Adamus Resources Limited

Exploration Licence 28/2002 Bonds Range NW Tasmania

2005 Partial Release from EL28/2002 Report to Mineral Resources Tasmania

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Contents

Coordinates are AMG in AGD66 Zone 55

1. Summary

Exploration Licence 28/2002 located in Western Tasmania and held by Adamus Resources Ltd, covers prospective units of the Mt Read Volcanics contacting Precambrian quartzite and Ordovician sediments. Following a review of historic geochemical data, publicly available aeromagnetic data, and results of Adamus' 2004 rock chip sampling program 106km2 of EL28/2002 has been identified as non–prospective and selected for release (figure 1).

2. Introduction

The Bonds Range Exploration Licence 28/2002 is found on the Sophia (8014) 1:100,000 map sheet, and covers an area between Tullah in the South-west and Moina to the North. Topography is rugged and varied, comprising steep timbered slopes with deeply incised valleys and gentler button grass marshland on elevated plateau's and broad plains. A number of lakes and marshy basins are located in the northern parts of the licence. The Cradle Mountain – Lake St Clair National Park forms the eastern boundary of the licence, whilst Lake Mackintosh and the Black Bluff Range bound the licence area to the West. The sealed Cradle Mountain Development Road bisects the northern part of the tenement. Vehicle access to the central and northern areas is limited to a few gravel tracks controlled by local graziers and private landowners. Further access around the licence area, especially in the South, is limited to foot or helicopter support. Land use in the licence area is predominantly as conservation and regional reserve, with areas of forestry and private land holding in the North-east, around Middlesex Plains.

During the 1890's to early 1900's the licence area hosted a number of small-scale gold and base metal mining operations. Most were located in the northeastern part of the licence, in the vicinity of Mount Beecroft and the Bonds Range. To the South, near the shores of Lake Mackintosh, lead, zinc and silver were mined at the White Hawk Mine. The Mount Read Volcanic Belt is the host for a number of large VHMS polymetalic

deposits, including Rosebery Pb-Zn, Hellyer Zn-Pb-Ag-Au, Henty Au-Ag-Pb-Cu and the large copper deposits of the Mount Lyell Field. Application for EL28/2002 was made principally to explore for these Au-Cu and VHMS Pb-Zn-Ag-Au styles of mineralization.

3. Geology

Released areas from the Bonds Range licence EL28/2002 include: Precambrian Tyennan basement quartzite and phyllite units that are overlain by a thin band of Cambrian sediments and volcaniclastics of the Stitch Range Formation and Black Peak Beds. The Black Peak Beds consist of an interbedded epiclastic siltstone and sandstone with dark grey cherty layers. The Stitch Range Formation is a siliclastic conglomerate and sandstone with interbedded siltstone and minor volcanoclastic rocks. Contacting these units to the west is a Mid Cambrian intrusive quartz feldspar porphyry of the Mount Read Volcanics and Ordovician volcanoclastic conglomerates, breccias, pebble conglomerates, sandstone, silts and shales of the Owen Group. These units form a north eastern trending belt encompassed by the licence area. Small areas of Ordovician limestone are also found in the west of the released area.

Significant areas in the released section are covered in a thin layer of Tertiary basalt, particularly in the northern and southern sections. Intermittent patches of Quaternary talus scree and alluvial deposits also overlie some of the released area.

A number of strike slip faults cut the current licence area and generally trend south-east to northwest, the largest of these is the Kauri Fault which bisects the northern extremity of EL28/2002.

4. Previous Mining and Exploration

Modern exploration efforts, covering the Bonds Range EL28/2002 licence area, commenced in the late 1960's. Prior to that work consisted of small to moderate scale prospecting and limited mining ventures. Historical work in the licence area commenced

in the mid 1890's with the discovery of an auriferous gossan, by prospector B.L.F.G Thomas, near the northern end of the Bonds Range. Primarily searching for base metals, bismuth, tin and gold, a number of leases, were taken up around this area, including a number of small scale mining ventures at Blacks, Golden Cliff, Mt Stormont and further South towards Speeler and Fleece Creeks (Twelvetrees 1913). At the Blacks Mine trenches and a number of prospecting shafts and tunnels were excavated, into pink quartzite and conglomerate with pyrite quartz veining. Limited small scale alluvial working was undertaken in the adjacent creeks. This field was worked up until the outbreak of World War One. Assay results for the field show a degree of variation, due in part to the presence of nuggety, free gold. The Blacks mine reported dump samples of between 5 to 14 dwt per ton, whilst Mr Hartwell Condor, in a 1903 visit to the area, reported a number of samples between 3 to 6 dwt per ton from dumps associated with small shafts and drives (Twelvetrees 1913). There are a number of other historical workings in the area to the north east including the Davenport gold workings.

Relevant previous licences, explorers and exploration activities include:

EL 12/65 was a large licence, covering 4000 square miles, held by the Picklands Mather Company International, from 1965 to 1971. The licence was taken up to explore for a variety of economic minerals, including, base metals, gold and osmiridium. Work consisted of broad scale stream sediment sampling and geophysical surveys. In the area covered by the present EL 28/2002, work concentrated on locating economic base metal deposits in the vicinity of Lake Lea. To this end a total of 52 stream sediment samples were collected from the Lea River, Fall River, The Vale of Belvoir and the drainages into Lake Lea from the Black Bluff Range. The samples were analysed for Cu, Pb, Zn, Ni and Co. Results were extremely disappointing, with only a few results for Co and Zn greater than 100 ppm. No further work was recommended (Smith 1968).

