



JAGUAR MINERALS LTD

TEMMA PROJECT : EL 27/2005
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FINAL REPORT

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MAP SHEETS: SK55-3 BURNIE 1:250,000.
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All coordinates used in this report use the AGD_1966 AMG Zone_55 Map Datum.

EXECUTIVE SUMMARY

The Temma Project, EL27/2005, is located in north west Tasmania approximately 20km south west of Arthur River. The Mesoproterozoic Rocky Cape Group contains the oldest rock units in the area and forms the basement sequence in northwest Tasmania. It consists of a thick, unfossiliferous, dominantly siliciclastic shelf sequence, consisting of interbedded sandstone and siltstone, carbonaceous pyritic siltstone and shale, quartz arenite and chloritic siltstone.

Transgressive north-north west orientated, elongate, shallow, magnetite rich ironstones occur in the Temma area. They have variable thicknesses and drilling has intersected minor amounts of sphalerite, galena, hematite, pyrite, chalcopyrite, and iron-manganese carbonates and silicates. Mineralisation of a secondary nature includes alluvial tin, and sub-economic coastal sand dune deposits containing cassiterite, zircon, rutile and chromite.

Previous explorers have drilled 7 diamond holes in the area of EL27/2005, targeting gold and base metal soil anomalies and old workings within the ironstones. At Possum Creek, hole PG1 was drilled to 86.6m in 1982. It intersected 2.6m @ 0.43% copper (Cu), 9.0 g/t silver (Ag) from 45.9m-48.5m, and 3m @ 1.95% lead (Pb), 12.0 g/t Ag from 50.5m-53.5m, and 1m @ 0.7% Cu from 75.3m-76.3m. Intersections of 1.6m @ 2.2 g/t gold (Au) were received from the Strickland area of workings in 2000.

Work at Temma has highlighted several interesting similarities between the Temma ironstones and recognised global IOCG deposits. The ironstones are hosted in near vertical to steeply dipping NNW striking structures that are apparently discordant with the host meta-sediments.

Alteration and mineralisation in the Temma ironstones (e.g. Weber, 1983), shows an assemblage which is diagnostic of IOCG's (e.g the Igarahé bahia deposit in Brazil (Tallerico et al, 2005)), comprising over 20% magnetite, and including chalcopyrite, stilpnomelane, grunerite, garnet, siderite, chlorite, sericite, quartz. More work needs to be undertaken to understand the relationships of these minerals within the ironstone to see if there is a definite transition from sodic-calcic alteration to potassic alteration as seen in other IOCG's (e.g. Olympic Dam (Reeve et al., 1990)), when approaching the ore zone. Testing for P, Nb, U, and REE's (which previously has not been done at Temma) could help to categorise the Temma ironstones.

As Jaguar's focus looks toward the development of its North Darlot (Western Australia) project, the Company has decided to relinquish the Temma Project from its portfolio.

No work has been conducted on the tenement in this reporting period.

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1.0 INTRODUCTION

This is the fifth and final annual report since EL27/2005 was granted to Jaguar. The tenement has been owned and operated by Jaguar. There has been no exploration during this reporting period.

2.0 LOCATION

The Temma Project is located in north west Tasmania about 25km south of the township of Arthur River (Figure 1). The small community of Temma lies within the licence area. The tenement is accessible by all weather roads from Smithton. The licence area includes freehold farmland, state forest, and Crown Land that is part of the Arthur Pieman Protected Area.

The natural vegetation ranges from coastal scrub to dense forest. In the western third of the licence area, the soils contain a blanket of sands derived from the adjacent beach dunes. The coastal Temma - Sandy Cape track and the east west orientated old Balfour Track, provide 4WD access. Both are passable in dry weather conditions by 4WD vehicle. In wet weather these track are only suitable for quad bikes or motorbikes.

3.0 GENETIC MODELS

Genetic models for mineralisation would include:

- Structurally controlled pyro-metasomatic mineralisation associated with Devonian intrusives.
- Structurally controlled iron-oxide hosted Copper (Cu) – Gold (Au) mineralisation (IOCG) within Proterozoic sediments.
- Stratabound base metal mineralisation within Proterozoic Sediments. The Zambian Copperbelt in Africa provides examples of sediment hosted stratabound copper mineralisation.

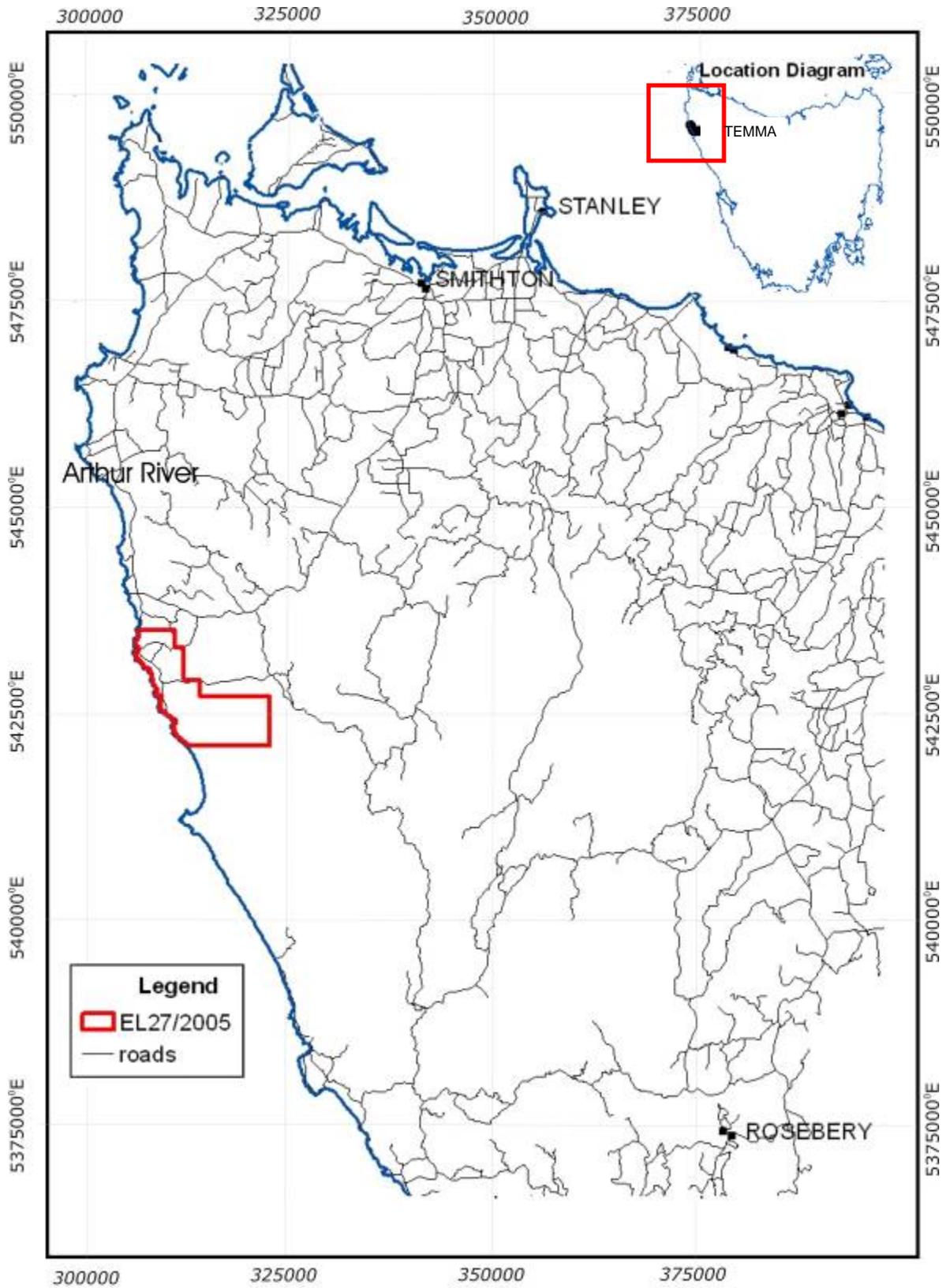


Figure 1. Regional Location Map, North West Tasmania.

4.0 GEOLOGY

4.1 Regional Geology

The Mesoproterozoic Rocky Cape Group contains the oldest rocks in the area and forms the basement sequence in northwest Tasmania. It consists of a thick, unfossiliferous, dominantly siliciclastic shelf sequence, the basement of which is unknown. According to recent classification by Everard et al. (2002), the Rocky Cape Group had been divided (from youngest to oldest) into subgroups, and described as follows:

- Jacob Quartzite
- Irby Siltstone
- Detention Subgroup
- Cowrie Siltstone
- Balfour Subgroup
- Lagoon River Quartzite
- Pedder River Siltstone

The Balfour Subgroup consists of interbedded sandstone and siltstone, carbonaceous pyritic siltstone and shale, quartz arenite and chloritic siltstone. It conformably overlies the Lagoon River Quartzite and is apparently conformably overlain by a correlate of the Cowrie Siltstone in the vicinity of Balfour. The Balfour subgroup and the Cowrie Siltstone are potential source rocks for copper mineralisation along the Balfour copper belt and in the Temma area. This will be discussed in the section on genetic models.

A tectonically stable, shallow marine depositional environment is suggested for the formation of the quartzites. In contrast, the Cowrie Siltstone is mainly carbonaceous, and diagenetic pyrite is very common, indicating reducing depositional conditions. The presence of likely anhydrite casts in the unit is consistent with shallow water, locally evaporitic conditions. The Balfour Subgroup represents a much higher-energy environment with current-influenced deposition than the Cowrie Siltstone.

The Rocky Cape Group is overlain by the Togari Group of Neoproterozoic-Early Cambrian age. A low angle unconformity separates Rocky Cape Group rocks from the overlying Togari Group along the eastern margin of the Smithton Synclinorium, near the mouth of the Black River east of the Smithton. The Togari Group is up to four km thick and mainly consists of conglomerate, dolomite and chert, siliceous and volcanoclastic sedimentary rocks, and basalt. It is divided into the Forest Conglomerate and Quartzite (0-120m thick), Black River Dolomite ($\leq 800\text{m}$), a sequence of intercalated lithicwacke, tholeiitic basalt, diamictite, lithicarenite, hematitic ironstone, mudstone and impure carbonate (Kanunnah Subgroup $\leq 1400\text{m}$), Smithton Dolomite ($\leq 1500\text{m}$), and the uppermost Salmon River Siltstone ($\leq 350\text{m}$).

The basalt units (Spinks Creek Volcanics) form the middle to lower part of the Kanunnah Subgroup and are thickest east of the Roger River Fault. They mainly consist of massive to locally pillowed, dominantly tholeiitic basalt.

The volcanic rocks are metamorphosed up to the prehnite-pumpellyite or, rarely, greenschist facies. They are commonly anomalous in copper, reaching up to 590 ppm. Copper appears to vary erratically and does not show any relationships with other elements. The basalt is thought to be a possible copper source for the copper mineralisation in the Temma-Balfour area.

The post-Proterozoic units present are siliceous gravel with interbedded quartz sand and clay of probable Tertiary age (?pre-basalt), Tertiary basalt and Quaternary talus, alluvium and swamp deposits. Tertiary basalt occurs mostly as thin hill cappings, which are probably the dissected remnants of an extensive series of flows that once covered much of the region. Chemically the basalts are predominantly moderately fractionated and range from basanite through alkali olivine basalt and hawaiite, to transitional olivine basalt tholeiite.

Two early phases of syndepositional extension were followed by at least four compressional phases of deformation within the area. The first two phases of deformation (D1, D2) are possibly of Cambrian age whereas D3 and D4 are considered to be Devonian in age. D3 is the main deformation phase and is characterised mainly by north-west trending folding, some cleavage development and major northeast-directed low and high angle thrusts, one of which hosts the copper mineralisation at Murray's Reward mine along the copper belt.

4.2 Local Geology

The rocks in the Temma area mainly consist of the Balfour Subgroup and Cowrie Siltstone overlain by some minor Tertiary basalt and younger deposits of siliceous sandstone and siltstone, carbonaceous pyritic siltstone and shale, quartz arenite and chloritic siltstone (Everard et al., 2002). These rocks are unconformably overlain by the Togari Group, which consists of a discontinuous basal, siliceous conglomerate overlain by tholeiitic basalt and associated volcanoclastic rocks, and variably silicified dolomite.

Turner (1994) subdivided the older rocks of the Balfour area (Rocky Cape Group) on the basis of lithological associations, mainly the character of siltstone which is the most common rock type in the area. There are lithological sequences where the siltstone is dark grey (carbonaceous), whereas in other sequences it is green or olive (chloritic). The rocks along the Balfour track and west of Murray's Reward consist of conformable, east facing sequence ranging from quartz arenite to grey siltstone in the west, changing into green and grey siltstone with interbedded quartz arenite to the east, near Murray's Reward.

Based on the gravity interpretation of Leaman and Webster (2003), the Rocky Cape Group has been overthrust onto the younger sedimentary rocks and basalt (i.e. Togaro Group) of the Smithton Synclinorium. The succession has been folded, forming the eastern limb of a southerly extension of the large anticline that occurs south of Marrawah. Small scale, NNW trending folds showing different plunges are also common within the area including Balfour South, on the Heemskirk Road, on the Blackwater Road and around Specimen Hill.

