

Beaconsfield Mine Joint Venture

EL 20/1994 – Salisbury Hill

Final Report

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20 December 2007

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INTRODUCTION

Exploration Licence 20/1994 was initially granted to Allstate Prospecting Pty Ltd for a 10 year term ending on 28 October 2004. Allstate Prospecting held the EL on behalf of the Beaconsfield Mine Joint Venture (BMJV), a joint venture between Allstate Explorations NL (the JV operator) and Beaconsfield Gold NL. Portions of the original EL were relinquished in 1999 and 2004 and extensions to the term of the current area (Figure 1) were granted by Mineral Resources Tasmania (MRT) up until 28 October 2007, at which time the EL was deemed to have expired.

This Final Report summarises the exploration history of the EL and links the main work programs to a bibliography of Annual Reports which contain the detailed results and interpretation of results relative to exploration aims.

TENEMENT DETAILS

The original EL 20/1994 covered an area of approximately 40 km² and it has been reduced to a current size of approximately 12 km², excluding overlaying mining leases (Figure 1). Two partial relinquishments resulted in the current tenement.

- October 1999 – three blocks totaling approximately 19 km² (Hills and MacDonald, 1999).
- October 2004 – one block of approximately 9 km² (Hills, 2004).

The regional geology within and around the current EL is shown on Figure 2. The main targets of exploration interest to BMJV were structures hosted within the NNW-SSE trending strike ridge of thrust fault bounded Ordovician sedimentary (and minor volcanic) rocks within the Salisbury Hill Formation and the Eaglehawk Gully Formation (Figure 2). Access infrastructure and the main exploration locations referred to in the following summary are depicted on Figure 3.

