TNT MINES LIMITED

ABN 67 107 244 039

RL1/2009 (including 55M/1989)

ANCHOR

ANNUAL REPORT TO 30 SEPTEMBER 2012

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ABSTRACT

MRT investigated potential water contamination of the Groom River following heavy rains in early 2011. MRT personnel collected water samples in June 2011 and, following analysis of data and consultation with the EPA, suggested that “there is a very low risk to drinking water and the receiving environment.” TNT Mines continued to monitor the Groom River in and around the entry point of the drainage from the Anchor tailings and analytical results to date have not revealed any need for increased concerns.

On the basis that further exploration and development at Anchor would require funding that is unlikely to be available to TNT Mines in the short term, due to commitments on other projects, the project was offered to an interested party who has agreed to purchase the licence, subject to Ministerial approval.

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1.0 INTRODUCTION

1.1 Location and tenure

The Anchor tenements, RL1/2009 and 55M/1989, are located in NE Tasmania approximately 80 kilometres ENE of Launceston (Figure 1). RL1/2009 and 55M/1989 comprise the Anchor Project (Figure 2). The abandoned Anchor Tin Mine consists of a series of abandoned open pit and underground workings covering an area of 50,000m^2 and lies on the southern slopes of the Blue Tier, a mountain plateau at an elevation of nearly 800m. The mine site is close to the abandoned township of Lottah, about 23km NNW of St Helens. The area is covered by the Tasmania North East 1:250,000 map sheet and the Georges Bay 1: 100,000 map sheet.

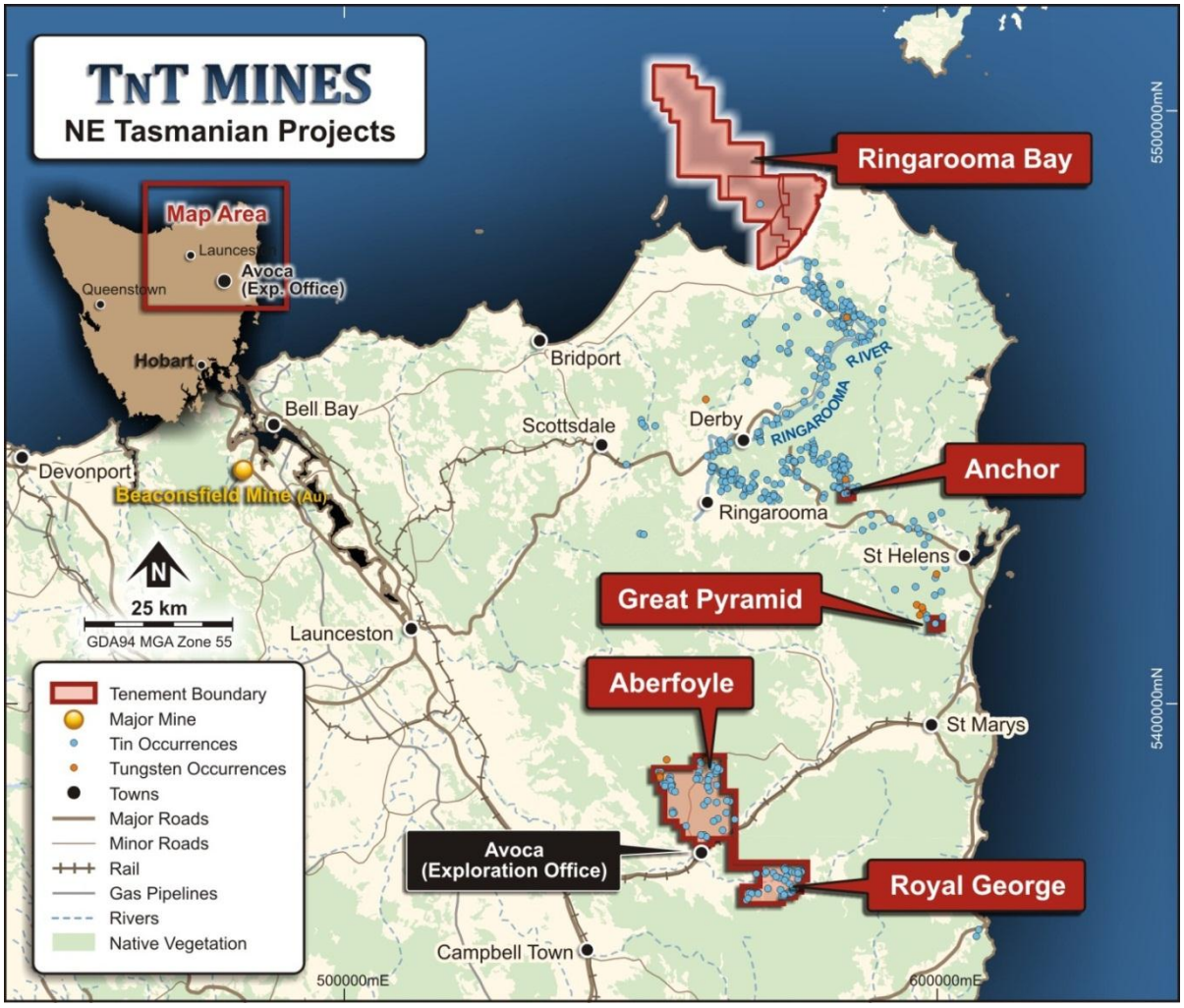

Figure 1: Regional location plan

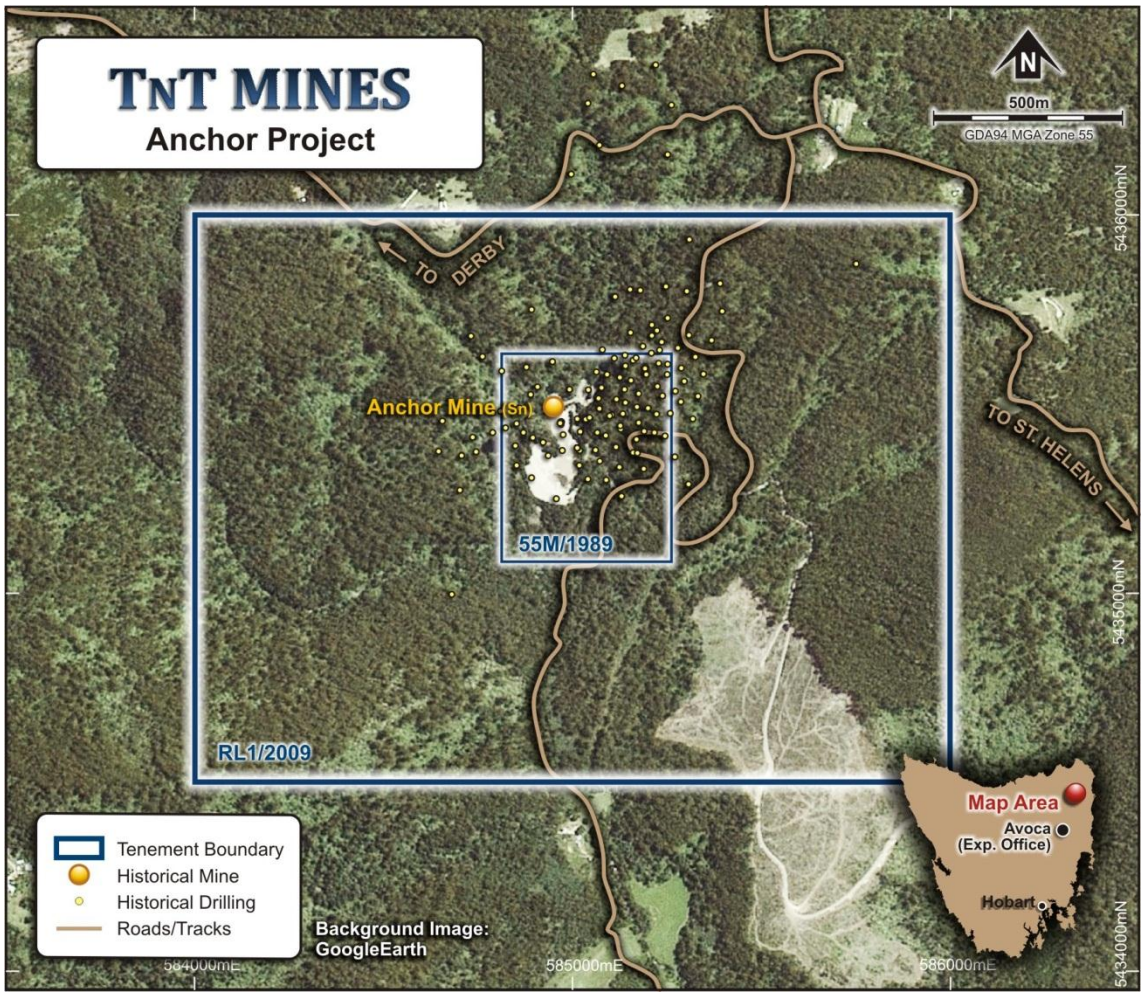

Figure 2: Anchor Project tenure.

RL1/2009 occupies an area of 3 km^2 and 55M/1989 is 25 hectares in size. The former is owned by TNT Mines Limited. TNT Mines Limited is an unlisted public company. TNT Mines was demerged from Minemakers Limited on the 14th July 2011. The company commenced in December 2003 as Allstrong Investments Pty Ltd, was acquired by Minemakers Limited in October 2006 and underwent a name change to Minemakers TTT Pty Ltd in May 2007. Minemakers TTT Pty Ltd changed its name to TNT Mines Limited in April 2011. RL1/2009 surrounds Mining Lease 55M/1989 which covers the eastern part of the main Anchor deposit. That latter tenement is currently owned by Spectrum Mining Pty Ltd and is in the process of being transferred to TNT Mines.

During the year under review, TNT Mines has been managing the evaluation of both tenements as a single project area.

1.2 Geology

1.2.1 Regional geology

The north east of Tasmania contains extensive intrusions of biotite and biotite hornblende granite and granodiorite into moderately folded Lower Palaeozoic rocks. These granitic rocks are medium to coarse grained and porphyritic with phenocrysts of oligoclase up to 75mm long. The porphyritic granites are intruded by pneumatolytically altered biotite muscovite granite in which most of the tin mineralization is found.

1.2.2 Deposit geology

The tin granites are typically fine to medium and even grained and show a clearly intrusive contact with the porphyritic granite. This contact can be marked by a pegmatitic zone up to 200mm wide typically somewhat richer in biotite. The tin granite normally exhibits a distinct foliation parallel to the contacts which results in close set partings in weathered outcrops.
The intrusions of tin granite are domal and elongate E – W and have a series of cupolas on the surface of the domes. There are also dykes and offshoots of granite emanating from the boundaries. Within the domes and associated with the flat roof areas on the cupolas there are zones of pneumatolytic alteration and greisenisation. Many of the dykes and offshoots are similarly altered. This alteration was accompanied by the deposition of cassiterite (tin mineralization) together with fluorite, topaz, and micas. The more altered rocks are softer and generally the richest in tin. As the grade diminishes the rocks become less altered and harder.