There are no granitic outcrops known within the Balfour-Temma area. The nearest outcrop of granite (the Pieman Granite) is at Sandy Cape, some 5 km south of EL27/2005. Most deposits (e.g. Murray's Reward), occur where the interpreted granite surface is about two to four kilometres deep.

The Temma area is structurally complex. Everard et al. (2002) have recognised at least two extensional and four compressional deformation events; these are summarised in Table 1.

Table 1. Deformational Events in the Balfour Temma Area.

(A.R. Reed and D.B.Seymour, pers.comm.)

<i>Deformation event</i>	<i>Nature of deformation</i>	<i>Description/location</i>	<i>Mineralisation</i>
Extension	Growth faulting associated with deposition of Rocky Cape Group	Outcrop-scale growth faulting near Temma coast	
Extension	Growth faulting associated with deposition of Togari Group	Block rotation during extension may account for unconformity between Rocky Cape Group and Togari Groups	
D ₁	?Tyennan Orogeny	Foliation pre-dates chlorite porphyroblasts observed in thin sections of Rocky Cape Group rocks (e.g. southeast of Mt Frankland)	
D ₂	Tyennan Orogeny/ Tabberabberan Orogeny	E-W trending folds and cleavage in Rocky Cape and Togari groups (e.g. southwest of Mt Frankland)	
D ₃	Tabberabberan Orogeny	NW-trending folds and thrusts. Reactivation of Roger River Fault.	Copper mineralisation (Murray's Reward mine), Sn-W mineralisation (Specimen Hill)
D ₄	Tabberabberan Orogeny	Open upright north-trending folds (regionally developed)	

Extensional structures and the results of their influence on sedimentation are preserved in Rocky Cape Group rocks on the Temma coastline (Everard et al., 2002). Extensional structures may be significant for the emplacement of economic mineralisation, as they may act as conduits for the hot, ascending metal-rich brines from which some major stratiform copper deposits are believed to have been formed.

The first two compressional deformations (D_1 and D_2) are both probably Cambrian in age (Everand et al., 2002). D_1 can only be seen on a microscopic scale, whereas D_2 has associated mesoscopic folds. The S_1 cleavage is commonly defined by an alignment of chlorite between variably sutured quartz and feldspar grains. It strikes about E-W and dips between 200 and 450N in weakly deformed rocks from east of Mt Frankland.

The S_2 cleavage (related to D_2 structures) is similar in form too, but typically cross-cuts S_1 (Everand et al., 2002). It is defined by preferred alignment of chlorite grains and strikes east-west and dips about 200 to 450S.

D_3 structures are seen west of the Frankland River where a northwest-trending D_3 anticline deforms Balfour Subgroup sedimentary rocks. The northeast limb of the anticline is truncated by southwest-dipping thrusts. Reverse movement on thrusts has placed older (Rocky Cape Group) over younger (Togari Group) rocks.

D_4 structures in the Temma area are open upright folds, verging toward the west. Fold closures are evident in the aeromagnetic image south of Strickland and in the Dawson's River area, south of the Balfour Track. Steeply east-dipping D_4 reverse faults are recognised along the Temma coast, overprinting D_3 structures. Both D_3 and D_4 structures are interpreted to be Devonian in age.

A number of faults, including an east-trending fault that dissects the Possum Creek area, dominate the local structure of the Temma area.

4.3 Mineralisation

Transgressive NNW orientated, elongate, shallow, magnetite rich lodes occur in the Temma area. They are clearly seen in the aeromagnetic image, Figure 2. The deposits show similar trends to the Balfour Copper Belt. They have variable thicknesses and contain minor amounts of sphalerite, galena, hematite, pyrite, chalcopyrite, Fe-Mn carbonates and silicates. Mineral deposits of a secondary nature include alluvial tin, and sub-economic coastal sand dune deposits containing cassiterite, zircon, rutile and chromite.

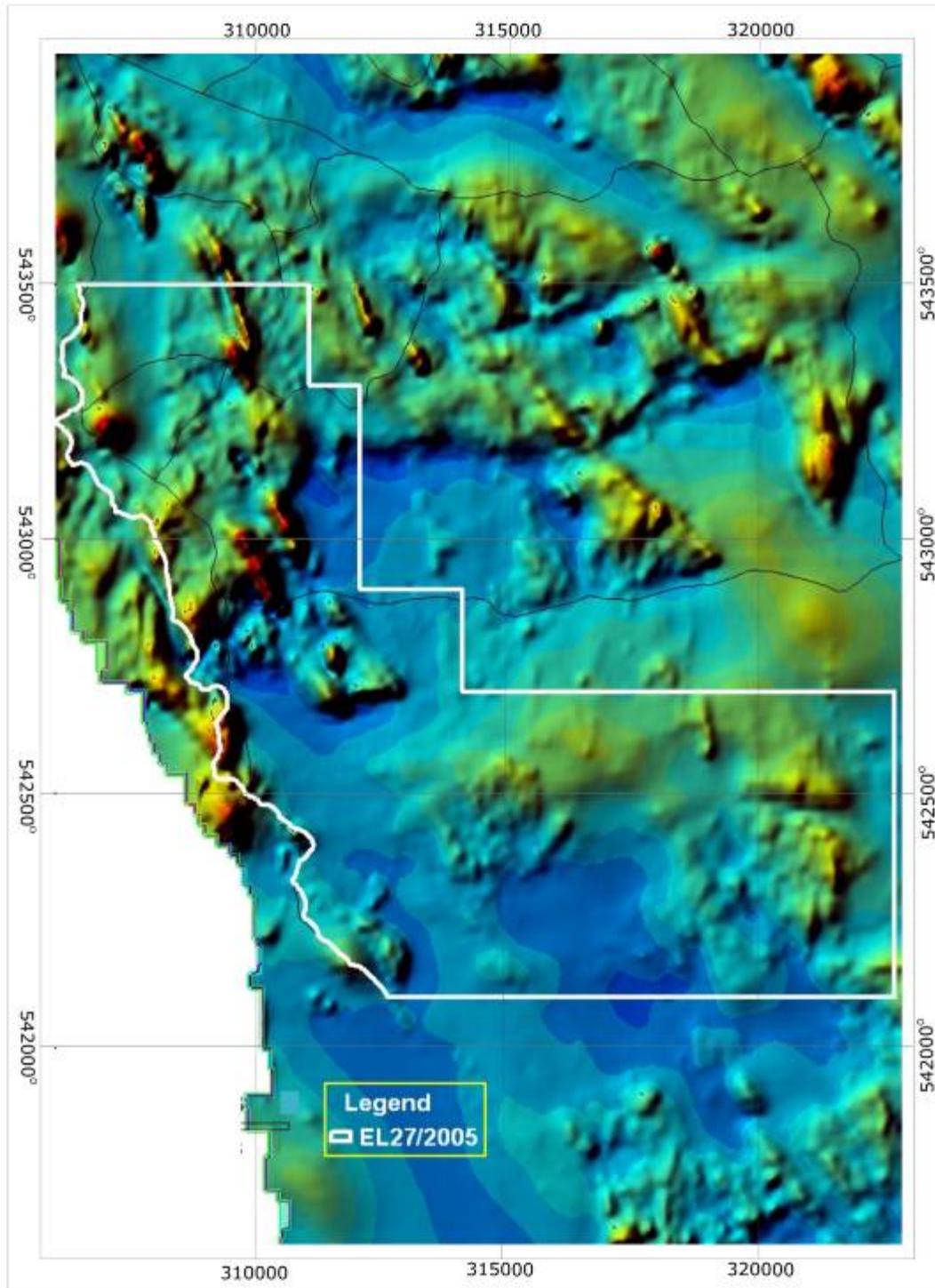


Figure 2. Aeromagnetic Image, showing NNW trending linear magnetic ironstones EL27/2005.

5.0 HISTORICAL WORK COMPLETED

The **Strickland** area (Figure 3) was mined for copper early last century. The workings lay adjacent to the old walking track-tramway connecting the Balfour mines to the port of Temma. The Strickland workings consist of a number of shafts and trenches close to the Temma Farm track, and a second group of workings approximately 250m along strike to the north. A third group of workings lay 150m to the east of these northern workings and is suggestive of a second, parallel, zone of mineralisation.

Contemporary exploration of the area commenced in the mid 1960's when aeromagnetic surveys defined a substantial anomaly co-incident with the Strickland workings. **Pickands Mather** decided to drill test this anomaly as part of their larger exploration effort to locate resources to supplement their newly opened Savage River Mine, which was developed on Proterozoic iron formations. Two holes, T301 and T302, drilled 200m apart, tested the iron mineralisation. T301 and, to a lesser extent T302 intersected a zone of magnetic-pyrite mineralisation which was interpreted as a satisfactory explanation of the aeromagnetic anomaly. T301 intersected 22m (68-90m) of 34-44% Fe. Their locations are illustrated in Figure 3.

In the early 1980's **Geopeko-CRA** re-gridded and mapped the area and completed ground magnetic and C-horizon soil geochemical surveys. The magnetics indicates a strong schistosity-bedding conformable anomaly through the eastern workings of T301 and T302. There is a weaker, parallel trend through the western workings in the north, but interestingly no substantial anomaly over the main workings. Geochemically there is a modest Cu-Pb anomaly co-incident with the eastern magnetic anomaly, but it does not extend south as far as T301. There is a very strong Cu-Pb anomaly coincident with the northern workings on the western trend, but it does not appear to extend south over the main workings.

Geopeko-CRA re-split cores from T301 and T302. Their assaying was extensive which included gold. The most interesting result was a sample from T302, which reportedly assayed 1.5 g/t Au.

CRAE Pty Ltd drilled the magnetic units at **Possum Creek** and at **Little Eel Creek** in 1982, Figure 3. (Herman & Sumpton, 1982). Both holes intersected iron rich intervals characterised by magnetite. Gold values of up to 1.08gpt were returned from the iron-rich interval in DD82 PG1 at Possum Creek, but no values above detection limit were returned from DD82 LE1 at Little Eel Creek. Hole PG1 was drilled to 86.6m. It intersected 2.6m @ 0.43% Cu, 9.0 g/t Ag from 45.9m-48.5m, and 3m @ 1.95% Pb, 12.0 g/t Ag from 50.5m-53.5m, and 1m @ 0.7% Cu from 75.3m-76.3m. This hole targeted very anomalous soil geochemistry, up to 0.3% Cu.

In the **Little Eel** area, diamond hole LE1 was drilled to 109.7m. It intersected 10m @ 0.48% Cu from 14-24m and 1.6m @ 1.14% Cu, 0.17% Zn, 1.0 g/t Ag from 38.1-39.7m. This hole targeted a magnetic high. Host rocks were ironstones and dolomites.

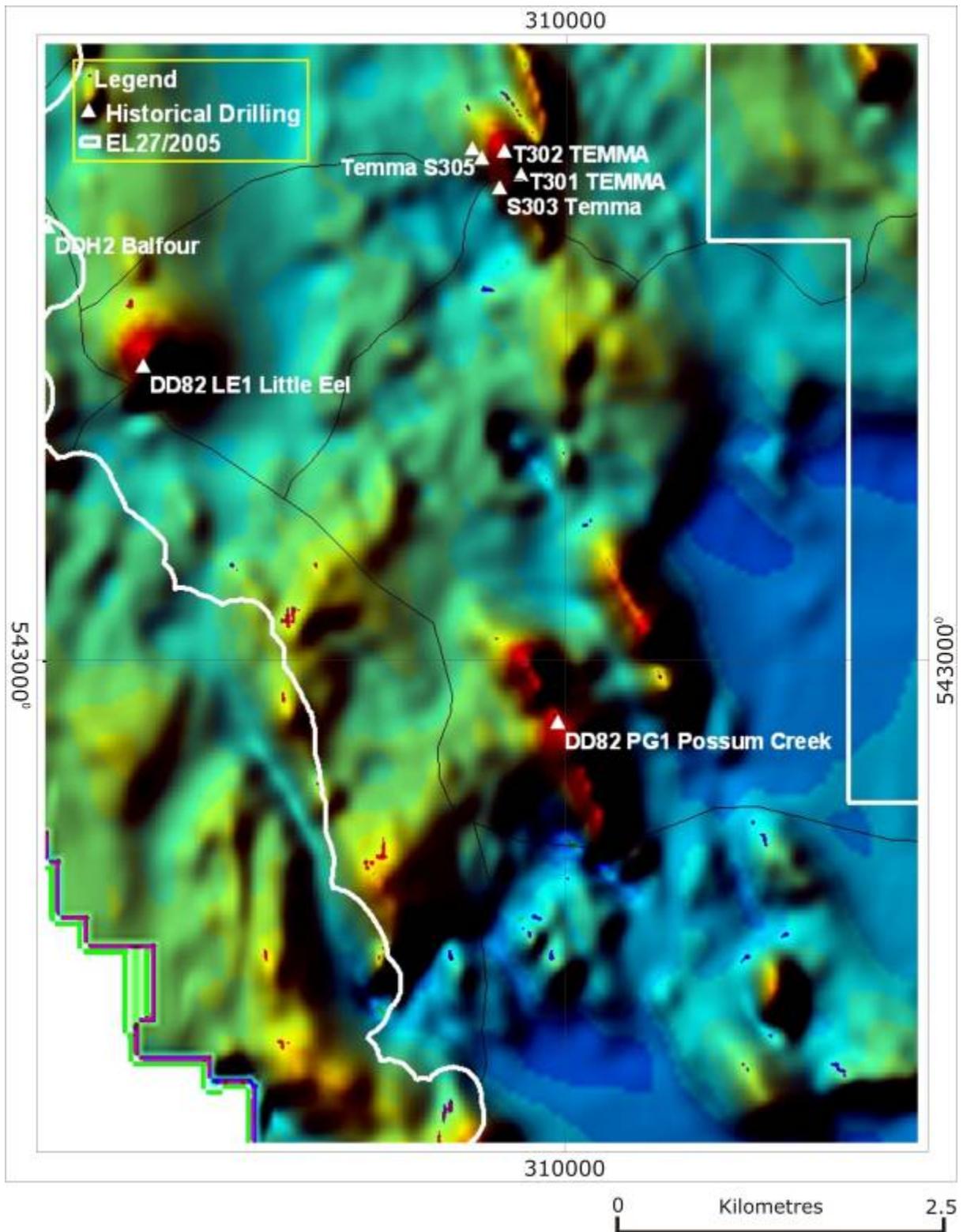


Figure 3. Location of Historical Drilling.