EL 2/70 held by Aberfoyle Limited until relinquished in 1989. The original licence, of 255 square miles, covered the central section of the present EL 28/2002 from the Mariner 2 anomaly South towards Mount Murchison, following the National Park boundary and as far West as the Murchison Highway. Work in the first decade of tenure concentrated on the discovery of economic base metal deposits. This led to the discovery of the Que River Pb, Zn, Au deposit in 1974. In later years exploration for VHMS base metals and

economic gold deposits was undertaken over the eastern parts of the tenement, in the area covered by the present EL 28/2002.

Principal activities relevant to EL 28/2002 included:

- 1970. Soil, rock chip and limited trench sampling, for Cu, Pb, Zn and Ag over previously identified silver bearing galena and sphalerite mineralization, in the Fleece Creek and Back Peak areas (Krummei 1970).
- 1979 - 1982. Joint Venture partner, Geopeko Ltd, takes over on ground field work. Mapping, stream sediment, soil and rock chip sampling, in association with ground and airborne magnetic surveys, defines eight targets (Prover Anomalies 1-8). Stream sampling (-80#) conducted over all readily accessible streams, draining the Cambrian volcanics and porphyries. Samples were analysed for Cu, Pb, Zn, Fe, Sn and W. Every fourth sample in the Fleece, Marsden and Tumbling Creek catchments was analysed for Au. Gold results were in the range of 25 – 135 ppb. In May 1982, a diamond drill hole at the Prover 1 anomaly (DDH1 - 156m @-50º/130ºmag) intersected minor Pb-Zn vein mineralization from quartz veins in a cherty tuff. The core was analysed for Cu, Pb, Zn, Ag, As, Ba. Results were generally disappointing (Herrmann 1980a, Heithersay et al 1984).
- 1984 – 1985. Cypress Minerals Australia takes over field management from Geopeko Ltd and undertakes an EM-37 magnetic survey over the Speeler Creek, Carters and Heap of Rocks prospect areas. A total of 18 rock chip samples are collected from these prospects and analysed for Cu, Pb, Zn, Ni, Mn, Ag, Au, As, Sn, W, Sb and Ba. One sample from the Carter prospect returns 4.04% Pb, 2.3% Zn, 16 g/t Ag and 0.08 g/t Au (Jones 1985).
- 1985 – 1987. CMA under took, 10-20 metre spaced, soil sampling programs over Speelers Creek, Carters and the Heap of Rocks prospects, as well as a further eleven rock chips. Results for gold were sporadic, with anomalous Au in soils up to 0.4 g/t Au at the Carter prospect. Latter follow up and check sampling could not repeat the earlier results. The cause of this was attributed to poor laboratory techniques. Rock chip samples all returned < 0.05 g/t Au. In September 1986 a diamond drill hole MT-86-1 (150m @-50°/142°mag) was undertaken to test an EM-37 anomaly at the Speeler Creek prospect. This hole intersected weak Pb-Zn mineralization in weakly altered tuffs and lavas. The

highest gold value was 3 metres @ 0.11 g/t Au from 10-13m depth. No further work on the project was recommended (Jones 1986a and b).

EL 14/73 held by Tasminex NL covered the Mariner prospects briefly until May 1974. Work under this licence focussed on a radioactivity anomaly in stream waters taken from a tributary flowing into the Lea River. The technical reports could not be obtained for this exploration licence.

EL 5/74 held by Cominco Exploration P/L and Paringa Mining and Exploration Company P/L, in a joint venture with Aberfoyle Limited from 1974 to 1978. Originally part of EL 2/70 the area was relinquished then re-acquired after the discovery of the Que River Deposit. The licence covered 148 km2 between the Cradle Mountain – Lake St Clair National Park and the Que River. It was re-integrated into EL 2/70 in 1975. In February 1975 a stream sediment sampling program, comprising 97 samples, was undertaken between Romulus Pup and Backwater creek. Samples were analysed for Cu, Pb, Zn, W, Mo and Sn. No significant results were recorded (Rabone 1975).

EL 10/74 held by Geopeko Ltd and Union Oil Development Corporation until 1983. The licence covered 133 km2, from Bonds Range and lris River in the South-east to Cattley Creek in the North-west. Preliminary work in the area concentrated on locating economic massive sulphide base metal deposits. Later re-interpretation of the licence area shifted the exploration focus to granite related Sn-W deposits and associated gold mineralization in the vicinity of the Blacks mine and Kauri Fault zone.

Principal activities relevant to EL 28/2002 included:

- 1974 – 1975. A regional program collecting 134 stream sediment samples, 74 humic A horizon soil samples and 27 rock chips, identified four areas of Pb, Zn and Sn anomalism, in the Bonds Range (Mariner 1 A, B and C and Mariner 2). Samples were analysed for Cu, Pb, Zn, Sn, Cd and Mn. A peak assay of 10,000 ppm Pb, in a soil sample, was returned at Mariner 2 (Van Den Bogaart and Buckland 1978).
- 1975 – 1978. Mapping and a further geochemical program, including 429 soil samples, was conducted over the Mariner 1 and 2 grids. A total of 66 rock chip samples and 266 stream samples were collected from this area and further along Bonds Range. The samples were analysed for Cu, Pb, Zn, Ag, Fe, Mn, Cd, Ba, As and Sn (Van Den

Bogaart and Buckland 1978).