The tin mineralization typically lies immediately below the band of pegmatite that occurs along the boundary of the tin granite. The tin is present as fine grained (<40 microns) cassiterite (SnO_2) disseminated through the greisenised granite with occasional individual crystals up to 15mm long. Typically, richer ore is found to depths of 10m below the pegmatite and lower grade mineralization may extend to a depth of 30m in the deeper parts of the mineralization. In some areas mineralization does persist to deeper levels but more drilling is required to appraise it. These essentially horizontal bodies of mineralization can be repeated below one another and were referred to by the miners as “tin floors”. The best development of the tin floors was at the Anchor Mine where four benches over an area of 360m by 200m were mined in the open pit. The distribution of the tin is sporadic with some highly altered zones along vertical “greisen veins” striking east of north carrying up to 80% cassiterite but these shoots were of limited extent and the average grade of ore was a modest 0.2% tin.

The classic tin bearing quartz veins are uncommon in the Blue Tier tin mines but do occur. The Wellington Mine veins are probably the best known and another group was exploited at the Lottah Mine.

A plan view of the mineralisation is shown in Figure 3 and a geological section in Figure 4.

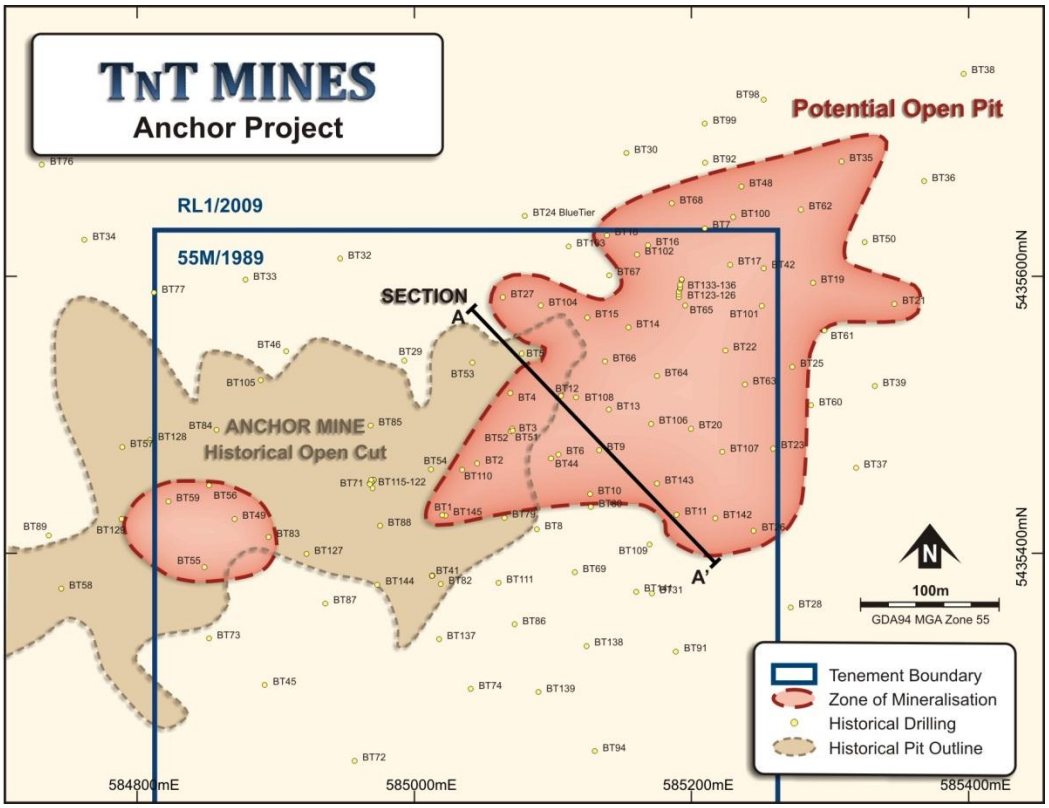

Figure 3: Plan view of Anchor mineralisation

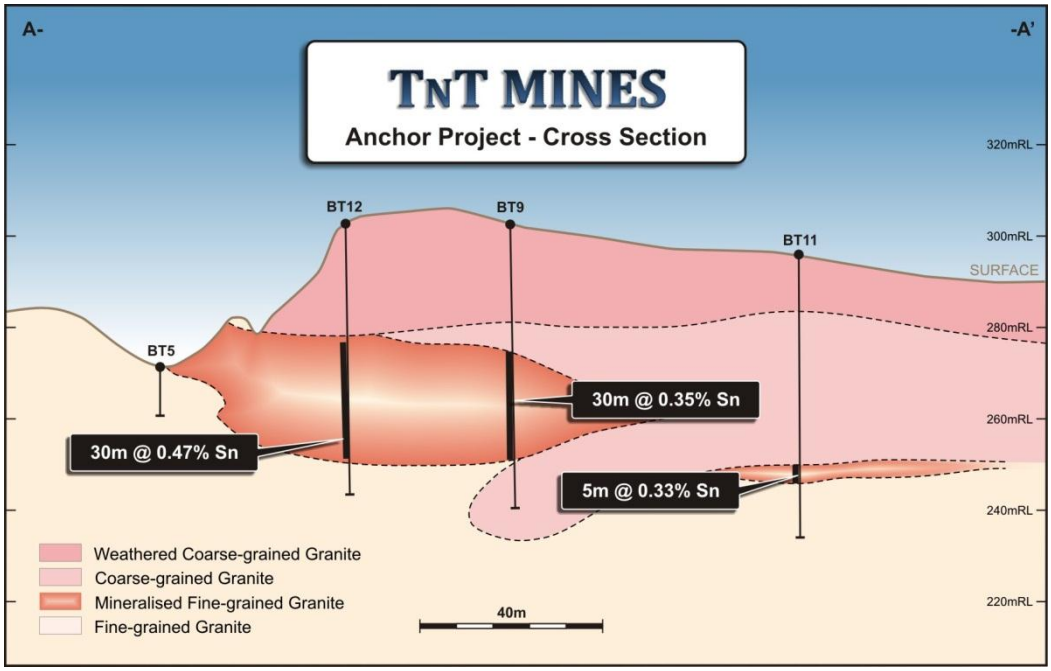

Figure 4: Geological cross section through Anchor deposit

1.3 Exploration Rationale

The Anchor mine produced about 3,800t of tine from treatment of about 2Mt of ore at a recorded grade of 0.2% tin. Mineralization was hosted by several relatively flat-lying deposits associated with granitic contacts.

The extent of mineralization has attracted several drilling phases over the years and a pre-JORC resource estimate of 8.8Mt @ 0.18% tin was made. A higher grade zone was subject to shallow but unsuccessful underground mining efforts in 1990-91 and 1995-96. This zone largely lies within 55M/1989 and which is excluded from and surrounded by RL1/2009. The mineralization is contained within both tenements.

TNT Mines believes that there is potential for a renewed and large open cut mining operation at a low strip ratio. This deposit is seen to give Minemakers strong leverage to any future tin price rise. As is often the case around old mining operations, there is a substantial amount of historical data available.

2.0 REVIEW OF PREVIOUS WORK

2.1 Historic mining

Tin mining commenced in this area in 1875 with the sluicing of alluvial and eluvial tin. During exploitation of these surface deposits primary tin mineralization was identified in the granites and mining of these deposits followed. Mining at the Anchor Mine commenced in 1895 and the treatment plant was powered by a large water wheel which ultimately powered two fifty head batteries of stamps capable of crushing up to 300 tons per day. Treatment was suspended in 1914 and very little work was undertaken until 1934. Tributers operated from 1914 to 1923 and again in 1928. The Anchor Tin Syndicate began production in October 1934 with a ten head battery of stamps that was soon increased to twenty heads. This operation was taken over by Tasman Tin NL and continued until 1942, with the mine being finally operated by tributers. Between 1934 and 1942 146,848t were treated for 243.2t of tin metal for a recovered grade of 0.17% Sn. Total production has been estimated at 1.94Mt of ore at 0.2% tin to produce about 3,000t of tin (other Blue Tier mines produced about 1,000t and sluicing produced about 5,000t of tin). Between 1989 and 1991 Spectrum Resources Pty Ltd is estimated to have mined 124,000t at 0.61% tin and Mancala Pty Ltd 91,000t at 0.40% tin in 1995-96.

The Aberfoyle Tin Development Partnership undertook the first significant exploration of the area in 1963-1966. Thirty nine DC holes were drilled but the results did not meet their target for an economic operation. In 1976 Hellyer Mining and Exploration Ltd (Hellyer), a subsidiary of Santos Ltd, was granted EL 9/76 covering 76 km^2 including the Anchor Mine. In 1977 a joint venture with Renison Ltd was agreed and drilling of 105 holes in the vicinity of the Anchor Mine was carried out until 1981 followed by metallurgical investigations and feasibility studies. Further drilling of nearby prospects continued and some geochemical studies were made to determine if favorable cupolas could be identified by chip sampling. Early in 1985 it was decided that the probability of finding significant quantities of concealed greisen mineralization was low and there were insufficient reserves to justify developing a mine. EL 9/76 was relinquished and a 10 km^2 Retention Licence (RL 8713) around the Anchor Mine granted.

Renison's 60% interest in the JV was subsequently acquired by Spectrum Resources (Australia) Pty Ltd (Spectrum) but the details of this acquisition have not been sighted. The JV applied for, and was granted, a number of leases (55M/88 Anchor, 56M/88, 57M/88, 58M/88, 4W/88, and 5W/88). Spectrum then bought out Hellyer's 38% interest in the JV but the 2% interest of Nargun Pty Ltd was still held by that company. Spectrum then developed an underground mine and gravity concentrator at Anchor during 1988-89 with a capacity of 100,000 t/y and a projected life of six years. This was commissioned in January 1990. Unfortunately tin prices fell dramatically from over US$10,000/t in 1988 to less than US$6,000/t in 1991. Operations were suspended in December 1991 in response to grade problems, an under-performing mill, and the weak tin price. The operation was placed on care and maintenance.

In July 1994 Spectrum was purchased by Mancala Pty Ltd (Mancala) after a feasibility study of the Anchor Mine had been completed. Additional metallurgical testing was carried out and this

company undertook some modifications to the mill. Mancala re-opened the mine during 1995–96 and also retreated some tailings but the mill still under-performed and head grades were below expectations so the operation was again suspended.
In 2001 the mine was formally closed and rehabilitation work was carried out during the year. This included the sealing of underground workings, the dismantling of the concentrator and transport of it from site, and the disposal of rubbish. The tailings dam wall was stabilized and re-contoured and disturbed areas were seeded and fertilized.

2.2 Previous exploration

From 1904-07 the Mt Lyell Mining and Railway Co. carried out a program of trenching (generally ineffective for "floor" type deposits) and drilling to produce a "value – contour plan" of the central part of the Blue Tier tin field. In 1960 the Electrolytic Zinc Company of Australasia Ltd. took an interest in the area and re-assessed available data and carried out some geological mapping. This work was designed to make a regional appraisal of the potential of the district and concluded no further work was justified. A considerable amount of exploratory work would have been undertaken by the various mining operations that operated but most of this is unrecorded and was evaluating mineralization that has since been mined.

