

# **Partial Relinquishment Report**

**on**

**EL 7/2010 – CONARA**

**Reporting Period:** 14 September 2011 – 14 September 2012

**Project Operator:** ABx4 Pty Ltd

**Address:** Level 2, 131 Macquarie Street, Sydney, NSW, 2000

**Authors:** Tamara Coyte and Jacob Rebek

**Date:** 11 September 2012

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## 1 ABSTRACT

### **Objective:**

Exploration Licence (EL) 7/2010 “Conara” was applied for in order to facilitate an exploration program to discover economically viable deposits of bauxite associated with Tertiary Volcanics, in an area with old peneplained surfaces preserved as plateaus. The goal of the program was to determine the quality and quantity of the bauxite in the area using an RC drill rig mounted on a light 12 tonne truck.

### **Work undertaken in relinquished area:**

1. Detailed mapping, including geomorphological mapping, to define the areas with best potential for bauxite.
2. Desktop review - driving along public roads in search of bauxite outcrops and examination of the geology of the area.

### **Results:**

No bauxite outcrops were seen whilst traversing on public roads in the area of relinquishment.

The landscape based on visual observation and mapping did not seem prospective for finding bauxite.

ABx4 Pty Ltd (**ABx4**) is therefore partially relinquishing 85sq km as seen on Map 2. The partial relinquishment focuses on removing towns, settlements, rivers, mountains and exclusion areas from the current tenement. Many of these areas are unlikely to have bauxite and those areas with bauxite would have significant constraints on future development.

The majority of the land usage in the tenement is agricultural land with land categories 4-6.

## 2 INTRODUCTION

### Exploration Rationale

Exploration Licence (EL) 7/2010 “Conara” was applied for in order to facilitate an exploration program to discover economically viable deposits of bauxite associated with Tertiary Volcanics, in an area with old peneplained surfaces preserved as plateaus. The goal of the program was to determine the quality and quantity of the bauxite in the area using an RC drill rig mounted on a light 12 tonne truck.

### Geological Setting

In the Conara area, the occurrences of bauxite are located in areas with Tertiary basaltic volcanics.

Study of geomorphology based on a digital terrain model led the company’s geologist to the conclusion that Tertiary basaltic volcanics are preserved on remnants of old surface which form larger plateaus or smaller ‘mesas’.

Bauxite was formed during the Tertiary period when tropical climate prevailed (high rainfall and relatively high temperatures). Bauxite is present in the upper part of the ancient lateritic / saprolitic weathering profile. Except for the lateritic crust, ancient lateritic / saprolitic weathering profile is easily eroded because weathered rocks are soft.

However, under protective cover of Tertiary basaltic volcanics, large tonnages of bauxite may have been preserved. This concept is being tested by drilling.

The bauxite has formed in the lower areas of central Tasmania between two massive plateaus of Dolerite. The large valley is made up of Dolerite, young volcanics, recent sediment and some sandstone which have been extensively laterised. There is a small amount of older volcanics in the bauxite areas which are believed to be the source rock for the bauxite.

### Tenement Information

EL 7/2010 “Conara” was granted on and from 14 September 2010 for a period of 5 years to ABx4.

This is the Partial Relinquishment Report for the reporting period 14 September 2011 - 14 September 2012 incorporating the results of work completed during the two years of tenure.