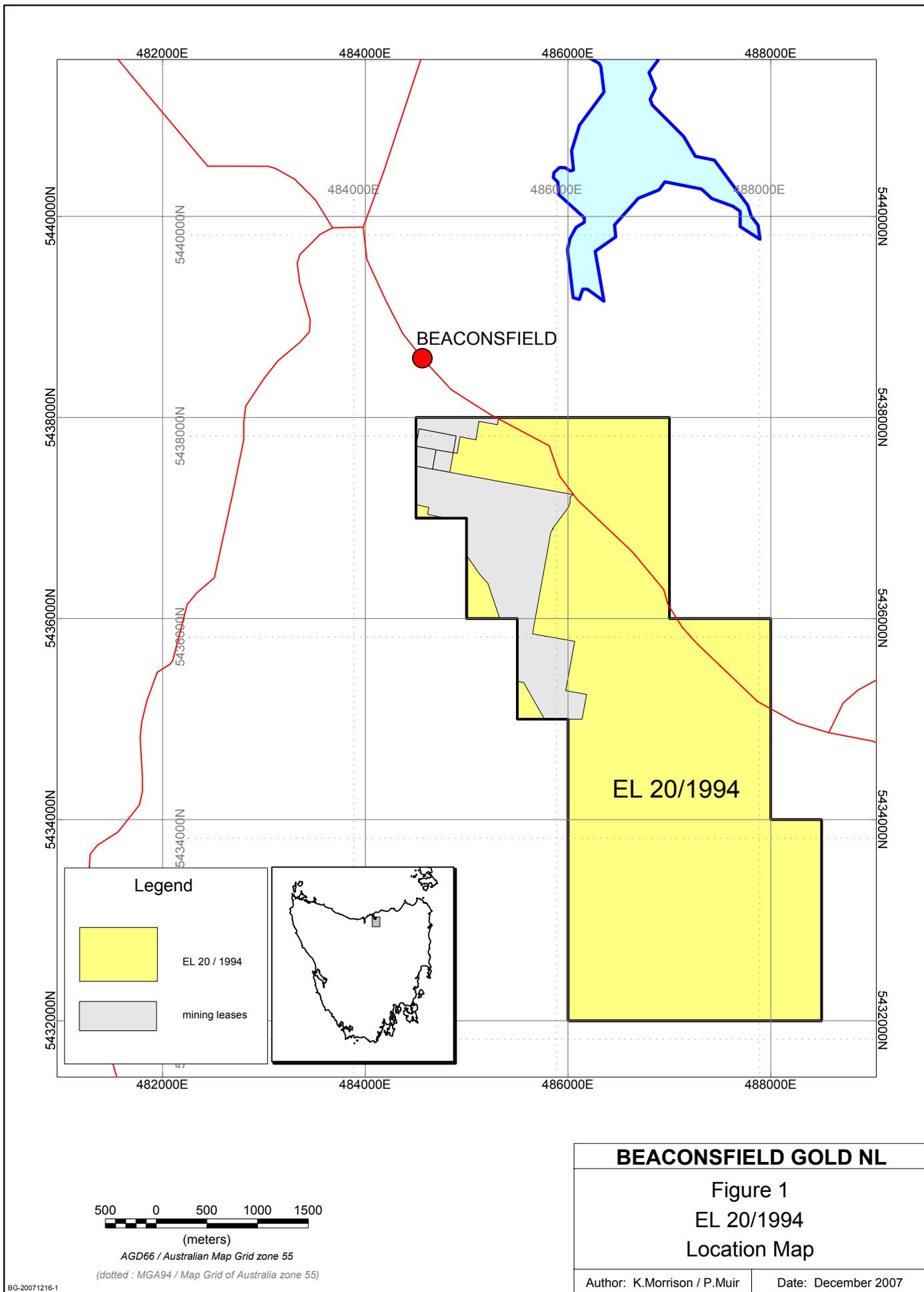
EXPLORATION SUMMARY

Exploration occurred in three phases, with a partial relinquishment of ground near the end of each phase.

1995-2001

Low intensity prospect generation field work and data compilation was conducted by BMJV during the period when the Beaconsfield gold mine was being constructed and brought up to full production.

- Mapping and rock chip sampling around old gold diggings, abandoned quarries and major structures, combined with a ground magnetics survey over the southern part of the current EL (Hills, 1997, MacDonald, 1998).
- A 2062 sample C-horizon soil survey with 100 metre line spacing and 50 metre sample spacing (MacDonald, 1999). Part of the survey is located within the NW block of the three block partial EL relinquishment in October 1999 (Hills and MacDonald, 1999).



BEACONSFIELD GOLD NL

**Figure 1
EL 20/1994
Location Map**

Author: K.Morrison / P.Muir

Date: December 2007

500 0 500 1000 1500
(meters)
AGD66 / Australian Map Grid zone 55
(dotted : MGA94 / Map Grid of Australia zone 55)