The first significant modern exploration programme was mounted by the Aberfoyle Tin Development Partnership in 1963. This programme of work was conducted by Aberfoyle Tin Ltd and focussed on the Anchor Mine. Initial work consisted of five vertical channel samples on the eastern wall of the Anchor open pit. The work "identified a thin but well defined body of mineralization averaging 4.25m thick, grading 0.57% tin, over a length of 130m and overlain by 24m of barren rock". This is a minimum thickness since the bottom of the mineralization was not exposed. Follow up consisted of five (BX) DC holes for 94m, at the channel sample locations, and collared in the floor of the open pit. This programme (BT 1 – 5) was conducted in 1964. All drill holes are vertical unless noted otherwise. BX drill core is 42mm in diameter and Featherstone considers that this size is probably not adequate to reliably sample this style of mineralization. The results are presented in Table IV in which the original results have been metricated and given standard co-ordinates and some check assaying results by Renison have been incorporated. The assay results for the five channel samples are also presented and read up from the level of the collar of the hole. This work was conducted during 1964 and 1965. Based on these results only two layers of mineralization were identified and they dip gently to the south and are flat east-west.

Previous sampling of the east face of the open pit suggested that further zones may be present and a second DC programme of six (AXT) holes for 367.6m were drilled east of the Anchor open pit (BT 6 – 11). On completion of this work in 1965 four flat lying zones of cassiterite mineralization had been located. Considering the prevailing tin prices at that time it was estimated that 2Mt at 1% tin could form the basis for a successful mining operation. A third DC drilling programme of 35 (AXT) holes 60-75m deep on a roughly 50m square grid was therefore mounted with the objective of establishing a resource of 2Mt at 1% tin or better. An AXT drill core is 32.5mm in diameter. Featherstone does not consider that this size of core will give satisfactory results in this style of mineralization. Holes BT 12 to 39 were drilled during 1965-66 and the results presented in Table IV are from a report by Renison with metrication and standard co-ordinates given. Some additional check assaying was carried out.

By hole BT 21 the drilling results showed that the prospective mineralization was trending to the northeast (Holes BT 7 & 9). The planned programme was therefore suspended on 1st December 1965. A revised drilling plan was then developed, put forward in February 1966, and then executed. Altogether 27 holes were drilled in this third programme for 2,331.7m bringing the total metreage drilled to 2,851m. The revised programme included extension of BT 19 and extension and wedging of BT 21. These results are also presented in Table 1.

Hole 1A was drilled by the Tasmanian Department of Mines to the north of the Anchor open pit in January 1968 but failed to intersect any significant mineralization.

Based on the results of the drilling Aberfoyle identified four sub-horizontal cassiterite bearing zones which fluctuate widely in thickness and tenor and possibly a fifth zone. Associated minerals include chalcopyrite, bornite, fluorite, and molybdenite. The mineralized zones also typically carry several grams per tonne of silver. These figures are presented in Table V. Where there are no results in this table the tin content has dropped to a few hundred parts per million. These mineralized zones are developed beneath the domed upper contact of the tin granite. While some of the holes are widely spaced they are interpreted to establish that the higher grade mineralization is present in a distinct band striking northeast from the Anchor open pit.

Hole No.	Comment	EOH	Easting MGA (m)	Northing MGA (m)	Elevation (m)	From (m)	To (m)	Interval (m)	Grade % Tin
1A	N of O/P	244.2	585180	5435802	310.8	-	-	-	-
BT 1	S of O/P	15.5	585021	5435428	251.3	10.5	15.5	5.5	0.54
	Channel S					0.0	3.0	3.0	0.22
BT 2	S of O/P	15.2	585046.09	5435465	258.6	0.0	8.2	8.2	-
						8.2	11.9	3.7	0.24
	Channel S					0.0	4.6	4.6	0.94
BT 3	O/P	32.0	585070	5435488	264.9	0.0	3.7	3.7	0.47
						8.2	9.1	0.9	0.27
						10.0	13.7	3.7	0.17
	Channel S							6.1	0.59
BT 4	O/P	15.2	585070	5435516	269.8	1.8	15.2	13.4	0.19
	inc.					3.6	12.8	9.2	0.25
	Channel S					0.0	6.1	6.1	-
						6.1	10.7	4.6	0.22
BT 5	O/P	15.7	585078	5435545	277.5	0.0	15.7	15.7	<0.10
	Channel S					0.0	3.0	3.0	0.28
BT 6	E of O/P	60.9	585105	5435422	300.9	28.9	60.9	32.0	0.24
BT 7	E of O/P	61.4	585097	5435452	294.7	23.6	46.4	22.8	0.59
BT 8	SE of O/P	60.9	585089	5435418	284.8	-	-	-	-
BT 9	E of O/P	60.5	585134	5435475	301.0	25.9	59.4	33.5	0.34
BT 10	E of O/P	61.2	585127	5435443	291.2	31.0	38.1	7.1	1.15
BT 11	SE of O/P	62.4	585190	5435429	296.1	45.7	51.8	6.1	0.29
	or					44.1	62.4	18.3	0.17
BT 12	E of O/P	62.7	585111	5436012	306.0	24.3	56.3	32.0	0.45
BT 13	E of O/P	62.1	585141	5435504	309.2	24.3	62.1	37.8	0.19
BT 14	NE of O/P	66.4	585155	5435564	314.1	24.8	44.2	19.4	0.23
BT 15	NE of O/P	121.9	585126	5435551	304.7	15.4	27.4	12.0	0.41
BT 16	NE of O/P	62.5	585169	5435623	315.3	24.4	35.1	10.7	0.24
BT 17	NE of O/P	83.8	585229	5435609	337.6	48.2	83.8	35.6	0.19
BT 18	NE of O/P	61	585140	5435630	306.0	-	-	-	-
BT 19	NE of O/P	104.2	585289	5435596	349.6	70.1	99.1	29.0	0.23
BT 20	E of O/P	67.8	585200	5435491	315.8	27.4	64.0	36.6	0.08
BT 21	NE of O/P	104.8	585347	5435781	335.6	-	-	-	-
	Wedge					80.2	94.2	-	-
BT 22	NE of O/P	89.8	586225	5435547	345.1	55.7	83.8	28.1	0.08
BT 23	NE of O/P	99.1	585260	5435476	323.4	67.1	91.4	24.3	0.29
BT 24	NE of O/P	55.0	585080	5435644	294.1	-	-	-	-

Table 1: Aberfoyle drilling 1963-1966

A pre-JORC resource was estimated in by Aberfoyle in 1966 (Table 2):

Aberfoyle. 20/06/66. 430,000t at 0.64% Sn at a cut off of 0.4% Sn or 1.95Mt at 0.23% Sn at a cut off of 0.1% Sn.

Mineral Zone	Thickness (m)	Tonnage (t)	Grade % Tin	Comment
No.1	1.5	22,000	0.51	Minor zone – rich in parts
No.2	6.5	705,000	0.39	Largest zone – up to 17m thick
No.3	4.8	487,000	0.33	Large zone – up to 15m thick
No.4	3.2	125,000	0.35	Minor zone – modest grades
No.5	46	645,000	0.22	Based on limited data.
Totals		1,984,000	0.32	

Table 2: Assessment of the zones of mineralisation identified by Aberfoyle

This is considerably below Aberfoyle's target of 2Mt at 1% tin and therefore it was recommended that no further work be undertaken and the Aberfoyle Tin Development Partnership terminated the joint venture.

In 1977 Hellyer Mining and Exploration Pty Ltd (Hellyer) held EL 9/76 (76 km^2) covering the main tin prospects in the Blue Tier district. Hellyer approached Renison Ltd (Renison) a subsidiary of Consolidated Gold Fields Australia Ltd and a joint venture was set up in December 1977. Under the JV Renison could earn a 60% interest with expenditure of $500,000. By November 1978 twenty seven DC holes had been drilled for 3,332m together with associated surveying, mapping, assaying, metallurgical, and geophysical programs. The results of the drilling are presented in Table 3. A marginal greisen style tin deposit was identified and a resource estimated in 1978 :-

Renison 1978. 2.5Mt at 0.27% Sn

It was suggested that a deposit of 5- 6Mt of similar grade and metallurgical characteristics would be financially attractive.

Hole No.	Comment	EOH	Easting MGA m	Northing MGA m	Elevation (m)	From (m)	To (m)	Interval (m)	Grade % Tin
BT 42	NE O/P	145.7	585253	5435587	349.6	47.7	110.7	63	0.51
	inc.					47.7	75.7	28.0	0.48
	incl.					84.7	110.7	26.0	0.70
BT 43	NE O/P	251.5	585303	5435790	347.0	-	-	-	-
BT 44	E O/P-72° SE	113.5	585099	5435470	298.3	26.75	55.3	28.55	0.25
BT 45	S O/P -70°NW	113.8	584893	5435306	247.0	-	-	-	-
BT 46	N O/P 70WSW	161.5	584908	5435547	290.3	-	-	-	-
BT 47	SW O/P 80°NW	105.1	584702	5435273	257.2	-	-	-	-
BT 48	NE O/P	194.0	585242	5435666	336.8	-	-	-	-
BT 49	O/P -80° WNW	116.3	584871	5435426	258.2	0.0	26	26	0.28
	Inc.					0.0	15	15	0.37
BT 50	NE of O/P	155.0	585326	5435626	351.3	-	-	-	-
BT 51	O/P -13° ESE	229.1	585071	5435490	266.1	0.0	68	68	0.35
	Inc.					6	16	10	0.97
BT 52	O/P -8° ENE	242.0	585071	5435491	265.7	1.5	77.0	75.5	0.31
	&					196	216.9	20.9	0.27
BT 53	O/P -70° S	62.5	585043	5435539	264.8	29.5	33.5	5	0.12
BT 54	O/P	92.5	585013	5435462	253.3	55.5	60.5	5	0.13

BT 55	O/P -80° N	67.0	584849	5435391	247.1	0.0	6.1	6.1	0.16
BT 56	O/P	50.3	584852	5435450	250.0	-	-	-	-
BT 57	O/P	98.6	584790	5435478	260.7	-	-	-	-
BT 58	O/P	101.5	584746	5435375	255.4	-	-	-	-
BT 59	O/P	56.7	584823	5435438	258.7	0.0	34	34	0.17
	&					26	35	9	0.25
BT 60	E of O/P	146.5	585287	5435508	337.6	-	-	-	-
BT 61	E of O/P	122.5	585297	5435562	346.3	79	82	4	0.16
BT 62	NE of O/P	152.4	585280	5435649	339.5	72	147	75	0.14
	Inc.					86	102	16	0.26
	& Inc.					124	147	23	0.16
BT 63	NE of O/P	98.3	585239	5435523	340.0	50	60	10	0.33
BT 64	NE of O/P	101.5	585176	5435529	318.6	29.7	69.0	39.3	0.23
BT 65	NE of O/P	92.3	585196	5435580	327.5	37.3	64.0	26.7	0.41
BT 66	NE of O/P	80.6	585138	5435540	309.1	22	30	8	0.98
	&					36	55	19	0.32
BT 67	NE of O/P	80.4	585141	5435602	305.8	62	63	1	0.51
BT 68	NE of O/P	101.4	585187	5435654	317.8	24	36	12	0.24

Table 3: Drilling by Renison and Hellyer 1977-78

From August to December 1979 holes BT69 to BT77 were drilled by Renison and from April to August 1980 holes BT79 to 89, BT 91 to 94, & BT 96 were drilled. Drilling results are presented in Table 4.

In September made a pre-JORC assessment of the Anchor mineralization as:

Renison (1979): 1.96Mt at 0.40% Sn trending NE from the present open pit and 60,000t at 0.36% Sn in the floor of the present open pit giving a total resource of 2.02Mt at 0.39% Sn.

