

FIELD TRIPS TO ARTHUR RIVER MAGNESITE DEPOSITS BY MHA

Mineral Holdings Australia Pty Ltd (MHA) arranged to conduct inspection visits to the Arthur River magnesite deposits with the permission of Indcor Ltd in January 2004.

At that time, MHA had an option agreement with Indcor over parts of the magnesite deposits which are held by Indcor (as Tasmania Magnesite NL) under Retention Licences 17/ and 18/1987. The option agreement, it is understood, has since been renewed and is still current.

The purpose of the visits was to introduce the deposits to potential joint venture partners in this case Unimin Australia Limited. While the visits were planned for January 2004, they did not eventuate until March and April. Mr Kevin Pinner of MHA reports as follows.

On 3rd March, Mr Ian Cambell of Unimin was shown around the MHA silica and dolomite areas in the NW and the Arthur River magnesite deposits of Indcor by Mr Kevin Pinner, prospector for MHA, who had been involved in some of the discoveries. A magnesite sample was selected from the Keith River, some 300m below the Keith River Bridge, at map reference 5,439,200mN; 369,000mE. The analysis of this sample has been reported by Unimin and is given on the attached analytical table in company with a dolomite sample and silica sand sample from elsewhere on MHA licences.

On 5th April, Mr Kevin Pinner conducted Mr Richard Martin of Unimin over the magnesite deposits inspecting the area between the Arthur and Keith Rivers where the most recent drilling was carried out by Crest Magnesium.

No information other than the attached Table has been received from Unimin.



D McP Duncan
Geological Consultant to MHA
13th July 2004
analytical table attached

Laboratory Report

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Sample Provider:	I. Cambell Unimin Tasmania	Date Received:	22/04/04
Sample Identification:	Sample from Tasmania	Ref No.:	R04/030
	Dolomite from Togyry deposit	Report No.:	645.04
	Silica Sand from Thomas Mountain	File No.:	M14.3
	Magnesite from Arthur/Kath River Area		

The as received samples of Dolomite and Magnesite were crushed and split to obtain a representative portion that was milled to nominal 75µm.

The as received Silica sample was dried at 105°C and riffle split to obtain two representative portions. One portion was milled to nominal 75µm. Dry Screen Analysis was performed on the other portion and % Wt Retained reported. Chemical Analysis, Moisture and Loss on Ignition were performed on milled samples.

Test	TSD Method
Sample Preparation	1.4
Chemical Analysis by XRF	5.5 (on a dried basis)
Loss on Ignition	2.3 (on a dried basis)
Moisture	2.2(a)
Dry Screen Analysis	2.5(a)

		Dolomite	Magnesite	Silica Sand
% Silica	SiO ₂	0.16	0.07	99.68 (By balance)
% Ferric Oxide	Fe ₂ O ₃	0.08	0.64	0.012
% Titania	TiO ₂	<0.01	<0.01	0.080
% Alumina	Al ₂ O ₃	0.08	<0.01	0.039
% Lime	CaO	33.1	5.2	0.01
% Magnesia	MgO	19.4	43.2	0.01
% Soda	Na ₂ O	0.03	<0.01	<0.01
% Potash	K ₂ O	0.01	<0.01	0.01
% Chromium Trioxide	Cr ₂ O ₃	<0.001	0.001	0.0001
% Moisture	105°C	9.16		
% Loss on Ignition	1000°C	45.4	53.8	0.16

28 April 2004

Date Issued

Checked By

Signature