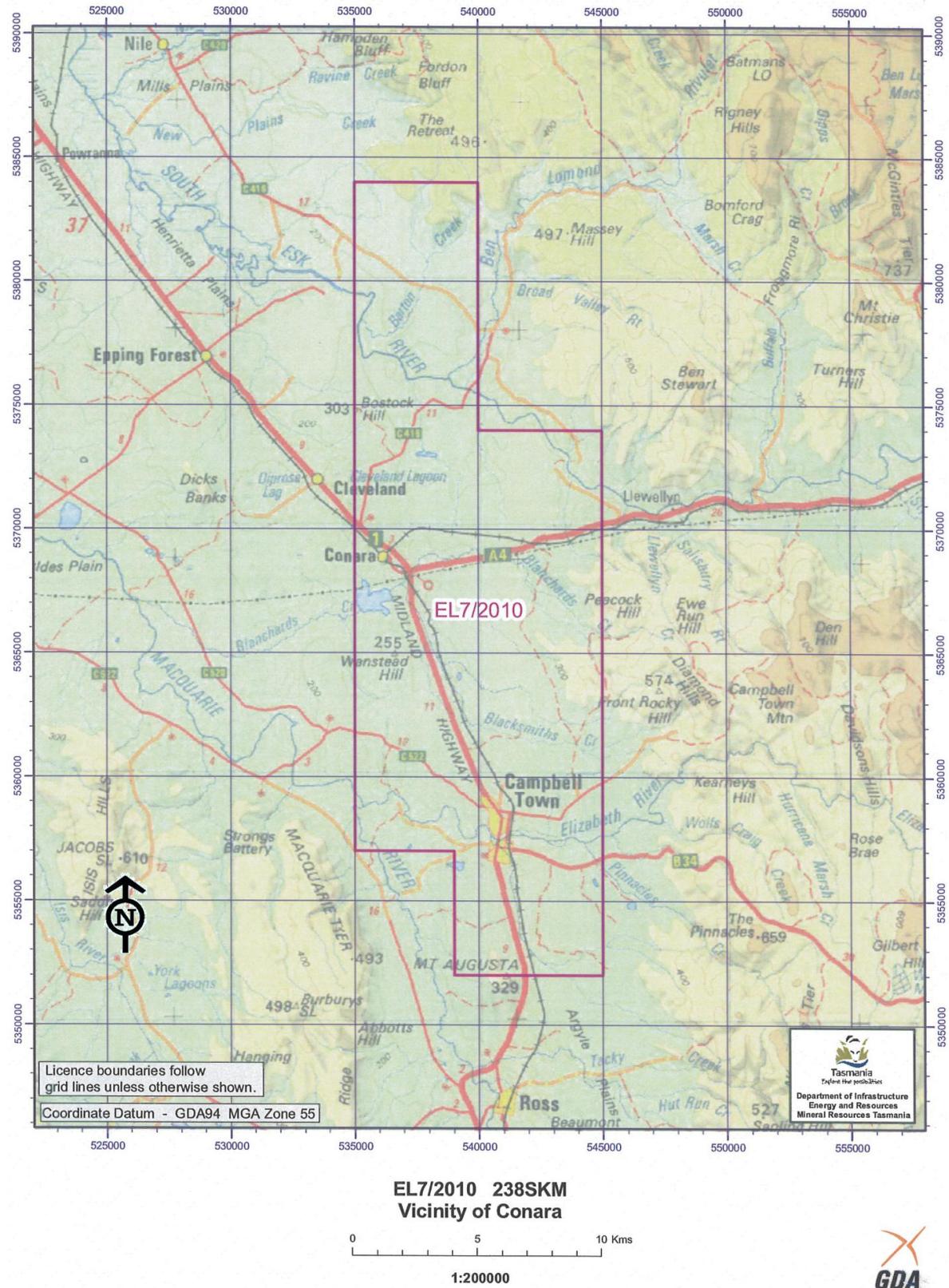
The original licence area is 238sq km and its Mineral Category is 1 – Metallic Minerals and Atomic Substances. ABx4 however is relinquishing 85sq km of the tenement bringing the total area to 153sq km.

### Location

The Conara tenement is centred on the railway town of Conara where there is a railway siding and active railway. The tenement is only 90km from the large operating port at Bell Bay and the Midlands highway passes through the centre of the tenement. The Conara tenement is ideally located for both rail and road transport to the port. EL 7/2010 is close to the City of Launceston which could offer a wide range of services and skilled work force.

The majority of the land usage in the tenement is private reserves, natural forest and agricultural land with land categories 4-6.

**INTRODUCTION Cont**



Map 1 – Location Map of EL 7/2010 “Conara”

**Tenure, including joint venture details and title transfers**

EL 7/2010 “Conara” is 100% owned by ABx4 which is a wholly owned subsidiary of Australian Bauxite Limited.

### **3 REVIEW OF PREVIOUS WORK**

#### **Prior to Current Tenement**

Historical references for bauxite in the Conara Tenement are reported by H.B. Owen in his book “Bauxite in Australia”, 1954, which was the basis for Initial exploration of the area