A program for definitive assessment of the Anchor mineralization was undertaken from November 1980 to June 1981. Holes BT97 to 111, 127 to 132, & 137 to 145 were small core (BQ) exploration holes. Holes BT 115 to 126, & 133 to 136 were large core PQ holes (core 85mm in diameter) to provide material for metallurgical testing. These drilling results are presented in Table 4.

Hole No.	Comment	EOH	Easting MGA m	Northing MGA m	Elevation (m)	From (m)	To (m)	Interval (m)	Grade % Tin
BT69	O/P	99.7	585116	5435387	270.3	42.6	51.6	9	1.0
	&					63.6	65.6	2	0.55
BT70	O/P	158.5	584681	5434998	229.1	-	-	-	-
BT71	S of O/P	60	584970	5435453	244.9	0.0	24.0	24	0.54
BT72	O/P	89.5	584957	5435251	240.8	-	-	-	-
BT73	S of O/P -50°WNW	131.5	584852	5435340	249.1	21.0	24.0	3	0.17
BT74	O/P	62.3	585041	5435303	252.0	-	-	-	-
BT75	N of O/P	56.5	584892	5435752	321.1	-	-	-	-
BT76	N of O/P	50.5	584732	5435682	327.5	-	-	-	-
BT77	N of O/P	56.5	584813	5435589	295.8	-	-	-	-
BT79	O/P	74.5	585066	5435427	276.3	68.5	71.5	3	0.15
BT80	O/P	83	585128	5435435	280.3	33.4	38.4	5	0.28
	&					52.5	59.5	6	0.12
BT81	O/P -46° SE	209	585248	5435812	332.1	119.0	136.0	17	0.14
	&					143.4	148.4	5	0.25
BT82	NE of O/P	119	585020	5435379	249.1	5.0	13.0	8	0.20
	&					51.0	53.0	2	0.60
	&					60.0	67.0	7	0.28
BT83	NE of O/P	47.6	584895	5435413	256.9	31.6	36.6	5	0.18
BT84	NE of O/P	81.5	584858	5435490	259.8	13.0	17.0	4	0.42
	&					24.0	27.0	3	0.55
	or					5.0	27.0	22	0.21

BT85	NE of O/P	62.4	584969	5435493	259.6	1.4	8.4	7	0.17
BT86	NE of O/P	77	585073	5435350	258.2	57.0	65.2	8.2	0.89
BT87	NE of O/P	60	584936	5435365	250.3	-	-	-	-
BT88	O/P	56.6	584976	5435421	244.0	13.0	23.0	10	0.27
BT89	W of O/P	103.6	584737	5435414	258.7	0.0	25.6	25.6	0.45
BT91	NE of O/P	89.5	585189	5435330	264.3	-	-	-	-
BT92	NE of O/P	161	585210	5435683	326.4	68.0	74.0	6	0.28
	&					82.0	107.0	25	0.37
	&					119.0	124.0	5	0.24
BT93	NE of O/P	179	585311	5435937	347.5	-	-	-	-
BT94	NE of O/P	107.3	585131	5435258	258.5	-	-	-	-
BT96	NE of O/P	134	584646	5435376	282.2	-	-	-	-
BT97	NE O/P -75° NW BQ	149.0	585391	5435821	370.2	-	-	-	-
BT98	NE O/P BQ	125.1	585253	5435728	377.5	61.2	66.0	4.8	0.25
BT99	NE O/P BQ	131.0	585210	5435711	327.3	-	-	-	-
BT100	NE O/P BQ	130.0	585231	5435644	333.8	50.0	66.0	16	0.11
	&					81.0	84.0	3	0.15
BT101	NE O/P -55 NW BQ	151.0	585251	5435580	352.9	62.0	98.0	38.0	0.25
	&					133.0	140.0	7	0.21
BT102	NE O/P BQ	53.0	585161	5435617	314.4	24.0	40.0	16	0.21
BT103	E O/P BQ	71.0	585112	5435623	296.4	-	-	-	-
BT104	Near O/P BQ	56.0	585092	5435580	290.7	3.0	11.0	8	0.69
	&					38.0	48.0	10	0.21
BT105	Near O/P BQ	44.0	584890	5435526	272.6	-	-	-	-
BT106	E of O/P	86	585172	5435494	304.4	30.0	35.0	5	0.09
BT107	E of O/P	86	585223	5435474	306.9	-	-	-	-
BT108	SE of O/P -65° W	71	585117	5435514	304.5	35.0	52.0	17	0.25

	&					63.0	69.0	6	0.27
BT109	S of O/P	101	585170	5435407	282.2	75.0	87.0	12	0.16
BT110	Near O/P	62	585035	5435461	264.1	8.0	13.0	5	0.23
	&					31.0	35.0	4	0.25
	&					41.0	46.0	5	0.40
	or					30.0	46.0	16	0.23
BT111	S of O/P	89	585061	5435380	261.2	12.0	27.0	15	0.25
BT115	O/P PQ	25	584971	5435454	c.245	Metallurgical Sample			
BT116	O/P PQ	25	584970	5435454	c.245	Metallurgical Sample			
BT117	O/P PQ	25	584969	5435454	c.245	Metallurgical Sample			
BT118	O/P PQ	25	584971	5435453	c.245	Metallurgical Sample			
BT119	O/P PQ	25	584971	5435453	c.245	Metallurgical Sample			
BT120	O/P PQ	25	584970	5435448	c.245	Metallurgical Sample			
BT121	O/P PQ	25	584969	5435452	c.245	Metallurgical Sample			
BT122	O/P PQ	25	584968	5435451	c.245	Metallurgical Sample			
BT123	O/P PQ	65	585191	5435586	326.9	Metallurgical Sample			
BT124	O/P PQ	65	585191	5435588	326.9	Metallurgical Sample			
BT125	O/P PQ	65	585192	5435590	327.0	Metallurgical Sample			
BT126	O/P PQ	65	585192	5435592	327.1	Metallurgical Sample			
BT127	O/P -57° ENE	62	584923	5435401	257.3	13.0	16.0	3	0.49
	&					25.0	29.0	4	0.31
BT128	O/P -71° NE	50	584810	5435483	259.6	11.0	13.0	2	0.46
BT129	O/P -56 NW	83	584789	5435426	256.4	6.0	22.0	16	0.19
	&					30.0	33.0	3	0.29
BT130	NW of O/P	80	584705	5435494	300.9	-	-	-	-
BT131	NW of O/P	80	584656	5435456	300.1	-	-	-	-
BT132	W of O/P	44	584707	5435365	252.7	7.0	22.0	15	0.17
BT133	O/P PQ	65	585193	5435593	327.1	Metallurgical Sample			
BT134	O/P PQ	65	585193	5435595	327.2	Metallurgical Sample			
BT135	O/P PQ	65	585193	5435597	327.2	Metallurgical Sample			

BT136	O/P PQ	52	585194	5435599	327.3	Metallurgical Sample			
BT137	SE of O/P	83	585018	5435339	249.9	-	-	-	-
BT138	SE of O/P	89	585125	5435334	257.2	-	-	-	-
BT139	SE of O/P	80	585090	5435301	251.1	-	-	-	-
BT140	SE of O/P	105	585308	5435290	279.0	-	-	-	-
BT141	SE of O/P	104	585161	5435373	275.0	-	-	-	-
BT142	E of O/P	130.5	595218	5435426	291.3	-	-	-	-
BT143	E of O/P	120	585176	5435452	293.7	47.0	57.0	10	0.12
BT144	S of O/P	89	584974	5435378	248.4	-	-	-	-
BT145	O/P	86	585023	5435428	251.9	10.0	12.0	2	0.36
	&					16.0	22.0	6	0.39
	&					43.0	45.0	2	0.88
	&					56.0	59.0	3	0.58

Table 4: Drilling by Renison and Hellyer 1979-81

Note the large diameter PQ holes, which were drilled to provide metallurgical samples, were not sampled and reported on in the standard way. Other holes where no results are given only contained low levels of mineralization. Holes from BT40 onwards were BQ size which produced a core 36.4mm in diameter and the core was diamond sawed down the middle with half being assayed.

On completion of this drilling program a pre-JORC total resource estimate was made :-

Ross, 1983: Total Resource 8.8Mt at 0.18% Sn at a cut off 0.05% Sn.

This grade was not considered to be economically mineable at that time but within this resource was the area of mineralization adjacent to the old open pit workings with an estimated pre-JORC resource of:

Ross 1983 Resource 630,000t at 0.49% Sn at a cut off of 0.2% Sn

In 1983 metallurgical testing indicated that the Blue Tier mineralization, although low grade, contained coarse, easily liberated cassiterite which can be efficiently recovered by simple gravity processes recovering 85% to a concentrate of marketable grade. Treatment cost estimates indicated marginal profitability at that time for that grade. Renison therefore decided not to proceed with the project.

In 1988 Spectrum carried out a re-evaluation of the pre-JORC resources defined by Renison using different cut off grades.

At a cut off of 0.4% Sn

"A" Lens 332,320t at 0.63% Sn

"B" Lens 113,650t at 0.61% Sn

Total 445,980t at 0.62% Sn

At a cut off of 0.3% Sn

"A" Lens 390,760t at 0.58% Sn

"B" Lens 220,610t at 0.48% Sn

Total 611,370t at 0.54% Sn

Consultants Barratt Fuller and Partners (BFP) were then employed to provide a critique of these figures and reported that the Indicated Resource figures of Spectrum and BFP lay within the 95% confidence level.

In 1988 the BFP report summary stated revised figures for the Indicated Resources as:-

At a cut off of 0.4 % Sn

"A" Lens 350,000t at 0.62% Sn

"B" Lens 122,000t at 0.82% Sn

Total 472,000t at 0.67% Sn

At a cut off of 0.3% Sn

"A" Lens 366,000t at 0.59% Sn

"B" Lens 143,000t at 0.62% Sn

Total 511,000t at 0.60% Sn

Inferred Resources were calculated by BFP as:-

A Lens extension to the north east

Inferred Resource 8,000t at 0.32% Sn

Inferred Resource 114,000t at 0.38% Sn

Total 122,000t at 0.35% Sn

South west extension – B lens

Inferred Resource 150,000T at 0.6% Sn

North east extension – B Lens

Inferred Resource 106,000t at 0.45% Sn

Spectrum undertook additional drilling between 1988 and 1991 with holes BT146 –180 being BQ size and from BT 181 to BT 230 holes were NQ size (47.6mm in diameter and nearly 40% bigger in cross section). No results of this drilling were available to Featherstone.

In 1989 Spectrum Resources Australia Pty Ltd (Spectrum) applied for and was granted Mining Lease 55M/89. In September 1989 L.A. Newnham sent a memorandum to Spectrum with his revised pre-JORC estimates of the in situ resources of the western half of the Anchor mineralization. It did not take into account any mineralization remaining in pillars that cannot be recovered and did not allow for dilution during mining. The rounded figure was:

Newnham, 1989. 525,000t at 0.46% Sn ± 10%

Spectrum constructed a treatment plant and developed the underground mine during 1988-89 with some processing of development ore and commissioning of the plant in January 1990. As mining progressed the two lenses of ore or tin floors, which had been interpreted to be flat with a uniform shallow dip, were found to undulate up and down dip and the underground development was not parallel to the strike. The upper contact of the "A" Lens was well defined with a pegmatitic margin usually present but the lower boundary of the "A" Lens and both the upper and lower boundaries of the "B" lens were diffuse and difficult to define. In early 1991 a short diamond drilling program and examination of the workings were undertaken to improve the positioning of the stope drives within the mineralization. This was necessary because previous development had been located based solely on drilling information and had not been tightly controlled resulting in the dilution of ore with waste rock. This problem is easily rectified by the correct vertical placing of underground development within the zones of mineralization. These problems with mining, a treatment plant that was not performing, and combined with a major drop in the tin price, led to the operation being suspended in December 1991 and put on care and maintenance.