Petrological examination of two samples from the magnetite bearing interval in PG1 showed a weakly sheared assemblage of magnetite-grunerite-siderite and a strongly sheared (schistose) assemblage of magnetite stilpnomelane-siderite. Both assemblages contained minor pyrite, chalcopyrite and arsenopyrite. A schistose sample from just above the magnetite bearing interval consisted of a substantially chloritised, garnet rich assemblage. Three samples from the magnetite bearing interval in LE1 consisted of quartz-magnetite-siderite and quartz-magnetite-sericite assemblages, each with pyrite and chalcopyrite. The assemblages in PG1 and LE1 are interpreted as being the result of pyro-metasomatism, with late formation of siderite, sericite and chlorite (Weber, 1983).

In the late 1990's **AGSO** completed an aeromagnetic survey over the region on lines 200m apart, with a mean terrain clearance of 90m and a reading interval of 7m. Flagstaff GeoConsultants modelled data obtained in the **Strickland** area for Pacific-Nevada and results were presented in a report titled:

"Pacific-Nevada Pty Ltd, Temma Area, NW Tasmania Geophysical Modelling" By N. Hungerford, Flagstaff GeoConsultants, August 1999

With respect to the Strickland Prospect, this report states:

This prospect is the most magnetic part of a magnetic trend that extends over 4 kilometres in strike. Two closely spaced parallel trends to the north may indicate limbs of a fold, which coalesce at the Strickland anomaly. The magnetic model shows an anticline and a more steeply dipping west limb. The depth is very close to ground level.

In 1999, **Pacific Nevada** acquired EL27/97 over the Temma area (Newnham, 2000). Since substantial parts of the T302, PG1 and LE1 cores were not assayed previously, Pacific-Nevada systematically split, re-logged and assayed all of both cores. The analytical work for PG1 shows an iron-rich interval extending from 38.62m to 58m depth. This includes 15.2m (41.9–57.1m depth) of magnetite bearing material ranging 25.3% to 45.5% Fe and returning gold assays consistent with **CRA's** results. Gold was not detected in the iron-rich interval (75.5-95.4m depth) in EL1. Results of the T302 sampling are listed in Table 3.

Pacific-Nevada completed three (3) cored drill holes (S303 – S305) totalling 552m in July 2000, to further test the Strickland Prospect (see Figure 3). The target was gold hosted by either Proterozoic iron formations or breccia zones. S304 intersected a monotonous east-dipping sequence of micaceous siltstones and sandstones cut by major quartz-pyrite-magnetite shear zones between 159-166 m and 193.4-211.8 m. The lower interval appears to be a major structure and averages approximately 20-30% pyrite and minor chalcopyrite over a 14 m interval. Hole S305 was designed to test the magnetic and geochemical soil anomaly associated with the group of shallow workings on the northern end of the western trend. It intersected a sequence of micaceous fine grained sediments passing down-hole into a sequence of more siliceous banded siltstones/ sandstones (ribbon rock).

Table 2. Significant Historical drilling, Strickland Area.

HOLE	TOTAL DEPTH	FROM	TO	INTERSECTION
S304	248m	194.3	195.9	1.6m @ 2.2 g/t Au
		199.1	199.6	0.5m @ 0.11% Cu
		209.7	211.8	1.9m @ 0.13% Cu
S305	100m	44.7	47.0	2.3m @ 1.01% Cu
T302	48m	38.9	45.1	Pyritic fragments in very poor recovery core were all that remained. Random sampling of this zone assayed 0.22% Cu, 1.7 g/t Ag, 1.5 g/t Au.

Drilling to date supports the aeromagnetic interpretation that there are two sub-parallel zones of interest at Strickland – an eastern zone dipping steeply to the east and a western zone dipping at a steep angle to the west. Most of the former workings are along the western zone and it appears to carry significant copper mineralisation as evidenced by both S305 and records of the main workings. No drilling has yet been undertaken beneath the main workings.

6.0 WORK COMPLETED BY JAGUAR MINERALS.

Table 3. Previous work completed by Jaguar Minerals.

Year	Main work completed	Relevant reference
2006-2007	Analysis, modelling and interpretation of HEM data. Soil geochemistry orientation surveys.	Busbridge, M.J., 2007. Temma Project: EL27/2005 Annual report for the period 23 March 2006-22 March 2007. Jaguar Minerals. Unpublished report.
2007-2008	Geochemical surveys including collection of 169 samples for analysis by OES, 69 samples for analysis via partial leach methods and 17 rock chips. Ground checking of high priority HEM targets.	Busbridge, M.J., 2008. Temma Project: EL27/2005 Annual report for the period 23 March 2007-22 March 2008. Jaguar Minerals. Unpublished report.
2008-2009	Preparation and completion of 4km of ground magnetic traverses. Collection of 16 rock chips for analysis by OES.	Hughes, C.E.D., 2009. Temma Project: EL27/2005 Annual report for the period 23 March 2008-22 March 2009. Jaguar Minerals. Unpublished report.

6.1 Orientation Geochemical Soil Sampling Program

Jaguar Minerals conducted orientation soil geochemistry over the Possum Creek area in November 2006. Seventy-two samples were collected from the A and B soil horizons along two traverses. The survey aimed to duplicate the anomalies generated by CRA’s C-horizon geochemistry. CRA’s sampling grid and copper geochemistry is illustrated in Figure 4. (Data from Perring, 1983, MRT Report No.84 – 2151). CRA used a power auger to drill down to the C-horizon, often 10-12m deep.

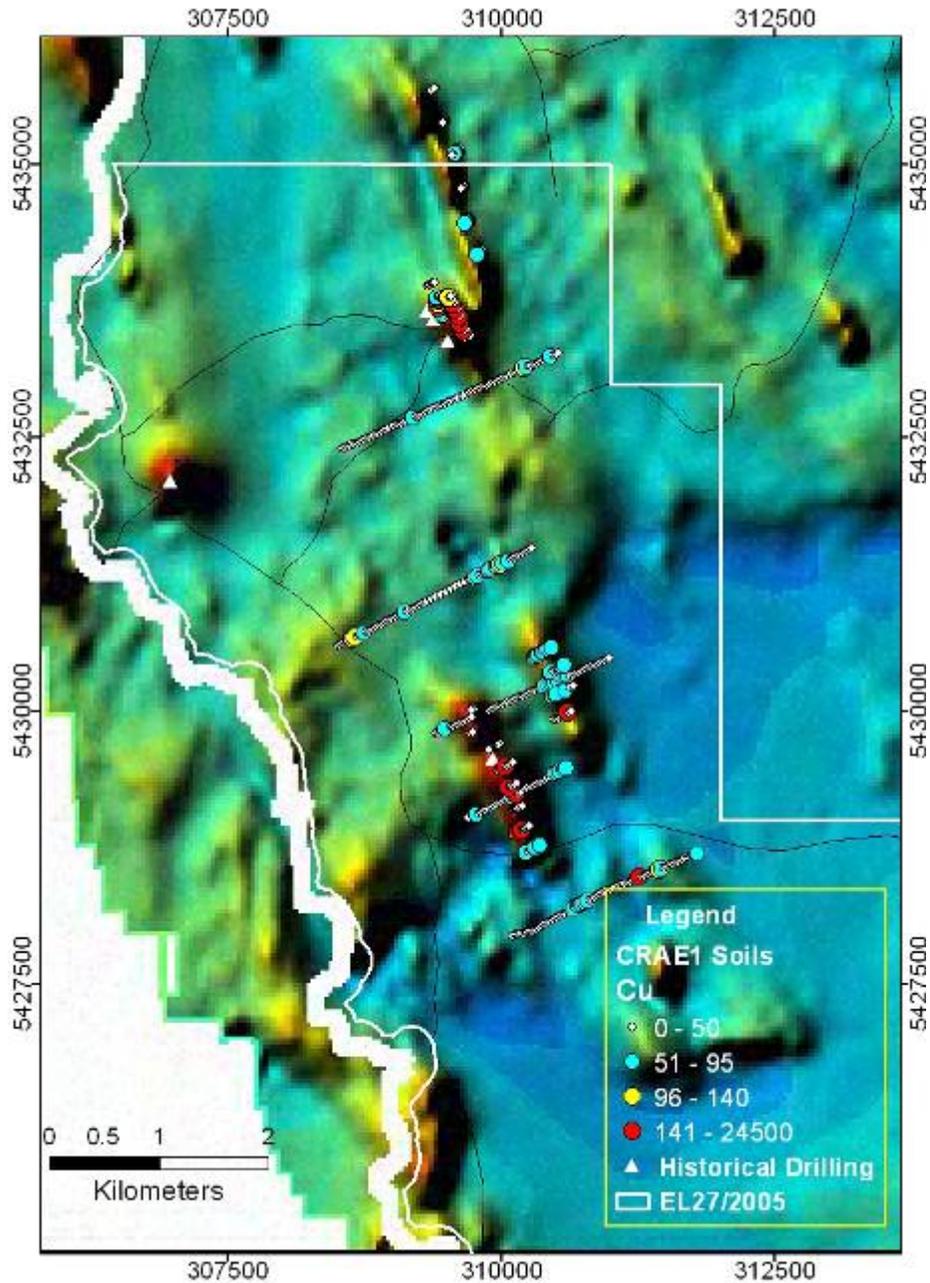


Figure 4. 1982 Soil Sampling Traverse by CRA.

Two traverses were completed by Jaguar. Figure 5 illustrates the location of CRA soil sampling traverses and Jaguar's two orientation traverses in yellow. The western traverse, (CRA gridline10800N) coincided with the soil traverse containing CRA's drill hole PG1. Beach sand forms a 1-3m veneer over the residual B horizon soils. Samples were collected from the 10-20 cm depth interval. Three sample mediums were collected:

- a) Two B horizon soil samples were collected. One sample was assayed via a Partial Leach digestion and the other was assayed via a total digestion method (aqua regia). Samples have a 'A' and 'B' suffix, respectively.
- b) An A0 horizon soil sample, comprising the top 5 mm of the soil and containing a surficial crust. Samples have a 'C' suffix.

The partial leach method employed the Terra Leach digestion (method TL1) of Genalysis Labs Ltd in Perth, WA.

The eastern orientation traverse (CRA gridline11200N) coincided with a well defined copper, zinc and lead geochemical soil anomaly. Beach sands were absent here and samples were sourced from the residual B horizon. Two samples were collected from the 10 cm ('A' suffix) and the 20-25 cm ('B' suffix) depth intervals and rarely collected weathered rock. 'A' samples were subjected to a Partial digest while the 'B' were assayed via the total digestion method.

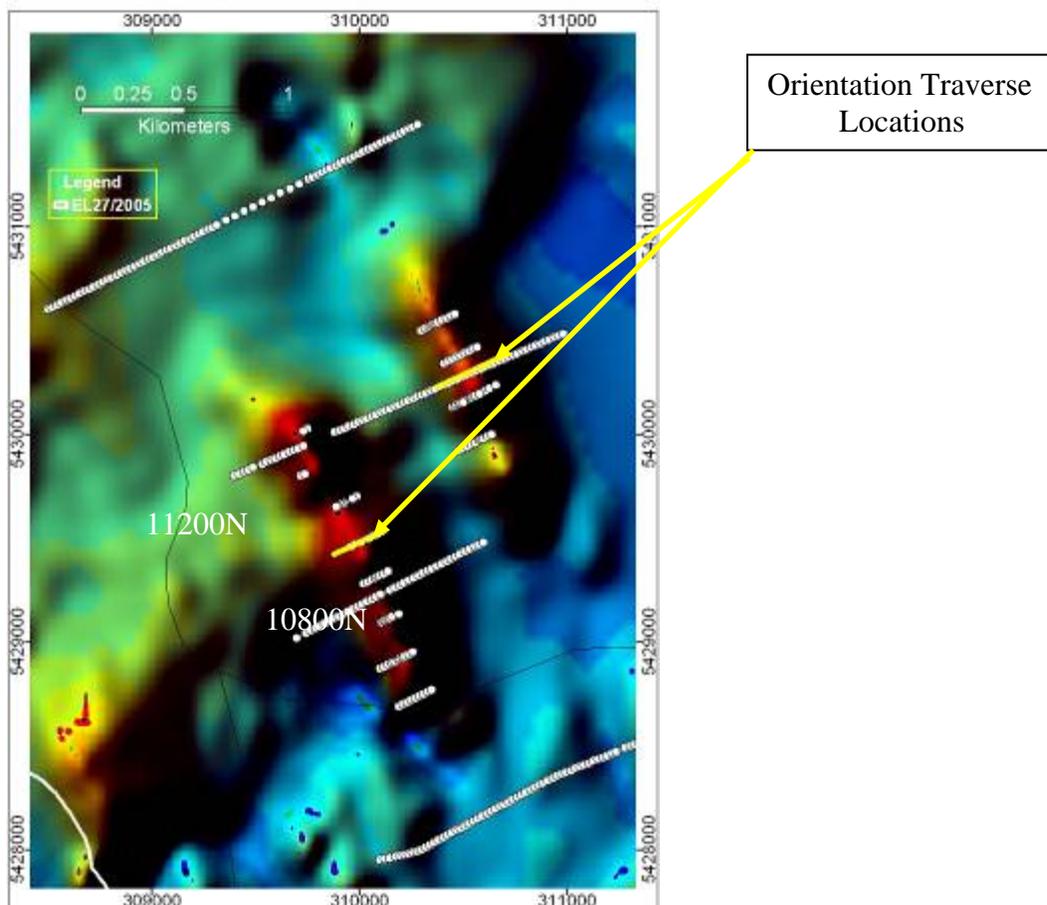


Figure 5. Location of Jaguar Minerals Orientation Sampling Traverses.

