

Appendix 6

**Drainage Tunnel for Dewatering Proposal.
September 2004. Unpublished Notes**

GSLM

From: GSLM [gslm@gslm.com.au]
Sent: 26 November 2004 19:09
To: e.foley@coedrilling.com.au
Cc: tanner@trump.net.au
Subject: Attention Eamon Foley Re: Zeehan Zinc Limited - Oceana Mine - Drainage

Dear Eamon,

We took the opportunity of visiting your drillsite on the Derwent River gas pipeline crossing last Monday courtesy of Ron Hines, and met up with Carl Hayward.

We understand that you are committed on other contracts until February/March 2005, but may be in a position to look at other work in Tasmania after that time.

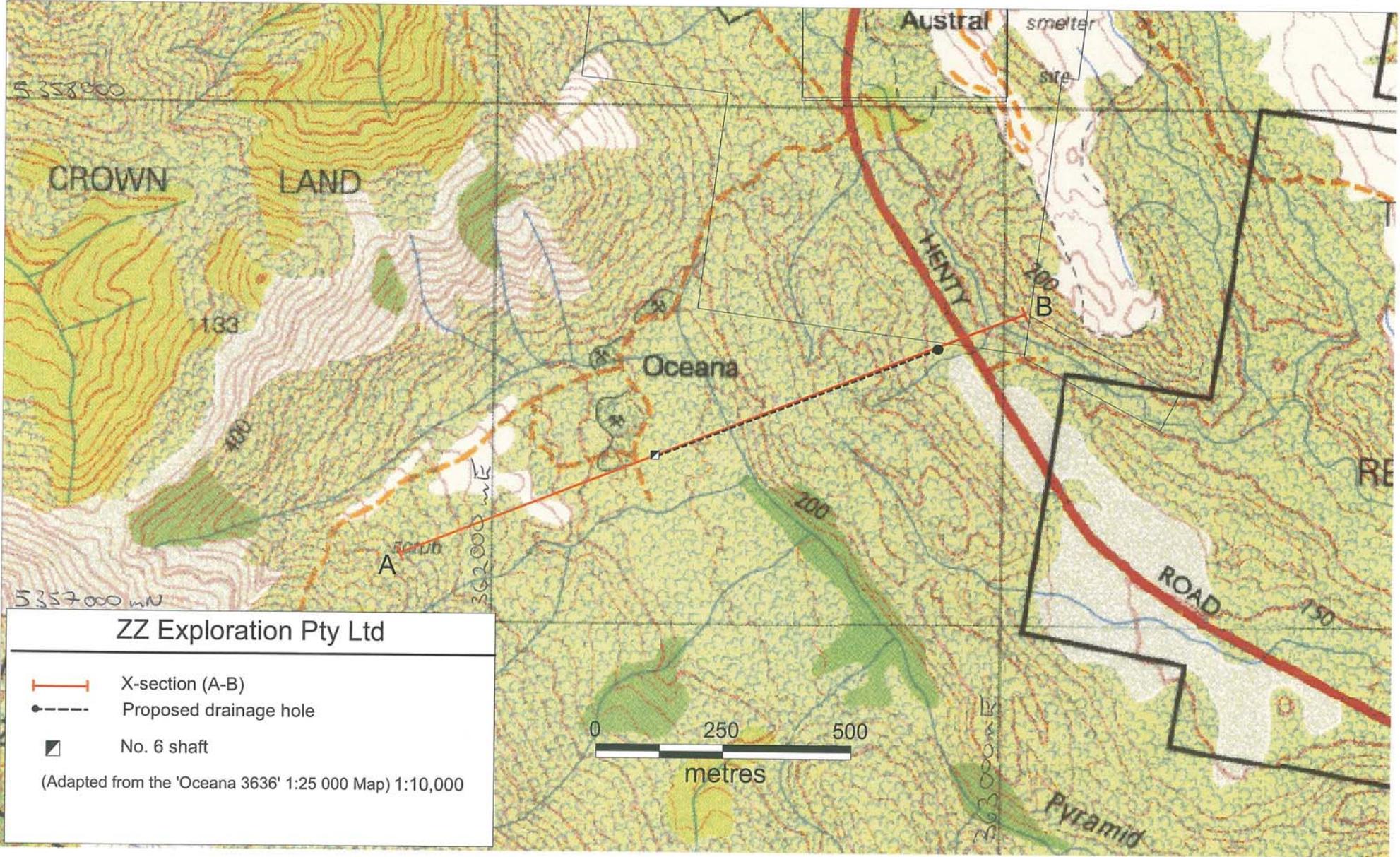
As discussed with you, we are looking at opening up an open cut mine at Oceana, just south of Zeehan on the west coast of Tasmania, and are interested in the possibility of drilling a 300mm drain hole from the base of this open cut out to Austral Creek just before it joins the Little Henty River.

