORT**

**Compiled Upon  
TERMINATION OF  
JOINT VENTURE AGREEMENT**

*Prepared for:*

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17 August, 1997

Received by [unclear] on [unclear]  
[unclear]

## CONTENTS

1. SUMMARY
2. TENURE
3. WORK COMPLETED
4. RESULTS
5. RECOMMENDATIONS

**Fig 1: Location Plan**

**Fig 2: District Geology**

## 1. SUMMARY

Goldstream Mining NL and Titan Resources NL entered into a joint venture agreement in 1993 with Acacia Resources and Rio Tinto to explore the eastern section of RL 8810 for Au-Zn-Bi deposits hosted by hydrothermally altered limestones.

Eleven cored drill holes totalling 1791 m were completed testing the potential of the Hugo Skarn.

A skarn-hosted resource of approximately 0.25 Mt 5-6 %Zn, 1 g/t Au, 0.1 %Bi was identified. Scope for extensions of this resource is limited.

To the south of this skarn resource, a significant swarm of narrow quartz veins containing anomalous Sn-W was drill indicated. This may represent the continuation of the Shepherd & Murphy veins to the east of the Bismuth Creek Fault.

Titan and Goldstream believe these identified resources are of limited commercial value in the current economic circumstances. Consequently they withdrew from the joint venture in May, 1997.

Elsewhere on RL 8810 substantial resources of fluorite, tin and tungsten have been identified in skarns and vein systems, and potential for auriferous pyrrhotite skarns has been drill indicated.

Development of these resources will await either more favourable economic conditions or further exploration.

## 2. TENURE

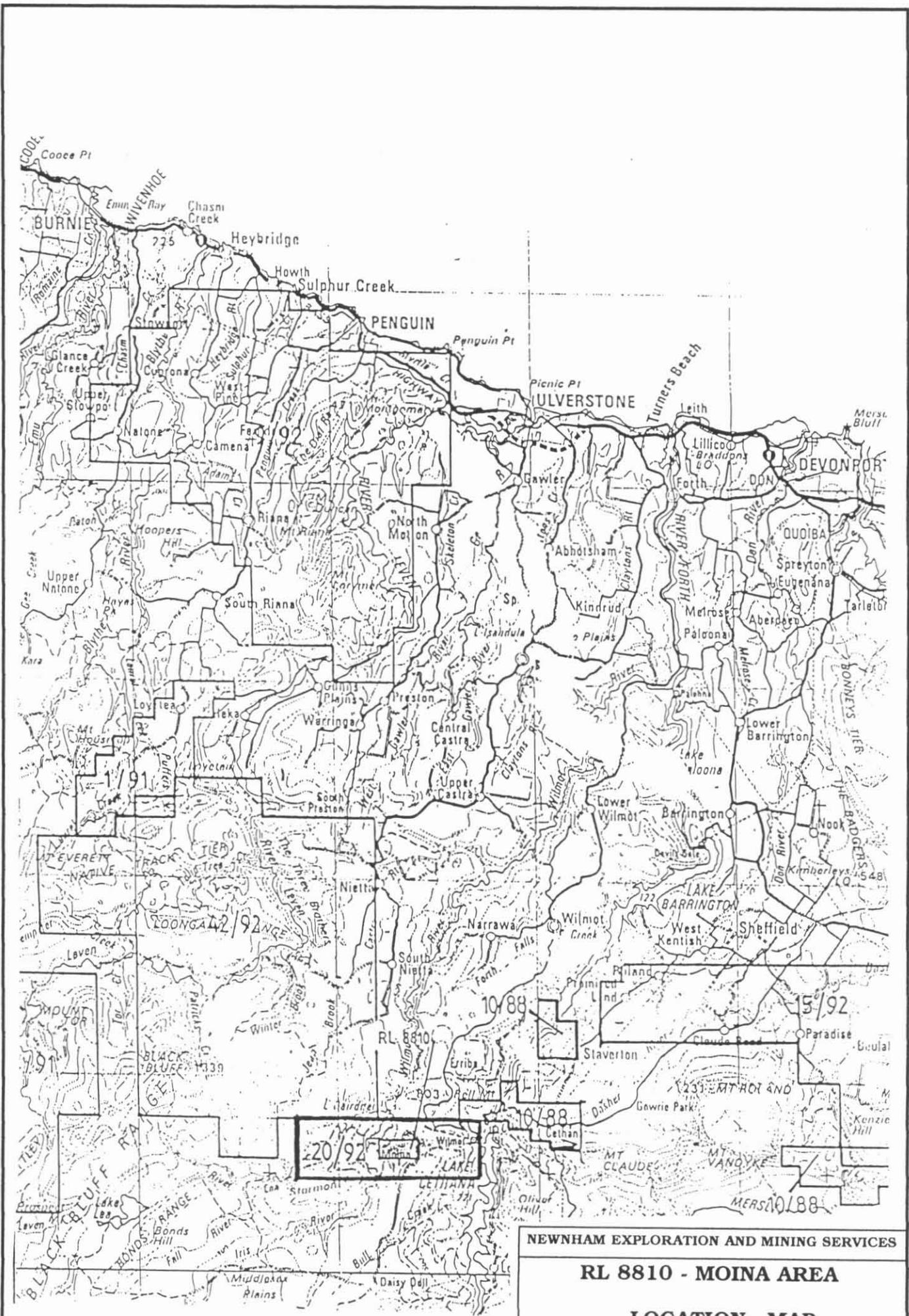
RL 8810 of two (2) square kilometres is held by Acacia Resources Limited and Rio Tinto Exploration Pty Ltd.

