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Application for Extension of Term Report

'Lake Newton'

EL28/2001

Vol. 1 of 1

HELD BY:	**BARRICK (HENTY) LTD**
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DATE:	**19 April 2007**
MAP SHEETS:	**1:25k Tyndall (3835) Oceana (3635)** **1:100k Sophia**
GEOGRAPHIC COORDS (GDA94):	**Min East: 379,100mE** **Max East: 382,100mE** **Min North: 5,356,200mN** **Max North: 5,360,200mN**

COMMODITY(s): Au, Basemetals

SUMMARY

Barrick (Henty) Limited requires a one year Extension of Term of the Lake Newton exploration lease (EL28/2001), to fully assess potentially economic mineralisation associated with the Lake Newton hydrothermal system.

Although the Lake Newton alteration identified to date is diffuse and low grade, it indicates the activity of a large, active gold-basemetal rich hydrothermal system with the potential to form economically significant mineralisation.

Several recent advances in geological understanding of the Henty mineralisation, including the implication of an important magmatic component of source fluids and seawater mixing processes, have increased the prospectivity of several poorly tested areas within EL28/2001.

During the reporting period, May 10, 2006 to May 10, 2007, Barrick (Henty) Limited (formerly Placer Dome Australia Ltd-Henty Mine) performed a review of historical work as part of the Barrick takeover of the Henty property. As a result Barrick has identified several targets which require further work, including drill testing to assess for significant gold mineralisation.

The main areas of interest are located at the southern extents of the Lake Newton alteration system and are summarised below:

1. A zone underlying the barite+basemetal mineralization at the Tyndall Creek (Target 1)

2. Geophysical features within the southern extents of the Newton Creek alteration system, underlying the Henty-Comstock/Lynchford Member exhalative horizon (Target 2)

3. Spillway horizon southern extensions (Target 3)

An ongoing work program involves reprocessing/interpretation of geophysical datasets, solid geology interpretation, detailed mapping and follow-up diamond drilling of prioritised targets.

An estimated expenditure of $192 500 is anticipated for the 2007-2008 extension period.

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1. INTRODUCTION

This report details work completed by Barrick (Henty) Limited over the past year as part of a submission for a one year extension to the 'Lake Newton' EL28/2001 (also known as 'Tyndall Creek').

EL28/2001 is due for relinquishment on 10 May 2007.

The 'Application for Extension of Term', together with an environmental impact statement is provided in Appendix 1.

The license area consists of crown land and land vested in the HEC, both land uses coming under the mines act. The far western edge of the tenement is part of the Mt Dundas Regional Reserve (World Heritage Recommended Area for Protection). The far eastern extent, east of the HEC high-tension power lines is the Tyndall Regional Reserve. Any disturbances in these areas require notification and approval from the Mineral Exploration Working Group (MEWG). Further conditions of exploration are outlined in the Exploration Code of Practice (produced by Mineral Resources of Tasmania (MRT)).

The land vested in the HEC includes Lake Newton and associated pump station, the Henty canal, the high-tension power lines and service tracks.

1.1. Tenure

EL28/2001 was acquired in 2002 by Placer Dome Asia Pacific (formerly AurionGold Exploration and previously Goldfields Exploration) after a successful tender for ETA 552.

Barrick (Henty) Limited acquired the EL in January 2006, following the global takeover of Placer Dome by Barrick Gold Ltd.

1.2. Location and Access

Lake Newton (EL28/2001) lies midway between Queenstown and Tullah on Tasmania's west coast. The EL's northern boundary abuts the Henty Gold Mine leases (Figure 1).

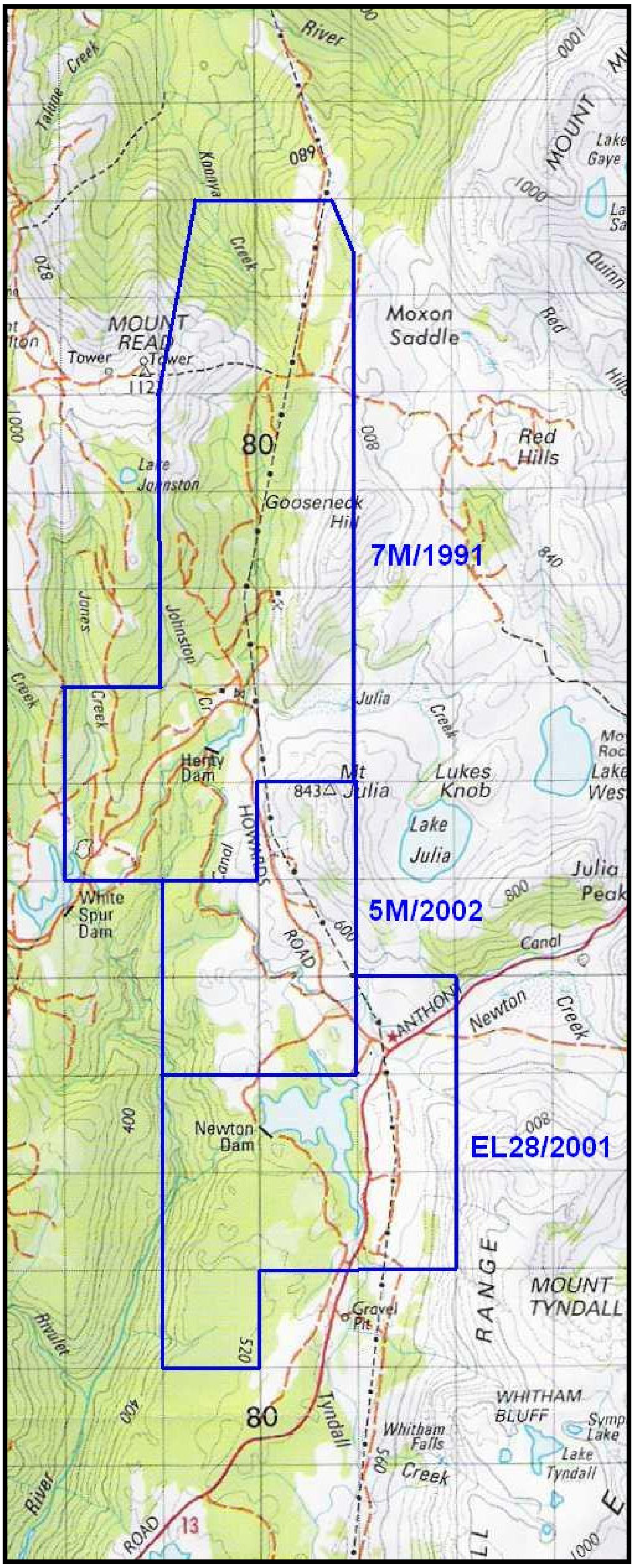

Figure 1. Location Map, showing EL28/2001 south of the Henty Mine leases

1.3. Regional Geology

Basement rocks of western Tasmania comprise sediments multiply deformed during the Late Proterozoic Penguin Orogeny (700=±50Ma) (Berry, 1994). A rift phase followed characterised by continental shelf sedimentation and tholeiitic volcanism (Crawford and Berry, 1992).

