EL 17/2007 “Dunns”
Annual Report for the Period
24th October 2011 to 23rd October 2012.

Volume 1 of 1

Holder/ Operator: **IMX Resources Ltd**

Level 2, Unit 18, 100 Railway Road
Subiaco WA 6008

Compiled by: **T. Doyle**
F. Barrett

Date: **21st Sept 2012**

Distribution: MRT- *(1 hardcopy, 1 digital)*
IMX Resources Ltd - *(1 hardcopy, 1 digital)*

ABSTRACT

61 MMI samples were collected to compliment encouraging MMI results from a previous field season. A single heavy mineral concentrate was collected.

2 RC drill holes were drilled to test the surface geochemical anomalies. Final results from the drilling are pending.

Total expenditure for the reporting period was **$137,526.**

KEYWORDS

Tasmania North West, Burnie 250,000 map sheet, Smithton, geochemistry, Ni-Cu sulphide mineralisation, MMI sampling, HMC sampling, RC drilling.

TABLE OF CONTENTS

DIGITAL FILES (ON REPORT CD)

EL172007_201209_01_report.pdf
EL172007_201209_02_Appendix1.txt
EL172007_201209_03_Appendix3.txt
EL172007_201209_04_Appendix3.txt

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDICES

1.0 INTRODUCTION

The following report details work conducted at IMX Resources Ltd's ('IMX') EL17/2007 – 'Dunns' during the period 24th October 2011 to 23rd October 2012. The tenement is located 30km south west of Smithton, NW Tasmania (Figure 1).

1.1 Exploration Rationale

EL17/2007 is considered to have potential for Ni-Cu sulphide mineralisation in subvolcanic basic-ultrabasic intrusions.

1.2 Geological Setting

The Rocky Cape region of northwest Tasmania consists of thick weakly metamorphosed deformed Neoproterozoic sedimentary and volcanic successions (Calver 1998). The oldest exposed succession consists of orthoquartzite, siltstone and minor carbonate (the Rocky Cape Group) that underlies the Togari Group. The Rocky Cape Group is younger than 1200Ma. An angular unconformity separates the Rocky Cape Group from the Togari Group which occupies the Smithton Synclinorium in far northwest Tasmania. The Togari Group (Everard et al. 2007) consists of siliciclastic rocks (Forest Conglomerate), a carbonate -chert-shale unit (Black River Dolomite) dated at 750-650 Ma, rift tholeiite and associated volcaniclastic units (Kanunnah Subgroup) and dolostone (Smithton Dolomite) dated at 580-545 Ma. The Black River Dolomite contains stromatolites and probably had evaporitic affinities. The Smithton Dolomite is overlain by Middle to Late Cambrian sandstone and shale, the Scopus Formation. On older maps e.g. the 1: 50 000 SMITHTON sheet all carbonates and dolostones are shown as Smithton Dolomite.

Dolerite dykes dated at 600-588 Ma and differentiated basic- ultrabasic intrusions related to the tholeiitic sequence were emplaced into the sequence below the Kununnah Group. The Proterozoic- Paleozoic sequence is locally overlain by Tertiary basalts occurring mainly as hill cappings. Basalt compositions range from basanite through alkali olivine basalts to tholeiite.

Both the Rocky Cape Group and the Togaru Group were deformed during the Cambrian and the Devonian.

The presence of subvolcanic basic-ultrabasic intrusions in a sequence of sulphide bearing sedimentary rocks, imply that the region has potential for Ni- Cu sulphide deposits. Possible sulphur sources for Ni sulphide deposits are present in the Cowrie Siltstone (Rocky Cape Group) and in shales of the Black River Dolomite.

2.0 TENURE

Exploration Licence 17/2007, in the Land District of Wellington & Russell vicinity of Salmon River, was granted to Goldstream Mining NL (now IMX) for a term of 5 years from the 24th October 2007. A partial relinquishment of 37.46 km^2 was made during 2009 reducing the licence to 127.54 km^2. In July 2011, an adjustment was made to the northern boundary to close a gap between this licence and a new licence application made using the MGA94 datum. This boundary shift increased the licence area to 128.6km2. Table 1 summarises the licence's history.

Table 1: Licence Details

Licence	Period		Year	Area
	From	To		
EL17/2007	24th October 2007	23rd October 2008	1	165 km^2
	24th October 2008	23rd October 2009	2	165 km^2
	24th October 2009	23rd October 2010	3	127.54 km^2
	24th October 2010	23rd October 2011	4	128.6 km^2
	24th October 2011	23rd October 2012	5	128.6 km^2

