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**PARTIAL SURRENDER REPORT
FOR
EXPLORATION LICENCE 71/2007
MOLE CREEK LIMESTONE
TASMANIA**

BURNIE SK55-03

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Distribution: **Mineral Resources Tasmania
Sibelco Australia Limited**

Report No: **RM201203**

ABSTRACT

This report details work completed by Sibelco Australia Limited on the 1km² block being surrendered from the original 6km² E71-2007.

EL71/2007 is located approximately 5km NW of Mole Creek, Tasmania. The EL surrounds the Sibelco operated Mole Creek limestone mine. Work was planned to identify a high quality limestone unit suitable as feed for the Sibelco Mole Creek kiln.

Limestone currently mined in the Mole Creek region is part of the Den Formation, the upper member of the Ordovician Gordon Group. The aim of the work proposed on the EL is to investigate the extensions to the limestone units currently being exploited. Drilling and resource work throughout 96M/1971 suggest that high grade limestone extensions occur outside the lease boundaries.

No exploration work was conducted on the area to be surrendered. An application was made for an ML on the area underlying the EL area to be surrendered. 1885P/M was granted on 2nd November 2009 for a period of 10 years.

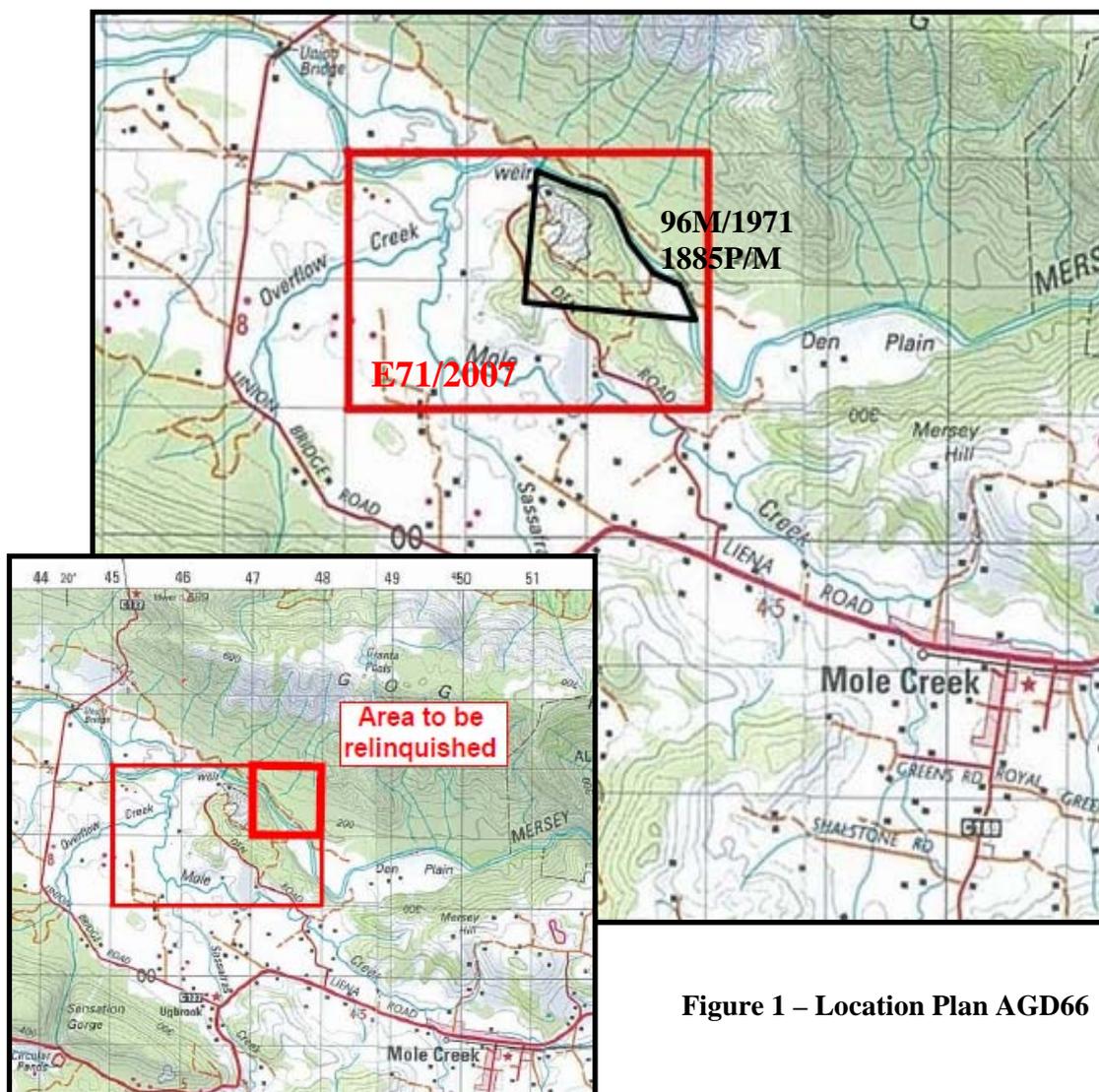


Figure 1 – Location Plan AGD66

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EL71-2007_201202_01_Partial SurrenderReport.pdf

1. INTRODUCTION

EL71/2007 is located approximately 5km NW of Mole Creek, Tasmania. The EL surrounds the Sibelco operated Mole Creek limestone mine. Work is planned to identify a high quality limestone unit suitable as feed for the Sibelco Mole Creek kiln. Work is proposed to investigate the strike extensions to the limestone units currently being mined at the Mole Creek mine site.

1.1 Location and Access

EL 71/2007 is located approximately 5km northwest of Mole Creek, Tasmania (Figure 1). The 6km² Exploration Licence surrounds the Sibelco operated Mole Creek limestone mine, and is accessed from Mole Creek township via Den Road.

1.2 Tenure

EL 71/2007 for Category 3 and 5 minerals was granted to Sibelco Lime (Tasmania) Pty Ltd on 24th March 2008 for a period of 5 years. The area of the EL is 6km². A partial surrender of 1km² in the NE corner of the tenement is proposed, reducing the area of the tenement to 5km².