Figure 6 and 7 illustrates the results. Although anomalies are not as pronounced as in the C horizon, B horizon soil sampling using a total digest is a cost effective exploration tool in the Temma area, where transported beach sands are absent.

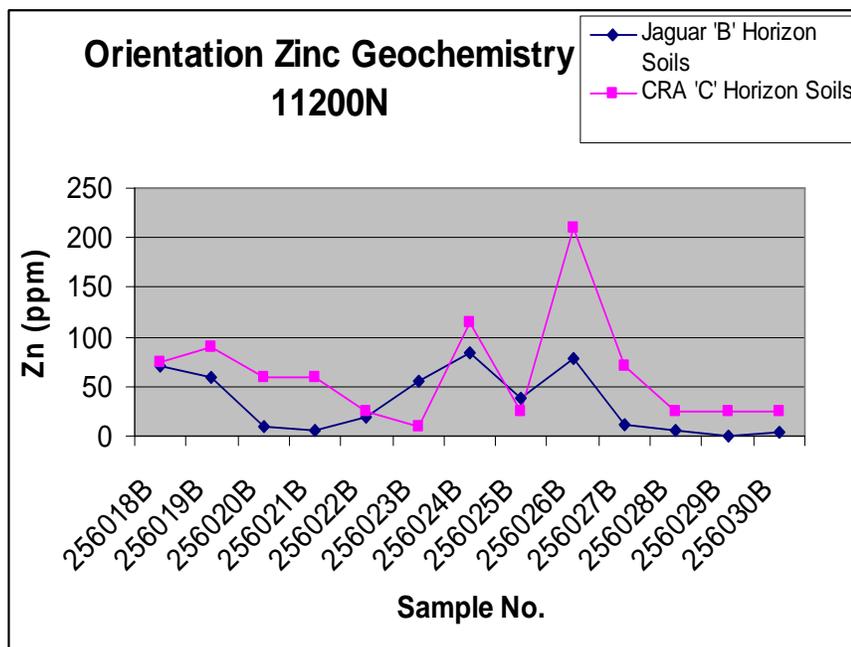


Figure 6. Orientation Zinc Geochemistry, 11200N

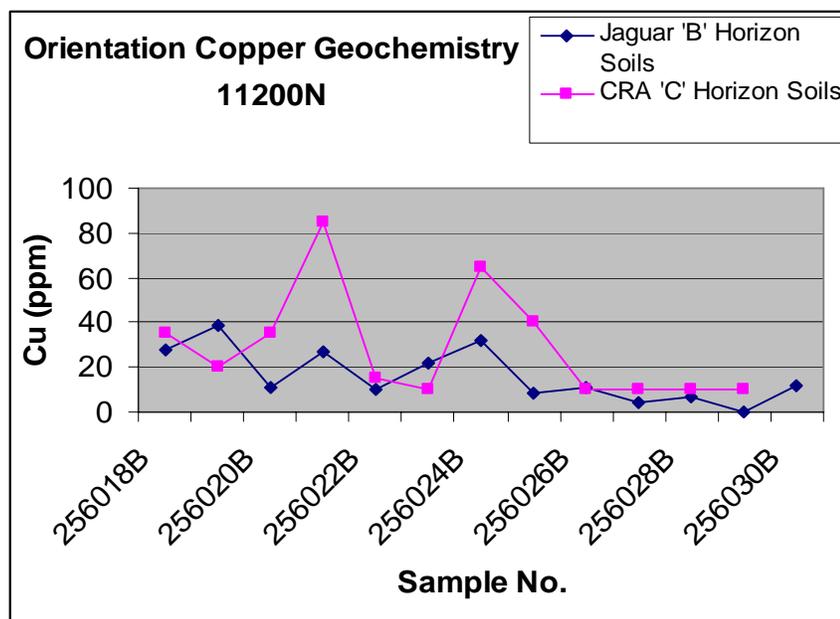


Figure 7. Orientation Copper Geochemistry, 11200N

Figure 8 illustrates the masking effect of overlying beach sand. Samples were analysed via a total digestion method by Genalysis. Jaguar sampling was ineffective due to the dilution effects of the overlying beach sand.

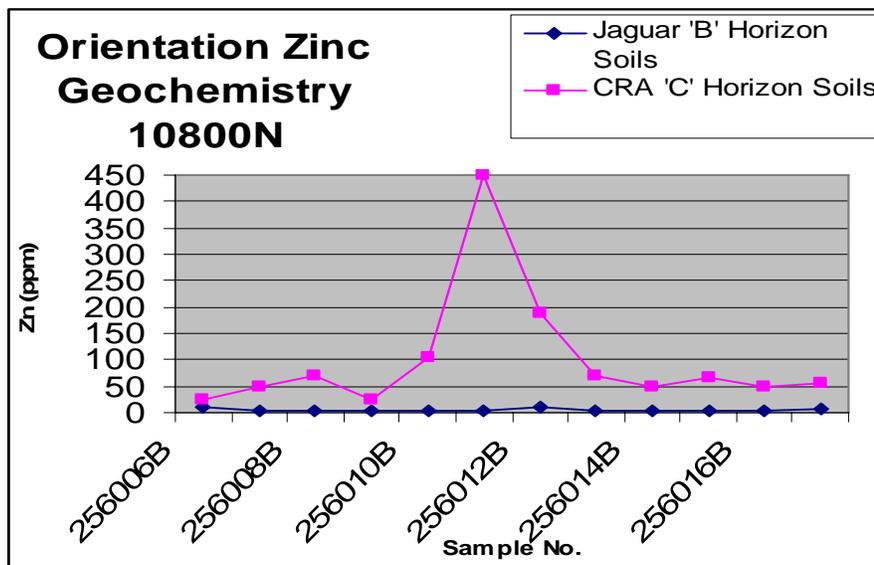


Figure 8. Orientation Zn geochemistry, 10800N

Figure 9 compares the partial leach digestions for Zn in the B horizon soils with the C horizon sampling of CRA. Partial leach Zn assays are multiplied by 100. The results suggest partial leach analysis may enhance the geochemical signature in the surface sands.

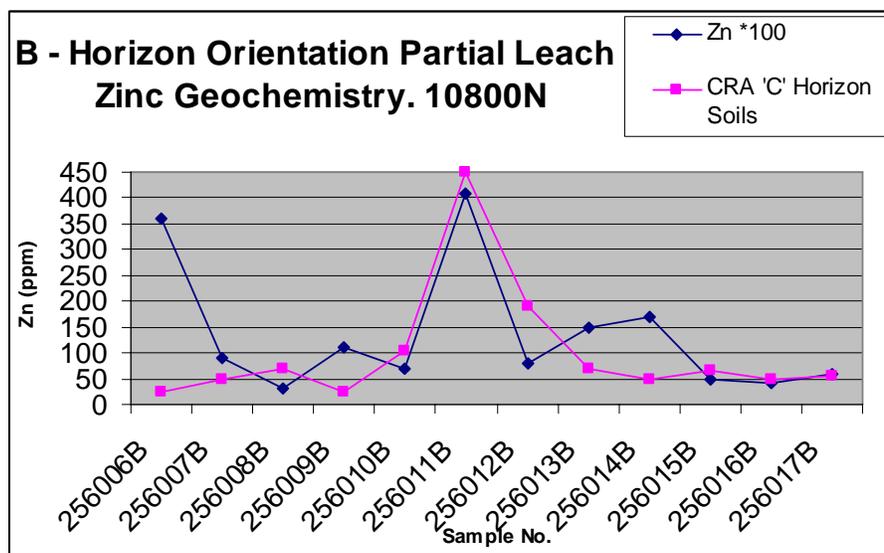


Figure 9. Orientation Partial Leach Zinc Geochemistry, 10800N

Five samples (256001-256005) were also collected from a 75 cm deep auger hole drilled near CRA drill hole PG1. Samples were collected at 0 cm, 10 cm, 25 cm, 50 cm and 75 cm downhole. Beach sand was present. Results were inconclusive.

All assays and location details for the orientation survey are located in Appendix 1.

6.2 Interpretation of helicopter electromagnetic (HEM) data

In early 2002, Mineral Resources Tasmania (MRT) as part of the Western Tasmanian Regional Minerals Program (WTRMP) carried out a detailed helicopter electromagnetic (HEM) survey over the Balfour and Temma areas. Data was acquired with the Geotech Hummingbird System.

In July 2005, Flagstaff Geoconsultants provided an interpretation of the HEM data. Analysis of 45 responses within the electromagnetic data over EL 27/2005 had identified 7 targets as potentially representing conductors that require further geological and/or geophysical ground follow up. These anomalies remain unexplored by modern ground based techniques. The strong and excellent discrete EM anomalies appear to be isolated 3D conductive bodies. The location of the seven targets are illustrated in Figure 10. The report by Flagstaff Geoconsultants is located in Appendix 2.