- 1978 – 1980. Additional stream sampling of the Mariner 1 to 3 area. A total of 27 panned concentrate samples were analysed for Au, Sn and W, returning a peak value of 18.5 g/t Au (415000 E / 5401000 N) and 3.55% Sn. A sample collected over a window in the basalt cover, 700m East of Mariner 3, assayed 1.02% Sn and 1.07 g/t Au. This prospect area is referred to as Mariner 5. A follow up soil sampling program of 37 samples, (Cu, Pb, Zn, Ag, Bi, Sn, W) returned no significant results. An attempt to penetrate the basalt cover by percussion drilling was unsuccessful, due to the hardness of the rock and excessive water inflow. The two holes (PCH-1 and 2) reached depths of 14 and 10 metres respectively. Brief mention is made of a 137.5m diamond drill hole targeting a self potential geophysical target at Mariner 3. Pyrite and chalcopyrite veining associated with quartz and muscovite was intersected. No results or drilling information could be found regarding this hole (Herrmann 1980b).
- 1980-1983. A Dighem II survey flown in early 1980, identified a further seven target areas. Follow up stream sampling identified a zone of lead and silver anomalism at Mariner 7 and anomalous gold in streams draining Mariner 6 (Blacks Mine) and Deep Creek area. A total of 32 (-80#) stream samples from the Mariner 6 and deep creek returned anomalous gold values up to 304 ppb. Rock chip sampling at Mariner 6 returned a peak value of 68 g/t Au from old workings. (Pemberton 1981). Follow up C-horizon soil sampling and mapping at Mariner 6 (305 samples) returned a peak value of 730 ppb Au and defined a number of anomalous zones. In October 1981 a diamond core hole (DDH1 96.75m @ -50/215) was drilled beneath under the Mariner 6 workings. No significant mineralization was intersected (Pemberton 1982). During 1983 stream sampling for Sn, W and Au was undertaken in the Kauri Creek, along the fault zone. A number of anomalous gold results were noted, but couldn't be duplicated during subsequent sampling. The licence area was relinquished in late 1983 (Pemberton 1983).

EL 17/74 held by CRA Exploration P/L until early 1976. The licence covered 26 km2 over Mt Romulus, White Hawk Creek and the Alexandra Hills. Work in the area concentrated on locating stratiform base metal deposits. In early 1976 a helicopter supported reconnaissance soil sampling program was undertaken over areas of

outcropping Cambrian volcanics. Results were generally disappointing and the licence was relinquished (Porter 1976).

EL 2/78 held by Alcoa Australia Ltd and Shell Australia Ltd until 1983. The original licence area covered 322 km2, from the southern boundary of EL 10/74, covering all the ground in the relinquished EL 5/74 (between the two halves of EL 2/70), then as far South as the Murchison River. The eastern edge of the licence followed the Cradle Mountain – Lake St Clair National Park boundary, with the western edge conforming to Lake Mackintosh. The primary exploration target was for tin and tungsten mineralization, with VHMS base metal deposits as a secondary target. In later years minor attention was given to gold mineralization, resulting in the identification of three areas of gold anomalism at Romulus East, Ten Mile Creek and Backwater Creek.

Principal activities included:

- 1978 –1982. Airborne magnetic surveys defined 24 targets for ground based investigation. Nine targets, on the slopes of Mt Romulus and in the Fury Flats and Backwater Creek, fall in the area covered by the current EL 28/2002. Follow up ground work involved stream, soil and rock chip sampling for Pb, Zn and Cu. Results were discouraging, with only minor Pb- Zn anomalism at Romulus West and the Fury Flats (Spiejers 1982).
- 1982 -1983. A stream sediment sampling program, of 26 samples, at a nominal 500 metre spacing (panned concentrate and -80#) defined a zone of anomalous Sn, W and Au draining North-west from Mt Remus, along the Ten Mile Creek and its adjacent northern tributary. A peak value of 1.20g/t Au was recorded from a panned concentrate at 39935E / 5391550N. At Romulus East (395359E / 5383160N) seven rock chip samples, from a brecciated Pre-Cambrian schist and quartz veined gossan, returned peak values of 14.2% As, 2.6% Pb and 2.3g/t Au. Soil sampling at the same prospect for As and Pb defined a 150x100 metre Pb anomaly (Smyth 1983). Follow up stream sampling, totalling 59 samples, in late 1983 returned a peak value of 2.80g/t Au from a panned concentrate in a tributary of the Backwater Creek (395500E / 5387700N) to the North-west of Romulus Pup. In the Ten Mile Creek / Mt Remus area, two panned concentrates confirmed and extended the previously identified anomalous result. One sample at 399400E / 5392000N returned a value of 0.45g/t Au from an adjacent creek to the East, whilst the other assayed

1.05g/t Au from the upper reaches of a creek system, one kilometre further to the East (401080E / 5392350N) (Smyth 1984).

EL 46/80 held by joint venture partners Aberfoyle Ltd, Geopeko Ltd and Paring Mining and Exploration Company P/L until the end of 1983. This small tenement (<20 km2) centred on the previously identified prospects at Heap of Rocks and Fleece Creek. Work concentrated on base metals, tin and tungsten mineralization. Minimal work was undertaken during the tenure period.

Principle activities consisted of an airborne electro-magnetic survey in 1980 with follow up soil and selected rock chip sampling. Nine rock chip samples were collected and analysed for Cu, Pb, Zn, Ag, Fe, Sn, and W. The soil and rock chip results were all disappointing and the licence was relinquished (Heithersay 1982, Pemberton and Sumpton 1984).