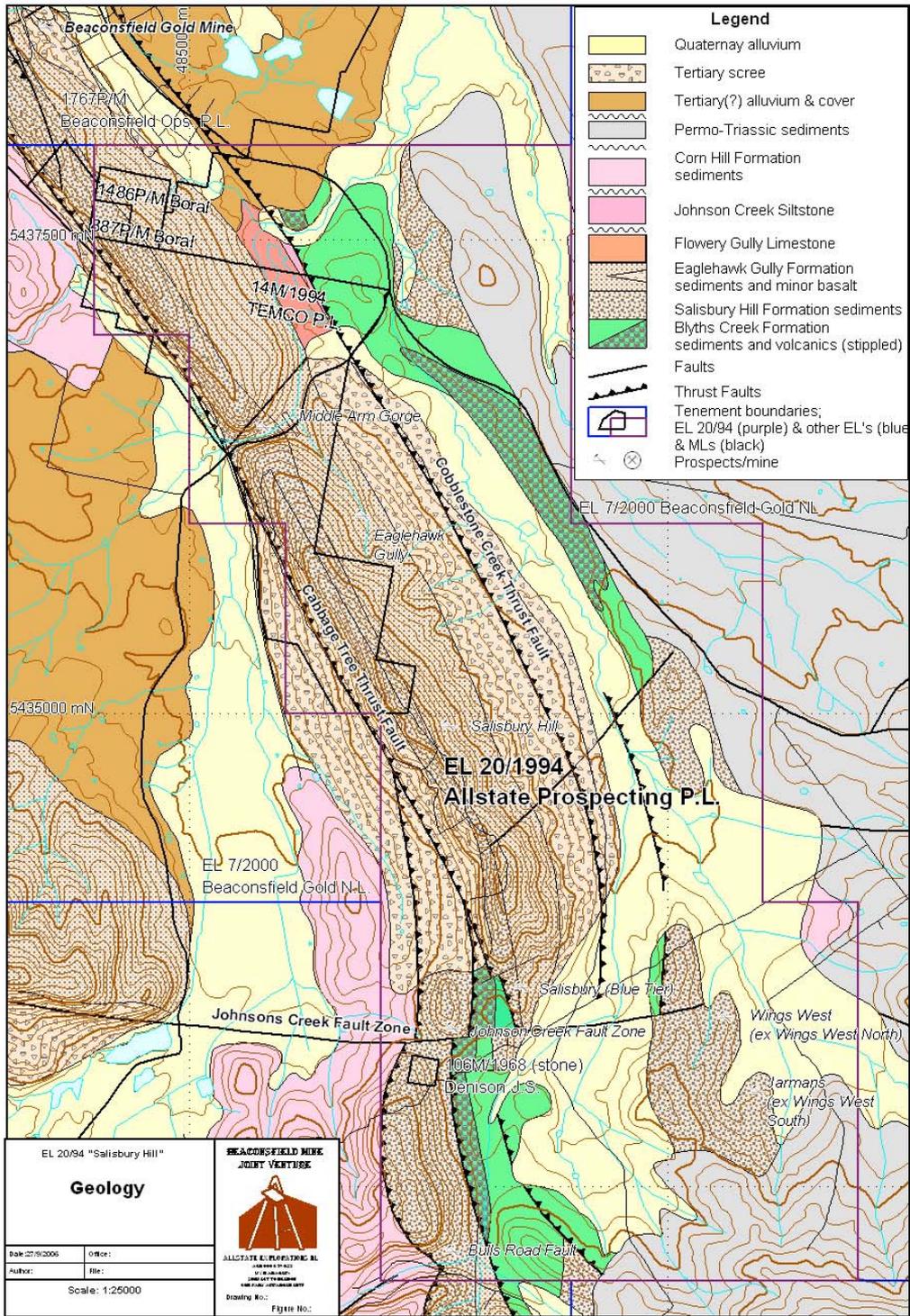


Figure 2 EL 20/1994 Geology Map

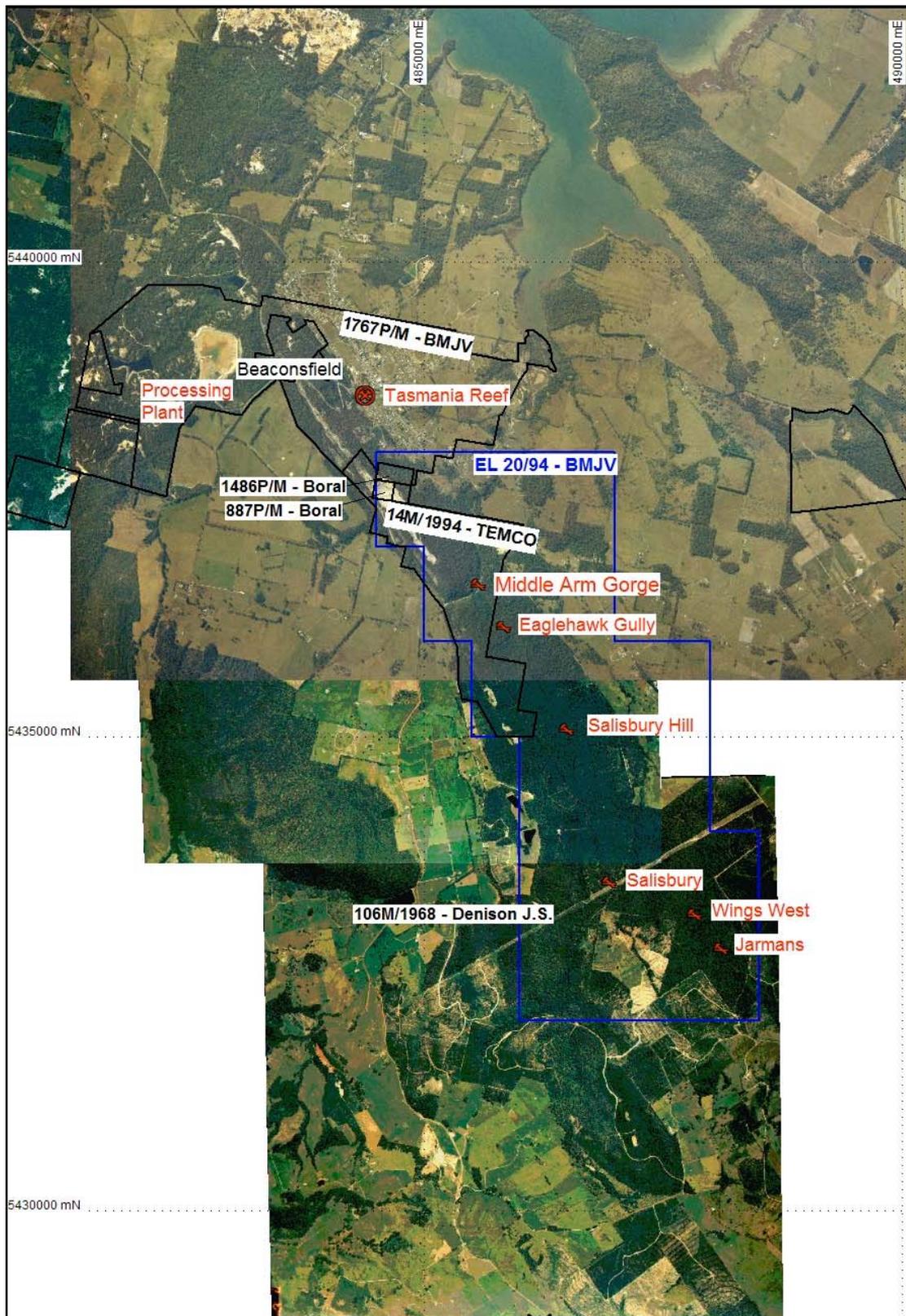


Figure 3 EL 20/1994 Airphoto

- Infill soil sampling, mapping and sampling of old underground and surface workings, re-logging drill core from pre BMJV exploration and modeling of structural/stratigraphic controls on mineralisation, particularly around the Salisbury-Johnsons Creek Fault area (MacDonald, 2000).

2002-2004

In November 2002 Diamond Ventures NL farmed-in to EL 20/1994 as part of a joint tenement joint venture between Diamond Ventures (the JV operator) and BMJV (Bucknell, 2003). Diamond Ventures conducted an intensive 18 month work program on EL 20/1994 following on from the prospects identified previously by BMJV.

- The BMJV soil survey was extended and infilled to 25 metre sample spacing in places and 16 vertical RC percussion holes (551m) were drilled on the Salisbury prospect. Best results were 1 m down hole @ 4.1 g/t Au from 35m in BRC6 and 2m down hole @ 2.18 g/t Au from 10m in BRC10 (Bucknell, 2003).
- Some of the better soil anomalies were tested with a 12 tonne track mounted hydraulic open hole percussion blast hole rig, combined with excavator pits to check drill results inconsistent with the soil anomalies. The results down graded the anomalies tested (Bucknell and Morrison, 2003a).
- Two RC percussion and one DDH (242m) tested the Johnsons Creek Fault zone in the south of the current EL. Best result was 2m down hole @ 5.3 g/t Au from 52m in BFRC17 (Bucknell and Morrison, 2003b).