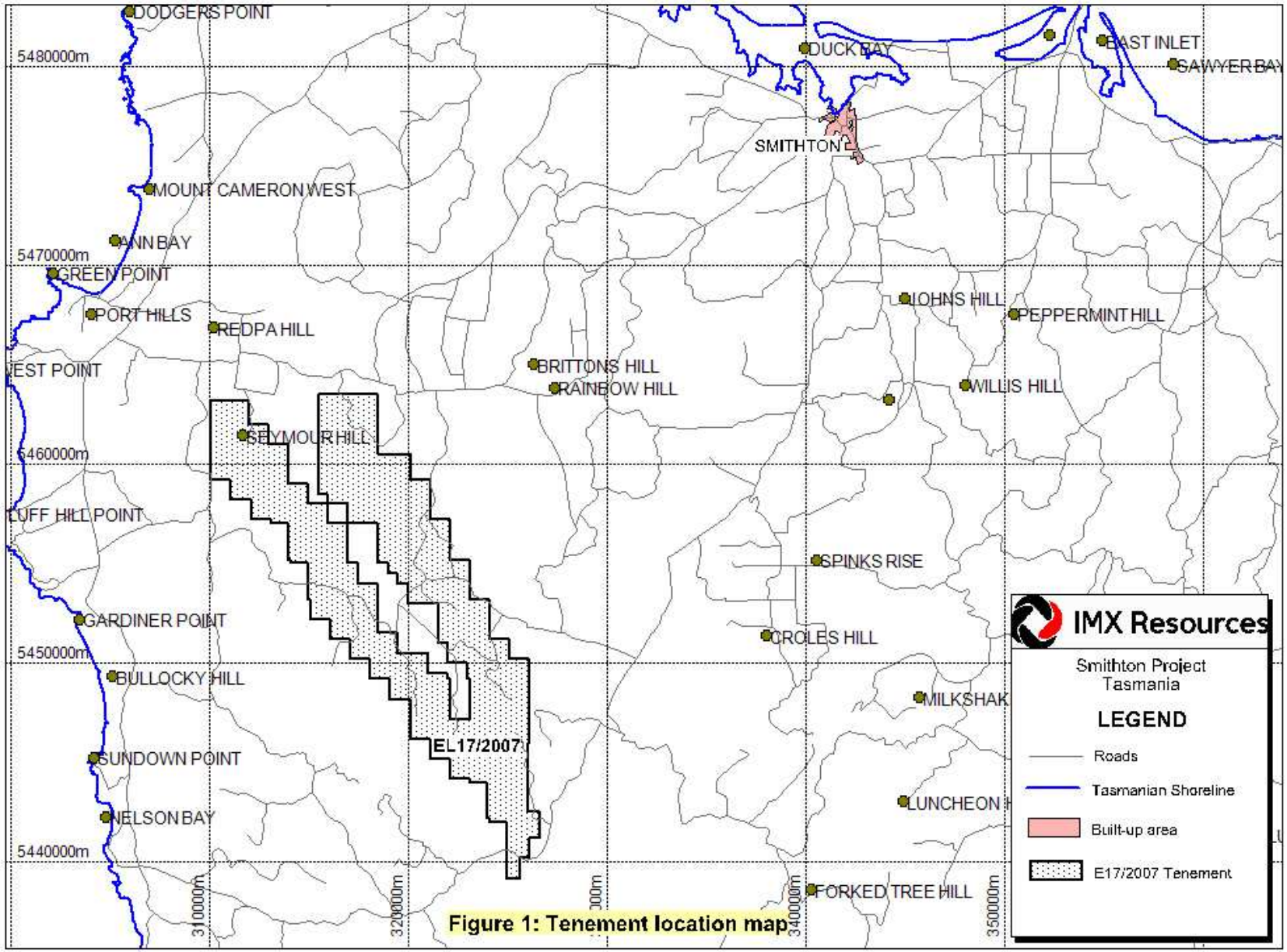

Figure 1: Tenement location map

3.0 REVIEW OF PREVIOUS WORK

Very limited exploration has been carried out within EL17/2007. ANZECO (Kinnane 1972) carried out stream sediment sampling and located sites with very high Sn (max 1.08%) and Cr (max. 33%) in heavy mineral concentrates. Subsequent work revealed that the high Cr and Sn contents originated in widespread alluvial terraces related to Arthur River, but the ultimate origin of the Sn and Cr was not well defined.

Similar terraces are also widespread further north in the Montagu Swamp Area, and all the terraces have been investigated for their Cr contents e.g. BHP (1998). While the Cr grades may be high in small samples the tonnages are orders of magnitude too low for a Cr deposit.

The chromites form 2 populations with one possibly originating in the local volcanic and subvolcanic intrusions, whereas the main population are more likely to originate in rocks similar to the Cambrian basic-ultrabasic complexes further south. The origin of the alluvial chromites is also discussed by Everard et al. (2007)

Pacific Nevada carried out stream sediment sampling, rock chip sampling and a combined airborne EM a magnetic survey exploring for sediment hosted base metal deposits in the southern part of E17/2007, but the project was terminated after one season as the results were not promising (Reid 1998).

Imdex has explored for silica flour over silicified carbonates, and a silica flour mine is being developed near the Arthur River (MacCulloch, 2005).

A detailed aeromagnetic/radiometric survey with 200m line spacing flown by AGSO/ MRT in 1996 has been valuable in locating intrusions due to the generally poor outcrop.

2008 exploration included the completion of an airborne EM survey by Geotech Airborne Pty Ltd (Barrett et al, 2008).

2 RC holes drilled in 2009 targeting EM anomalies had to be abandoned without reaching target as the RC rig could not handle large amounts of water and scheduled to be redrilled as diamond holes in 2010 (Chai, 2009).

35 MMI, 19 soil, 2 stream sediment and 7 rock chip samples were collected in 2010. The MMI produced surprising results apparently providing better geochemical contrast than traditional soil sampling methods hitherto used. Three diamond drill holes were completed for 174m. SRDH03 returned deeply weathered, highly alkaline rocks (Chai and Barrett, 2010).