Detailed records are not available for this period of operation but according to reports 151,387t of ore were treated to produce 720t of concentrate at 60.33% tin for 434t of contained tin in concentrate.

Subsequently Mancala Pty Ltd (Mancala) auger sampled the two tailings dams with 26 holes and estimated the tailings resources as:-

South Dam 93,000t at 0.18% Sn containing 167t of tin metal.

North Dam 30,000t at 0.53% Sn containing 159t of tin metal

Using the above figures an estimate can be made of the ore treated by Spectrum as:-

123,720t at 0.61% Sn containing 760t of tin metal of which 57% was recovered.

In April 1993 M.V. McKeown produced revised feasibility report on the Anchor Mine with reserve statements making allowance for the ore already mined. In November 1993 three DC drill holes (BT 231 – 233) were put in by Mancala to investigate the tin mineralization that appeared to form a pipe shaped body extending down beneath the tin floors.

In 1994 Spectrum and its assets of Anchor and Royal George were purchased by F.W. Lannen & Ass. Pty Ltd (owners of Mancala Pty Ltd). Subsequently some modifications were made to the treatment plant but details are not available. An additional 101 percussion drill holes were put in, logged, and assayed, and a feasibility study conducted. Mancala then mounted a mining operation during 1995 and 1996. 91,000t of ore at 0.40% tin were extracted and processed. The estimated grade by Mancala before mining was 0.53% tin so the achieved grade was 25% below that predicted. On the other hand it is within the forecast range by Newnham (1989) allowing for some dilution. Mancala describe the plant as poorly designed and the modifications did not achieve a satisfactory performance. Mancala also treated 7,800t of tailings from the North Dam. The mine was then closed in 2001.

Featherstone considers that the zones of greisen mineralization have a natural cut off of between
0.1% and 0.2% tin. The resource estimate by Newnham does not quote the cut off used but it is probable that he used the 0.2% tin cut off that Renison had generally applied or a figure very close. Both Spectrum and Mancala and their consultants made estimates of the resources using cut offs of 0.3% and 0.4% tin. Reports do not indicate that stoping was conducted to assay walls so using resource estimates with high cut offs that are not applied to extraction of the ore is unrealistic to say the least.

As far as Featherstone can determine nobody has attempted to make an estimate of the remaining ore reserve remaining in the area of mineralization identified to date and since mining ceased in 1996. With full access to data Minemakers should be able to make a reliable estimate to use in a feasibility study.

2.3 Exploration by Minemakers TTT Pty Ltd on EL29/2009 and 55M/1989

2.3.1 2006 – 2007

Data acquisition
The Perth based consultancy, rOREdata, was engaged to assemble all drill information, assays etc. into a GIS database. Data captured were:

- Collars – 344 records
- Surveys – 862 records
- Geology – 788 records
- Samples – 8808 records
- Assays – 9409 records

Metallurgical test work
Minemakers signed a Memorandum of Understanding in regard to supplying tungsten to an Austrian company, Wolfram Bergbau und Hutten GmbH (“WB”). The level of tungsten associated with the Anchor deposit was uncertain so drill core was accessed at MRT Core Library facility in Hobart, split, and a 33kg sample was despatched to WB’s metallurgical laboratories in Mittersill, Austria. Similarly, the tailings storage facility was auger sampled and the material was sent to WB for recovery test work. Unfortunately, the results of the test work were not made available to Minemakers TTT before WB ended their interest in Tasmania as a tungsten potential supplier.

2.3.2 2007 – 2008

Scoping study
Lycopodium Engineering Limited, a Perth based engineering and plant construction consultancy, was engaged to provide a desk-top financial model for the project.

The report was finalised in November 2007 and will used two throughput scenarios of 0.5Mtpa and 1.0Mtpa.

The overall aim was to determine:

- Capital cost estimate.
- Operating cost estimate.
- The tin price necessary, under these cost estimates, for justification of commitment to a feasibility study.

At 2007 tin prices the project economics were not attractive.

Airborne geophysical data
An old data set was acquired and re-processed. The results were disappointing and provided no evidence of potential extensions to, or repetitions of, the Anchor mineralized system. Data from the 2007 MRT airborne survey was been acquired and work commenced on interpretation.

Portable XRF geochemistry
A program of field analysis of Anchor mineralized core held at the MRT core store in Mornington was commenced in early 2008 using a Niton XL3t 500 portable XRF unit. The unit is capable of measuring 39 elements including tin, tungsten, copper, silver, zinc and bismuth which are commodity elements of interest at Anchor. In addition to the commodity elements outlined, the Niton detected the potential presence of tantalum. Data acquisition was at 0.5 metre sample intervals. Data is indicative only. Although the Anchor Granite is relatively coarse, the technique is considered adequate as a scout technique.

3752 analyses were carried out on core from 38 holes. On the basis of results obtained, 95 one metre half-core samples from 6 diamond holes were cut at the MRT core store and submitted to ALS in Brisbane for multi-element analysis. The purpose of diamond drill core assay was to test for the levels of potential co-products commodity elements, in particular tungsten.

2.3.3 2008 – 2009

Airborne geophysical data
A few days were spent ground truthing radiometric anomalies that were identified from airborne radiometric data acquired by the MRT in 2007.

Re-assay of drill core
95 samples of core were cut from 6 diamond-cored holes stored at the MRT core store and submitted to ALS in Brisbane for multi-element analysis. The purpose of diamond drill core assay was to test for the levels of potential co-products commodity elements.

Methods used were:

- Four acid digest and analysis by ICP-AES for As, Bi, Cd, Li, Sb
- Four acid digest and analysis by ICP-MS for In

- Lithium borate fusion and analysis by ICP-MS for Ag, Ba, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Ga, Gd, Hf, Ho, La, Lu, Mo, Nb, Ni, Pb, Pr, Rb, Sm, Sn, Sr, Ta, Tb, Th, Tl, Tm, U, V, W, Y, Yb, Zn, Zr
- Lithium metaborate fusion and analysis of glass by XRF for Sn (>10,000 ppm)

Tin levels were very encouraging, averaging 0.33% and with eight samples returning between 1.00-2.85%.

Other elements of interest included:

- Zn averaged 785 ppm, maximum of >10,000 ppm
- Cu averaged 621 ppm, maximum of 4270 ppm
- W averaged 115 ppm, maximum of 1350 ppm
- Bi averaged 37 ppm, maximum of 370 ppm
- Mo averaged 25 ppm, maximum of 216 ppm
- Ta averaged 13 ppm, maximum of 27 ppm
- In averaged 2 ppm, maximum of 28 ppm
- Ag was mostly <1ppm, maximum of 22 ppm

The samples were taken from a range of low to high grade areas at the Anchor deposit and indicate the presence of significant levels zinc and copper, but relatively low tungsten values.

2.4 Exploration by TNT Mines/Minemakers TTT Pty Ltd on RL1/2009 and 55M/1989

2.4.1 2009 – 2010

EL29/2004 was relinquished at the anniversary date except for a small portion surrounding 55M/1989 which was granted as RL1/2009 on 01/10/2009. No exploration work was undertaken on RL1/2009 during the 2009-2010 year.

2.4.2 2010 – 2011

Work conducted by TNT Mines during this period comprised the following:

Further data entry and validation of database to prepare for a JORC-compliant resource estimate to be made.

Auger sampling of the tailings was carried out to ascertain what level of potentially deleterious elements was present and to test the tenor of tungsten reporting to the tailings. Wolframite is known to occur within the mineralised area at the Anchor Mine but there are not a lot of historical assays. There was no production of a wolframite concentrate during the last phase of underground mining by Mancala in the 1990s so most of it should have reported to the tailings dam.

The analytical results, average of 97 samples from 31 holes, are as follows:

- Sn – 1340 ppm, maximum 3990 ppm (pressed powder XRF)
- W – 112 ppm, maximum 370 ppm (pressed powder XRF)
- W – 144 ppm, maximum 490 ppm (4-acid, ICPAES)
- Zn – 804 ppm, maximum 1810 ppm
- Cu – 682 ppm, maximum 1400 ppm

- Bi – 66 ppm, maximum 117 ppm
- Mo – 54 ppm, maximum 123 ppm
- Ag – 9.6 ppm, maximum 18.6 ppm
- Cd – 9.5 ppm, maximum 26.7 ppm

The low levels of tungsten in the tailings are consistent with the results obtained from re-assaying of old core in 2007. That work returned average tungsten values of around 115 ppm.

In preparation for transfer of ML55/1989 from Spectrum Resources to TNT Mines, preparation of an indicative mine plan was commenced.

Figure 5 shows the dimensions and orientation of a potential pit based on a resource of approximately 3,000,000 tonnes of ore with a stripping ratio of around 2. The current tailings dam is located at the bottom left of the pit and the view is looking north. The grade of the resource is estimated at approximately 0.25% Sn.

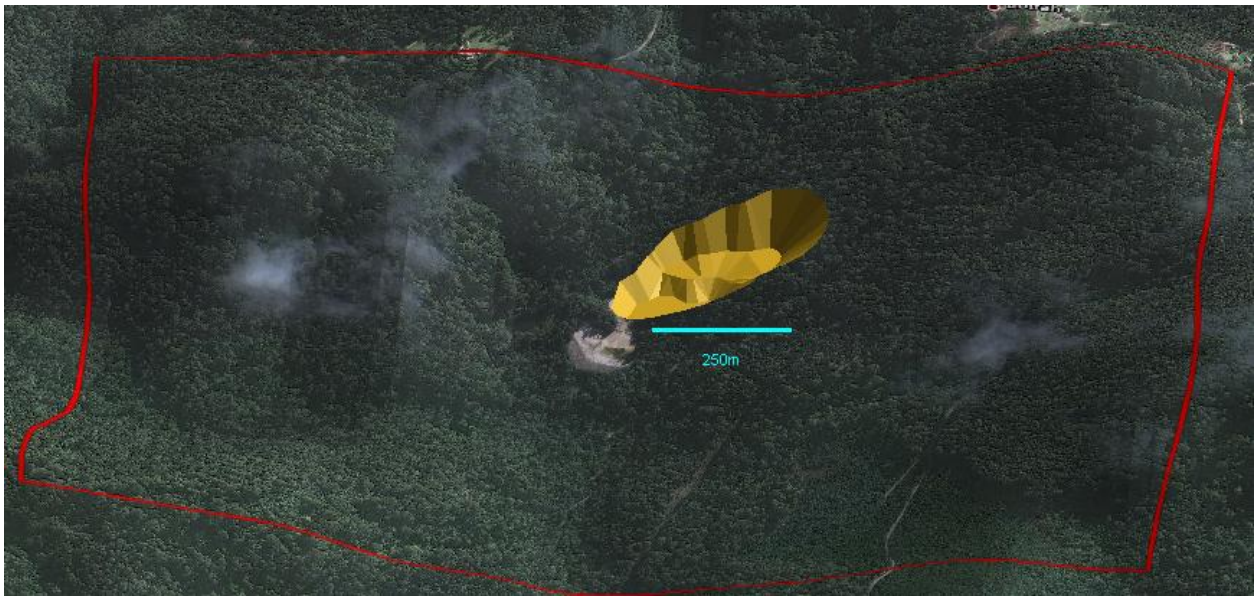

Figure 5: View of conceptual pit based on 3.3Mt of ore and stripping ratio of 2

3.0 WORK COMPLETED DURING THE REPORTING PERIOD

3.1 Groom River water monitoring

Water samples were collected at three sample sites on or near the Groom River in the vicinity of the entry point of the drainage from the Anchor tailings. MRT investigated potential water contamination of the Groom River following heavy rains in early 2011 (Parnell and Dawson, 2011). MRT personnel collected water samples in June 2011 and, following analysis of data and consultation with the EPA, suggested that "there is a very low risk to drinking water and the receiving environment." Notwithstanding these findings, MRT requested TNT Mines carry out ongoing monitoring at three sample points. TNT Mines collected samples at sample points 1-3, see Figure 6, in October 2011, January 2012 and May 2012 and submitted them for analysis to Analytical Services Tasmania (AST) in New Town. Sampling was carried out using plastic bottles supplied by AST. The results are shown in Tables 5-8 below. The first column of results in each table contains the data produced by MRT.