EL 41/83 held by Renison Goldfields Consolidated P/L from the beginning of 1984 until the end of 1990. The rectangular block of 112 km2 covered the former EL 10/74 relinquished by Geopeko Ltd in 1983. Centred on Lake Lea, it extended from the Black Bluff Range in the East to Mt Stormont in the West. Principal exploration targets were for economic gold deposits, VHMS base metals beneath Ordovician cover and buried carbonate replacement tin deposits. The potential mineralization styles included fine grained Bi-Au skarns, Au rich quartz-haematite-pyrite stock works and volcanic hosted gold deposits in the Bonds Range (Roberts 1984).

Principal activities included:

- 1983–1984. Following a review of data a short field visit in late 1984 resulted in the collection of two panned concentrates, 14 rock chips for geochemical analysis and two rocks for petrology. The field work covered the Mariner 4, 5, 6 and 7 prospect areas. At Mariner 5 a sample of limonitic vein quartz returned 0.2 g/t Au, whilst two samples at mariner 6 from haematitic quartz veins in the Owen Conglomerate returned values of 9 g/t Au and 6g/t Au (Roberts 1984).
- 1985-1986 Following reduction of the licence area to 56 km2 in 1985, work focused on the eastern prospect areas around the Devonport Mine, Deep Creek along the Kauri Fault and the Mariner 4 and 6 anomalous zones. A -80# stream sampling program

of 81 samples for Au, Cu, Pb, Zn, Ag, As, Bi and W was undertaken. This was followed up by a further 41 samples in areas of interest. At Mariner 4 this confirmed the presence of anomalous gold at the north-western end of the grid. In the Devonport Creek and its main western tributary a total of 38 break of slope soil samples were collected from above the flood line. At Mariner 6 an orientation soil survey over a known soil and rock chip anomaly gave inconclusive results (all <10 ppb Au). Rock chip sampling, totalling 144 samples, returned two samples from mullock and the portal of the Devonport mine, grading 3.83 g/t Au and 9.83 g/t Au. Five samples from mullock at Mariner 6 assayed between 1 – 13 g/t Au from intensely silicified and haematite veined, pink host rock. A sample from near the Iris River (413350E / 5399450N) assayed 1.31 g/t Au, whilst a float sample from the Deep Creek (415950E / 5404900N) returned 1.13 g/t Au (Roberts 1986).

- 1986-1990 Work focused on evaluating the gold in skarn potential around the Stormont Bi-Au mine and Fletchers Adit area to the east of the present EL 28/2002. This involved rock chip and channel sampling of mullock dumps and old workings. A program of 21 short (<50m) diamond drill holes (SD001-021) was undertaken during 1989-1990. Results were variable, with grades up to 13 g/t Au in some holes, whilst others contained no significant mineralization. Following a review of all work completed the ground was relinquished (Castro and Fleming 1990).

EL 24/84 held by CRA Exploration P/L from 1984 to early 1992. The licence area of 103 km2 covered all the ground contained in the present EL 28/2002, from South of the Cradle Mountain Development Road to the Alexandra Hills, South of Mt Romulus. The Cradle Mountain – Lake St Clair National Park and Lake Mackintosh defined the eastern and western boundaries respectively. The licence was taken up to test the potential for economic gold mineralization. Ten Mile Creek, Romulus East and two areas east of the Fury Flats and near Reynolds Falls were identified as having similar vegetation signatures to the Que River Mine (Clementson 1985).

Principal activities relevant to the present EL 28/2002 included:

- 1986-1987. A total of 24 rock chip samples were collected at Romulus East. Results were disappointing with the highest assay 0.64 g/t Au. At Ten Mile Creek a total of 15 rock chip samples were collected. Thirteen samples from the haematite zone

returned no anomalous gold values but two samples, from sericitized porphyry, including one containing minor pyrite, at the eastern end of the area (400200E / 5391000N and 400140E / 5391000N) returned values of 1.04 g/t Au and 8.08 g/t Au respectively (Funnell and von Strokirch 1987).

- 1987-1988. At Ten Mile Creek a two metre spaced bedrock sampling program of 27 samples was undertaken on a gridded line in the vicinity of 5391000N / 400000E. A peak value of 0.092 ppm Au was returned from the haematite stock work zone. Nine other rock chip samples were collected in the area as well as two stream samples (-80# and BLEG) at a site with previously identified gold anomalism (Henham 1989a).
- 1988-1989. Aberfoyle Resources took over field work under the Mount Read Volcanics Joint Venture with CRA. Work concentrated on Ten Mile Creek, with a program of gridding, mapping and geochemical sampling. A total of 322 C-horizon soil samples were collected covering the 2 km long haematite stock work zone. A number of areas anomalous in Au were identified, with a peak value of 162 ppb Au in the haematitic stock work. A second gold anomaly (max 92 ppb Au) was associated with a large outcropping quartz vein. A total of 45 rock chip samples were collected, with 6 considered anomalous (peak value of 1940 ppb Au). A stream sampling program, to locate extensions of the stock work zone, was undertaken in the drainages of the Vale River, to the North-east. Eleven -80# and four bulk cyanide leach samples were collected. Results were disappointing, with all the -80# below detection for Au and the others not considered significant (peak value 2200 ppt Au) (Henham 1989b).
- Following significant reduction of the licence area to 6 km2 and the departure of Aberfoyle Resources from the joint venture, a diamond drilling program was undertaken at Ten Mile Creek in February 1992. Four holes (TMC 1-4), utilising a man portable drill rig, were completed for a total of 153.7 metres. The core size of 35mm and the hard, fine grained nature of the rock resulted in the holes being prematurely terminated. The maximum down hole depth achieved being 53.8 metres in TMC 4. A total of 103 samples were assayed for Au, Ag, Cu, Pb and Zn. The peak gold value was returned from near the bottom of TMC 4 (1m @ 0.52 g/t Au between 48.0-49.0 m) and the hole was terminated as it entered a zone of intense stock work and veining. TMC 2 returned a peak value of 3m @ 0.11 g/t Au, between 4.0-7.0 metres, whilst TMC 3 returned values up to 0.12 g/t