In 2011, 36 MMI samples were collected to infill better results returned in 2010. All samples contained high Cr and Ti, and some samples showed anomalous Zr, Nb, Li, Pd, Sn and U. Heavy mineral concentrates were obtained from three sites, one of which contained chromites with high Cr and/or high ZnO. Three rock chip samples were collected from mafic outcrops returning peaks of 1039ppm Cr, 118ppm Cu, 172ppm Nb, 17ppb Pd, 6ppb Pt, 72ppm Ni, 145ppm Zn, 11,527ppm Ti, 4.13ppm U and 440ppm V. Petrology of a sample from drillhole SRDH03 (drilled in 2010) showed the rocks were

highly altered alkaline basic / ultrabasic and identified Cu-Sn alloys and fine-grained titanium oxides.

4.0 EXPLORATION COMPLETED DURING THE REPORT PERIOD

4.1 Surface Sampling

Due to the highly leached nature of Tasmanian soil, MMI™[1] sampling was used again during the 2012 field season to further test and rank VTEM targets generated in 2008. 61 MMI™ samples were collected. The MMI™ sampling targeted stratigraphically controlled magnetic highs. Coverage was very uneven and mainly restricted to plantations and cleared areas close to tracks.

Cr and Ti were ubiquitously present in anomalous concentrations while elevated Pd, Cu, Sn, Zr and REEs were present in a number of locations. The presence of Pd without matching Pt in the MMI™ samples and the widespread anomalous Cu suggests that sulphides are present in unaltered rocks. The Cu-Ni-PGE sulphide potential is also indicated by elevated chromite compositions.

A single heavy mineral concentrate was collected from a stream.

Results of all surface sample analyses are presented in Appendix 1 and the location of the samples is shown in Figure 2.

4.2 Geophysical Modelling

Southern Geoscience Consultants (SGS) were contracted to model the dip and depth to fresh magnetic rock to determine ideal drilling orientation of targets generated from surface sampling. The memo is attached as Appendix 2.

4.3 Reverse Circulation Drilling

Geochemically anomalous areas, particularly in Ni, Cu, Co, Sn, Pd and Fe, coincident with magnetic highs were selected for drilling (Table 2). 4 RC holes were planned but only 2 were drilled due to poor drilling conditions (Figure 2). A summary of the drill hole locations is presented in Table 3 and collar and geology files and summary logs are included as Appendix 3.

Table 2: Summary of proposed drill targets

Hole Name	Comments
SRRC05	Broad, multi element anomaly. Anomalous As, Ba, Cs, REE, Mo, Pd, Sb, Rb, Tl, Th, Zr, Ce, Cu, K, Ti, U.
SRRC06	Anomalous in As, Ba, Ga, Li, Mo, Nb, Pd, Rb, Sb, Sc, Sn, Th, Zr, Cr, Cu, Fe, K, Ni, Ti, Pb, Zn. Anomaly fairly sharp and likely to be caused by base metal sulphides, monazite, and by titanium oxides.

[1] MMI™ - Mobile Metal Ion analysis is a low level detection geochemical process that analyses metals in soils and weathered materials using extremely weak solutions of organic and inorganic compounds rather than the conventional aggressive acid digest solutions or fusions. MMI™ extractants, containing strong ligands, are used to detach and hold in solution metal ions which are loosely bound to soil particles by weak atomic forces. The metal ions held in solution are therefore the chemically active or 'mobile' component. These mobile forms occur in very low concentrations that are readily measurable by modern ICP-MS analysis with considerable precision. *Source-http://www.geochem.sgs.com/mmi-process.htm*

The drilling was carried out by Edrill Pty Ltd in August, 2012 using a Globe 2000 truck-mounted drilling rig.

Table 3: Summary of RC holes

Hole name	Easting	Northing	Dip	Azimuth	Depth (m)
SRRC05	319229	5456019	-60	250	37
SRRC06	315888	5456402	-60	230	100

Hole SRRC05 was stopped short of target due to drilling problems.

Each metre was tested by a portable XRF analyser on site and any sample returning anomalous Ni, Cu, Ti, Te, Zr and Sn was sent to Genalysis Pty Ltd laboratory for multi-element analysis by ICP-OES and Au, Pt and Pd by ICP-MS using Pb pre-concentration. The remaining drill cuttings were composited into 4 or 5m samples and sent to Genalysis for Pt, Pd and Au analysis. As the samples were still being assayed at the time of writing, the lab results are not reported here.

