Comstock Mine Environmental Monitoring Report – March 2007 Quarter

May 2007

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1.0 Introduction

Oceania Tasmania Pty Ltd (Oceania) is a wholly owned subsidiary of Zeehan Zinc Limited (Zeehan Zinc), and holds Comstock Mining Leases, 43M/85, 19M/1995, 123M/47 and 9M/2002. No extraction of Zn-Pb-Ag ore has occurred on site since September 2000 with major works concentrated on a Gravity Plant Development and commissioning, communications, tailings dam development, rehabilitation and extensive resource drilling program.

Section 37 of the Level 2 Mining Activity Environmental Permit (DPIWE, 6 July 2001) states it is a requirement for Oceania to carry out routine water quality tests every 3 months. This report summarises the required monitoring schedule including data from May 2001 to May 2007.

2.0 Water Monitoring

Water samples at monitoring sites W1 and W3 (Figure 1) were collected in May 2007 and analysed at 'Analytical Services Tasmania' for pH, conductivity, total suspended solids (Al, Cd, Co, Cr, Cu, Fe, Mn, Ni, Pb, Zn), total alkalinity and acidity. Water monitoring site W2 and W4 (Figure 1) was not tested due to no flow. To supplement these sites, water samples were also collected from upstream Comstock Creek and downstream Comstock Creek. Laboratory results from sites W1, W2, W3, W4, upstream and downstream Comstock Creek are attached as Appendix A for the last six years.