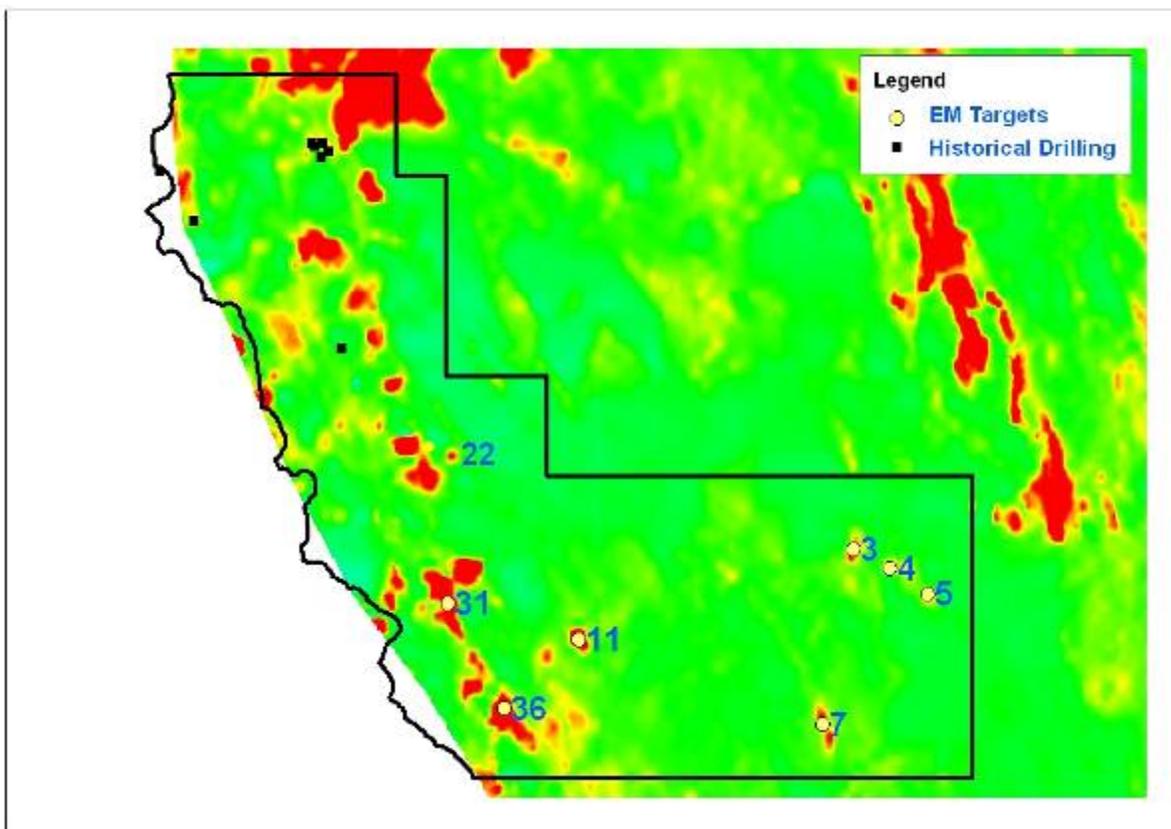
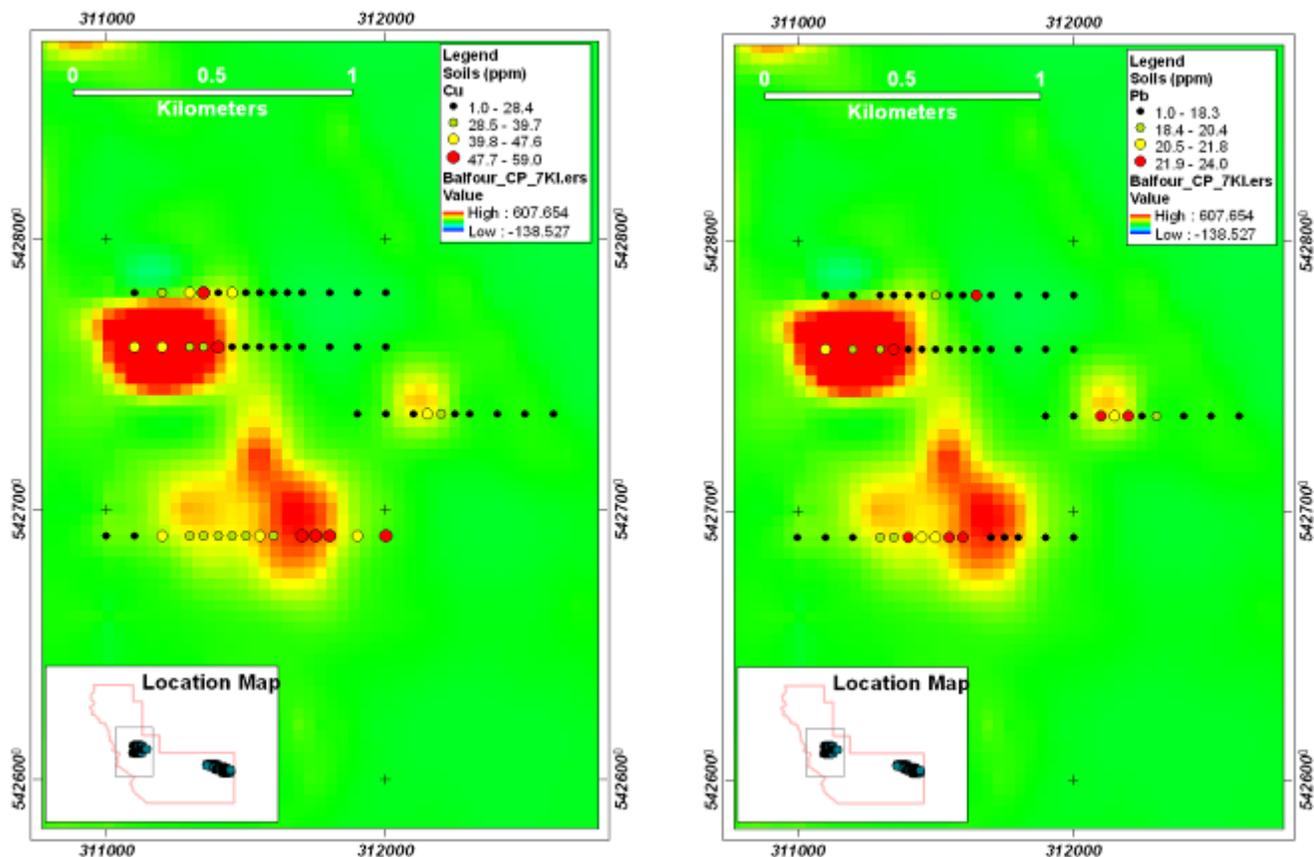


Figure 10. *Electromagnetic Anomalies and Previous Drilling on Aeromagnetics.*

Helicopter supported field inspections were completed on the eight HEM anomalies of Figure 10. Extremely graphitic shale and siltstone outcrops up to 10m wide were discovered within creek banks at Anomalies 31 and 7 and are considered the source of the HEM anomalies. At anomaly 22 (termed Dawson River in this report), semi massive magnetite containing up to 10% cubic pyrite was located. Basalt float was also observed. Gossanous outcrop was sampled at Dawson River but assay results suggest it may be a weathered and oxidised pyrite body.

These results provide a possible source to the HEM anomaly seen at anomaly 22. A source to the remaining five HEM anomalies could not be located and they remain unexplained. Rock chip locations and assay details are located in Appendix 3.

Copper and lead geochemical anomalies (inputs per million (ppm)) from the Dawson River anomaly (anomaly 22 in Fig. 10) are illustrated over an HM base image in Figures 9 and 10. There appears to be no correlations between the copper and lead anomalies or with other anomalous elements. The results demonstrate an irregular and incoherent pattern and do not constitute a robust anomaly.



Figures 11 and 12. Copper and lead soil geochemistry at Dawson River.

6.3 Soil sampling of Electromagnetic Anomalies (Four Acid Digestion).

In the 2008 reporting period soil sampling was completed over 4 HEM anomalies within EL27/2005. One hundred and sixty eight samples were collected over anomalies 22, 3, 4 and 5 (see figure 10). For the collection of samples at anomalies 3, 4, and 5, a field camp was established near anomaly 4. Sampling was completed in 3 days using 2 crews of 2 field technicians each. Sample grid density was usually 200m spaced lines and a 50m sample interval along lines. The sample grids were designed at right angles to the interpreted strike of the anomaly. Whole soil samples were not sieved and were collected from the point of refusal (rock) using a hand held auger. Depths to the sampled horizon varied from 0.2m to 1.5m. Samples weighing approximately 500 grams were placed into plastic sample bags, dried and despatched to Genalysis Laboratories in Adelaide. Samples were analysed for Ag, As, Bi, Ca, Co, Cr, Cu, Fe, Mn, Mo, Ni, Pb, S, Sn, Zn via method A/OES (4 acid digestion with OES Inductively Coupled Plasma readout (Optical Emission Spectrometry). Gold was analysed via method B/ETA (Proprietary digestion with Graphite Furnace Atomic Absorption Spectrometry). Samples collected over anomalies 3, 4 and 5 are illustrated in Figure 13.

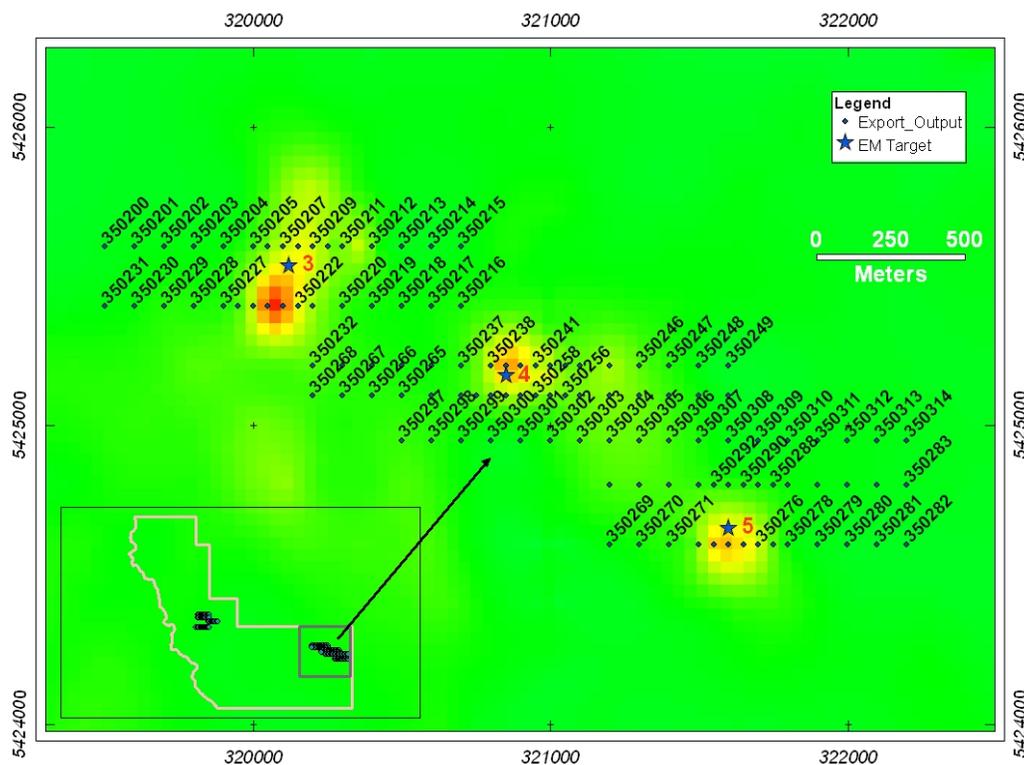


Figure 13. Sample locations over anomalies 3, 4 and 5. Underlying data is the regional EM image. (CP 6.6 khz in phase HEM data image).

Assays were uniformly low, and monotonous over HEM anomalies 3, 4 and 5. Figures 14 & 15 compare the Fe contents of a soil traverse at Dawson River and soil traverses at Anomalies 3, 4 and 5 respectively. The uniformly low Fe contents in the latter are in contrast to the variable Fe concentrations seen at Dawson River.

All elements assayed show a similar depressed distribution like that seen from the Fe distribution in Anomalies 3, 4 and 5. This suggests these soils are severely leached and not representative of the bedrock below. All assay data and their coordinates (AMG_66) are located in Appendix 3.

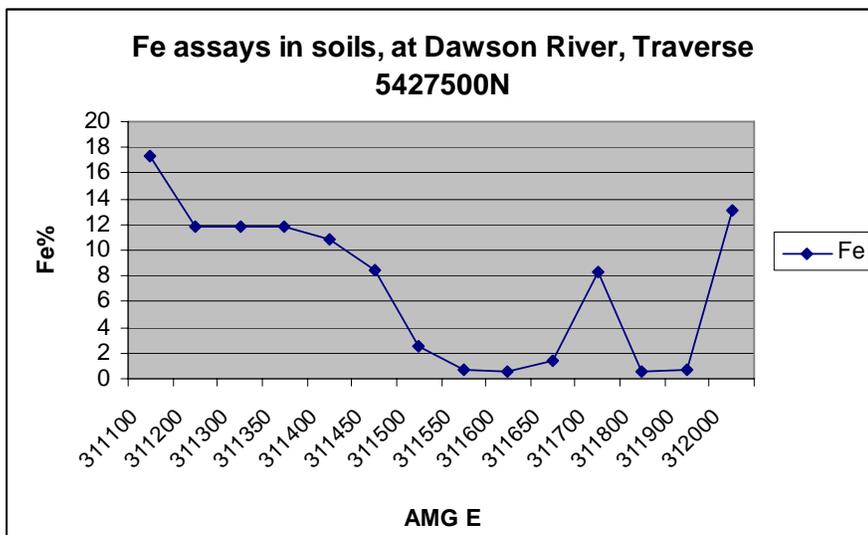


Figure 14. Iron geochemistry over a traverse at Dawson River.

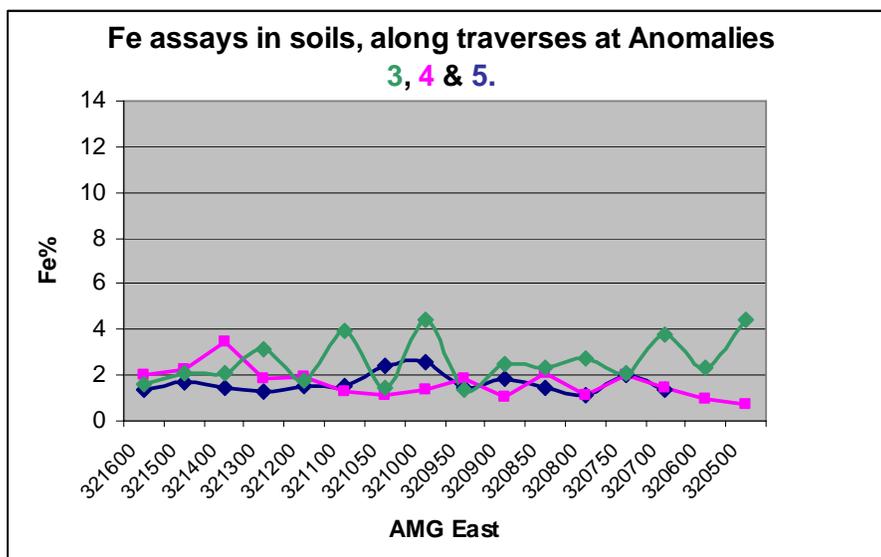


Figure 15. Iron geochemistry over three traverses at HEM anomalies 3, 4 and 5.

Copper and lead geochemical anomalies (inputs per million (ppm)) from the Dawson River anomaly (anomaly 22 in Fig. 10) are illustrated over an HM base image in Figures 11 and 12. There appears to be no correlations between the copper and lead anomalies or with other anomalous elements. The results demonstrate an irregular and incoherent pattern and do not constitute a robust anomaly.

6.4 Soil sampling of Electromagnetic Anomalies (Partial Leach Digestion).

Due to the extensive sand dune cover over HEM anomalies 36 and 31, partial leach soil geochemistry was trailed. Sixty nine samples were collected. Partial digest solutions contain a variety of complexing agents, weak acids, weak bases or salts in various combinations. The low total dissolved salt content enables determination of trace elements to very low detection levels.

Sample grid density was usually 200m spaced lines and a 50m sample interval along lines. The sample grids were designed at right angles to the interpreted strike of the HEM anomaly. Whole soil samples were not sieved and were collected from the 0-5cm depth interval after the litter and humic layers were carefully removed. Samples were dry but extremely sandy. Samples weighing approximately 500 grams were placed into plastic sample bags, dried and despatched to Genalysis Laboratories in Adelaide.