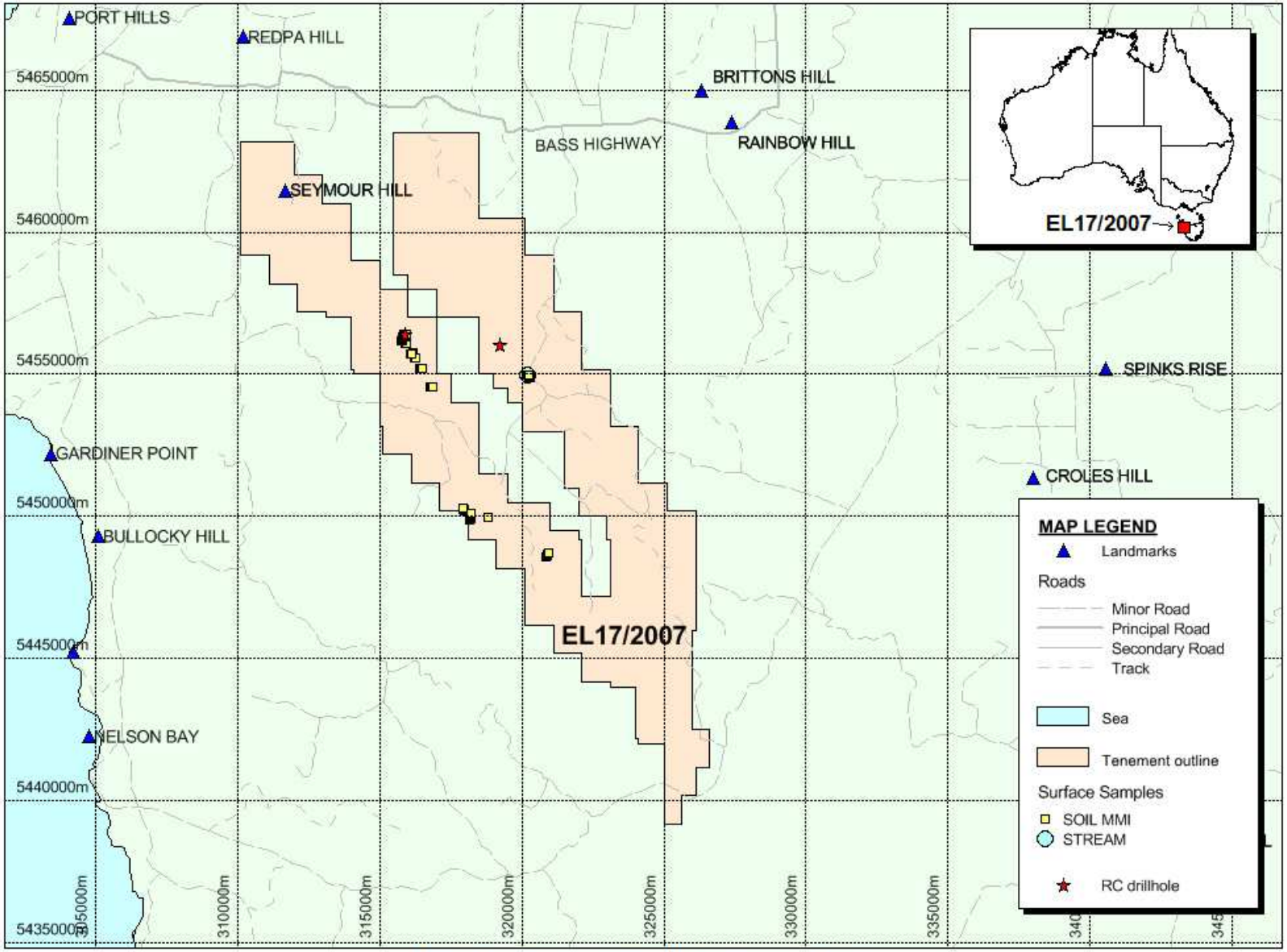

Figure 2: Exploration activity summary map

6.0 DISCUSSION OF RESULTS

The drilling confirmed the leaching of certain elements from surface rock. From portable XRF readings, there seems to be a strong mineralogical control with Cr, Ti and Sn only leached to 3-5m whereas Ca is leached to 25-45m.

The nature of the rocks intersected is still uncertain as drill cuttings appear to be intercalated volcanoclastic sedimentary and basaltic rocks, but the XRF trace element geochemistry suggests basic rocks with alkaline affinities. In the non-leached part of the holes, the more refractory elements do not change levels at the logged lithological boundaries, suggesting the logged boundaries are either textural of alteration-related.

A more detailed discussion will be prepared when the laboratory results and petrographic data are available.

7.0 CONCLUSIONS

EL17/2007 expires in October. IMX will apply for a licence extension to allow adequate time to review the drilling data received from the August drilling programme. If encouraging results are returned from the drilling, more are comprehensive MMI^{TM} sampling will be carried out and new targets drilled.

8.0 ENVIRONMENT

The RC holes were drilled on existing Forestry tracks so no trees were removed. The holes were capped below surface and backfilled at the completion of the drilling. The drill cuttings will be raked and the sumps backfilled when all the analytical data are available.

9.0 EXPENDITURE

Expenditure for Dunn EL17/2007 for the reporting period is listed in Table 4. This summary includes all expenses accrued up to 31st August 2012.

Total expenditure for the reporting period was **$137,526.**

Table 4: Expenditure 2011 to 2012.