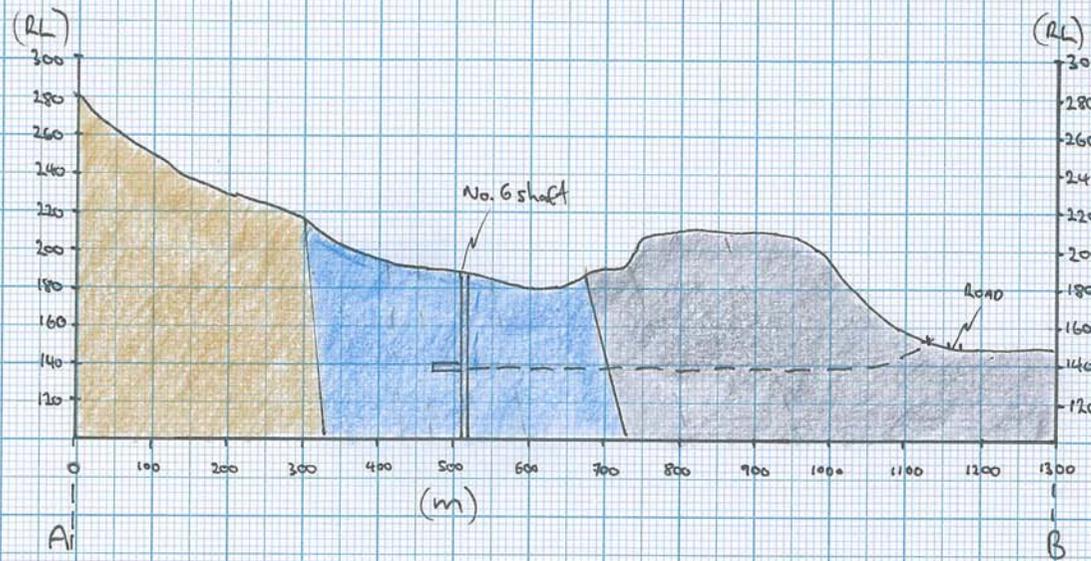
This hole would be collared alongside the Henty Road (main road between Zeehan and Strahan) at about SL150 and run horizontal to an existing mine shaft (No. 6), a total length of about 550m.

A plan showing this area is attached, together with a simplified geological plan and section. Most of the hole would be in the Crotty quartzite sequence, emerging into Gordon Limestone which hosts the Silver-Lead-Zinc ore deposits. I would envisage trenching in a surface casing under the road (perhaps through an existing culvert) and then drive the drain hole essentially flat. This mine was operated intermittently until the 1960's, and there is an existing drive at SL140 off No. 6 shaft which we may target. My feeling is that it would be very difficult to thread our way through the old mine workings and pull up to surface without losing circulation, and so I would rather target the shaft at around SL140 and then pull out of the hole after breaking through. The quartzites should not need lining, and we may be lucky in the limestones. Once the workings have drained down to SL150, we could pump down to SL140 and drive a lining from the shaft if necessary.

Could you please give me some idea of budget costs, including mobilisation of your flat rig. We may be best off looking at this job on a daily rate, with ZZL assuming all risks in the mine zone. Let me know your thoughts on this.