The first phase of the Cambrian Delamerian Orogeny (510-490 Ma) is characterised by extensional tectonism which resulted in the rapid deposition of sediments and calc-alkaline volcanics (Mt Read Volcanics), particularly along the eastern margin of the newly formed Dundas Trough (Berry, 1994).

The Mt Read Volcanics (MRV) interfinger with the Dundas Group to the west and bound by Precambrian rocks of the Tyennan Region to the east.

On the southeastern side of the Henty Fault, the MRV package can be divided into four main lithostratigraphic groups (Corbett, 1992). These are: the Western Volcano-Sedimentary Sequence (WVSS), the Central Volcanic Sequence (CVC), the Eastern Quartz Phyric Sequence (EQPS) and the Tyndall Group (TG).

The WVSS comprises rocks of the Dundas Group and the Yolande River Sequence (Corbett, 1992) which interfinger with the lava rich zones of the CVC and the EQPS sequence. The WVSS is typically marine and consists of tuffaceous mass flow deposits, volcano-sedimentary siltstones/mudstones, volcaniclastic turbidites and black graphitic shales (Corbett & Lees, 1987).

The CVC is the central belt and interfingers with both the WVSS and EQPS. CVC lithologies are predominantly feldspar-porphyritic rhyolitic to andesitic volcanics and pumice bearing volcaniclastics, with lesser intercalated minor sediments and mafic units (Corbett 1992). A useful geochemical subdivision is proposed by Crawford, et al 1992, where the CVC is split into two distinct geochemical suites (Suite 1 and Suite 2, see Section 2.5: Local Geology).

The EQPS occurs along the eastern margin of the MRV belt and interfingers with the CVC to the west. The package comprises rhyo-dacitic lava-dominated volcanics with common quartz-feldspar phyric intrusives (Corbett 1992).

The TG comprises a lower association consisting mainly of crystal-rich sandstone and polymictic breccia with minor rhyolitic and andesitic lavas, overlain by volcanogenic conglomerate and sandstone units of the upper TG.

The last phase of the Cambrian Delamerian Orogeny (~490Ma) caused the earlier faults to be reactivated as reverse faults and formed open north trending folds and the uplift and erosion of the Tyennan Block forming the Owen Group conglomerates (Berry, 1994). The Owen Group appears to conformably overly the TG in the Henty area (Corbett, 1992).

Deposition of the Owen Group ceased in the mid Devonian with the onset of the Tabberrabberan Orogeny resulting in tightening of the north trending Cambrian Folds in the Dundas Trough with formation of a NNW striking cleavage (Berry, 1994).

See Figure 2 for map showing the distribution of the Mt Read Volcanics.

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Figure 2: Geological Map of the Mt Read Volcanics Belt and adjacent areas South Darwin Peak to Hellyer (Corbett, K.D. 2002)

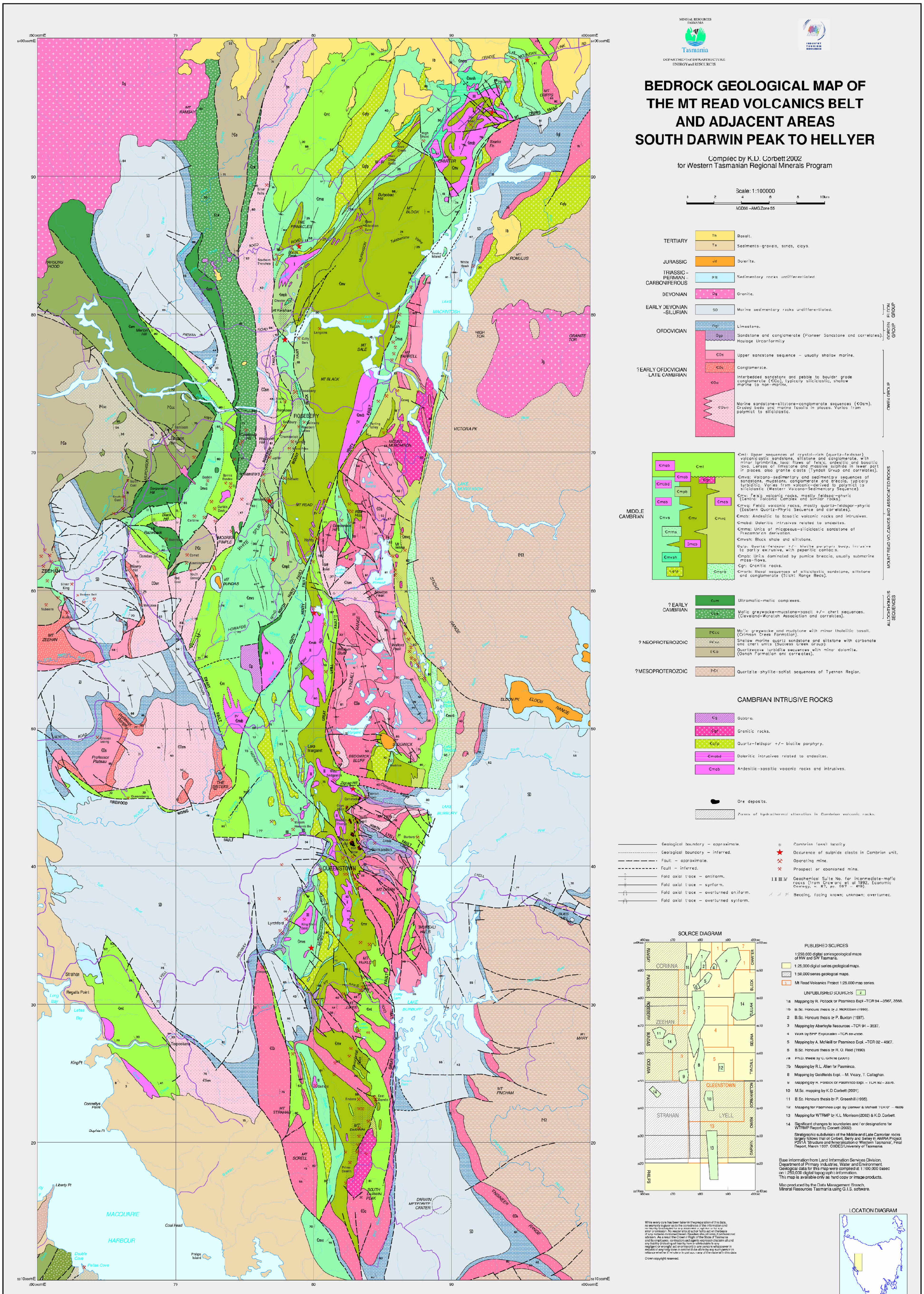
BEDROCK GEOLOGICAL MAP OF
THE MT READ VOLCANICS BELT
AND ADJACENT AREAS
SOUTH DARWIN PEAK TO HELLYER
Compiled by K.D. Corbett 2002
for Western Tasmanian Regional Minerals Program
Scale: 1:100000
TERTIARY
JURASSIC
TRIASSIC - PERMIAN - CARBONIFEROUS
DEVONIAN
EARLY DEVONIAN -SILURIAN
ORDOVICIAN
? EARLY ORDOVICIAN LATE CAMBRIAN
MIDDLE CAMBRIAN
? EARLY CAMBRIAN
? NEOPROTEROZOIC
? MESOPROTEROZOIC
CAMBRIAN INTRUSIVE ROCKS
SOURCE DIAGRAM
PUBLISHED SOURCES
UNPUBLISHED SOURCES
LOCATION DIAGRAM
QUEENSTOWN
ROSEBERY
ZEEHAN
MACQUARIE HARBOUR

Figure 4

1.4. Previous Exploration

The Lake Newton area has been semi-continuously explored mainly for VHMS-style mineralisation over the last forty years.