Drilling - RC	**$58,931**
Assaying	**$6,025**
Soil Sampling	**$7,215**
Geological Salaries (recharge - staff S & W)	**$7,797**
Field Supplies	**$863**
Geological Consultants	**$14,328**
Geophysical Consultants	**$2,356**
Data Entry / Drafting	**$3,053**
Tenement Administration	**$1,584**
Tenement Rentals	**$6,006**
Computer Software	**$3,220**
Communication	**$61**
Travel & Accomodation - International	**$179**
Travel & Accommodation - Domestic	**$969**
Food & Messing	**$495**
Light Vehicle Hire	**$450**
Consulting Fees	**$2,491**
Road , Site Works, Track Cutting	**$8,527**
Vehicles - Fuel	**$204**
Equipment Hire	**$270**
Overheads (10%)	**$12,502**
TOTAL EXPENDITURE	**$137,526**

10.0 REFERENCES

Barrett F, Manzi M and Chai A, 2008. EL17/2007 "Dunns" Annual Report for Period 23rd October 2007 to 24th October 2008. *IMX Resources Ltd company report.*

Chai A, 2009. EL17/2007 "Dunns" Annual Report for Period 23rd October 2008 to 24th October 2009. *IMX Resources Ltd company report*.

Chai A and Barrett F, 2010. EL17/2007 "Dunns" Annual Report for Period 23rd October 2009 to 24th October 2010. *IMX Resources Ltd company report*.

Calver CR,1998. Isotope stratigraphy of the Neoproterozoic Togari Group, Tasmania. *Aust. Jour. Earth Sci. 45, 865-874*.

Doyle T and Barrett F, 2011. EL17/2007 "Dunns" Annual Report for the Period 24th October 2010 to 23rd October 2011.

Everard JL, Seymour DB, Reed AR, McClenaghan MP, Green DC, Calver CR and Brown AV, 2007. Regional geology of the southern Smithton Synclinorium. Explanatory Notes for Roger, Sumac and Dempster 1: 25 000 scale geological map sheets, far northwestern Tasmania.

Kinnane NR, 1972. Report on the geological reconnaissance and stream sediment sampling programme, northwest Tasmania. *Australia and New Zealand Exploration Company, open file report.*

MacCulloch IRF, 2005. EL33/2004 Annual Report. *Imdex Group of Companies, open file report.*

Pooley G, 2011. *Pers. Comm. via email, 18 April 2011.*

Reid R, 1998. EL14/97 Lovells Creek Report of exploration 05-12-97 to 05-12-98. *Pacific Nevada open file report 98-4234.*

APPENDICES

Appendices are attached in digital format on the report CD.

APPENDIX 1

Surface Sample Data

Metadata

H01	Tenement Holder	IMX Resources Ltd	
H02	Tenement Name	EL17/2007	
H03	Activity	Stream Sediment samples	Mobile Metal Ion soil samples
H04	Location of the data	EL172007_201209_02_Appendix1.txt	
H05	Date created	09/12/2011	
H06	Date modified	31/08/2012	
H07	Parameters of data acquisition / processing	-80# size fraction sampled	
H08	Contractor	Genalysis	Genalysis
H09	Translation Parameters		
H10	Equipment	4 Acid Digestion, MS finish	Mobile Metal Ion Analysis. ICP-MS finish.
H11	Original data format	csv	
H12	Codes	SOIL MMI	Soil sample: MMI
H13	Codes	STREAM	Stream sediment sample: heavy mineral concentrate

APPENDIX 2

Magnetic data modelling report

Southern Geoscience Consultants Pty Ltd ACN 067 552 461
Level 1, 183 Great Eastern Highway, Belmont WA 6104 AUSTRALIA
PO Box 694, Belmont WA 6984 AUSTRALIA
T +61 (8) 6254 5000 F +61 (8) 6254 5099
E geophysics@sgc.com.au W www.sgc.com.au

SOUTHERN GEOSCIENCE CONSULTANTS

MEMORANDUM

TO	Finn Barrett
FROM	Paul Mutton
DATE	26/3/2012
RE	Smithton Magnetic Modelling - Preliminary

Finn,

Below are some notes on the magnetic anomalies adjacent and coincident with the drill holes planned at Smithton.

1 MONTAGU – BUCKBYS RD/GUNNS – SMM347

1. Magnetic Anomaly description: Broad 1km x 400m anomaly with some N/S fabric crossing a broad E/W conductor axis (Figure 1). At least some (all?) of the N/S fabric is due to flying height variations over gullies. The east west lines poorly characterise the East/West striking anomaly.
2. Signs of Remanence: nil
3. Model (potent): Not completed
4. Strike & strike direction: E-W
5. Dip & Dip Direction: Very ambiguous as anomaly is quite symmetrical and has responses from flying height artefacts and magnetic high to south
6. Analytic Signal Image Check:
7. Any adjustment from currently planned hole required: The anomaly has a slightly lower gradient on the N side rather than on the S indicating a N dip. Hole should therefore be drilled to the south