- A follow-up 145m DDH test of the Johnsons Creek structure did not encounter significant mineralization. The stratigraphic interpretation from core implies a rotational dextral displacement of the Ordovician rocks and the Cobblestone Creek Thrust Fault in that area (Morrison, 2004).

The Diamond Ventures JV was terminated in 2004.

2005-2007

Following the 2004 partial relinquishment and extension of term, BMJV continued prospect and regional scale exploration within the remaining approximately 12 km² of the EL.

- Two DDHs tested the structure controlling the topographic discontinuity at Middle Arm Gorge in the north of the EL (Figure 3). B52 and daughter wedges B52a and B52b reached a total depth of 652.5m and intersected reef style structures with minor mineralization. Best results were 0.8m down hole @ 4.4 g/t Au from 587.15m and 4.8m down hole @ 0.2 g/t Au from 587.95m (MacDonald, 2006). The follow-up hole B53 had less drilling problems than B52 and reached a total depth of 522.3m. An unmineralised structure was intersected between 187.6-190.9m down hole and was interpreted as the primary structure controlling Middle Arm Gorge (MacDonald, 2007).
- A 305 line km helimagnetic/radiometric survey was flown by GPXair, utilizing helicopter and contractor availability following from the 2007 MRT regional airborne geophysics program in NE Tasmania. The survey specifications and data are included in the 2007 Annual Report (MacDonald, 2007).

EXPENDITURE

Total Expenditure on EL 20/1994 from October 28 1994 to October 28 2007 was \$1,244,202.28

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