Br^-, Cl^-, F^-, SO_4^{2-} were analysed by ion chromatography, Hg was analysed by CVAFS and all other metal cations were analysed by ICP-AES.

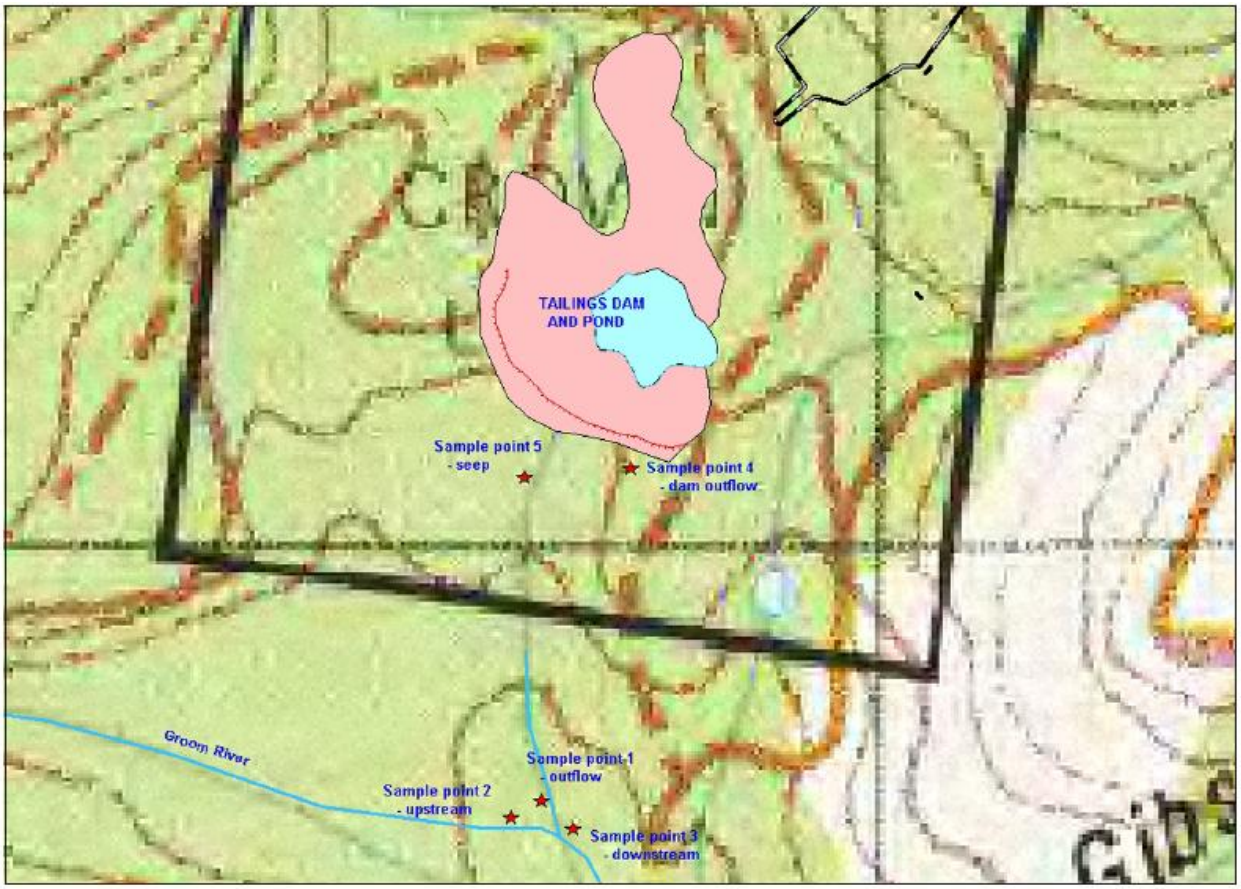

Figure 6: Water sampling sites. From Parnell and Dawson, 2011

A description of the sample sites and grid coordinates are included at Appendix 1 and certificates of analysis are included in Appendix 2.

Anchor Site 1 - at entry of tailings drainage to Groom River					
Analyte	Units	Date Sampled			
		15/06/2011	11/10/2011	10/01/2012	23/05/2012
Al Dissolved	µg/L	<20	<20	83	103
Al Total	µg/L	132	86	209	160
As Dissolved	µg/L	<10	<10	<1	<1
As Total	µg/L	<10	<10	<1	<1
Ba Dissolved	µg/L	14	15	6	5
Ba Total	µg/L	15	14	8	5
Bromide	mg/L	<0.5	0.2	<0.1	<0.1
Ca Dissolved	mg/L	3.16	3.47	1.73	1.69
Ca Total	mg/L	3.21	3.55	1.74	1.73
Cd Dissolved	µg/L	<1	<1	<1	<0.1
Cd Total	µg/L	<1	<1	1.2	<0.1
Chloride	mg/L	12.6	13.6	12.6	11.3
Co Dissolved	µg/L	2	<1	<0.5	<0.5
Co Total	µg/L	2	<1	<0.5	<0.5
Cr Dissolved	µg/L	<1	<1	<1	<1
Cr Total	µg/L	<1	<1	<1	<1
Cu Dissolved	µg/L	<1	<1	<1	<1
Cu Total	µg/L	<1	<1	5	1
Fe Dissolved	µg/L	770	381	825	1560
Fe Total	µg/L	8270	6780	5020	3630
Fluoride	mg/L	0.17	0.17	0.10	0.09
Hg Dissolved	µg/L	<0.05	<0.05	<0.05	<0.05
Hg Total	µg/L	<0.05	<0.05	<0.05	<0.05
K Dissolved	mg/L	2.11	2.09	1.05	0.93
K Total	mg/L	2.10	2.04	1.05	0.87
Mg Dissolved	mg/L	2.64	2.67	1.37	1.30
Mg Total	mg/L	2.69	2.56	1.37	1.32
Mn Dissolved	µg/L	1550	1440	594	405
Mn Total	µg/L	1590	1470	619	419
Mo Dissolved	µg/L	<5	<5	<0.5	<0.5
Mo Total	µg/L	<5	<5	<0.5	<0.5
Na Dissolved	mg/L	9.54	8.84	6.99	7.51
Na Total	mg/L	9.50	8.73	7.12	7.51
Ni Dissolved	µg/L	<10	<10	1.2	<0.5
Ni Total	µg/L	<10	<10	2.4	<0.5
Pb Dissolved	µg/L	<7	<7	<0.5	<0.5
Pb Total	µg/L	<7	<7	11.5	<0.5
Se Dissolved	µg/L	<15	<15	<5	<5
Se Total	µg/L	<15	<15	<5	<5
Sulphate	mg/L	7.5	7	1.2	1.3
Zn Dissolved	µg/L	4	7	4	5
Zn Total	µg/L	7	10	7	5

Table 5: Water quality at sample point one – outflow to Groom River

Anchor Site 2 - upstream of tailings drainage entry to Groom River					
Analyte	Units	Date Sampled			
		15/06/2011	11/10/2011	10/01/2012	23/05/2012
Al Dissolved	µg/L	176	243	153	248
Al Total	µg/L	216	282	186	333
As Dissolved	µg/L	<10	<10	<1	<1
As Total	µg/L	<10	<10	<1	<1
Ba Dissolved	µg/L	<5	<5	4	4
Ba Total	µg/L	<5	5	4	5
Bromide	mg/L	<0.5	<0.1	<0.1	<0.1
Ca Dissolved	mg/L	0.71	0.73	0.59	0.82
Ca Total	mg/L	0.71	0.71	0.58	0.88
Cd Dissolved	µg/L	<1	<1	<1	<0.1
Cd Total	µg/L	<1	<1	0.8	<0.1
Chloride	mg/L	11.7	11.5	12.5	10.6
Co Dissolved	µg/L	<1	<1	<0.5	<0.5
Co Total	µg/L	<1	<1	<0.5	<0.5
Cr Dissolved	µg/L	<1	2	<1	<1
Cr Total	µg/L	<1	2	<1	<1
Cu Dissolved	µg/L	<1	<1	2	<1
Cu Total	µg/L	1	<1	2	<1
Fe Dissolved	µg/L	78	85	98	105
Fe Total	µg/L	124	130	141	225
Fluoride	mg/L	0.08	0.05	0.07	0.05
Hg Dissolved	µg/L	<0.05	<0.05	<0.05	<0.05
Hg Total	µg/L	<0.05	<0.05	<0.05	<0.05
K Dissolved	mg/L	0.76	0.72	0.63	0.67
K Total	mg/L	0.77	0.7	0.64	0.69
Mg Dissolved	mg/L	0.84	0.8	0.65	0.75
Mg Total	mg/L	0.84	0.8	0.65	0.80
Mn Dissolved	µg/L	23	19	24.5	9.1
Mn Total	µg/L	25	21	28.1	16.5
Mo Dissolved	µg/L	<5	<5	<0.5	<0.5
Mo Total	µg/L	<5	<5	<0.5	<0.5
Na Dissolved	mg/L	7.40	6.36	6.38	5.72
Na Total	mg/L	7.33	6.31	6.26	5.97
Ni Dissolved	µg/L	<10	<10	1.1	<0.5
Ni Total	µg/L	<10	<10	1.3	<0.5
Pb Dissolved	µg/L	<7	<7	4.1	<0.5
Pb Total	µg/L	<7	<7	6	<0.5
Se Dissolved	µg/L	<15	<15	<5	<5
Se Total	µg/L	<15	<15	<5	<5
Sulphate	mg/L	2.0	1.5	1.4	1.4
Zn Dissolved	µg/L	8	8	4	3
Zn Total	µg/L	9	8	5	3