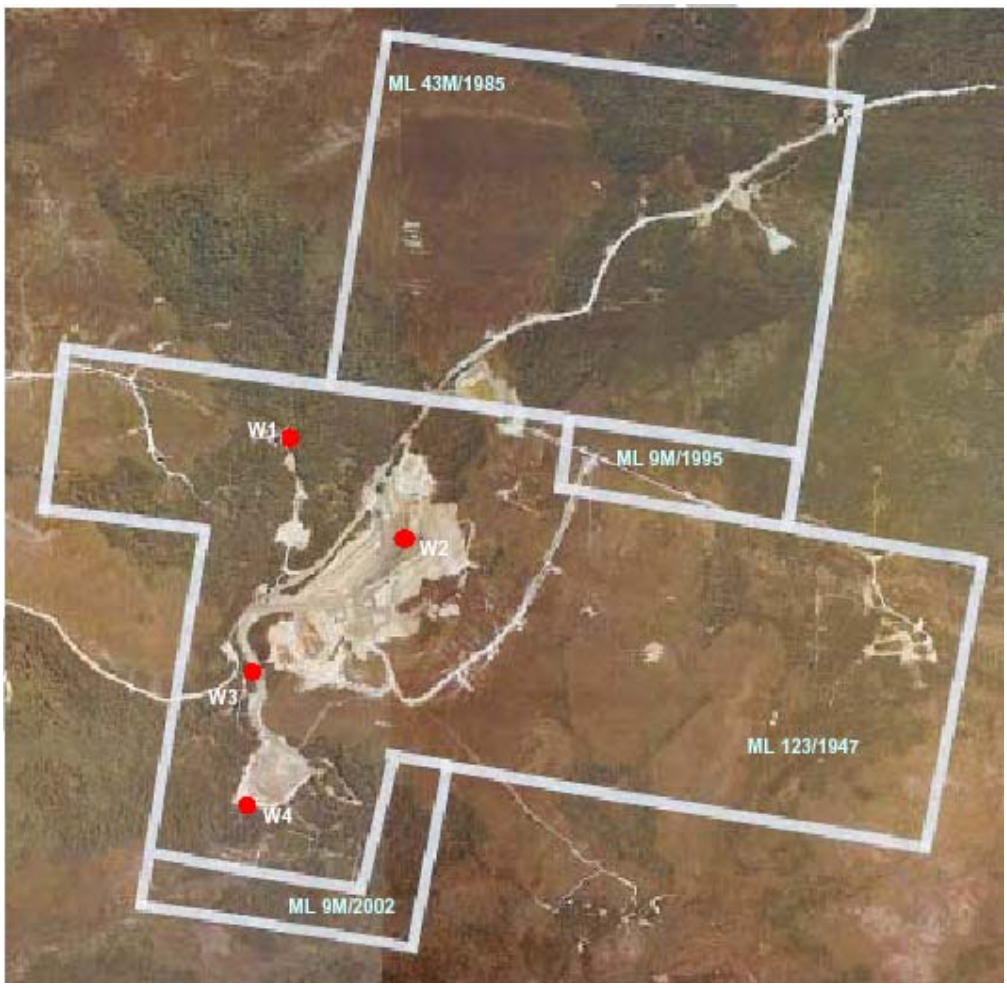

Figure 1. Location Map of the Comstock mine showing water monitoring locations

3.0 Results

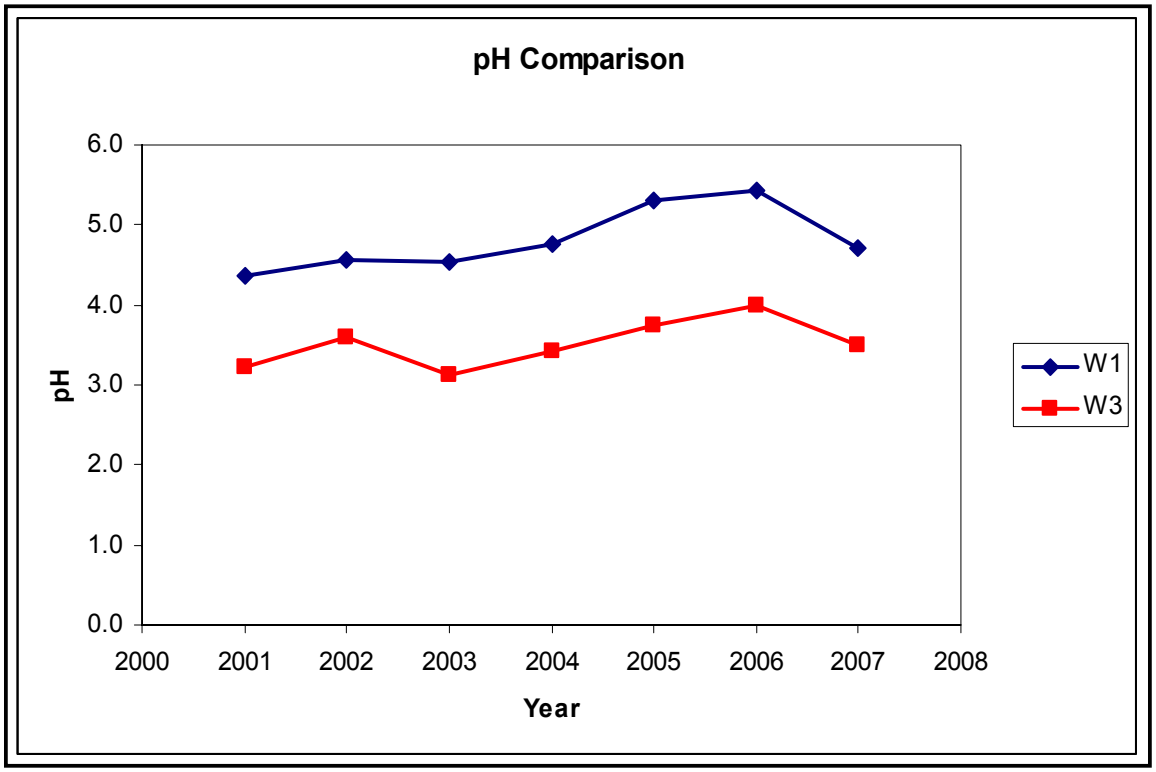

Figure 2 – Average yearly pH values at W1 and W3 (adit outlet).