Samples were analysed for Au, As, Co, Cu, Fe, Mn, Mo, Ni, Pb, W, and Zn via method TL1/MS. (Genalysis proprietary method called Terraleach using Inductively Coupled Plasma Mass Spectrometry). All assay data with coordinates (AMG_66) is located in Appendix 3.

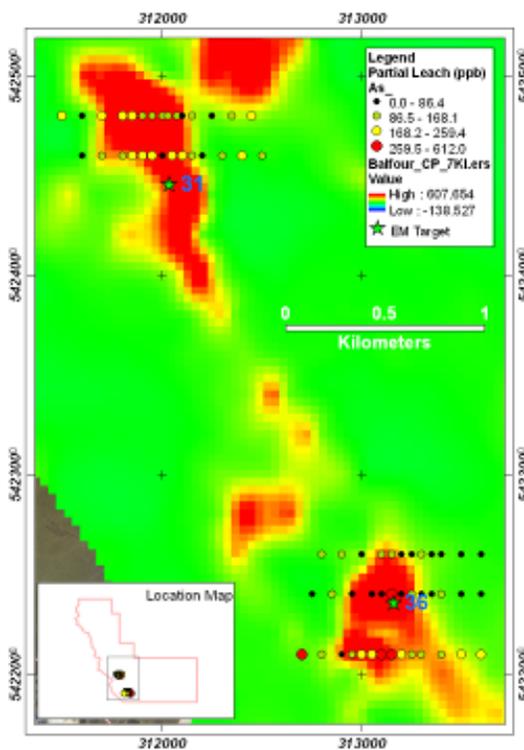
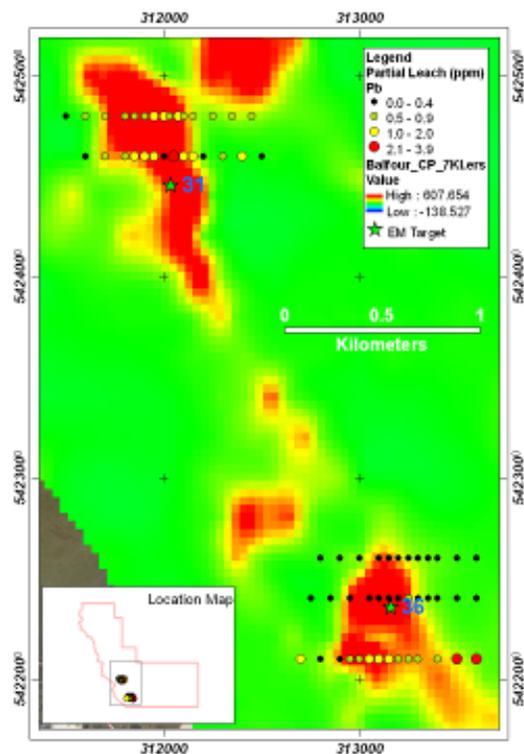
Lead (ppm) and arsenic (ppb) partial leach geochemistry results for anomalies 36 and 31 are illustrated in Figures 16 and 17. Geochemical anomalies between lead and arsenic and other elements are irregular and incoherent and do not constitute a robust anomaly.

6.5 Ground Magnetic Survey

In 2008 a Ground Magnetic Survey was undertaken. A total of 8 lines were cut for 4 km to allow access for ground magnetic surveys Figure 15 (See Appendix 4). The surveys were designed to cross two of the magnetic Temma ironstones perpendicular to their strike in order to gain a better understanding as to the dip and morphology.

The survey was conducted using two Geoterrics G856 portable magnetometers, using one as a base station situated away from any metalliferous objects and in a zone of low magnetic intensity as indicated from existing aeromagnetic data held over the tenement. The survey was budgeted to take 5 days to cover the 4km of lines, but only three days were spent surveying due to atmospheric electrical activity affecting the accuracy of the magnetic readings, and thus 2km of the 4km were surveyed, refer to Figure 15 for surveyed lines.

Profiles of the ground magnetic surveys are presented in Figure 16 and 17. They show a varied response in both the amplitude of the magnetic response and the morphology of the response.



Figures 16 and 17. Partial leach lead and arsenic soil geochemistry at HEM anomalies 31 and 36. Underlying data is the regional EM image. (CP 6.6 khz in phase HEM data image).

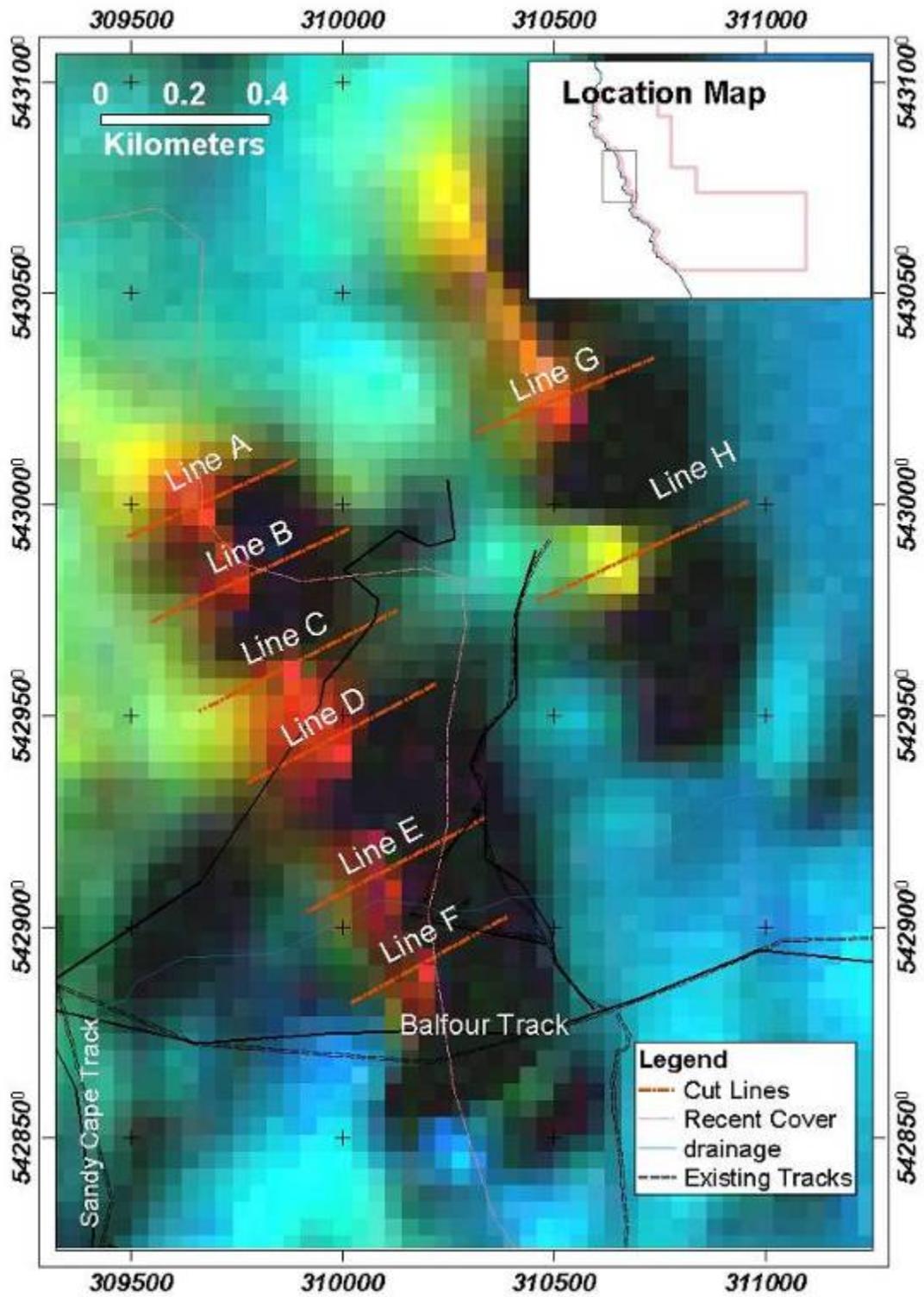


Figure 18. Location of grid lines for ground magnetic survey:
Base Map: aeromagnetic image.

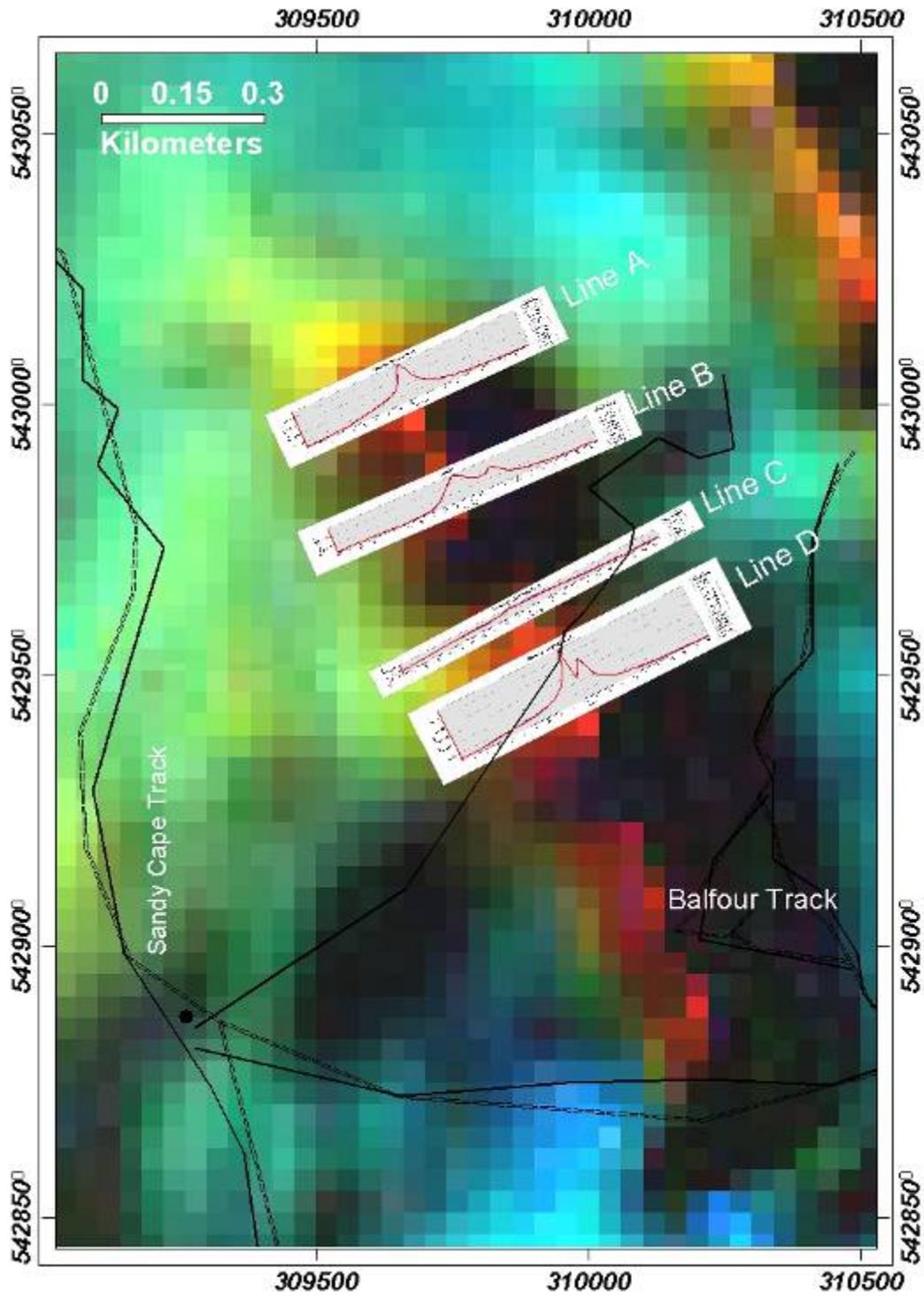


Figure 19. Surveyed lines located on the base aeromagnetic image.

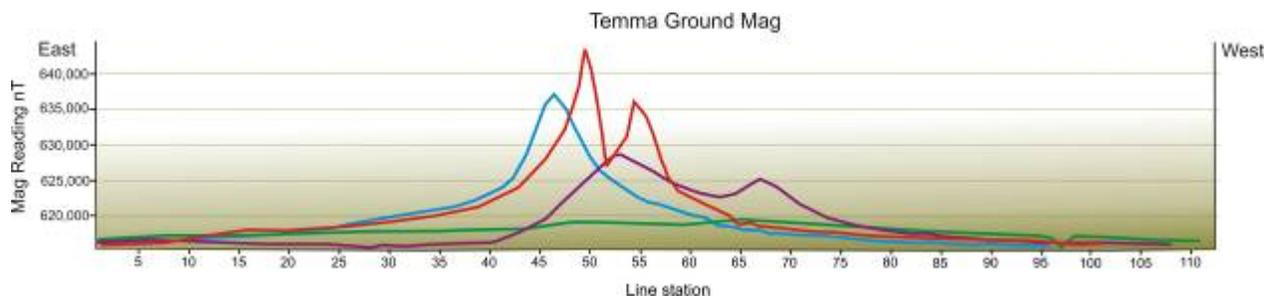


Figure 20. Ground magnetic responses.