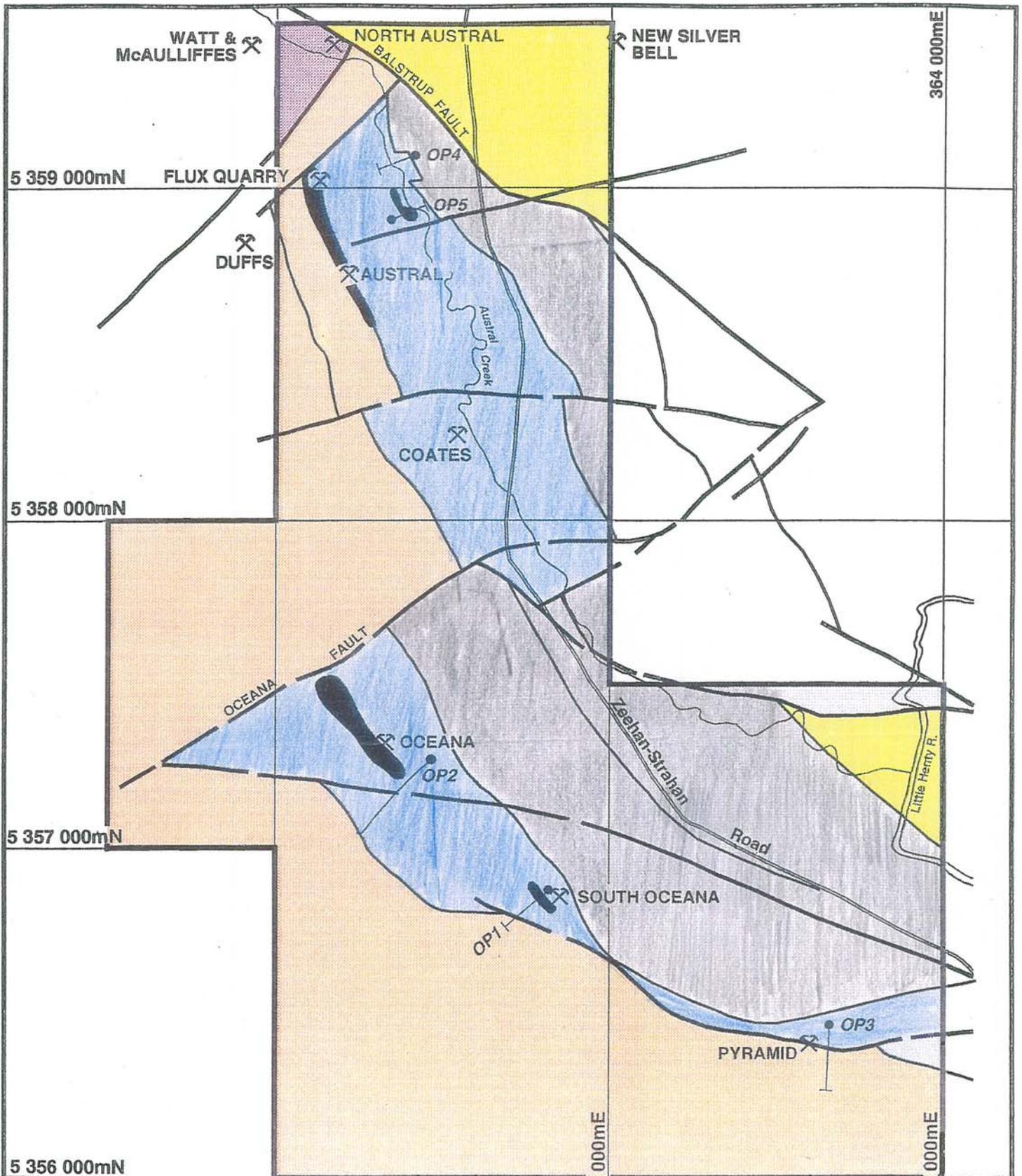
Regards,
David Tanner
Director, ZZL





LEGEND

- Crotty Quartzite, Amber slate, Keel Quartzite
- Gordon Limestone
- Moina Sandstone
Mt. Leehan Conglomerate
- Proposed hole



LEGEND

- Florence Quartzite
Bell Shale
- Crotty Quartzite, Amber
Slate, Keel Quartzite
- Gordon Limestone
- Crimson Creek Formation
- Moina Sandstone,
Mt. Zeehan Conglomerate

ZZ EXPLORATION PTY LTD

Simplified Geology (EL 20/2002)
Modified from Saxon 1995

DRAWING No.
311-GL-046

SCALE 1:1750



FIG. No.
3