Good summaries of previous exploration are available in Lewis (1995b), Quayle (1995), Fitzgerald (1987), and Donaldson (1993) and in Appendix 2.

In the 1950s and '60s, Pickands Mather discovered Howards Anomaly gossan using EM, mapping, and soil and rockchip geochemistry.

Between 1966 and 1987 Goldfields Exploration (formerly Mt Lyell Mining and Railway Company Ltd) explored the region covering the current lease area ('Tyndall' EL9/66). Their work culminated in identifying coincident soil and IP anomalies, which defined barite-hematite veins and silver mineralisation associated with Howards Anomaly. Work also highlighted a distinct 'sulphide zone' associated with the occurrence with follow-up drill testing intersecting strong sericite+silica+pyrite+carbonate alteration (inc HA8 232m @0.2% Zn inc. 15m@0.1g/t Au). Little follow-up work was conducted and Goldfields were required to relinquish the ground in 1985.

The existing EL (EL9/66) was then split in half in 1985 and subsequently Arimco/EZ was granted the western area ('Yolande River' EL11/85) while CRAE was granted the eastern area ('Lake Margaret' EL5/85). The southern halves of these leases correspond with the western and eastern halves of the current Lake Newton lease.

Exploration commenced on the two separate leases in the late 1980s. CRAE conducted a-horizon soil sampling (400m spacing) and a UTEM survey before signing a joint venture agreement with Aberfoyle in 1989. During the following year Pasminco took control over their JV with Arimco and carried out systematic c-horizon soil sampling, mapping, helimag and UTEM surveys with limited follow-up drill testing.

During the early 1990's exploration was re-invigorated by Pasminco's discovery of several large clasts of high grade polymetallic massive sulphide in a coarse volcaniclastic breccia at the Newton Dam spillway.

This led to systematic coverage by c-horizon ('wacker') geochemical sampling, fixed loop TEM and high resolution helimagnetic surveys (Pasminco/Arimco).

In the last years up to 1995, Pasminco drilled sixteen diamond holes totalling 4,413m, mainly testing strike extensions of the "Spillway" unit. The source for the massive sulphide clasts wasn't discovered.

Aberfoyle also escalated their exploration in the early 1990's, following their discovery of the Tyndall Creek sulphide-barite occurrence. Work included drilling five short holes around the Tyndall Creek occurrence (inc. 2.1m @5%Pb and 7% Zn from TC5, 3.8g/t Au from TC3) and four deep holes targeting conceptual targets near the inferred intersection of the Lower Tyndall Group and the Great Lyell Fault.

In 1996 Resolute Samantha Limited acquired both licences discussed above and formed the South Henty EL (EL8/96) the southern half of which covered the current lease area.

Resolute conducted infill c-horizon sampling (wacker), rockchip sampling, IP surveying with follow-up diamond drilling and downhole EM. There main target was the Lake Newton Prospect magnetic anomaly. A total of 14 drillholes (4984m) were drilled centered on and below the Henty Comstock horizon. No significant mineralisation was encountered at this stratigraphic level, however a significant zone of alteration was intersected in underlying CVC Group lithologies, believed to be an extension of the zone identified underlying Howards Anomaly (Goldfields, 1980s inc. HA7, HA8). Resolute also drilled four drillholes intersecting the spillway horizon (SHD2, SHD12, SHD8 and SHD9) where a significant alteration zone was intersected in SHD2 (inc. 0.5m@0.13% Cu, 11.7% Pb, 18.2% Zn, 3.42 g/t Au, 220 g/t Ag) and SHD8 (3m@0.8 g/t Au) hosted within pumice breccias of the Upper Newton Creek Dacites. No source for the 'Spillway' unit mineralised clasts was identified.

In 1998, a JV between Resolute and Goldfields Exploration was formed. Goldfields managed the project and completed rockchip sampling, diamond drilling and downhole EM surveys. Exploration work defined a large zoned hydrothermal alteration system at Lake Newton, including a proximal inner core of silica+sericite+pyrite±chalcopyrite, into sericite+carbonate+pyrite, out to a distal facies of sericite+carbonate±sphalerite±galena alteration (Callaghan, 1999).

In 2000, Resolute elected to withdraw from the JV, transferring all of its interest to Goldfields. The following year Goldfields applied for an extension of term for the northern half of EL8/96 whilst the southern area (current EL28/2001) was relinquished (ETA552).

Placer Dome (ex-Goldfields) regained the ground in 2002 through a successful tender for ETA552 and the area became the current E28/2001 'Lake Newton' lease.

In the period 2002 to 2003, two deep diamond holes were completed targeting a DHEM anomaly and the southern extension of the Lake Newton alteration system. Exploration defined several zones of massive pyrite with associated silica-sericite-pyrite alteration returning low levels of gold and base metals (Callaghan, 2003).

During 2005-2006 Placer Dome completed one diamond drillhole on EL28/2001 (DDH Z16520) targeting a conceptual target at the intersection of the "Henty-Comstock Horizon" with the Great Lyell Fault. Drilling failed to confirm any significant mineralisation, intersecting the target horizon further away from the Great Lyell Fault than planned (Pollard, 2006). Further work on this lease was put on hold until further examination of existing geochemical and geophysical data had taken place.

Since the takeover of Placer by Barrick in 2006, EL28/2001 has been subject to a systematic review of historical activities. As a result Barrick (Henty) Limited has secured corporate funding to complete a targeting exercise over the area (see section 3).

1.5. Local Geology

Stratigraphy

The stratigraphy of the South Henty lease has been well documented by previous workers through detailed lithogeochemistry and mapping. Barrick's work to date has not altered the stratigraphy to any great degree and has summarised it in Figure 3.

In the Lake Newton area the volcanic package comprises a section of Central Volcanic Complex (CVC) conformably overlain by lower Tyndall Group stratigraphy.

The CVC is broadly divided into a lower association (Suite 1) and an upper package (Suite 2), based on geochemical divisions (Crawford et al, 1992).

The lower CVC (Suite 1) comprises a package of interlayered feldspar-phyric rhyolitic to dacitic lavas, volcaniclastic breccias, conglomerates and crystal rich sandstones (Williams, N., 2000).

The overlying upper CVC (Suite 2) is commonly referred to as the Anthony Road Andesites after the andesite members that dominate the package, but is also known as the Anthony Road Volcanics (ARV). Upper CVC units within the tenement area are dominated by a quartz-feldspar porphyry facies interpreted to be a sill in the South Henty area (Street, M., 1999) and a comagmatic package of interlayered plagioclase-hornblende phyric andesite units with lesser interlayered sandstone, mudstone and carbonate units (Williams, N., 2000).

Conformably overlying the CVC package are crystal-rich sandstones, polymictic breccia units and lesser quartz-feldspar felsic lavas of the Lower Tyndall Group. The felsic lavas of the Tyndall Group are characteristically Suite 1 (Williams, N, 2000).