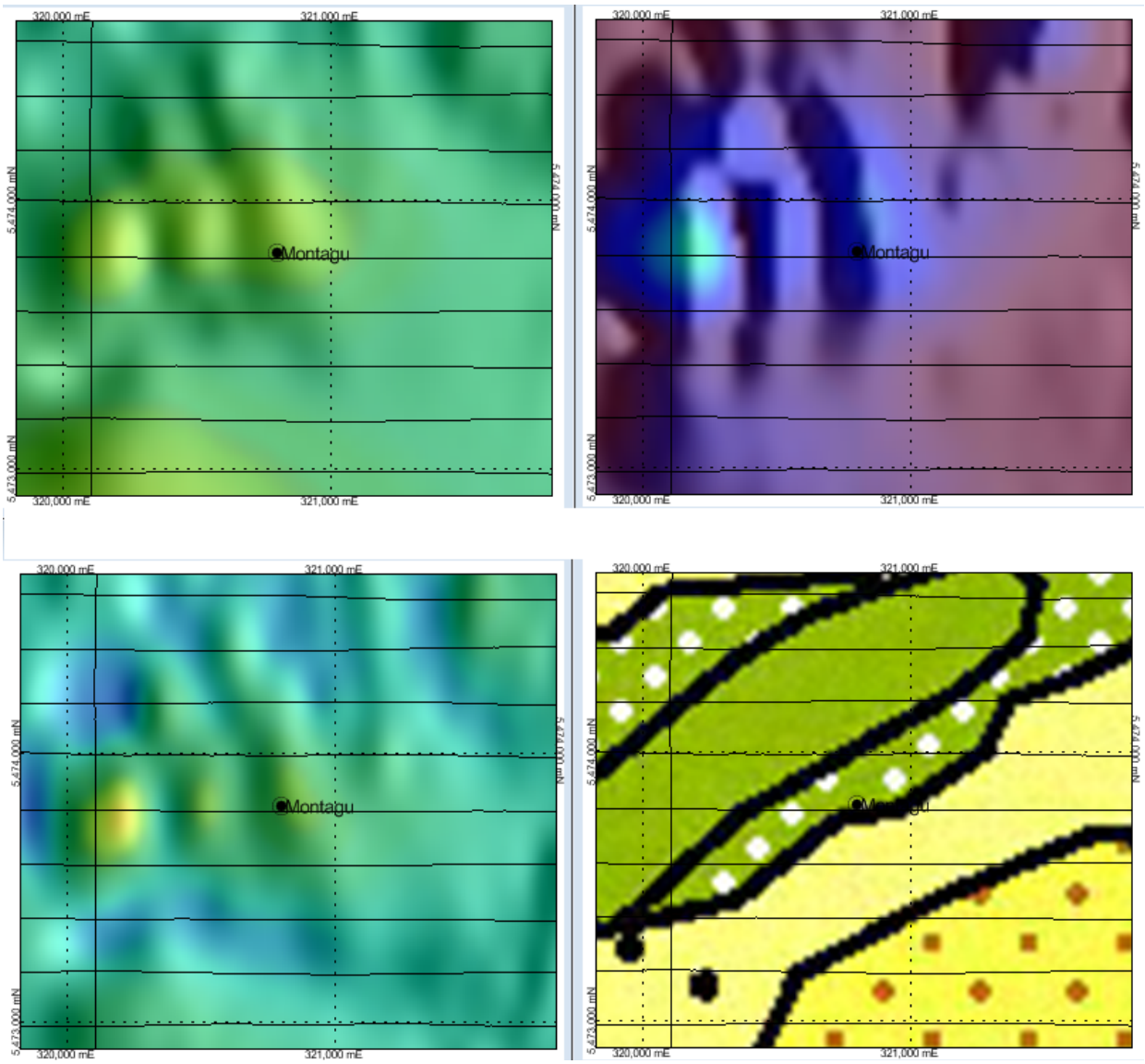

Figure 1 TMI image on upper left and Analytic Signal on upper Right, RTP1VD on lower left and 1:250K geology on lower right

2 MONTAGU – BUCKBYS RD/GUNNS – SMM280

1. Magnetic Anomaly description: Complex N/S anomaly comprising of responses from several shallow magnetic sources (Figure 2). They appear to dip to the east as indicated by a strong anomaly asymmetry.
2. Signs of Remanence: nil
3. Model (potent): Not completed
4. Strike & strike direction: N/S
5. Dip & Dip Direction: Strong indications of an easterly dip
6. Analytic Signal Image Check:
7. Any adjustment from currently planned hole required: None of the holes appear to target a magnetic source (see Analytic signal image in Figure 2). The magnetic sources appears to dip to the east which is supported by field observations recorded on the 1:250K geological map, so a west dipping hole is recommended. If the holes should target the magnetic source then modelling will provide good drill targets.