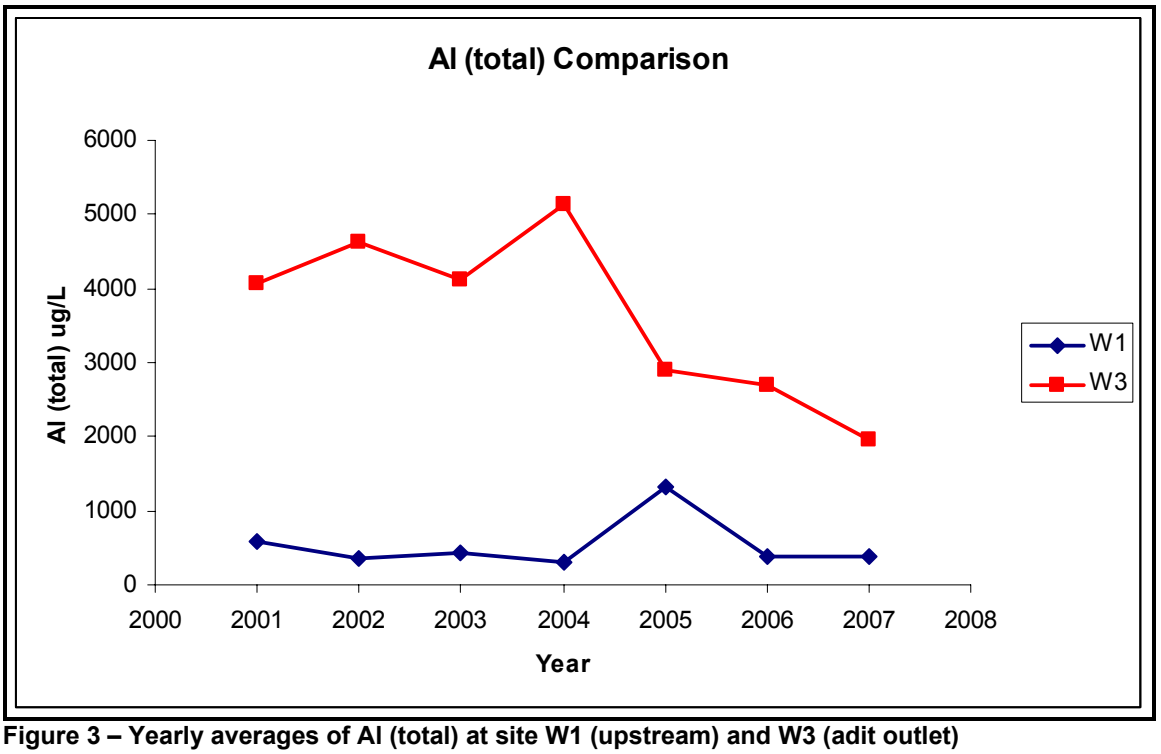

Figure 3 – Yearly averages of Al (total) at site W1 (upstream) and W3 (adit outlet)

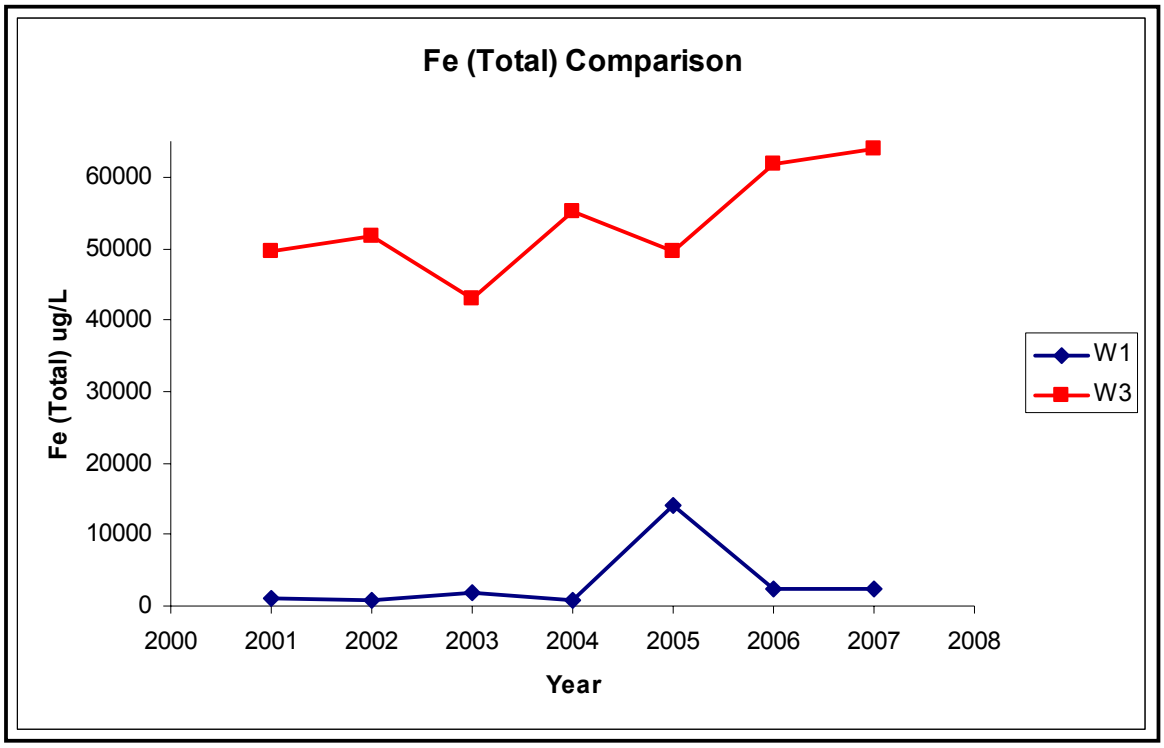

Figure 4 – Yearly averages of Fe (total) at site W1 (upstream) and W3 (adit outlet)