Structure

Two major structures constrain the Cambrian lithologies in the Lake Newton area, the South Henty Fault to the west and the Great Lyell Fault to the east. The South Henty Fault is a steeply west dipping (60-90^o) major regional structure which forms the western boundary of the Yolande River Sequence, CVC and Tyndall Group rocks. The Great Lyell Fault forms the eastern margin of Cambrian lithologies and is a large west dipping fault with several hundred metres of displacement (Corbett & Lees, 1987).

Bedding is generally steeply dipping to the east and occasionally appears overturned, dipping steeply to the west. A tight, shallow north plunging syncline is located near the Great Lyell Fault in the southeast of the lease and may be a southern extension of the Mt Julia syncline (Callaghan, 1999). A major regional S_2 foliation is noted by Callaghan, 2003 which steeply dips towards the southwest and overprints most rocks in the Lake Newton area.

Callaghan, 2003 also notes evidence for extensive ductile deformation in the Howards Anomaly area. In this area the Howard's basalt horizon has a strongly developed foliation and down dip stretching lineation in chloritised basaltic breccias grading into brittle faulting and kinking of the earlier foliation. The fault represents the extended limb and hinge of a series of NNW trending asymmetric folds located in the SE corner of the EL which extend southwards. These structures mark the change from dominantly east facing-steeply dipping bedding strongly influenced by the Henty Fault in the west to flatter lying strata, disrupted by N to NNW trending open to tight folds and associated faulted limbs with wavelengths of approximately 200m in the east (Callaghan,2003).

Henty Area Stratigraphy				
	Group	Formation	Unit	Lithologies
Late Cambrian-Ordovician	**Owen Group**		*Owen Conglomerate (OC)*	siliciclastic conglomerate and sandstone
			Newton Creek Sandstone (NCF)	turbiditic micaceous siltstone, quartzwacke and cong.
Cambrian	**Tyndall Group (Suite 1)**	Zig Zag Hill Formation (ZZH)		Rhyolitic volcaniclastic sediments.
				Bedded sandstone-siltstone units
		Comstock Formation		Syn-eruptive qtz-feld crystal rich sandstone. Massive qtz-phyric rhyolitic lavas, breccias and intrusions (Mt Julia Rhyolite).
			Mt Julia Member (MJM)	Quartz+feldspar phyric lava and intrusives
			Howards Basalt Breccia	Fine grained basaltic andesite dykes, lavas and lithic breccias (Howard's Basalt). Commonly hematitic and carbonate alt.
			Lynchford Member (LYM)	Syn-eruptive feld crystal rich volcaniclastic sandstone.
				Massive carbonate and marly sediments.
				Dacitic volcaniclastic sediments.
	Central Volcanic Complex (Suite II)	Anthony Road Volcanics	Suite II Porphyry	Qtz-feld-hbl porphyry. Intrusive sill. Peperitic top and bottom contacts
			Anthony Road Andesite (CVC)	Feld-hbl phyric andesite and breccia, extrusive and intrusive
	Central Volcanic Complex (Suite I)	Newton Creek Dacites		Dacitic volcaniclastic pumice breccias
				Dacitic, feld phyric to aphyric lavas, breccias and intrusions. Peperitic contacts
				Dacitic to andesitic volcaniclastic sediments\vitric tuff, minor shale, sandstone
			Spillway Breccia	Coarse polymict and dacitic massflows with some sulphide clasts
			Spillway Basalt Breccia	Massive to stratified clast-supported monomictic basalt breccia 'fire fountain'
	Yolande River Sequence		Footwall pumice breccia	Rhyolitic-dacitic massflows, commonly graded
				Bedded vitric siltstones and sandstones.

Figure 3: Summary stratigraphic section of the Henty Region

Alteration and Mineralisation

The ongoing exploration review has identified two broad target areas with the potential to host significant Henty–style gold and VHMS mineralisation within the Lake Newton area:

- The Lake Newton Prospect (Cu-Au) (encompassing areas underlying the Howard's Anomaly (Ba-Ag) - Tyndall Creek (Zn-Pb-Ba) exhalative mineralised trend)

- The spillway horizon (VHMS-polymetallic massive sulphide)

<u>*Lake Newton Prospect*</u>

Previous workers have defined the prospect as a well zoned, epigenetic, low grade (0.2-0.4 g/t Au), disseminated copper-gold system with an extensive low grade (<1% Pb + Zn) base metal halo (Callaghan, 2003).

Typical results from the inner zone include:

SHD16	615-736m	121m @ 0.2 g/t Au
	770.8-791.8m	21m @ 0.4 g/t Au
SHD22	346.0-392.0m	46m @ 0.2 g/t Au
SHD22	482.0-508.0m	26m @ 0.3 g/t Au

The entire alteration zone extends over a strike length of at least two kilometres, varies between 30 to over 400 metres in width and is open to the south and at depth (Callaghan, 2003).

The system appears well zoned from the outer halo moving inwards from a distal carbonate-chlorite halo → carbonate-sericite-(chlorite-sphalerite-galena) → sericite-pyrite-carbonate-(gold-galena-sphalerite) and a proximal zone of sericite-silica-pyrite-(chalcopyrite±gold) (Callaghan, 2003).

The alteration is dominantly hosted in the polymict to dacitic massflows of the Spillway Horizon and overlying massive dacitic pumice breccias of the Newton Creek Dacites, but also overprints the Spillway Basalt and extends down into the underlying Yolande River Sequence (Callaghan, 2003).

The top of the alteration system also crosscuts units of the lower Tyndall Group, particularly the Howard's basalt and Lynchford Member volcaniclastics and varies in composition along strike from south to north. In the south, the Tyndall Creek occurrence, hosted within Lynchford Member units, is interpreted to represent a exhalative expression of the Lake Newton alteration system and consists of small discontinuous lenses of barite-basemetal-sulphide alteration with anomalous gold to 12g/t (rockchips from boulders in Tyndall Creek) and confirmed through limited shallow drilling (3.8g/t Aberfoyle Drillhole TC3). To the north, the lower Tyndall Group alteration varies between weak, disseminated pyrite-sericite (eg. SHD21) or occasional elevated silver assays from hematite altered volcaniclastics (eg. Howard's Anomaly, HA4 and HA6). The presence of barite and jasper veining at both prospects suggests a near seafloor position within the Lower Tyndall Group during the mineralising event (Callaghan, 2003).

The relative timing of the alteration system can be partly constrained by overprinting relationships of the alteration across the boundary of Suite 2 porphyry units. This overprinting relationship implies a syn to post-porphyry timing of the hydrothermal event (Callaghan, 2003). As Suite 2 porphyries show consistent peperitic intrusive contacts with overlying Lynchford Member the porphyry and therefore the alteration post dates at least some units of the Lynchford Member (possibly even the exhalative sulphide lenses within the Lynchford Member).

The spillway horizon (polymetallic massive sulphide)

The spillway horizon is a volcaniclastic massflow breccia unit (Ccvag) containing a number of high-grade, polymetallic sulphide clasts, outcropping in the Lake Newton Dam spillway. The source of the massive sulphide clasts is yet to be identified.