Line A, (Figure 21) traversed across the north end of the magnetic body. The magnetic reading has a simple peak morphology, a response in the order of 20000 nT. The largest values occur over a distance of approximately 60m across line, and there is slightly less inclined western limb (compared to the eastern limb) of the curve. This indicates a single magnetic body, vertical or dipping steeply to the east. It was noted during the survey that the magnetic high corresponds with a topographic high, indicating this may not be as extensively covered with sand dunes as previously thought.

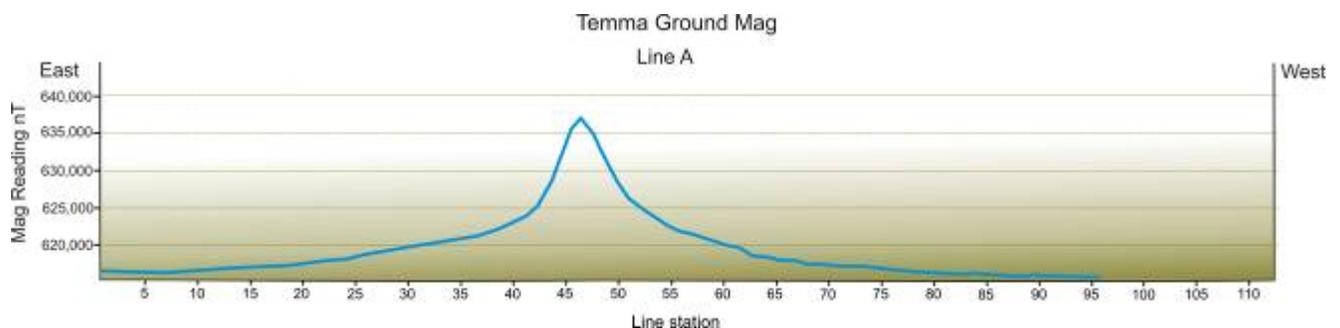


Figure 21. Ground magnetic anomaly – Line A

Line B, Figure 22 traversed 200m south (along strike of the magnetic bodies) of Line A. The magnetic reading has a double peak morphology and a broader zone of anomalism compared to Line A, but a lower amplitude reading, with a response in the order of 15000 nT. The magnetic anomalism occurs over a distance of approximately 160m across line, with the western peak being greater in amplitude than the eastern peak, but both being anomalous over a similar distance across line.

The western peak has a morphology indicative of a steeply east dipping magnetite body, whereas the eastern peak has a morphology of an upright to very steeply west dipping magnetic body that is either a narrower structure or less magnetic, or may represent a small offsetting fault, causing a repetition of the ironstone, although this wouldn't explain a difference in the amplitude of the two signals.

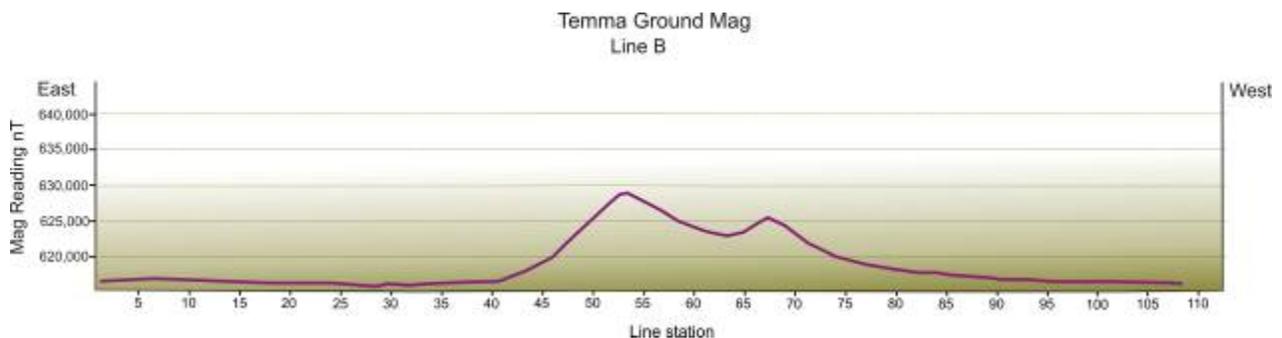


Figure 22. Ground magnetic anomaly-Line B

Line C, Figure 23 traversed 200m south (along strike of the magnetic bodies) of Line B. There is a break in the intensity of the magnetic signal, as seen in the aeromagnetic image Figure 19, where this line crosses the ironstone. This is characterised in the ground magnetic survey by a broad low amplitude signal (displayed in figure 20 relative to the other lines), that has a response in the order of 3000-4000 nT above background, over a distance of 70m across line. The response from the reading is so subdued it is difficult to confidently assume a dip direction. It is suggested that an ENE structure cuts the magnetite bodies as seen on the aeromagnetic image, channelling fluids causing the hydrothermal destruction of magnetite.

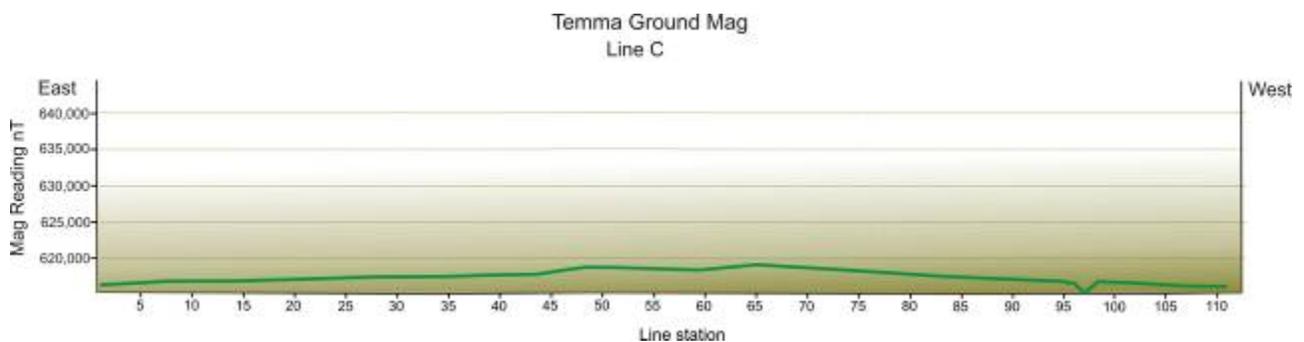


Figure 23. Ground magnetic anomaly-Line C

Line D Figure 24, traversed 200m south of Line C (along strike of the magnetic bodies). The magnetic reading has a double peaked morphology, with the highest magnetic response in the order of 30000 nT, with the anomalism occurring over a distance of roughly 100m. As with Line B the western peak has a greater amplitude than the eastern peak, in this case however there is a difference of 10000 nT.

The western peak has a morphology indicative of a steeply east dipping magnetite body, whereas the eastern peak has a morphology of an upright to very steeply west dipping magnetic body that is either a narrower structure or less magnetic. During the survey no coincident change in topography was noted with the magnetic anomalism and sand was noted underfoot indicating the presence of dunes in the area.

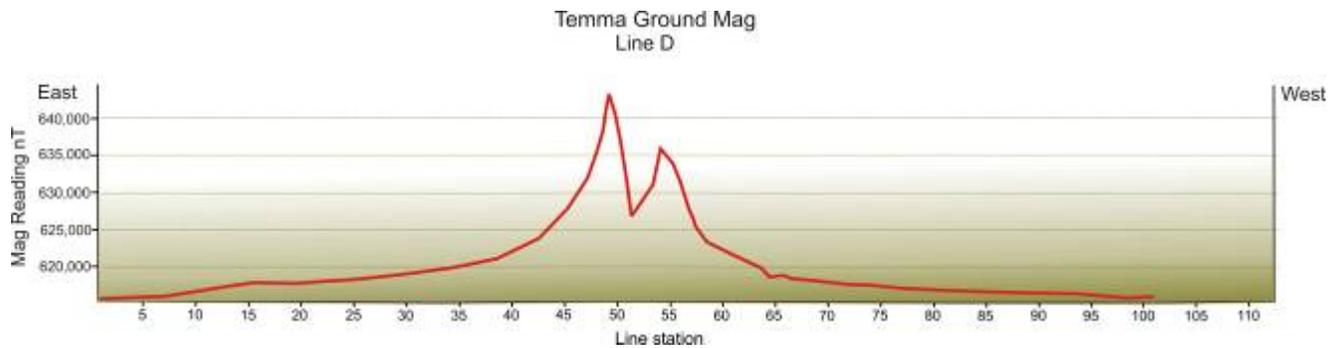


Figure 24. Ground magnetic anomaly-Line D

6.6 Reconnaissance of selected HEM targets.

Figure 25 shows the location of priority HEM targets (17, 19, 20, 25, 30, 42, 43, 44, 45, 46) which were ground checked during the 2009-2010 reporting period. High priority HEM targets were ground checked in the 2007-2008 reporting period (Busbridge, 2008). The report by Flagstaff Geoconsultants documenting the interpretation of the HEM survey is located in Appendix 2. Ground checking was conducted with the use of quad bikes, GPS meters and walking.

The use of quad bikes was restricted to pre defined tracks, with the more distal anomalies accessed by foot. No track cutting was undertaken. No conductive source for targets 19, 20, 42, 43, 44, or 45 was evident at surface due to the overlying sand dune cover. Conductive graphitic shale was observed at target 46. No outcrop was observed at targets 17, 25 and 30.

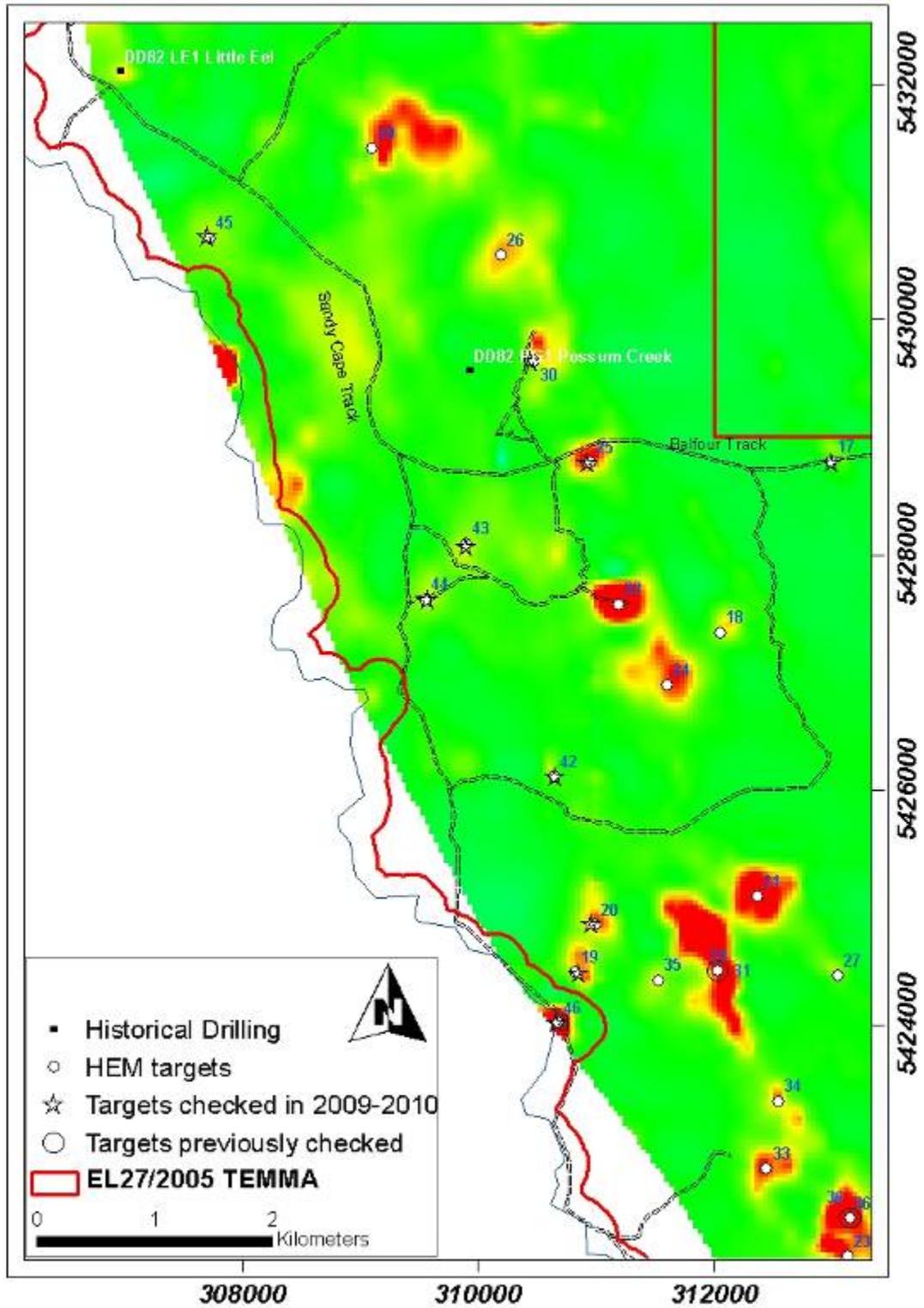


Figure 25. Location of HEM anomalies on HEM image.