Au (Newnham 1992) (APP 1 drilling data).

EL 47/87 held by Billiton Australia and the Shell Company of Australia Ltd until the end of 1988. The licence area of 55 km2 covered the ground relinquished from EL 41/83 by Renison Goldfields in 1986. Centred on Lake Lea and the Bonds Range, work in the licence area concentrated on gold and base metal mineralization at the Mariner 1 and 2 prospects. A field program comprising limited stream sampling, C-horizon soils, mapping and rock chip sampling was conducted during the tenure period. A total of 158 soil samples were collected at 25 m spacing on seven lines covering the Mariner 2 grid. Analysis for Cu, Pb, Zn, As, Ag, Au and Ba, defined a South-east trending, ellipsoidal gold anomaly, in the vicinity of 401500E / 5401200N, with a peak value 0.29 ppm Au, associated with a zone of bucky quartz float. Ten sites in the Fall and Iris River catchments were sampled by BLEG and -80#, returning anomalous values of
3.1 ppb and 1.9 ppb Au. Ten rock chip samples were collected and analysed for Cu, Pb, Zn, As, Ag, Au and Ba. Best results were from two samples in the Mariner 2 grid area, returning values of 0.11 g/t and 0.20 g/t Au (Randell 1988a).
EL 89/87 held by Aberfoyle Resources Ltd and CRA Exploration P/L, under the Mount Read Volcanics Joint Venture, until April 1989. The licence area of 31 km2, in two parts, covered the Vale River catchment, North of Ten mile Creek and the area from Back Peak to the national park boundary. Work in the area concentrated on gold and base metal mineralization. In the area to the North of the Ten Mile Creek prospect, the potential for extensions of the haematite stockwork resulted in a C-horizon soil sampling program of 50 samples. These were analysed for Cu, Pb, Zn, Au, Ag, Fe and As. Three moderately anomalous gold values were reported. One associated with chlorite altered Cambrian porphyry assayed 0.068 ppm Au, whilst the other two at 401160E / 5392465N and 401390E / 5392220N returned values of 0.052 ppm and 0.152 ppm Au. These later two samples are not associated with any obvious alteration and their presence is un-explained. Three rock chips collected in the area returned no significant results. In the Vale River drainage between Vale River and Tumbling Creek six -80# stream sediment samples and one BLEG sample were collected. There were no anomalous results. Three -80# stream sediment samples and one BLEG sample were collected in the Vale of Belvoir and

Etchells Creek area, with similarly disappointing results (Henham 1989c).

EL 90/87 held by Billiton Australia and The Shell Company of Australia Ltd until the end of 1989. The licence area of 28 km2 covered the central part of the present EL 28/2002, from the Cradle Mountain development Road, South to Back Peak and the national park boundary. Work targeted economic VMS deposits and comprised broad spaced stream sampling, mapping and ground truthing earlier soil sample results at the Speeler Creek, Carters and Heap of Rocks prospects. A total of 20 BLEG and -80# duplicate stream samples were collected and analysed for Au, Pb, Zn, Cu, Ag, As and Ba. One sample returned a value of 0.14 ppm Au, from the -80# fraction, in a North draining creek near Back Peak (405840E / 5393100N). At the Carters and Heap of Rocks Prospect a total of 30 soil samples were collected to confirm previously identified anomalism. The results confirmed the earlier Geopeko work, but at a lower magnitude. At the Speeler Creek Prospect a previously identified base metal and gold soil anomaly (2200 ppm Pb, 820 ppm Zn and 0.25-0.35 ppm Au) associated with a weak EM37 anomaly was targeted for drilling. Diamond drill hole BPD 88-1 (166 m @-50º/132º mag) was completed in December 1988. Selected intervals were analysed as 2 m intervals. Results were uniformly discouraging, with the peak gold assay of 2 m @ 0.02 ppm Au. No further work was recommended (Randell 1988b, 1989).

EL 106/87 held by Aberfoyle Resources Ltd until the beginning of 1998. The licence area of 135 km2 covered the western boundary of the present EL 28/2002, from Lake Mackintosh across the Henty Fault Zone towards the Murchison Highway. The company's main target was for economic VMS mineralization in the style of the Que River and Hellyer deposits. Most of the work conducted was not relevant to the current licence, although regional mapping and two diamond drill holes were completed in 1988. Diamond drill hole MAC 16 (367.4 m) on the Fury Flats, targeted possible hanging wall alteration in the Central Volcanic Complex of the Mount Read Volcanics. Drill hole MAC 20 (397.5m) on the Mackintosh Creek, aimed to test for the presence of mafic volcanic units below Tertiary basalt cover. A total of 45 core grind samples, over 5-10 m intervals, were collected from MAC 20 and analysed for Cu, Pb, Zn, Ag, As, Au and Ba. No significant results were recorded. Most samples were less than the detection limit for gold (<0.08ppm Au). Forty core grind samples and 16 half core samples were collected

from MAC 16, with similarly disappointing results. In 1990 forty square kilometres was relinquished along the western boundary of the licence. Work after this concentrated on Mt Charter and the Que River / Hellyer deposits(McNeill 1989).