The sulphide clasts are well-rounded cobbles and boulders consisting of massive sphalerite-galena-pyrite and chalcopyrite with an average grade of 27% Pb, 31.7% Zn, 700 g/t Ag and 0.92 g/t Au (Herrmann and MacDonald, 1996).

A detailed interpretation of the spillway breccia and sulphide clasts by Allen (1993) suggested that the clasts had not been transported far from their source environment. The sulphides are most likely to have formed in the same source area as the dominantly dacitic hyaloclasite rich mass flow. The proximal sulphide source is likely to have existed within 5km of the outcropping clasts (Allen, 1993). The Spillway Basalt forms a distinct and laterally continuous marker horizon at the base of the massflow breccias (Allen, 1993).

1.6. Exploration Model

Henty mineralisation appears to share a number of features in common with both magmatic hydrothermal systems and exhalative volcanogenic massive sulphide systems.

Massive pyrite and sulphide lenses located at the top of 'A-zone' mineralisation at the Henty Deposit have historically been used as evidence for an exhalative origin for mineralisation (Halley and Roberts, 1997). As a result VHMS exploration has largely focussed on this stratigraphy.

Recent work suggests the importance of a magmatic source of metals involved in the formation of the Henty gold mineralisation, as evidenced by alteration mineralogy, immobile element geochemistry, stable isotopes of carbon and oxygen, sulfur isotopes, metal zonation and ore mineralogy (Callaghan, 1998, Huston and Kampraf, 2001) and more recently through PIMA investigation (Howard, N, 2004).

This conflicting evidence can perhaps be explained by considering a separation in timing between phases of basinal vs magmatic dominated fluid types during evolution of a single hydrothermal system. Work to improve our understanding of the paragenesis of mineralisation phases within the Henty system is underway and will be integrated into the exploration model.

However, some evidence currently exists for an initial period of dominantly basinal fluid circulation responsible for the convincingly syngenetic exhalative systems documented throughout the Henty area (Henty lenses, Howards Anomaly, Tyndall Creek). Following this initial event a relatively late period of dominantly magmatic fluids is invoked and is supported by overprinting relationships observed within the Lake Newton alteration system (See section 2.5) (assumes that the Lake Newton system and Henty systems are genetically linked, which appears likely).

This magmatic fluid phase then utilised the existing synvolcanic structural architecture that led to the prior localisation of the exhalative base metal occurrences in the area.

An important depositional control on mineralization is suspected from the trend in increasing gold grades towards the north of the Henty Deposit. This trend is interpreted as the result of the increased influence of circulating bicarbonate/H_2S-rich seawater controlling deposition of metals (Callaghan, T. 2001) and constrains the later event to a submarine environment.

Therefore the Henty mineralisation is interpreted as an approximately syngenetic, polyphase hydrothermal system with evidence for a slightly later, magmatic fluid dominated phase responsible for much of the gold mineralisation.

Subsequent deformation during the Late Cambrian Delamerian Orogeny and the Devonian Tabberabberan Orogeny, has resulted in folding and faulting of the Henty sequence, developing strong fabrics in the alteration minerals, and remobilising some metals within late veins.

Evidence for magmatic hydrothermal systems in the district include an interpreted syngenetic, high-sulphidation system, at the Basin Lake Prospect, located 7km south of Henty. At Basin Lake, pyrite, tennantite, chalcopyrite and galena mineralization is observed hosted within an intensely silicified core inside advanced argillic and sericitic alteration zones (Williams, 2000). The system is closely associated with the Suite 2 quartz-feldspar porphyry (upper CVC Group), which Williams interprets to be comagmatic with the upper CVC andesites (Anthony Road Andesites). Evidence for an overlying, associated exhalative system is provided by a zone of barite.

A possible genetic connection between the Basin Lake and Henty systems is supported through carbonate isotope systematics and similar rock associations in the Lake Newton alteration system. The Basin Lake high-sulphidation system may represent a deeper more acidic version of the Henty gold rich system.

Robust exploration criteria for locating further Henty-style mineralisation include the presence of major, early fluid focussing structures, as is highlighted by the existence of early stage exhalative mineralisation at Henty. Other exhalative occurrences along the Lynchford Member and above the Basin Lake mineralisation, also allude to the presence of equivalent structures, which may have focussed gold-rich magmatic fluids. Therefore areas underlying existing exhalative occurrences are considered highly prospective for Henty and Basin Lake style gold mineralisation.

2. WORK COMPLETED DURING THE REPORTING PERIOD, MAY 10, 2006 to MAY 10, 2007

During the reporting period, May 10, 2006 to May 10, 2007, Barrick (Henty) Limited (formerly Placer Dome Australia Ltd-Henty Mine) performed a historical work review and a targeting exercise which has revealed several areas in the Lake Newton area which warrant further work. The assay results for previously drilled diamond hole Z16520, are also reported.

2.1. Historical Review

Several targets have been identified during the Barrick review of historical exploration activities and priority areas are discussed below.

2.2. Diamond Drilling Activities

A single exploration drillhole (Z16520) conducted by Placer to test an inferred intersection of the Henty-Comstock horizon and the Great Lyell Fault (Pollard, S., 2006) was assayed and is presented in Appendix 3. Initial visual evaluation of the core from this hole was verified with assays returning no values in excess of 0.05 g/t Au.

3. PROPOSED EXPLORATION PROGRAM

The main areas of interest which require additional work are shown in Figures 4,5 and 6 and are discussed below:

TARGET AREA 1 A zone underlying the barite+basemetal mineralization at Tyndall Creek

Applying a Henty model, the Tyndall Creek occurrence suggests proximity to a hydrothermal vent and therefore the potential for a gold rich Henty-style system immediately beneath an exhalative system.

The Tyndall Creek barite+basemetal mineralization consists of small discontinuous lenses of barite-basemetal-sulphide alteration with anomalous gold up to 12g/t Au (banded barite-galena sampled in boulders from Tyndall Crk). Subsequent shallow drilling by Aberfoyle returned an intersection of 3.8g/t Au but was never followed-up (TC3).

Further encouragement is gained through interpretation of available geophysical datasets, which suggest the Lake Newton alteration system extends southward into the vicinity of the Tyndall Creek area. In particular the CSAMT survey identified a pyritic alteration zone, the southern kilometre of which underlies the barite-basemetal mineralisation of Tyndall Creek (Callaghan, 2003). Dipole-dipole chargeable IP features also define the southern continuation of the alteration system (Figure 6).

A program of detailed mapping with follow-up diamond drill testing will be completed to fully test the areas potential to host Henty-style mineralisation.

A diamond drillhole collared at approximately 381145E, 5357265N (GDA94) is currently planned to test the model in the vicinity of Tyndall Creek (DDH ~300m).

TARGET AREA 2
Geophysical features within the southern extents of the Newton Creek alteration system, underlying the Henty-Comstock/Lynchford Member exhalative horizon

Several chargeable geophysical features are located along strike, north from Target Area 1. Applying a Henty model, this zone lies beneath the Tyndall Creek-Howards Anomaly exhalative horizon and therefore the potential exists for a gold rich Henty-style system immediately beneath the exhalative system.

Further encouragement is gained through interpretation of existing geophysical datasets, where chargeable IP and CSAMT anomalies are coincident with areas underlying the Lynchford Member horizon.