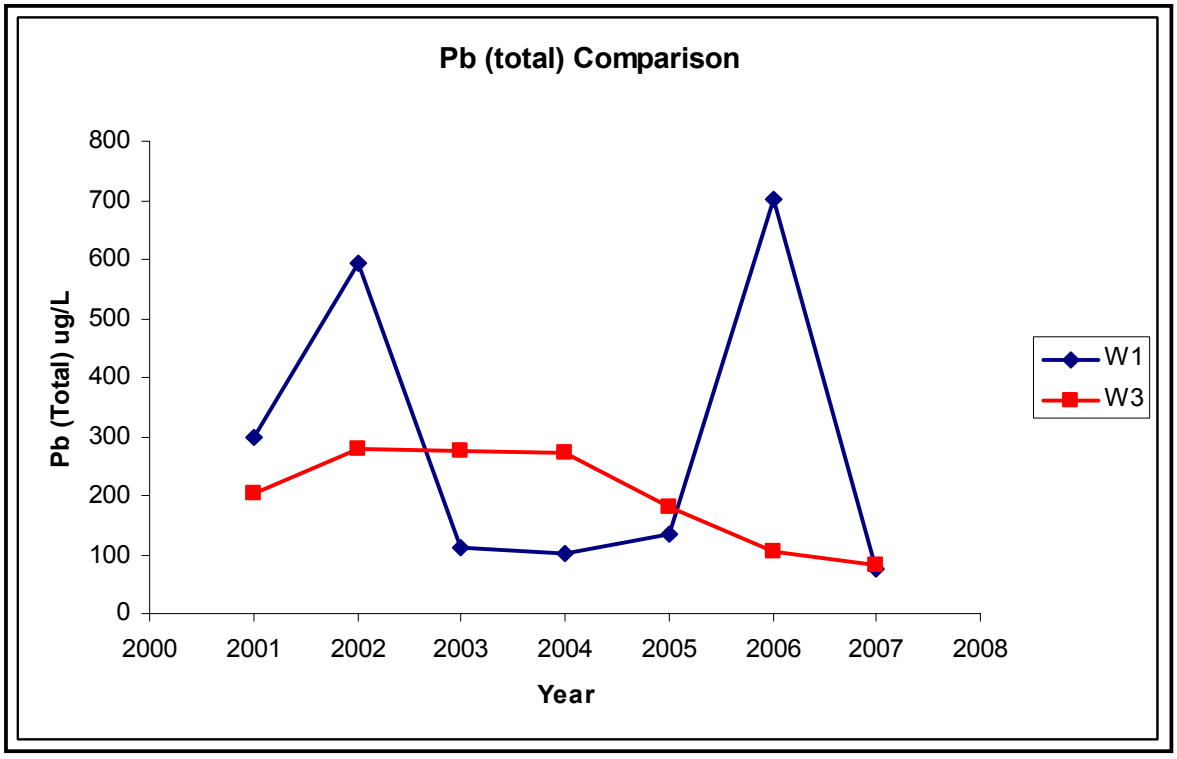

Figure 5 – Yearly averages of Pb (total) at site W1 (upstream) and W3 (adit outlet)