EL 56/94 held by Rio Tinto Exploration P/L until the end of 1997. The licence area of 165 km2 covered the western boundary of the present EL 28/2002 and the area around Lake Lea to the Northeast, including Rays Pb- Zn Prospect and the Black Bluff Range. The primary exploration focus was for sediment hosted low sulphide Carlin style gold deposits. A program of -80# and panned concentrate, stream sediment sampling, over the Ordovician Gordon Limestone and Moina Sandstone was undertaken during 1997. Samples were analysed for Au, Ag, As, Bi, Cd, Cu, Co, Cr, Fe, Mn, Mo, Ni, Pb, Sb, Th, Uand Zn. No significant Au results were reported. A total of 49 rock chip samples and 12 reconaisance soil samples were collected from a number of areas around the licence, including Caveners Creek and the Mayday gold workings. The results were not encouraging (Menples 1996, Russell 1998).

4.1 Ten Mile Creek

Attention in the Ten Mile creek area has focused on Au mineralization in a haematite-pyrite stockwork zone within the Bonds Range Porphry. The haemititic zone is a 150 m wide and extends for over 2km in length (Nenham 1992). Rock chip samples from sericitised porphyry in the area have returned numerous anomalous Au values with a maximum result of 8.08 ppm (Funnell and von Strokirch 1987). Soil sampling in the area has also produced anomalous Au with maximum value of 162 ppb over the heamatite stockwork zone (Henham 1986). Stream sediment samples of up to 1.05 ppm Au have been recorded in the area (Smyth 1984).

CRAE drilled four shallow diamond core holes into the Ten Mile Creek prospect. The holes were terminated prematurely in hard finegrained rock, the deepest reaching 53.8 m. The peak Au value recorded was 0.52 ppm near the bottom of the hole TMC 4 as it entered a zone of intense stockwork and veining (Newman 1992).

Additional work in the area attempted to find potential extensions of the haematitic zone to the north of Ten Mile Creek towards Vale River. Anomalous Au values of 0.152 ppm and 0.052 ppm were found in soil samples (Henman 1989c).

4.2 Romulus East

Romulus East has been the scene of less attention than the nearby Ten Mile Creek. Anomalous Pb and Au results have been returned from the area although no high grade results have been produced. Seven rock chip samples collected from brecciated schist and quartz veined gosssan samples from the area returned peak values of 14.2% As, 2.6 ppm Pb and 2.3 ppm Au. An additional 24 rock chip samples returned a maximum Au of 0.64 ppm. Panned stream sediments from Black Creek north of Romulus showed a peak value of 2.8 ppm. A soil sampling program over the same prospect identified a 150 x 100 m Pb anomaly (Smyth 1983,1984)(Funnell and von Strokirch).

4.3 Speeler Creek, Carters Creek and Heap of Rocks

These areas are located in the centre of the current EL28/2002 licence. After initial interest generated by geochemical anomalies, magnetic and drilling studies were carried out with disappointing results. A soil sampling program carried out over Speelers Creek and Carters Creek highlighted a soil anomaly of up to 0.4 ppm Au (Jones 1986). Panned Stream samples from Tumbling Creek, Fleece and Marsden Creek have produced Au values in the range of 25135 ppb. Rock chip samples from the area have sporadically returned high Pb, Zn and Ag values. An aerial magnetic study of the area highlighted four areas of weak anomaly, two at Speelers Creek and one at both Carters Creek and Heap of Rocks. Two diamond drill holes conducted over the magnetic anomaly at Speeler Creek to depths of 150 m and 166 m exhibited no worthwhile Au mineralization, with a peak value of 0.11 ppm and 0.02 ppm respectively (Randell 1988, 1999). It was concluded following drill hole information that soil anomalies in the area were attributed to high background levels and hydromorphic dispersion within peaty soils.

4.4 Mariner Prospect Zone

The Mariner mineralization area is situated in the northern extent of the current licence and is divided into a number of prospects. The area contains a series of small historic Au workings. Much of the geochemical work carried out in the Mariner has focussed on finding Que River and Hellyer-style Pb-Zn deposits; the potential for such deposits has

been systematically rejected. A difficulty in the Mariner area is the presence of a thin cover of post mineralization Tertiary Basalt over much of the area, making drill targeting and drilling difficult. Dump samples from old workings, stream sediments and soil sampling have returned some significant Au results, although geochemical data from the Mariner prospects show some inter-program inconsistencies which need to be resolved.

Panned stream sediment samples from the Mariner prospect zone have returned a number of anomalous results. A peak Au value of 18.5 ppm was obtained from Mariner 3 and stream Au values are highest in the tributaries to the Lea River. A result of 1.1 ppm Au was also recorded from Mariner 5. Other stream sediment Au anomalies have been noted from Mariner 4 and 6.