Pending results from Target Area 1 drilling, a further hole is recommended to fully test an area of coincident IP chargeability and a highly prospective zone underlying the Lynchford Member.

A ~300m diamond drillhole collared at approximately 381025mE, 5357703mN is currently planned to test the model in this area (Figure 6). The final collar location may be adjusted based on ongoing target definition work (detailed mapping, helimagnetic solid geology interpretation).

TARGET AREA 3
Spillway horizon southern extensions

The northern end of the spillway occurrence appears to have been well tested by Pasminco. However, the southern end is poorly tested and from an initial solid geology-magnetic interpretation there appears to be stratigraphic magnetic trends which constrain the southernmost position of the spillway horizon into an area which remains largely untested (Figure 5). This area is also partly coincident with a trend of IP chargeability (Anomaly P4) and an interpreted CSAMT conductor (Zone 4) (Asten, 2000).

The area will be followed-up through a solid geology interpretation, detailed mapping with possible follow-up drill testing.

Structural mapping techniques will be used to determine the significance of repetition of prospective units throughout the Lake Newton area.

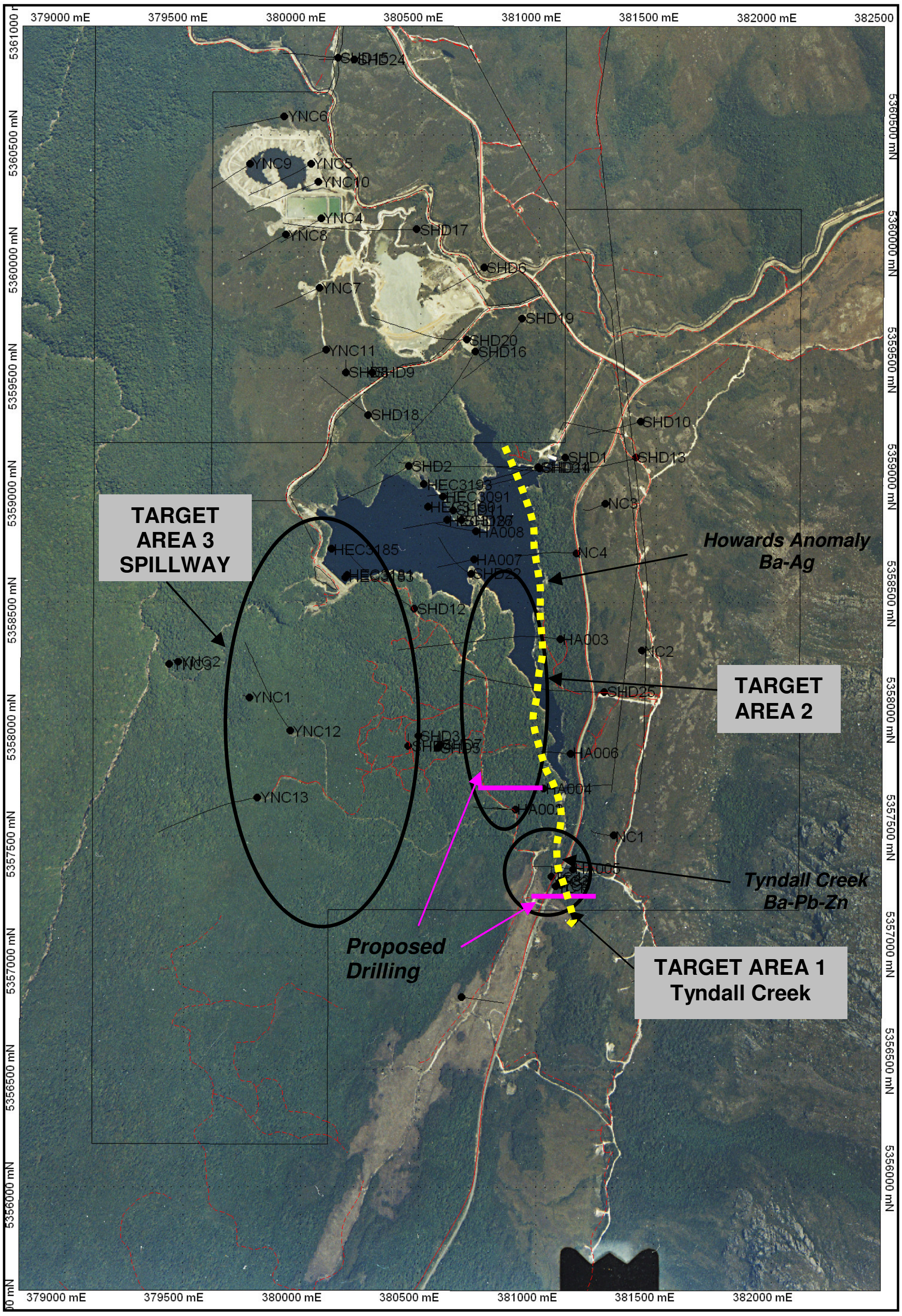

Figure 4: Lake Newton Prospect. Access Map showing aerial photography, existing drilling coverage, mineral occurrences, approximate position of the Lynchford Member exhalative horizon and proposed 2007 drilling.