By way of a joint venture agreement dated 16 July, 1993, the tenement holders entered into a joint venture agreement with Goldstream Mining NL and Titan Resources NL with reference to an eastern section of the RL defined by AMG co-ordinates:

5407 000 N	423 100 E
5406 000 N	423 750 E
5406 000 N	424 000 E
5407 000 N	424 000 E

The purpose of the agreement was to facilitate exploration by Goldstream and Titan for base and precious metal mineralisation in an area commonly known as the Hugo Skarn.

Goldstream and Titan withdrew from the joint venture agreement as of 31 May, 1997.



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**RL 8810 - MOINA AREA**

**LOCATION MAP**

		Scale: 1:250,000
Drawn: L.A.N.	Date: 15 Aug 97	Fig: 1

### 3. WORK COMPLETED

Exploration by Goldstream and Titan was directed primarily towards identification of Au-Bi-Zn mineralisation within skarn bodies developed as a result of metasomatism of the Gordon Limestone by the underlying Dalcoath Granite.

Principal work completed was:

- (a) three programs of core drilling totalling 1791 m of HQ and NQ coring in 11 drill holes
- (b) accurate surveying of these drill holes and as many of previous drill holes as could be located
- (c) review of the resource potential elsewhere on RL 8810



#### 4. RESULTS

The above work resulted in the following conclusions:

- (i) The Hugo Skarn is limited by faulting and outcrop to a resource estimated as 0.25 Mt 5-6 %Zn, 1 g/t Au and 0.1 %Bi.

There is little scope to increase this resource.

- (ii) The Shepherd & Murphy skarn west of the Bismuth Creek Fault contains an estimated 26 Mt 18 %CaF<sub>2</sub>, 0.1 %Sn, 0.1 %W.

Substantial scope exists to extend this potential resource area east of the Bismuth Creek Fault where drilling has intersected both large bodies of wriggilite skarn and Sn-W vein swarms.

- (iii) Previous drilling in the Brampton Creek area west of the Shepherd & Murphy has indicated potential in this area for auriferous pyrrhotite skarns adjacent to the Brampton Creek Fault.

Detailed results of all work completed by Goldstream in the 1993-1997 period are contained in the following reports:

- (a) "EL 20/92 and RL 8810 Moina Area. Report on Drilling Program, May-July, 1994. Attachment to Annual Report" by LA Newnham, 12 September, 1994
- (b) "Hugo Skarn Project Joint Venture, Moina Area RL 8810 Annual Report 1994-1995" by LA Newnham, 27 September, 1995
- (c) "RL 8810 - Moina Area. Report on Drilling Program January-February, 1996" by LA Newnham, 09 May, 1996
- (d) "RL 8810 Moina Area - Northern Tasmania. Report on Drilling Program September-October, 1996" by LA Newnham, 11 February, 1997
- (e) "EL 20/92 Moina Area - Northern Tasmania. Report for 12-Month Period Ending 30 April, 1997" by LA Newnham, 30 April, 1997

## 5. RECOMMENDATIONS

RL 8810 contains substantial identified resources of fluorite, Zn, Au and Bi hosted by skarned limestones, and Sn, W, Bi, Mo hosted by both skarns and swarms of narrow, steeply dipping quartz veins.

Potential exists to locate both extensions to these identified resources, and new deposits of similar mineralisation.

Currently, the identified resources are regarded as uneconomic to develop. Future development will depend on either changed economic circumstances or the delineation of more economically attractive resources as a result of further exploration.