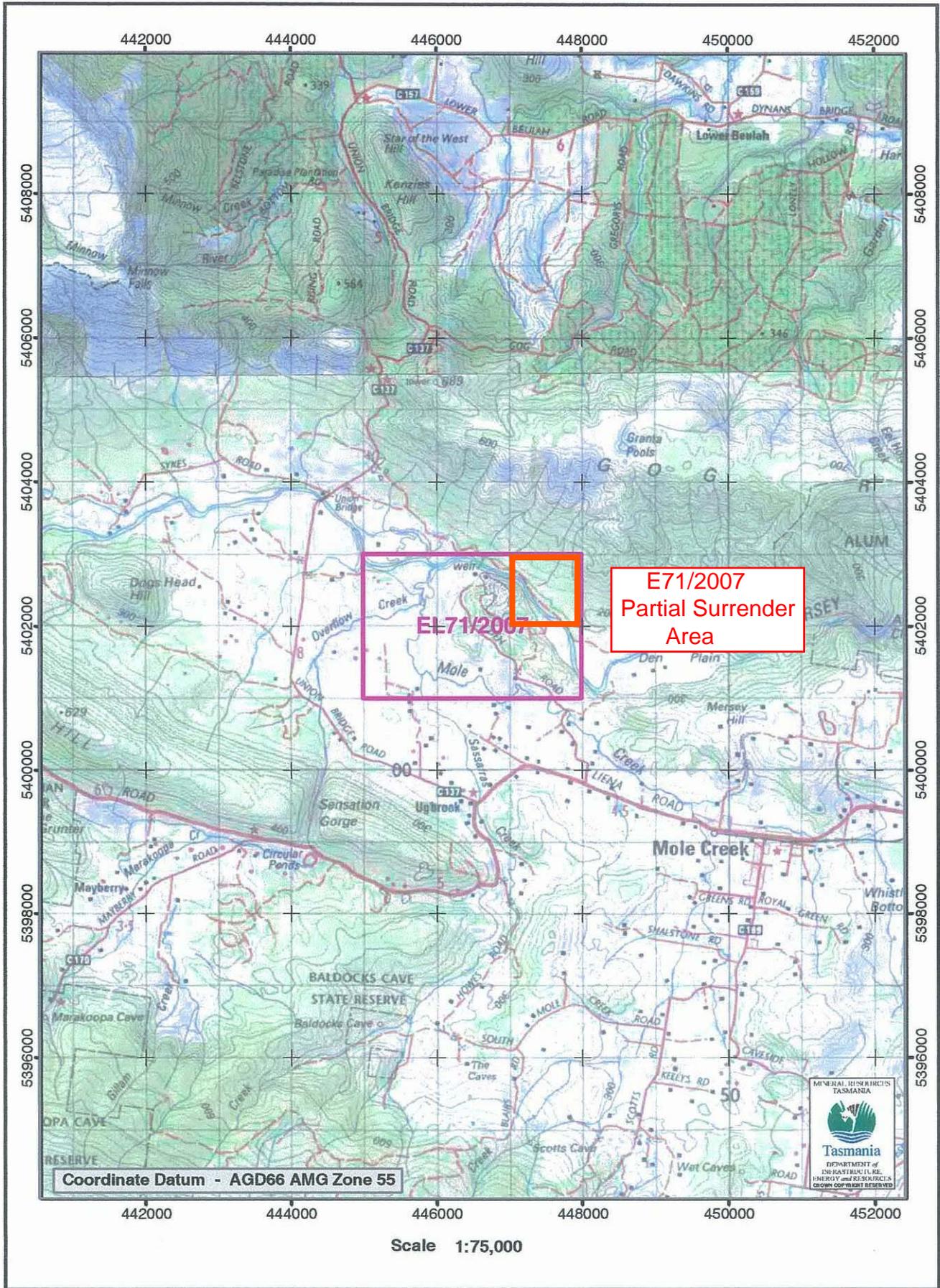
1.3 Geology

The Mole Creek valley is largely made up of calcareous rocks of Ordovician age belonging to the Gordon Group, part of the Wurawina Supergroup.

In the tenement area, the Gordon Group comprises the Overflow Creek Formation dolomite, and the overlying Den Formation which is the host to the high grade limestones currently being mined.

The main geological structure is an ESE trending synclinal fold that is tilted gently to the east. Consequently, the beds of limestone occurring in the Mole Creek mine dip to the south, with the same beds in the south of the tenement area dipping to the north. The axis of the syncline is covered by sandstones and shales of the Eldon Group.

In the mine area the Den Formation limestone can be subdivided into 5 limestone units of varying grades around 200 metres thick, which extend east-west over a strike length of approximately 400 metres in and along strike of the current working pit. The siliceous and middle limestone members are too low in quality to be used in the kiln however. A NW-SE trending fault has split the limestone into two separate blocks, with a smaller 300 metre long unit being displaced to the SE. Both the NE and SW limestones dip to the south at dips of between 40 to 60 degrees. There are intermittent limestone outcrops extending to the west of the SW limestone resource, and these are to be targeted by further exploration.



2. PREVIOUS WORK

The regional geology of the Mole Creek district has been described in two publications of the Geological Society of Australia, “Mole Creek – A Geological and Geomorphological Field Guide, 1987” and “Geology and Mineral Resources of Tasmania, Special Publication 15, 1989”. The area is also covered by the 1:50,000 Geological Series, 1984.

In 1998, a David Mitchell sponsored Honours Thesis titled, “Geology and Structures of the Gordon Group Limestones at Mole Creek, Northern Tasmania” was completed by University of Tasmania student Mark Edwards. The extents of the Den Formation, and the structural setting of the limestone were investigated.

3. WORK CONDUCTED DURING THE TENEMENT PERIOD

No technical work was undertaken on the area to be surrendered during the term it was active.

1885P/M was granted as overlying tenure on 2nd November 2009 for a period of 10 years.

4. DISCUSSION OF RESULTS

No technical work was undertaken on the area to be surrendered during the term it was active.