- H.B. Owen, 1954, Bauxite in Australia, Bulletin 24

#### **During current Tenement (for first year of tenure)**

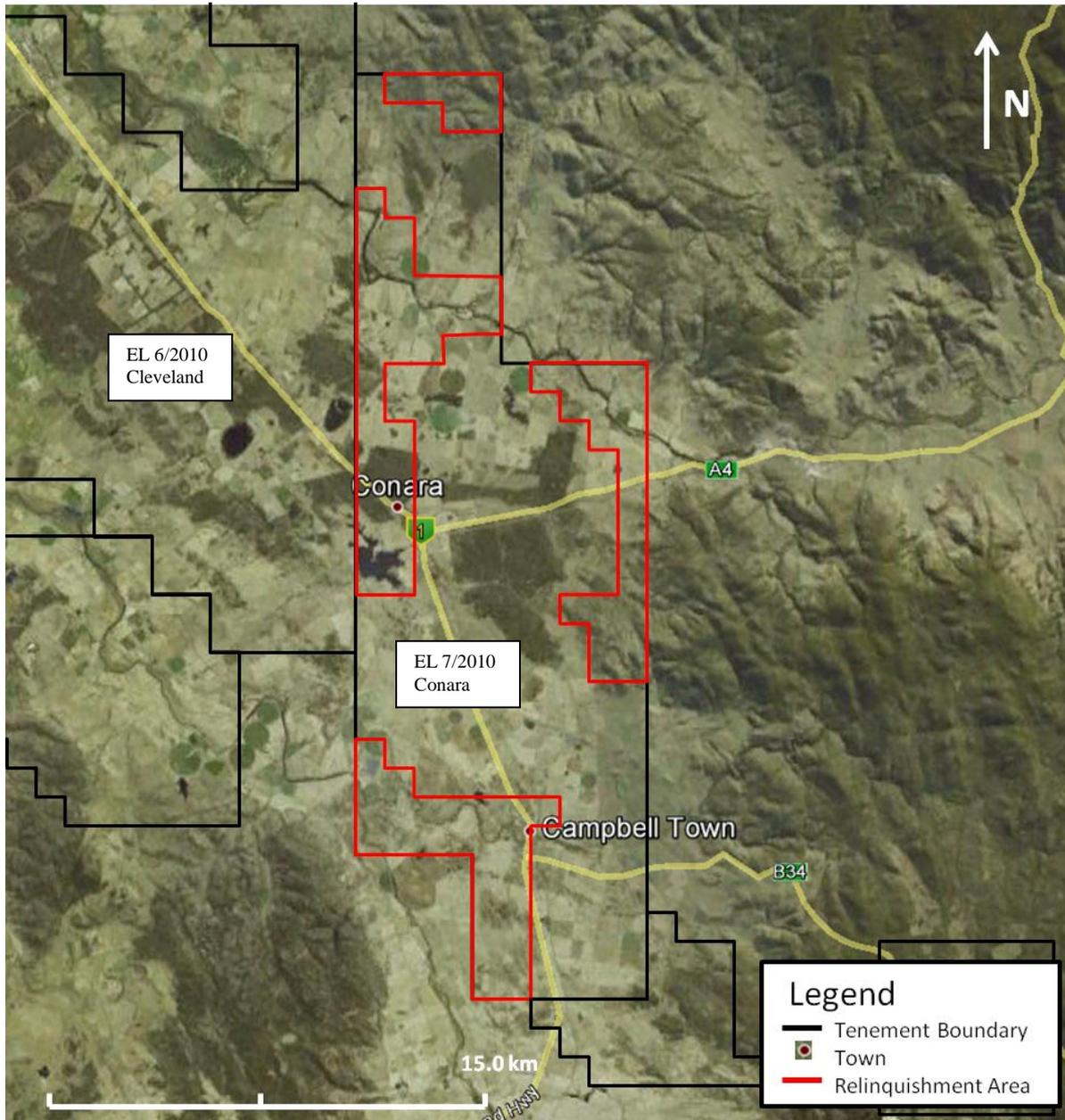
Only mapping and desktop review was undertaken in the first year of tenure over the relinquished areas.

## 4 EXPLORATION COMPLETED DURING THE REPORTING PERIOD

### Literature Review

H.B. Owen, 1954, Bauxite in Australia, Bulletin 24

### Area to be relinquished



Map 2 – EL7/2010 relinquishment areas marked by red outline

ABx4 is partially relinquishing 85sq km of the tenement as seen on Map 2 with the focus on removing towns, settlements, rivers, mountains and exclusion areas from the current tenement. Many of these areas are unlikely to have bauxite because of increased amounts of erosion. Those areas with bauxite potential would not be practical to explore due to significant constraints on future development.

## **5 DISCUSSION OF RESULTS**

No bauxite outcrops were seen whilst traversing on public roads in the areas being relinquished.

The landscape based on visual observation and mapping did not seem prospective for finding bauxite.

## **6 CONCLUSIONS AND RECOMMENDATIONS**

Bauxite potential in the proposed relinquished area seems minimal.

ABx4 proposes to relinquish 85sq km of EL 7/2010 in order to focus exploration on the most prospective zones for finding bauxite. The partial relinquishment focuses on removing towns and settlements, rivers and mountains and exclusion areas from the current tenement. Many of these areas are unlikely to have bauxite and those areas with bauxite would have significant constraints for further development.

## **7 ENVIRONMENT**

### **Surface Disturbing Operations:**

There were no surface disturbing activities in the areas being relinquished. Only desktop review was undertaken.

### **Surveys (archaeological, botanical):**

No surveys were undertaken over the areas being relinquished.

### **Rehabilitation:**

No rehabilitation was required as no surface disturbing activities were undertaken.

Traversing was undertaken only on public roads.

## **8 REFERENCES**

H.B. Owen, 1954, Bauxite in Australia, Bulletin 24

T. Coyte, J.Rebek, EL 7/2010 Conara First Annual Report August 2011, *ABx4 Pty Ltd*