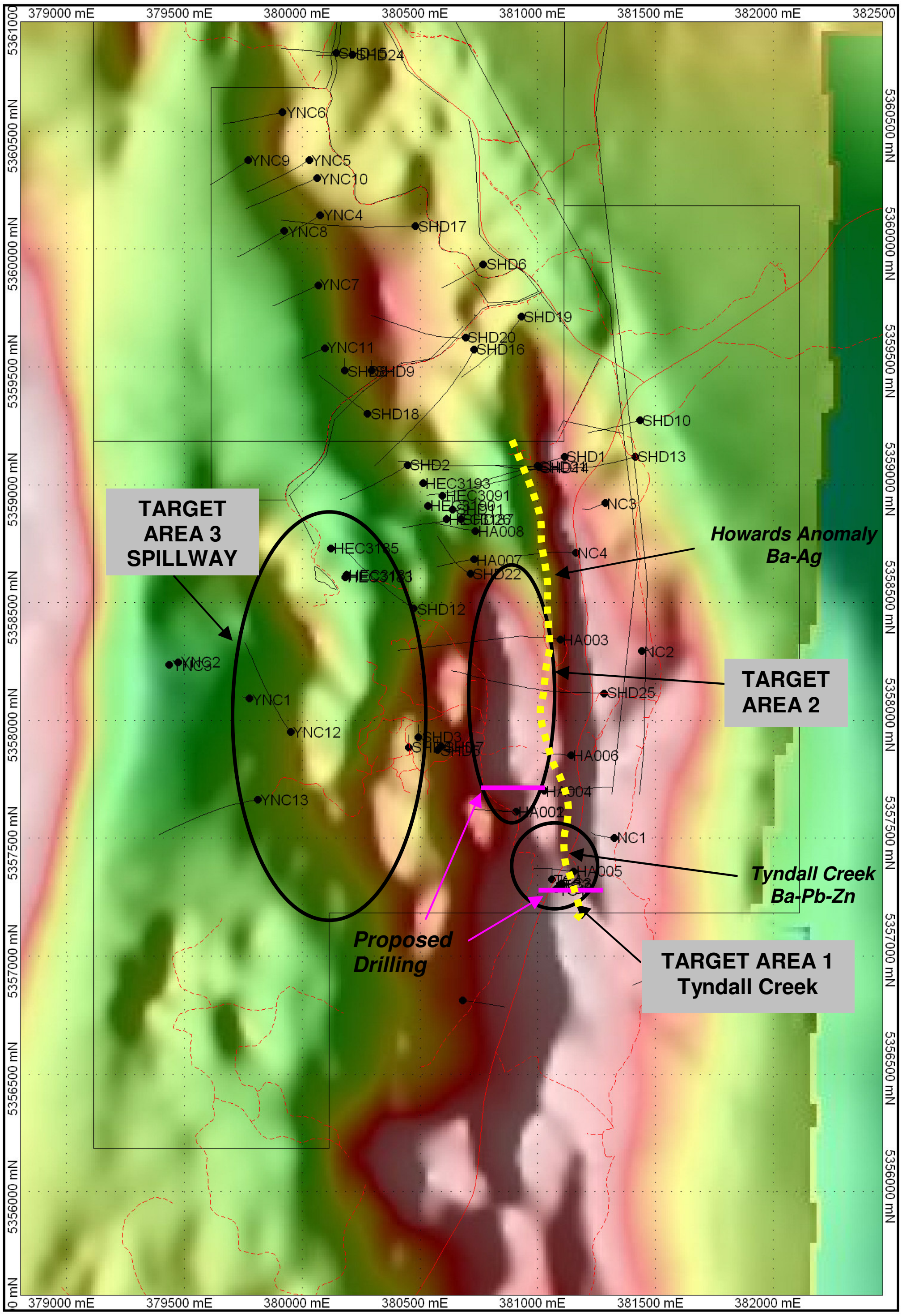

Figure 5: Lake Newton Prospect. Dipole-Dipole IP chargeability image showing existing drilling coverage, mineral occurrences, approximate position of the Lynchford Member exhalative horizon and proposed 2007 drilling.

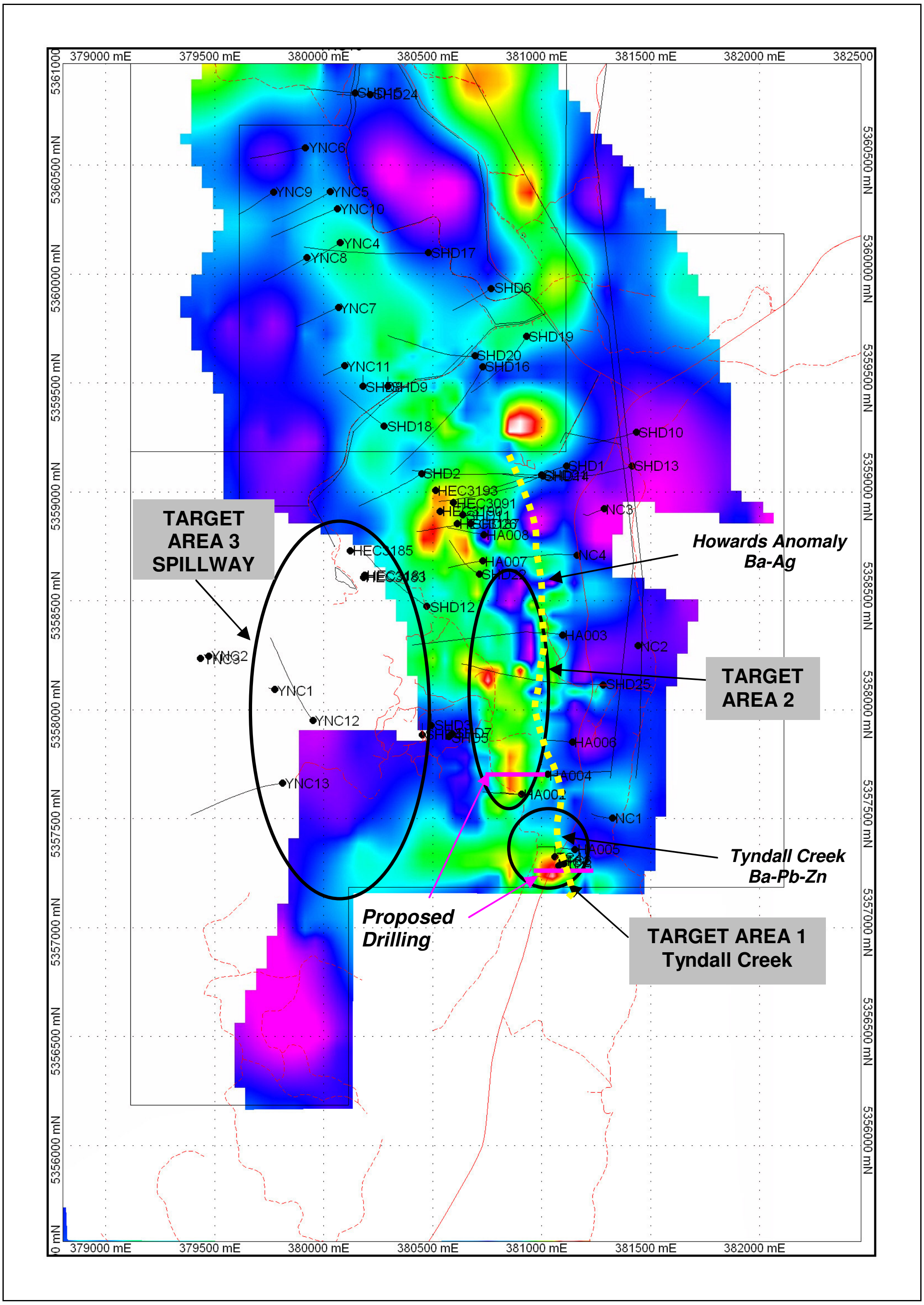

Figure 6: Lake Newton Prospect. Dipole-Dipole IP chargeability image showing existing drilling coverage, mineral occurrences, approximate position of the Lynchford Member exhalative horizon and proposed 2007 drilling.

An estimated expenditure of $192 500 is anticipated for the 2007-2008 extension period and is outlined in Table 1.

E28/2001 Exploration Budget 2007		
Activity	**Unit**	**Total**
Target Generation		
Geophysical Consultant	est.	10 000
Geological Consultant	est.	20 000
Target review	est.	20 000
Target Definition		
Mapping	est.	10 000
Target Testing		
Diamond Drilling (~600m)	$200	120000
Assays (300 samps)	$25	7 500
Access Preparation	est.	5 000
	TOTAL	$192 500

Table 1: E28/2001 'Lake Newton' Exploration Budget 2007

4. CONCLUSION

During the reporting period, May 10, 2006 to May 10, 2007, Barrick (Henty) Limited (formerly Placer Dome Australia Ltd-Henty Mine) performed a review of historical work as part of the Barrick takeover of the Henty property.

The review has identified several targets based on the current exploration model, which require further work to assess for economically significant mineralisation associated with the Lake Newton alteration system.

Therefore, Barrick request a one year Extension of Term of the Tyndall Creek/Lake Newton lease (E28/2001) to enable the current exploration program to be completed.