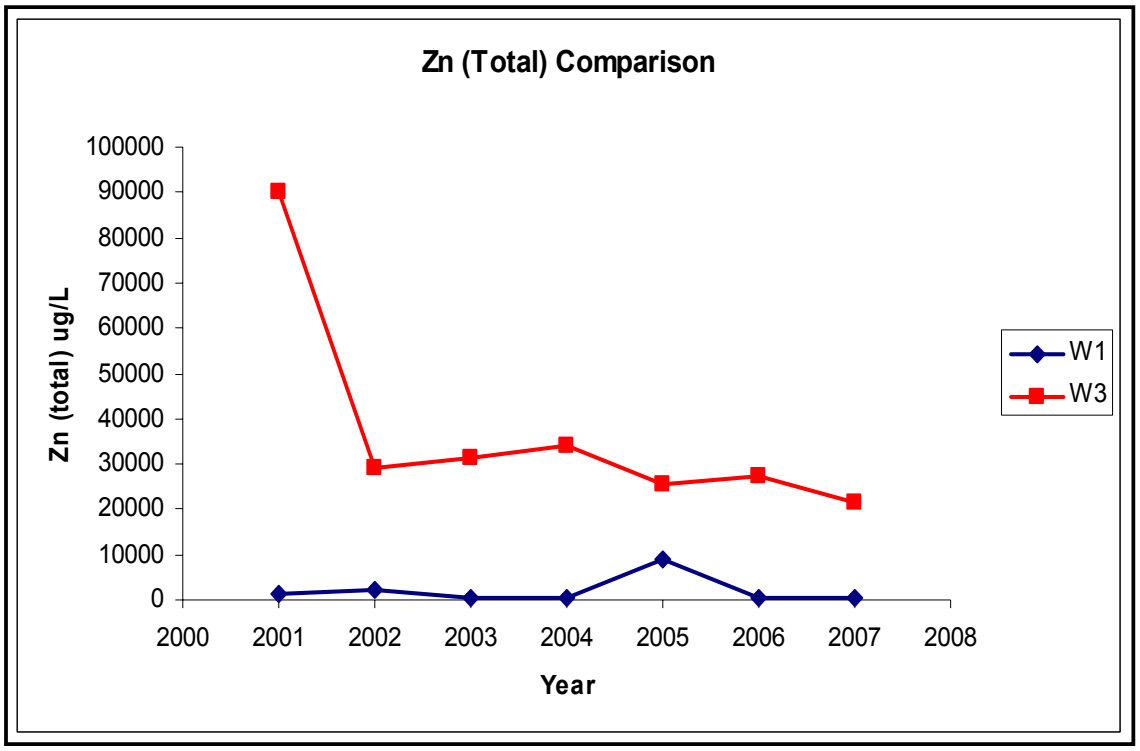

Figure 6 – Yearly Averages of Zn (total) at site W1 (upstream) and W3 (adit outlet)

Appendix A

Laboratory Results

Tasmania

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Laboratory Report

Report No: 31893 **Issue No:** 1 **Report Date** 29-May-2007 11:00

Status: Full Report

Site Description: Comstock/Oceana

Received: 09-May-07

Submitted to: Sandy Bay Laboratory

Submitted By: Heather Worby

Client Order No: 428

Report To: Heather Worby

Client: ZZ Exploration Pty Ltd

Address: 3/65 Murray Street Hobart7000

ANALYTICAL SERVICES TASMANIA

Report No: 31893 **Issue No:** 1 **Report Date:** 29-May-2007 11:00

Method	Analyte	Lab.No.: / Sample Id.: / Units / Sampled On :	107510 U Comstock Ck 27/04/07 10:03	107511 L Comstock Ck 27/04/07 10:44	107512 W1 27/04/07 09:49	107513 W3 27/04/07 10:24
1001-Water	pH		4.7	3.2	4.7	3.5
1002-Water	Conductivity	µS/cm	122	916	121	819
1005-Water	TSS	mg/L	4	5	6	85
1101-Water	Alkalinity Total	mg CaCO3/L	<2	<2	<2	<2
1102-Water	Acidity	mg CaCO3/L	11	157	8	106
1301-Water	Al Dissolved	µg/L	204	14000	194	1600
	Al Total	µg/L	403	14100	386	1970
	As Dissolved	µg/L	<5	<5	<5	<5
	As Total	µg/L	<5	<5	<5	204
	Cd Dissolved	µg/L	1	79	<1	13
	Cd Total	µg/L	1	79	1	14
	Co Dissolved	µg/L	4	174	3	49
	Co Total	µg/L	4	174	4	51
	Cr Dissolved	µg/L	<1	10	<1	<1
	Cr Total	µg/L	2	13	<1	<1
	Cu Dissolved	µg/L	2	78	2	<1
	Cu Total	µg/L	4	80	3	1
	Fe Dissolved	µg/L	168	2240	187	432
	Fe Total	µg/L	2340	11200	2520	63900
	Mn Dissolved	µg/L	301	9160	288	9620
	Mn Total	µg/L	314	9220	299	9720
	Ni Dissolved	µg/L	8	226	8	97
	Ni Total	µg/L	10	228	9	99