Table 6: Water quality at sample point two – upstream

Anchor Site 3 - downstream of tailings drainage entry to Groom River					
Analyte	Units	Date Sampled			
		15/06/2011	11/10/2011	10/01/2012	23/05/2012
Al Dissolved	µg/L	167	241	150	238
Al Total	µg/L	212	281	187	334
As Dissolved	µg/L	<10	<10	<1	<1
As Total	µg/L	<10	<10	<1	<1
Ba Dissolved	µg/L	<5	5	4	4
Ba Total	µg/L	<5	5	5	5
Bromide	mg/L	<0.5	<0.1	<0.1	<0.1
Ca Dissolved	mg/L	0.69	0.72	0.62	0.83
Ca Total	mg/L	0.71	0.71	0.63	0.89
Cd Dissolved	µg/L	<1	<1	<1	<0.1
Cd Total	µg/L	<1	<1	0.6	<0.1
Chloride	mg/L	11.8	11.6	12.7	10.7
Co Dissolved	µg/L	<1	<1	<0.5	<0.5
Co Total	µg/L	<1	<1	<0.5	<0.5
Cr Dissolved	µg/L	<1	1	<1	<1
Cr Total	µg/L	<1	1	<1	<1
Cu Dissolved	µg/L	<1	<1	2	2
Cu Total	µg/L	<1	<1	3	2
Fe Dissolved	µg/L	83	99	102	117
Fe Total	µg/L	144	150	186	242
Fluoride	mg/L	0.06	0.06	0.10	0.06
Hg Dissolved	µg/L	<0.05	<0.05	<0.05	<0.05
Hg Total	µg/L	<0.05	<0.05	<0.05	<0.05
K Dissolved	mg/L	0.76	0.71	0.82	0.74
K Total	mg/L	0.76	0.74	0.83	0.79
Mg Dissolved	mg/L	0.81	0.81	0.70	0.71
Mg Total	mg/L	0.83	0.8	0.69	0.79
Mn Dissolved	µg/L	26	22	25.9	12.0
Mn Total	µg/L	28	24	30.6	30.1
Mo Dissolved	µg/L	<5	<5	<0.5	<0.5
Mo Total	µg/L	<5	<5	<0.5	<0.5
Na Dissolved	mg/L	7.22	6.35	6.46	5.41
Na Total	mg/L	7.32	6.26	6.42	5.99
Ni Dissolved	µg/L	<10	<10	1.5	<0.5
Ni Total	µg/L	<10	<10	1.6	<0.5
Pb Dissolved	µg/L	<7	<7	1.1	<0.5
Pb Total	µg/L	<7	<7	3.2	0.5
Se Dissolved	µg/L	<15	<15	<5	<5
Se Total	µg/L	<15	<15	<5	<5
Sulphate	mg/L	2.0	1.5	1.1	1.3
Zn Dissolved	µg/L	8	7	6	5
Zn Total	µg/L	9	12	6	5

Table 7: Water quality at sample point three – downstream

Parameters	ADWG Health Limits	ANZGFMWQ Default Protection of Aquatic Ecosystem Levels
pH	6.5–8.5	6.5–7.5
EC (µS/cm)	750	100
Al Dissolved (µg/L)		55
Al Total (µg/L)	200	
As Dissolved (µg/L)		24 ($As^{(III)}$) & 13 ($As^{(V)}$)
As Total (µg/L)	7	
Ba Dissolved (µg/L)		NA
Ba Total (µg/L)	700	
Bromide (mg/L)	NA	
Ca Dissolved (mg/L)		
Ca Total (mg/L)		
Cd Dissolved (µg/L)		0.2
Cd Total (µg/L)	2	
Chloride (mg/L)	250	
Co Dissolved (µg/L)		1.4
Co Total (µg/L)	NA	
Cr Dissolved (µg/L)	$Cr^{(VI)}$ 50	3.3($Cr^{(III)}$)&1 $Cr^{(VI)}$)
Cr Total (µg/L)	NA	
Cu Dissolved (µg/L)		1.4
Cu Total (µg/L)	1000	
Fe Dissolved (µg/L)		300
Fe Total (µg/L)	300	
Fluoride (mg/L)	1.5	
Hg Dissolved (µg/L)		0.06
Hg Total (µg/L)	1	
K Dissolved (mg/L)		
K Total (mg/L)	NA	
Mg Dissolved (mg/L)		
Mg Total (mg/L)		
Mn Dissolved (µg/L)		1900
Mn Total (µg/L)	100	
Mo Dissolved (µg/L)		34
Mo Total (µg/L)	50	
Na Dissolved (mg/L)		
Na Total (mg/L)	180	
Ni Dissolved (µg/L)		11
Ni Total (µg/L)	20	
Pb Dissolved (µg/L)		3.4
Pb Total (µg/L)	10	
Se Dissolved (µg/L)		5
Se Total (µg/L)	10	
Sulphate (mg/L)	500	40
Zn Dissolved (µg/L)		8
Zn Total (µg/L)	3000	

Table 8: Parameters limits. From Parnell and Dawson, 2011

4.0 DISCUSSION OF RESULTS

4.1 Groom River water monitoring

Water sampling of the Groom River in the vicinity of the inflow of the drainage from the Anchor tailings was carried out at the request of Jen Parnell from MRT. In June 2011, MRT personnel carried out sampling of water at the outflow from the Anchor tailings and around the inflow of the drainage into the Groom River. This work was carried out after concerns were raised by locals in regard to potential contamination of the Groom River following heavy rains in the area. The MRT report (Parnell and Dawson, 2011) should be read in conjunction with the examination of TNT Mines' water quality data. The guidelines referred to are the 2004 Australian Drinking Water Guidelines (ADWG) and the 2000 Australian and New Zealand Guidelines for Fresh and Marine Water Quality (ANZGFMWQ).

The results of the water sampling carried out by TNT Mines subsequent to the MRT study have not revealed any need for increased concerns. The only parameters that showed significant increases during the monitoring period were Total Al and dissolved Al and Fe. Pb returned one anomalous result.

Although the levels of both dissolved and total Al at the drainage entry into the Groom River have exceeded the ANZGFMWQ Default Protection of Aquatic Ecosystem Levels and the ADWG Health Limits during the year it can be seen that the levels for each both upstream and downstream were mostly somewhat higher, suggesting that the aluminous granitic bedrock in the headwaters of the Groom River may provide a more significant source of Al than the Anchor tailings.

The dissolved Fe at the entry point to the Groom River doubled during the year but at both the upstream and downstream sites the levels, although increased, remained below the ANZGFMWQ levels of concern.

During January 2012, the Total Pb levels at the entry point exceeded the ADWG Health Limits by but it should be noted that the upstream Pb levels were higher than the downstream levels, suggesting a source other than the tailings. Pb would not be expected to be a significant contaminant at Anchor as lead levels within the ore are very low.

5.0 CONCLUSIONS AND FUTURE WORK

Water monitoring of the Groom River in and around the entry point of the drainage from the Anchor tailings has not revealed any need for increased concerns. Water monitoring will continue on a notional quarterly basis.

Further exploration at Anchor would require funding that is unlikely to be available to TNT Mines in the short term due to commitments on other projects, therefore the project has been offered to an interested party who does have the means to advance the project. TNT Mines will apply to transfer the tenement at the earliest opportunity.

6.0 ENVIRONMENT

No other ground-disturbing exploration work was carried out at Anchor during the reporting period. No rehabilitation of previous disturbance relating to mining or mineral exploration was undertaken.

7.0 REFERENCES

Cross, S. and Selby, W. 1983. The metallurgical treatment of Blue Tier mineralisation. Renison Limited. MRT open-file report 87-2685.

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Fulton, R.L. 2008. Exploration Licence EL29/2004 (Blue Tier) and Mining Lease 55M/1989 Anchor Mine. Annual Report to 26th October 2008. Minemakers Limited.

Fulton, R.L. 2009. Exploration Licence EL29/2004 (Blue Tier) and Mining Lease 55M/1989 Anchor Mine. Annual Report to 26th October 2009. Minemakers Limited.

Fulton, R.L. 2011. RL1/2009 (including 55M1989). Anchor. Annual report to 30th August 2011. TNT Mines Limited.

McKeown, M.V. 1993. The Anchor mine – a resource assessment. Spectrum Resources Pty Ltd. MRT open-file report 93-3433.

Parnell, J. and Dawson, G. 2011. Anchor mine tailings site investigation, June 2011. Tasmanian Geological Survey Record 2011/02.

Ross, A.F. 1981. Geological report on the Anchor tin deposit at the completion of infill diamond drilling. Renison Limited. MRT open-file report 81-1596

APPENDIX 1 – Sample site coordinates and descriptions

Sample Point	GPS Coordinates	Description
1	584 917 mE 5 435 094 mN	Outflow of discoloured water into Groom River, distinct by the orange hue. The sample was taken approximately 1.5 metres before discharging into the Groom River.
2	584 902 mE 5 435 026 mN	Approximately 19 m upstream of identified discharge point. Sample was taken one metre from steam bank. Water appeared clear with minimal sedimentation.
3	584 937 mE 5 435 016 mN	Approximately 24 metres downstream of identified discharge point. Sample was taken 0.5 m from stream bank, directly downstream of a small rapid. Water appeared clear with minimal sedimentation.

From Parnell and Dawson, 2011 (Coordinates in MGA94)

APPENDIX 2 – Certificates of analysis

ANALYTICAL SERVICES TASMANIA

18 St Johns Avenue
New Town Laboratory

Telephone: (03) 6230 7000 Fax: (03) 6230 7001 Email: astproduction@environment.tas.gov.au

Date:	27-Oct-11
Pages:	4 (including this one)

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	TNT Mines Limited
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Phone:	08 6468 4578
Mobile:	0427 956 297

From:	Amanda Freeman
Fax No	(03) 6230 7001
Phone:	(03) 6230 7000

Order No

Please find enclosed report number 51086 : issue number 1.

The invoice for this report will follow.

ANALYTICAL SERVICES TASMANIA
New Town Laboratory
18 St Johns Avenue
New Town, Tasmania, Australia, 7008
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Tasmania
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Laboratory Report

Report No: 51086 **Issue No: 1** **Report Date 27-Oct-2011 17:20**

Status: Full Report

Site Description: Anchor Dam

Received: 13-Oct-11

Submitted to: New Town Laboratory

Submitted By: Russell Fulton (TNT Mines Limited)

Client Order No:

Report To: Russell Fulton

Client: TNT Mines Limited

Address: Level 2 34 Colin St WEST PERTH WA 6005

NATA
ACCREDITED FOR TECHNICAL COMPETENCE

ANALYTICAL SERVICES TASMANIA

Report No: 51086 **Issue No:** 1 **Report Date:** 27-Oct-2011 17:20

Method	Analyte	Units / Sampled On :	Lab.No.: 201486 Sample Id.: Anchor Site 1 11/10/11 16:00	201487 Anchor Site 2 11/10/11 16:05	201488 Anchor Site 3 11/10/11 16:10
1103-Water	Bromide	mg/L	0.2	<0.1	<0.1
	Chloride	mg/L	13.6	11.5	11.6
	Fluoride	mg/L	0.17	0.05	0.06
	Sulphate	mg/L	7.0	1.5	1.5
1301-Water	Al Dissolved	µg/L	<20	243	241
	Al Total	µg/L	86	282	281
	As Dissolved	µg/L	<10	<10	<10
	As Total	µg/L	<10	<10	<10
	Ba Dissolved	µg/L	15	<5	5
	Ba Total	µg/L	14	5	5
	Ca Dissolved	mg/L	3.47	0.73	0.72
	Ca Total	mg/L	3.55	0.71	0.71
	Cd Dissolved	µg/L	<1	<1	<1
	Cd Total	µg/L	<1	<1	<1
	Co Dissolved	µg/L	<1	<1	<1
	Co Total	µg/L	<1	<1	<1
	Cr Dissolved	µg/L	<1	2	1
	Cr Total	µg/L	<1	2	1
	Cu Dissolved	µg/L	<1	<1	<1
	Cu Total	µg/L	<1	<1	<1
	Fe Dissolved	µg/L	381	85	99
	Fe Total	µg/L	6780	130	150
	K Dissolved	mg/L	2.09	0.72	0.71
	K Total	mg/L	2.04	0.70	0.74
	Mg Dissolved	mg/L	2.67	0.80	0.81
	Mg Total	mg/L	2.56	0.80	0.80
	Mn Dissolved	µg/L	1440	19	22
	Mn Total	µg/L	1470	21	24
	Mo Dissolved	µg/L	<5	<5	<5
	Mo Total	µg/L	<5	<5	<5
	Na Dissolved	mg/L	8.84	6.36	6.35
	Na Total	mg/L	8.73	6.31	6.26
	Ni Dissolved	µg/L	<10	<10	<10
	Ni Total	µg/L	<10	<10	<10
	Pb Dissolved	µg/L	<7	<7	<7
	Pb Total	µg/L	<7	<7	<7
	Se Dissolved	µg/L	<15	<15	<15
	Se Total	µg/L	<15	<15	<15
	Zn Dissolved	µg/L	7	8	7
	Zn Total	µg/L	10	8	12
1305-Water	Hg Dissolved	µg/L	<0.05	<0.05	<0.05
	Hg Total	µg/L	<0.05	<0.05	<0.05