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Appendix 1

- Application for Extension of Term of Exploration Licence
- Environmental Impact Statement

Appendix 2

Summary of historical activity

Appendix 3

- Logging and Assay results for DDH Z16520 (also reported digitally EL282001_200704_9_Appendix3loggingdata.txt)

- Logging metadata

Henty Mine Metadata

for file EL282001_200704_9_Appendix3loggingdata.txt
This file is created from data in an in-house Microsoft Access Drill Database
The drilling was performed by Boart Longyear Diamond Drilling
The data has been exported to Microsoft Excel for the creation of the .txt file.

Collar Data		
Hole	Drill Hole ID	
X	Easting	GDA94
Y	Northing	GDA94
Z	Elevation	GDA94
Bearing	Azimuth	GDA94
Dip	Dip	
Length	Length of Hole	
Target	The target the hole was designed to hit	
Logger	Name of Geologist Logging Hole	
Date	Date hole logging was completed	
Coord	Geodetic Datum	GDA94

Downhole Survey Data		
Hole	Drill Hole ID	
Depth	Depth in hole	
Bearing	Azimuth of hole	GDA94
Dip	Dip of hole	
Valid	Is reading reliable?	
Comments	Comments about reading or test	

Assay Data		
Hole	Drill Hole ID	
SampleNo	Sample ID	
dfrom	Sample interval start	
dto	Sample interval end	
Comments	Comments about sample	
Au	Grade of sample in g/t	

Rocktype Data		
Hole	Drill Hole ID	
dfrom	Rocktype interval start	
dto	Rocktype interval end	
formation	Rock formation	
rocktype	Rocktype	
contact lower	Description of contact	
comments	Comments on type and contents of rocktype	

Structural Data		
Hole	Hole ID	
dfrom	depth of start of structure	
width	Width of structure	
core angle	Angle of structure to core axis	
stDip	Dip of structure	
Comments	Comments about structure	

LOGGING CODES

RockType	Description
ABSI	Albite/silica alteration
ANDS	Anthony Road Andesite
AS	Albite Silica
AVSS	Andesite derived sandstone
CARB	Carbonate
CB	Carbonate
CTUF	Comstock Tuff
DACI	CVC dacite lava
DCBX	CVC dacite lava breccia
DVCG	CVC Dacitic volcaniclastic conglomerate
DVSH	CVC Dacitic volcaniclastic siltstone/shale
DVSS	CVC Dacitic volcaniclastic sandstone
DYKE	Minor intrusive
EP	Epiclastic
FP	Feldspar Porphyry
FT	Fault
FTXX	Undiff. rock in fault zone
HF	Henty Fault
HFLT	Henty Fault Zone
HS	Henty Fault Sequence
HW	Undifferentiated Hangingwall (CVC)
LAVA	Undiff. extrusive
LOSS	Lost core due to fault or core ground away
LTUF	Lynchford Tuff
MA	Moderate Alteration
MALT	Moderate mixed alt. types
MOTL	pervasive albite mottled volcaniclastic
MP	Massive Pyrite
MPYR	Massive pyrite
MQ	Massive Quartz
MQCB	Brecciated MQ w CB matrix
MQMN	Vis. sulphide MQ
MQMQ	Trace sulphide MQ
MSUL	Massive sulphide
MV	Quartz-Sericite Alteration
MVMN	+5% sulphide MV
MVMQ	MV with small pods MQ
MVMV	<5% sulphide MV
MYQP	quartz-pyrophyllite alteration
MZ	Quartz-Sericite-Sulfide Alteration
MZMQ	Poddy MQ in MZ

MZMV	Mixed MZ and MV
MZMZ	Low sulphide MZ as diss. pyrite
MZSS	High sulphide MZ
NC	Newton Creek Formation
PF	Puggy Fault
PYRO	Pyroclastic Unit
QFPY	Qtz/feldspar porphyry
QP	Quartz Porphyry
RHBX	Rhyolite Breccia
RHFP	Feldspar-pyhric rhyolite
RHQP	Quartz-phyric rhyolite
RHYL	Rhyolite
SC	Silica-Carbonate Alteration
SICB	Silica/carbonate alteration
SICG	Sedimentary conglomerate
SIFS	Si dominant H/W alt, Ser, + - Fluorite
SISH	Sedimentary shale
SISL	Sedimentary siltstone
SISS	Sedimentary sandstone
TUFF	undifferentiated volcaniclastic tuff
VC	Volcaniclastic
VCBX	Volcaniclastic Breccia
VCCG	Volcaniclastic conglomerate
VCSH	Volcaniclastic shale (ash bed) or siltstone
VCSS	Volcaniclastic sandstone
VCXL	Volcaniclastic crystal rich
VCXX	Volcaniclastic undifferentiated
VEIN	Mineral vein
XX	Undifferentiated
zz	Albite/silica alteration

Henty Mine - Formation Codes

Formation	Description
CT	Comstock Tuff
CVC	Central Volcanic Complex
HF	Henty Fault
LTG	Lower Tyndall Group
LYM	Lynchford Member
MJM	Mount Julia Member
NCF	Newton Creek Formation
OC	Owen Conglomerate
UTG	Upper Tyndall Group

ZZH	Zig Zag Hill Formation

Henty Mine - Mineralogy Codes

mineralogy	Description
AB	Albite
AS	Arsenopyrite
AU	Visible Gold
CB	Carbonate
CL	Chlorite
CP	Chalcopyrite
CY	Clay
FL	Fluorite
FU	Fuchsite
GL	Galena
GR	Graphite
HB	Hornblende
HE	Hematite
KF	K-Feldspar
LI	Limonite
MG	Magnetite
MU	Muscovite
PO	Pyrrhotite
PY	Pyrite
QZ	Quartz
SL	Sphalerite
SR	Sericite
SU	Sulphide

Henty Mine - Structure Codes

structure	Description
ANTI	Antiform fold axis
AXIS	Fold axis
BAND	Banding
BDCL	Bedding - Cleavage intersection
BEDD	Bedding
BKGR	Broken ground
BOUD	Boudinaged
CLEA	Cleavage
CONF	Conformable Contact
CONT	Contact
DISC	Discing
DRAG	Drag fold axis

DYKE	Dyke
FAUL	Fault, small
FISS	Fissile
FLT1	Fault, very large poss regional
FLT2	Fault, large local significance
FLT3	Fault, mod local significance
FOL1	Foliation strong
FOL2	Moderate foliation
FOL3	Weak foliation
FOLD	Folded
FRAC	Fracture Set
FWHF	Henty Fault Footwall
FWMQ	MQ Footwall
GRCO	Gradational Contact
HEAL	Healed Fault
HFLT	Henty Fault
HWHF	Henty Fault Hangingwall
HWMQ	MQ Hangingwall
JOIN	Joint
JTST	Joint Set
LENS	Lens
LINE	Lineation
LOSS	Core Loss
PFT1	Puggy fault, v large poss regional
PFT2	Puggy fault, large local significance
PFT3	Puggy fault, mod local significance
PUGG	Puggy Fault, small
RUBB	Rubble Zone
SHER	Shear
SLIC	Slickensides
STRI	Stringer
SYNC	Synform fold axis
UNCO	Unconformable Contact
VEIN	Vein
XBED	Cross Bedding