The most interesting results gold results were obtained from dump and rock chip samples from old workings. A rock chip assaying 68 g/t Au was collected from Mariner 6 and other samples from haematitic quartz veins returned values of 9 ppm and 6 ppm. Assays between 1 and 13 ppm were obtained from pink veined host rock. Rock chip samples from the portal of the old Devonport Mine to the north of Mariner 6 returned assays of 3.83 ppm and 9.83 ppm. At Mariner 5 a sample of limonitc vein quartz returned 0.2 ppm.

Drilling information from the Mariner prospects is a little sparse. An attempt to penetrate the Tertiary basalt cover at Mariner 5 failed and a maximum depth of 14 m was reached. A diamond drill hole sited at Mariner 3 reached a depth of 137m and intersected pyrite and chalcopyrite veining. Down hole assays from this hole couldn't be located. Another diamond drill hole at Mariner 6 beneath the old workings did not encounter any significant mineralization.

5. Reporting Period Work and Discussion

The released areas include a suite of 7 rock chip samples collected from quartz tuff and vuggy vein quartz in the north-western section of the tenement (figure 2). These were assayed for Au, Pt, Pd, Mg, Ag, Sn, Zn, Cr, Cu, Ni, S, As, Zn and Pb. Results collected from this area were uniformly disappointing with assays for most elements typically

below the detection limit. Additional work in the other released areas considered historical geochemical and aeromagnetic data sets. Limited field inspection of some areas was also carried out by a geologist and field assistant.

Areas released from the licence have displayed discouraging results for Au mineralization and/or a lack of target mineralization host.

6. Conclusions and Recommendations

Following a review of historic geochemical data, publicly available aeromagnetic data, and results of Adamus' 2004 rock chip sampling data 106km2 of EL28/2002 has been identified as non –prospective and selected for release (figure 1).

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3000 mE 392000 mE 396000 mE 400000 mE 404000 mE 408000 mE 412000 mE 416000 mE 420000 mE

5416000 mN 5412000 mN 5408000 mN 5404000 mN 5400000 mN 5396000 mN 5392000 mN 5388000 mN 5384000 mN 5380000 mN 5376000 mN 5372000 mN

Area to retain

Area for release 106km2

Area to retain

Area to retain

Geological Legend

- Holocene and Pleistocene Deposits
  Alluvium Swamp and Glacial deposits
- Tertiary
  Basalt
- Late Ordivician
  Limestone with minor siltstone
- Ordivician
  Owen Group- Pink sandstone and granule pebble conglomerate-clasts of chert common
- Ordivician
  Owen Group- Pebble cobble to cobble- boulder conglomerate
- Middle Cambrian
  Mt Read Volcanics- Volcaniclastic conglomerate and sandstone
- Middle Cambrian
  Sticht Range Beds- Silicicalstic conglomerate and sandstone with interbedded siltstone and volcanoclastics
- Precambrian
  Interlayered phyllite and quartzite