ANALYTICAL SERVICES TASMANIA

Report No: 51086 **Issue No:** 1 **Report Date:** 27-Oct-2011 17:20

Test Method(s) :

Test Date

Inorganic Testing

1103-Water:	Anions in Water by Ion Chromatography	18-Oct-2011
	Work Conducted at: New Town	
1301-Water:	Metals in Water by ICP-AES	19-Oct-2011
	Work Conducted at: New Town	
1305-Water:	Mercury in Water by CVAFS	14-Oct-2011
	Work Conducted at: New Town	

Authorised By:

Damien Norman
Manager

Accredition No. 5589

ANALYTICAL SERVICES TASMANIA

18 St Johns Avenue
New Town Laboratory

Telephone: (03) 6230 7000 Fax: (03) 6230 7001 Email: astproduction@environment.tas.gov.au

Date:	30-Jan-12
Pages:	4 (including this one)

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	TNT Mines Limited
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Fax No:	08 9264 7099
Phone:	08 6468 4578
Mobile:	0427 956 297

From:	Amanda Freeman
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Phone:	(03) 6230 7000

Order No

Please find enclosed report number 52159 : issue number 1.

The invoice for this report will follow.

ANALYTICAL SERVICES TASMANIA
New Town Laboratory
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Tasmania
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Laboratory Report

Report No: 52159 **Issue No:** 1 **Report Date** 30-Jan-2012 23:02

Status: Full Report

Site Description: Anchor Dam

Received: 11-Jan-12

Submitted to: New Town Laboratory

Submitted By: Russell Fulton (TNT Mines Limited)

Client Order No:

Report To: Russell Fulton

Client: TNT Mines Limited

Address: Level 2 34 Colin St WEST PERTH WA 6005

NATA
ACCREDITED FOR TECHNICAL COMPETENCE

ANALYTICAL SERVICES TASMANIA

Report No: 52159 **Issue No:** 1 **Report Date:** 30-Jan-2012 23:02

Method	Analyte	Units / Sampled On :	Sample Id.: 206476 ANCHOR SITE 1 10/01/12 12:45	206477 ANCHOR SITE 2 10/01/12 12:50	206478 ANCHOR SITE 3 10/01/12 12:40
1103-Water	Bromide	mg/L	<0.1	<0.1	<0.1
	Chloride	mg/L	12.6	12.5	12.7
	Fluoride	mg/L	0.10	0.07	0.10
	Sulphate	mg/L	1.2	1.4	1.1
1305-Water	Hg Dissolved	µg/L	<0.05	<0.05	<0.05
	Hg Total	µg/L	<0.05	<0.05	<0.05
1311-Water	Al Dissolved	µg/L	83	153	150
	Al Total	µg/L	209	186	187
	As Dissolved	µg/L	<1	<1	<1
	As Total	µg/L	<1	<1	<1
	Ba Dissolved	µg/L	6	4	4
	Ba Total	µg/L	8	4	5
	Ca Dissolved	mg/L	1.73	0.59	0.62
	Ca Total	mg/L	1.74	0.58	0.63
	Cd Dissolved	µg/L	<1	<1	<1
	Cd Total	µg/L	1.2	0.8	0.6
	Co Dissolved	µg/L	<0.5	<0.5	<0.5
	Co Total	µg/L	<0.5	<0.5	<0.5
	Cr Dissolved	µg/L	<1	<1	<1
	Cr Total	µg/L	<1	<1	<1
	Cu Dissolved	µg/L	<1	2	2
	Cu Total	µg/L	5	2	3
	Fe Dissolved	µg/L	825	98	102
	Fe Total	µg/L	5020	141	186
	K Dissolved	mg/L	1.05	0.63	0.82
	K Total	mg/L	1.05	0.64	0.83
	Mg Dissolved	mg/L	1.37	0.65	0.70
	Mg Total	mg/L	1.37	0.65	0.69
	Mn Dissolved	µg/L	594	24.5	25.9
	Mn Total	µg/L	619	28.1	30.6
	Mo Dissolved	µg/L	<0.5	<0.5	<0.5
	Mo Total	µg/L	<0.5	<0.5	<0.5
	Na Dissolved	mg/L	6.99	6.38	6.46
	Na Total	mg/L	7.12	6.26	6.42
	Ni Dissolved	µg/L	1.2	1.1	1.5
	Ni Total	µg/L	2.4	1.3	1.6
	Pb Dissolved	µg/L	<0.5	4.1	1.1
	Pb Total	µg/L	11.5	6.0	3.2
	Se Dissolved	µg/L	<5	<5	<5
	Se Total	µg/L	<5	<5	<5
	Zn Dissolved	µg/L	4	4	6
	Zn Total	µg/L	7	5	6

ANALYTICAL SERVICES TASMANIA

Report No: 52159 **Issue No:** 1 **Report Date:** 30-Jan-2012 23:02

Test Method(s) :

		Test Date
Inorganic Testing		
1103-Water:	Anions in Water by Ion Chromatography	17-Jan-2012
1305-Water:	Mercury in Water by CVAFS	16-Jan-2012
1311-Water:	Metals in Water by ICPMS	25-Jan-2012

Authorised By:

John O'Reilly
Section Head - Inorganic
(Metals)

NATA
Accredition No. 5589

ANALYTICAL SERVICES TASMANIA

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Date:	02-Jul-12
Pages:	5 (including this one)

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Phone:	08 6468 4578
Mobile:	0427 956 297

From:	Amanda Freeman
Fax No	(03) 6230 7001
Phone:	(03) 6230 7000

Order No

Please find enclosed report number 54091 : issue number 1.

The invoice for this report will follow.

ANALYTICAL SERVICES TASMANIA
New Town Laboratory
18 St Johns Avenue
New Town, Tasmania, Australia, 7008
Telephone: (03) 6230 7000 Fax: (03) 6230 7001
Email: astproduction@environment.tas.gov.au

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Laboratory Report

Report No: 54091 **Issue No:** 1 **Report Date** 02-Jul-2012 9:21

Status: Full Report

Site Description: ANCHOR DAM

Received: 24-May-12

Submitted to: New Town Laboratory

Submitted By: Russell Fulton (TNT Mines Limited)

Client Order No:

Report To: Russell Fulton

Client: TNT Mines Limited

Address: Level 2 34 Colin St WEST PERTH WA 6005

NATA
ACCREDITED FOR TECHNICAL COMPETENCE

ANALYTICAL SERVICES TASMANIA

Report No: 54091 **Issue No:** 1 **Report Date:** 02-Jul-2012 9:21

Method	Analyte	Sample Id.: / Units / Sampled On :	215089 ANCHOR SITE 1 23/05/12 14:30	215090 ANCHOR SITE 2 23/05/12 14:30	215091 ANCHOR SITE 3 23/05/12 14:30
1103-Water	Bromide	mg/L	<0.1	<0.1	<0.1
	Chloride	mg/L	11.3	10.6	10.7
	Fluoride	mg/L	0.09	0.05	0.06
	Sulphate	mg/L	1.3	1.4	1.3
1305-Water	Hg Dissolved	µg/L	<0.05	<0.05	<0.05
	Hg Total	µg/L	<0.05	<0.05	<0.05
1311-Water	Al Dissolved	µg/L	103	248	238
	Al Total	µg/L	160	333	334
	As Dissolved	µg/L	<1	<1	<1
	As Total	µg/L	<1	<1	<1
	Ba Dissolved	µg/L	5	4	4
	Ba Total	µg/L	5	5	5
	Ca Dissolved	mg/L	1.69	0.82	0.83
	Ca Total	mg/L	1.73	0.88	0.89
	Cd Dissolved	µg/L	<0.1	<0.1	<0.1
	Cd Total	µg/L	<0.1	<0.1	<0.1
	Co Dissolved	µg/L	<0.5	<0.5	<0.5
	Co Total	µg/L	<0.5	<0.5	<0.5
	Cr Dissolved	µg/L	<1	<1	<1
	Cr Total	µg/L	<1	<1	<1
	Cu Dissolved	µg/L	<1	<1	2
	Cu Total	µg/L	1	<1	2
	Fe Dissolved	µg/L	1560	105	117
	Fe Total	µg/L	3630	225	242
	K Dissolved	mg/L	0.93	0.67	0.74
	K Total	mg/L	0.87	0.69	0.79
	Mg Dissolved	mg/L	1.30	0.75	0.71
	Mg Total	mg/L	1.32	0.80	0.79
	Mn Dissolved	µg/L	405	9.1	12.0
	Mn Total	µg/L	419	16.5	30.1
	Mo Dissolved	µg/L	<0.5	<0.5	<0.5
	Mo Total	µg/L	<0.5	<0.5	<0.5
	Na Dissolved	mg/L	7.51	5.72	5.41
	Na Total	mg/L	7.51	5.97	5.99
	Ni Dissolved	µg/L	<0.5	<0.5	<0.5
	Ni Total	µg/L	<0.5	<0.5	<0.5
	Pb Dissolved	µg/L	<0.5	<0.5	<0.5
	Pb Total	µg/L	<0.5	<0.5	0.5
	Se Dissolved	µg/L	<5	<5	<5
	Se Total	µg/L	<5	<5	<5
	Zn Dissolved	µg/L	5	3	5

ANALYTICAL SERVICES TASMANIA

Report No: 54091 **Issue No:** 1 **Report Date:** 02-Jul-2012 9:21

Method	Analyte	Sample Id.: / Units / Sampled On :	215089 ANCHOR SITE 1 23/05/12 14:30	215090 ANCHOR SITE 2 23/05/12 14:30	215091 ANCHOR SITE 3 23/05/12 14:30
1311-Water	Zn Total	µg/L	5	3	5

Report No: 54091 **Issue No:** 1 **Report Date:** 02-Jul-2012 9:21

Test Method(s) :

		Test Date
Inorganic Testing		
1103-Water:	Anions in Water by Ion Chromatography	05-Jun-2012
1305-Water:	Mercury in Water by CVAFS	28-May-2012
1311-Water:	Metals in Water by ICPMS	13-Jun-2012

Authorised By:

Alison Featherstone
Section Head - Water Chemistry