5. CONCLUSIONS

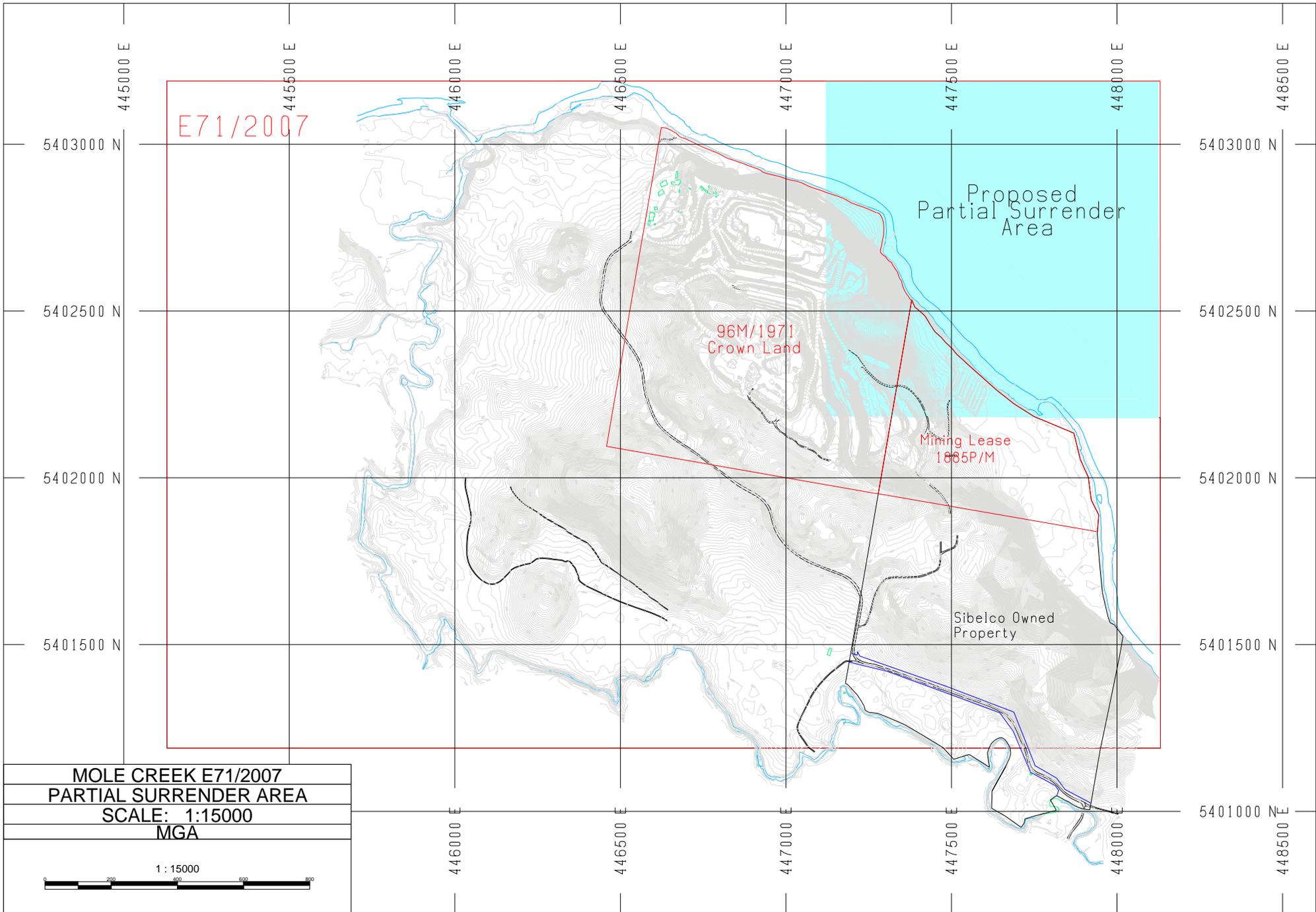
Further drilling is planned on other areas within E71/2007.

6. ENVIRONMENTAL

No technical work was undertaken on the area to be surrendered during the term it was active.

7. BIBLIOGRAPHIC DATA SHEET

REPORT NUMBER	RM201203
TITLE	PARTIAL SURRENDER REPORT FOR EXPLORATION LICENCE 71-2007 MOLE CREEK TASMANIA
AUTHOR	R. MARTIN
DATE	FEBRUARY 2012
PROSPECT NAME	MOLE CREEK
OWNER/OPERATOR	SIBELCO LIME (TASMANIA) PTY LTD
KEY WORDS	LIMESTONE ORDOVICIAN INDUSTRIAL MINERALS
COMMODITY	LIMESTONE
TECTONIC UNITS	DUNDAS TROUGH WURAWINA SUPERGROUP
1: 250 000 MAP SHEET	BURNIE SK55-03
1: 100 000 MAP SHEET	MERSEY 8114
1: 25 000 MAP SHEET	GOG 4440



E71/2007

Proposed
Partial Surrender
Area

96M/1971
Crown Land

Mining Lease
1885P/M

Sibelco Owned
Property

MOLE CREEK E71/2007
PARTIAL SURRENDER AREA
SCALE: 1:15000
MGA

1:15000