6.7 Familiarisation with drill core from the Temma area.

Drill core from the Temma area, stored at the Mornington Core Store in Hobart, was reviewed in order to become familiarised with the mineralisation styles present. Several of the magnetite bodies from historical drilling at Temma have been sampled by previous workers, for example Turner, 1999. Core recovery in sections of the magnetite bodies was also low. Drill core from holes PG1 and LE1 (drilled by CRAE Pty Ltd in 1982 (Weir, 1982)) were assessed and a general mineralisation model has been composed (Figure 26) to illustrate interpreted alteration and mineralisation zones in the Temma magnetite bodies (Figure 2). The model was generated to effectively log future drill core, and to generate other targets in the Temma area. The location of PG1 and LE1 is located in Figure 3.

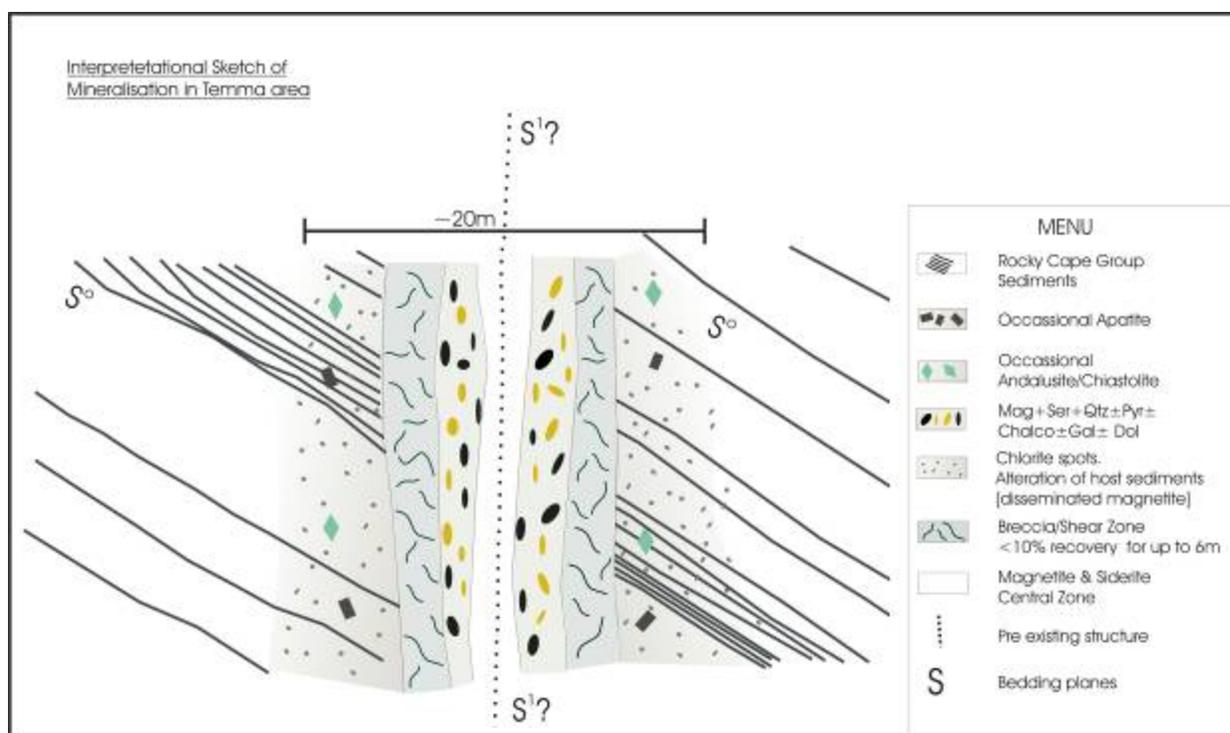


Figure 26. Sketch illustrating alteration and mineralisation zones in the Temma magnetite bodies.

6.8 Other exploration activities

During the 2009-2010 reporting year several day trips on the Temma tenement where undertaken assess the access into the area for the purpose of drilling and exploration.

The access in the tenement is by the Sandy Cape track and the Balfour track. Both are popular attractions for off road enthusiasts and caution needs to be taken with regards to traffic. The Sandy Cape track, as the name suggests, is very sandy, and becomes boggy with very deep water pools during the winter months. The Balfour track is rugged and rocky in parts, but has deep and boggy sections along it also. For this reason most exploration was conducted on quad bikes, preferred for the versatility they allow.

A total of 16 rock chips were taken to be sampled by Genalysis Laboratory Services for Au, Ag, As, Bi, Ca, Cr, Cu, Fe, Mn, Mo, Ni, Pb, S, Sn, Ti, V, W, Zn. The results are given in Appendix 4, with significant results shown below in Table 4.

Table 4. Selected assay results for Temma rock chips

	Au(g/t)	Ag(g/t)	Cu(%)	Fe(%)	Mn(%)	Ti(%)
256407	0.039	1.91	0.5228	26.32	2.0582	X
256410	0.161	17.73	2.3455	31.11	3.3630	X
TEMRC001	X	X	X	43.82	X	X
TEMRC002	X	X	X	X	X	1.1648
TEMRC004	X	X	X	X	X	0.3189

7.0 CONCLUSIONS, DISCUSSION, AND RECOMMENDATIONS.

Transgressive NNW orientated, elongate, shallow, magnetite rich lodes intrude the Rocky Cape sequence in the Temma area. The formations show similar trends to the Balfour Copper Belt, and there are some interesting similarities to the Savage River magnetite bodies. They have variable thicknesses and historical drilling has demonstrated that they contain minor amounts of sphalerite, galena, hematite, pyrite, chalcopyrite, Fe-Mn carbonates and silicates. Only 7 shallow drill holes have tested the Temma ironstones in the north west corner of the licence. The ironstones occur over a combined strike length of 15 kms in several horizons that may represent folded repetitions, or parallel fault structures.

The ground magnetic survey highlights the dip of the Temma ironstones, and indicates there may be more than one structural control on the formation and morphology of these ironstones. Possible structural controls could be that there is either another smaller or less magnetised structure, or that there is a series of cross cutting faults repeating the ironstone. This could explain double peaked profiles on the ground magnetic survey, Figure 20 and 21.

The assay results from the outcrop rock chips have reinforced the prospectivity of the area for a variety of commodities. This has caused questions to arise regarding the significance of titanium in the ironstones and surrounding Proterozoic metasediments.

The genesis of the Temma ironstones is still enigmatic after over 40 years of exploration and study of the area by various companies, governmental bodies, and academic institutions.

Recent work on the Savage River Mine (Bottrill, pers. comm. 2009), proposes a possible affiliation with IOCG type mineralisation for the equally enigmatic genesis of the Savage River magnetite bodies, and there appear to be some significant similarities between the Temma ironstones and the Savage River magnetite bodies.

Work at Temma has highlighted several interesting similarities between the Temma ironstones and recognised global IOCG deposits. The ironstones are hosted in near vertical to steeply dipping NNW striking structures that are apparently discordant with the host meta-sediments. Figure 27 shows the first vertical derivative (1VD) of magnetics covering NW Tasmania. This map illustrates a weakly defined general NNW trend in the Temma area (labelled "Temma NW lineament") as "seen" by the magnetics, which trends in the same orientation as the Temma ironstones. This implies the Temma ironstones may be small scale expressions of a large scale crustal structure, the sort of structure seen in the right side of Figure 24 labelled the "Arthur NE lineament", which is host to the Savage River Mine (potentially a large IOCG deposit). Such large scale crustal structures are an important factor in the formation of IOCG deposits.

Alteration and mineralisation in the Temma ironstones (e.g. Weber, 1983), shows an assemblage which is diagnostic of other IOCG's (e.g the Igarahé bahia deposit in

Brazil (Tallerico et al, 2005)), comprising over 20% magnetite, and including chalcopyrite, stilpnomelane, grunerite, garnet, siderite, chlorite, sericite, quartz. More work needs to be undertaken to understand the relationships of these minerals within the ironstone to see if there is a definite transition from sodic-calcic alteration to potassic alteration as seen in other IOCG's (e.g. Olympic Dam (Reeve et al., 1990)), when approaching the ore zone. Testing for P, Nb, U, and REE's (which previously has not been done at Temma) could help to categorise the Temma ironstones.

As Jaguar's focus looks toward the development of its North Darlot (Western Australia) work programme, the Company has decided to relinquish the Temma Project from its portfolio.

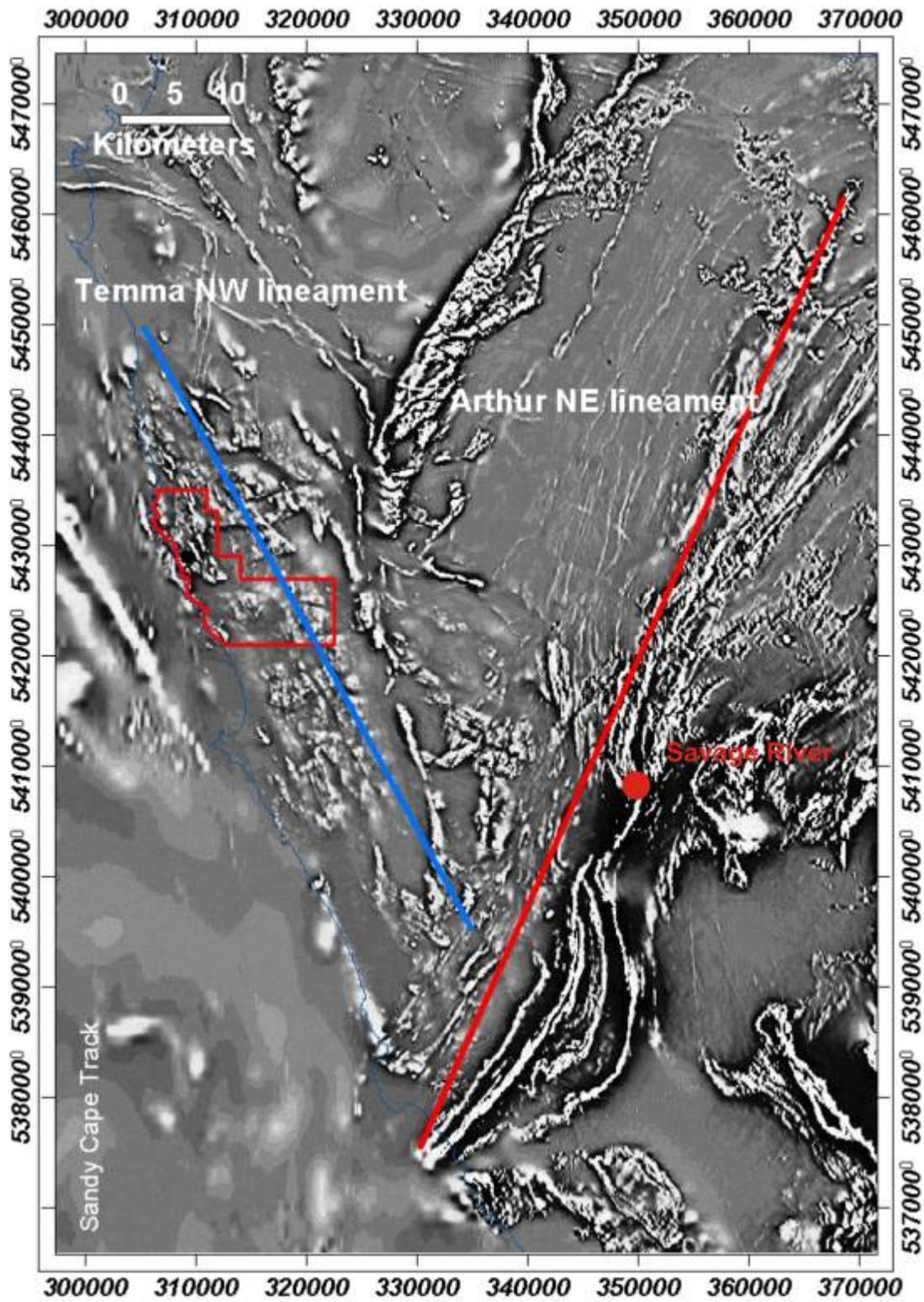


Figure 27. 1st vertical derivative of magnetic image of NW Tasmania

8.0 EXPENDITURE

Expenditure for the annual period ending 22 February 2011 is summarised below in Table 5.

Table 5. Expenditure 2010-2011.

Description	Expenditure
Salaries, wages and oncosts, contractors.	7,203
Administration	1,440
Total	\$8,643

9.0 REFERENCES

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Appendix 1. Orientation Soil Geochemistry Data.

EL232003_200610_02_Appendix1.txt A Horizon Soil geochemistry
EL232003_200610_03_Appendix1.txt A0 Horizon Soil geochemistry
EL232003_200610_04_Appendix1.txt B Horizon Soil geochemistry
EL232003_200610_03_Appendix1.txt CRA C Horizon geochemistry

Appendix 2.

Interpretation of Balfour 2001/2002 Tasmanian Geological Survey
Helicopter EM data EL 27/2005 Temma

Appendix 3.
Soil, Rock Geochemistry Data

EL272005_200802_partialleachsoils.txt

Partial leach soil geochemistry
over anomalies 31 and 36

EL272005_200802_soils.txt

Soil geochemistry over
anomalies 3, 4 and 5, and
Dawson River

EL272005_200802_rocks.txt

Rock chip samples

Appendix 4

Rock geochemistry data and Groundmagnetics data

EL272005_200902_rocks.txt	Rock chip samples
EL272005_200902_groundmag.tx	Ground mag data