EL28\2002
Area for retention

EL28\2002
Area for release

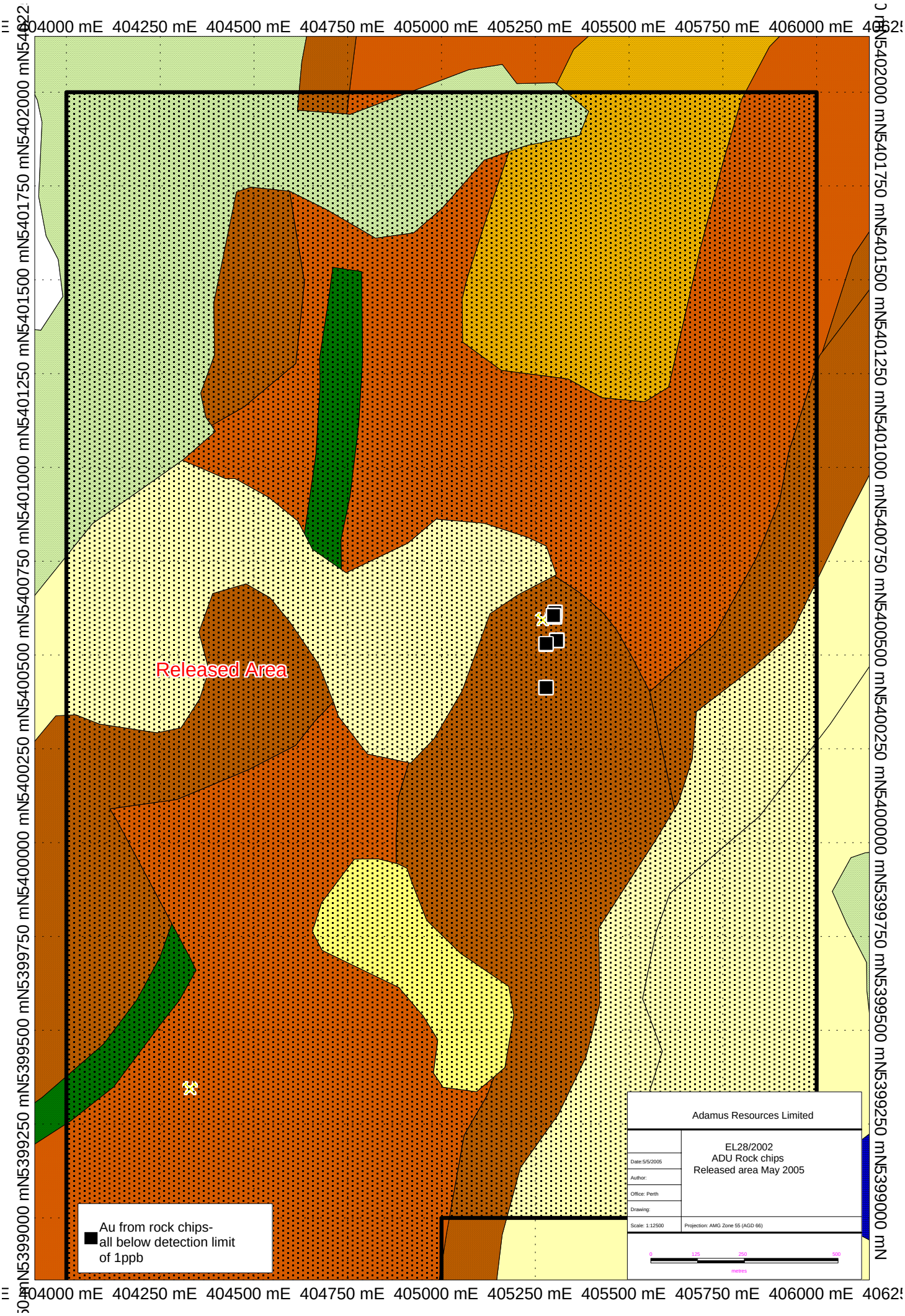
Adamus Resources Limited

EL28/2002 Partial Release
May 2005

Date:5/5/2005
Author:
Office: Perth
Drawing:
Scale: 1:100000
Projection: AMG Zone 55 (AGD 66)

0 1 2 4
kilometres

392000 mE 396000 mE 400000 mE 404000 mE 408000 mE 412000 mE 416000 mE 420000 mE 53680


404000 mE
404250 mE
404500 mE
404750 mE
405000 mE
405250 mE
405500 mE
405750 mE
406000 mE
5402000 mN
5401750 mN
5401500 mN
5401250 mN
5401000 mN
5400750 mN
5400500 mN
5400250 mN
5400000 mN
5399750 mN
5399500 mN
5399250 mN
5399000 mN
Released Area
Au from rock chips-
all below detection limit
of 1ppb
Adamus Resources Limited
EL28/2002
ADU Rock chips
Released area May 2005
Date:5/5/2005
Author:
Office: Perth
Drawing:
Scale: 1:12500
Projection: AMG Zone 55 (AGD 66)
0
125
250
500
metres

Prospect	Licence	Sample	E AMG66	N AMG66	Surv method	Surv accuracy	Surv comments	Lith
Bonds Range	EL28/2002	BR012	414675	5405367	GPS Geko201	5		
Bonds Range	EL28/2002	BR016	414643	5405363	GPS Geko201	6		
Bonds Range	EL28/2002	BR018	414688	5405347	GPS Geko201	5		
Bonds Range	EL28/2002	BR021	415223	5406049	GPS Geko201	7	coords from ad	
Bonds Range	EL28/2002	BRG001	405302	5400607	GPS Garmin12XL	4		
Bonds Range	EL28/2002	BRG002	405303	5400619	GPS Garmin12XL	4		
Bonds Range	EL28/2002	BRG003	405299	5400610	GPS Garmin12XL	4		
Bonds Range	EL28/2002	BRG004	405308	5400545	GPS Garmin12XL	3		
Bonds Range	EL28/2002	BRG005	405307	5400544	GPS Garmin12XL	3		
Bonds Range	EL28/2002	BRG006	405279	5400535	GPS Garmin12XL	3		
Bonds Range	EL28/2002	BRG007	405279	5400418	GPS Garmin12XL	4		

Description	Sampled by	Batch	Date reported	Au pf	Pt pf	Pd pf	Cr	Cu
hematitic qz-b	AHR, SO	815.0/0500727	25/02/2005	40.65	-99	-99	37	278
pyritic wt VQ	AHR, SO	815.0/0500727	25/02/2005	0.15	-99	-99	143	46
float of ox ?p	AHR, SO	815.0/0500727	25/02/2005	0.09	-99	-99	138	32
fibrous wt he	AHR, SO	815.0/0500727	25/02/2005	0.04	-99	-99	166	28
cg qtz feldspa	AHR	BU019910	8/06/2004	0.005	-99	-99	-99	19
flow banded fg	AHR	BU019910	8/06/2004	0.005	-99	-99	-99	11
silicic/ chert	AHR	BU019910	8/06/2004	0.005	-99	-99	-99	18
he, si volcani	AHR	BU019910	8/06/2004	0.005	-99	-99	-99	19
he, si volcani	AHR	BU019910	8/06/2004	0.005	-99	-99	-99	13
cg qtz feldspa	AHR	BU019910	8/06/2004	0.005	-99	-99	-99	19
WH vuggy VQ in	AHR	BU019910	8/06/2004	0.005	-99	-99	-99	9

Ni	S	Pb	Zn	Ag	As	Sn	Mg	Fe
4	138	344	429	16	27	62	233	17.12
5	8281	41	4	12	58	-10	134	3.87
3	129	7	19	-1	-5	-10	350	8.41
12	-10	41	224	-1	78	-10	342	39.51
5	-99	19	15	-1	-99	-99	-99	-99
-3	-99	4	10	-1	-99	-99	-99	-99
4	-99	5	15	-1	-99	-99	-99	-99
7	-99	7	15	-1	-99	-99	-99	-99
5	-99	4	25	-1	-99	-99	-99	-99
7	-99	3	14	-1	-99	-99	-99	-99
18	-99	7	15	-1	-99	-99	-99	-99