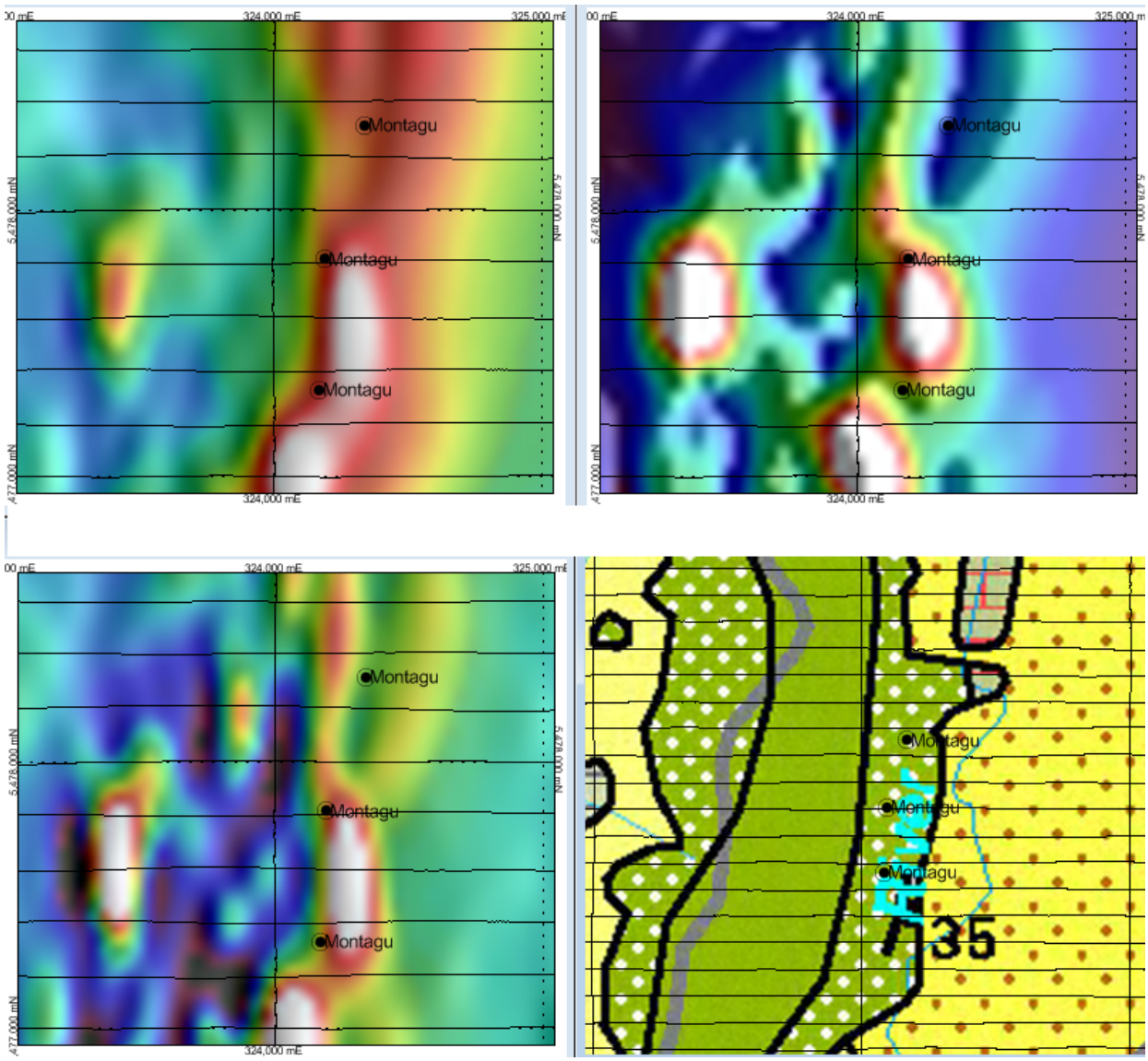

Figure 2 TMI image on upper left and Analytic Signal on upper Right, RTP1VD on lower left and 1:250K geology on lower right

3 DUNNS – WARRA RD SPUR 1A – SMM628

1. Magnetic Anomaly description: On flexure and/or small fault offset on narrow anomaly that extends for many kilometres (Figure 3). Response effected by second magnetic body in close (<250m) proximity to the west. This westerly body response creates ambiguities where present. Where the response is absent 4km to the south the anomaly is symmetrical (ie vertical source)
2. Signs of Remanence: nil
3. Model (potent): Modelling completed however dip is ambiguous as is very dependent on influence of adjacent magnetic body.
4. Strike & strike direction: 150-330
5. Dip & Dip Direction: Ambiguous. Signs of a SE dip in the area but difficult to judge influence of second body to W.
6. Analytic Signal Image Check: Coincident with RTP (no remanence).
7. Any adjustment from currently planned hole required:

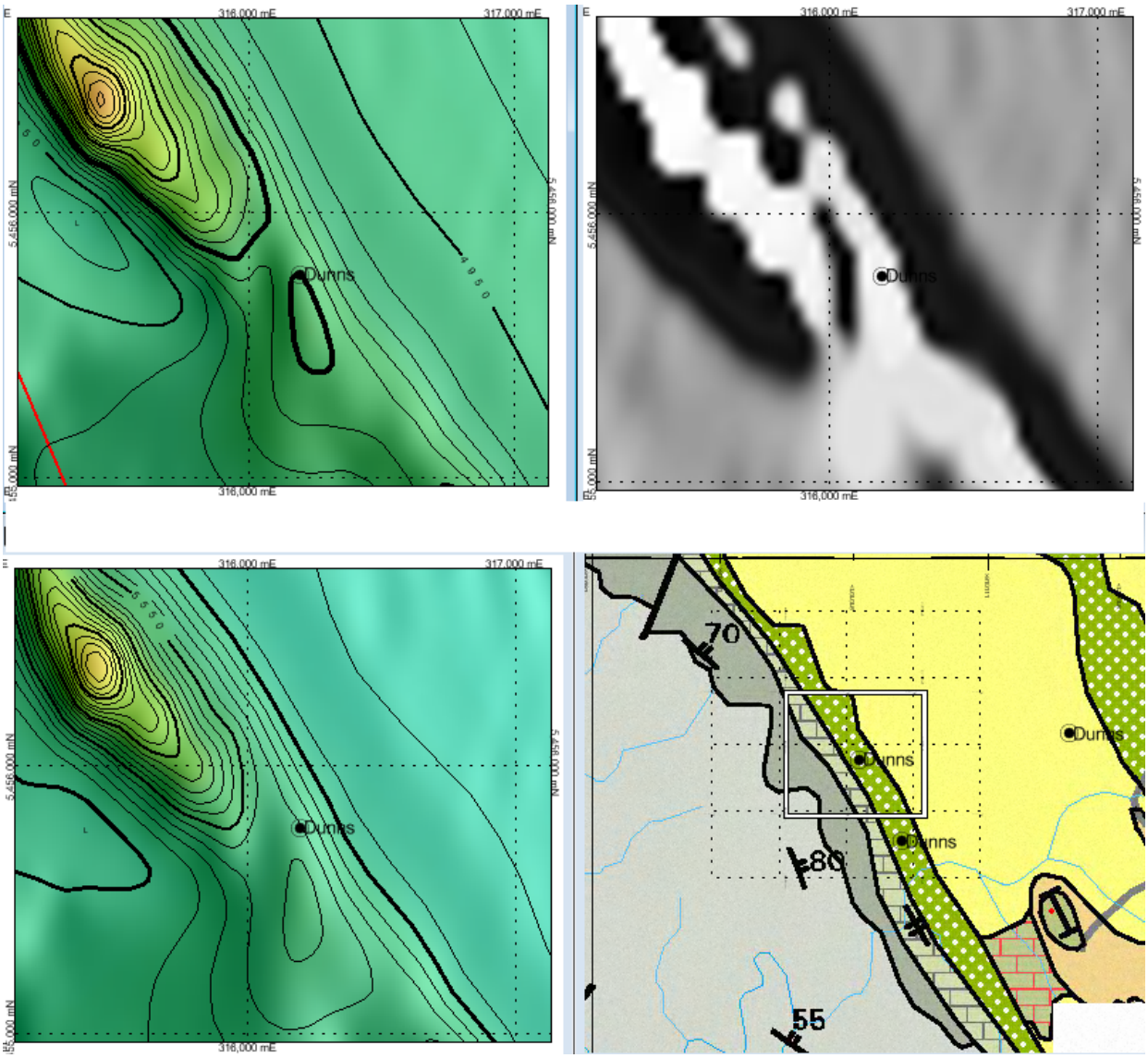

Figure 3 TMI image on upper left and TMI2VD on upper right, RTP on lower left and 1:250K geology on lower right

4 MT FRANKLAND – MONTAGUE RIVER

1. Magnetic Anomaly description : Location appears to be a fault disrupting a long magnetic unit (Figure 4)
2. Signs of Remanence: Yes. Significant low to NW of magnetic anomaly indicates strong remanence present
3. Model (potent): Not completed. Remanence is too strong.
4. Strike & strike direction: NE-SW
5. Dip & Dip Direction: Unknown
6. Depth to source:
7. Analytic Signal Image Check:
8. Any adjustment from currently planned hole required: An adjustment is required if the target is the magnetic unit. It is unclear as to what is being targeted here. Figure 5 shows the google earth photography with the overlain Analytic Signal image

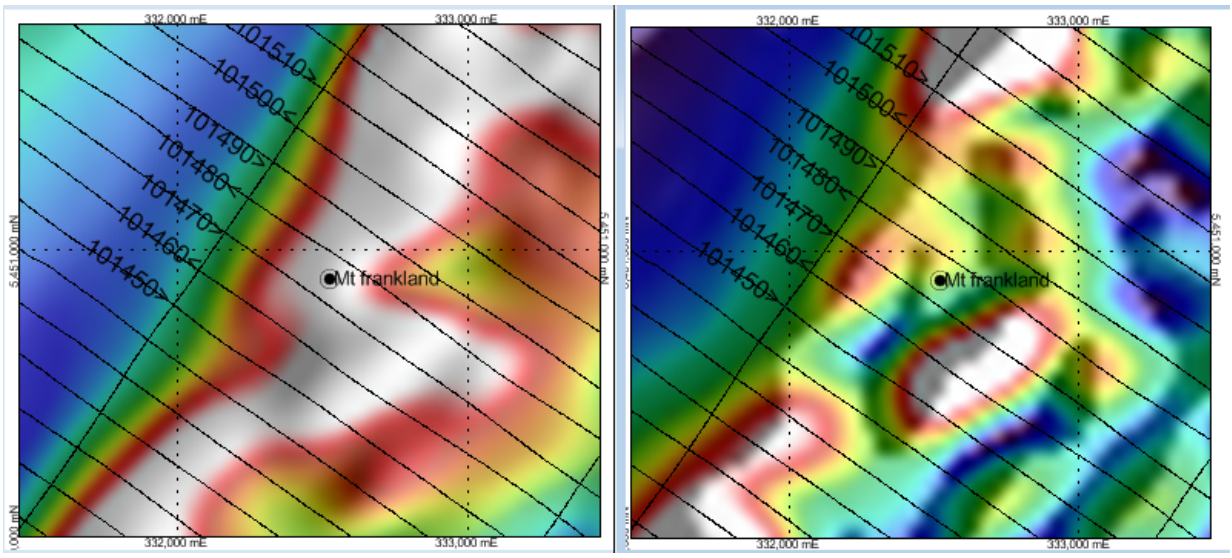

Figure 4 TMI image on left and Analytic Signal on Right

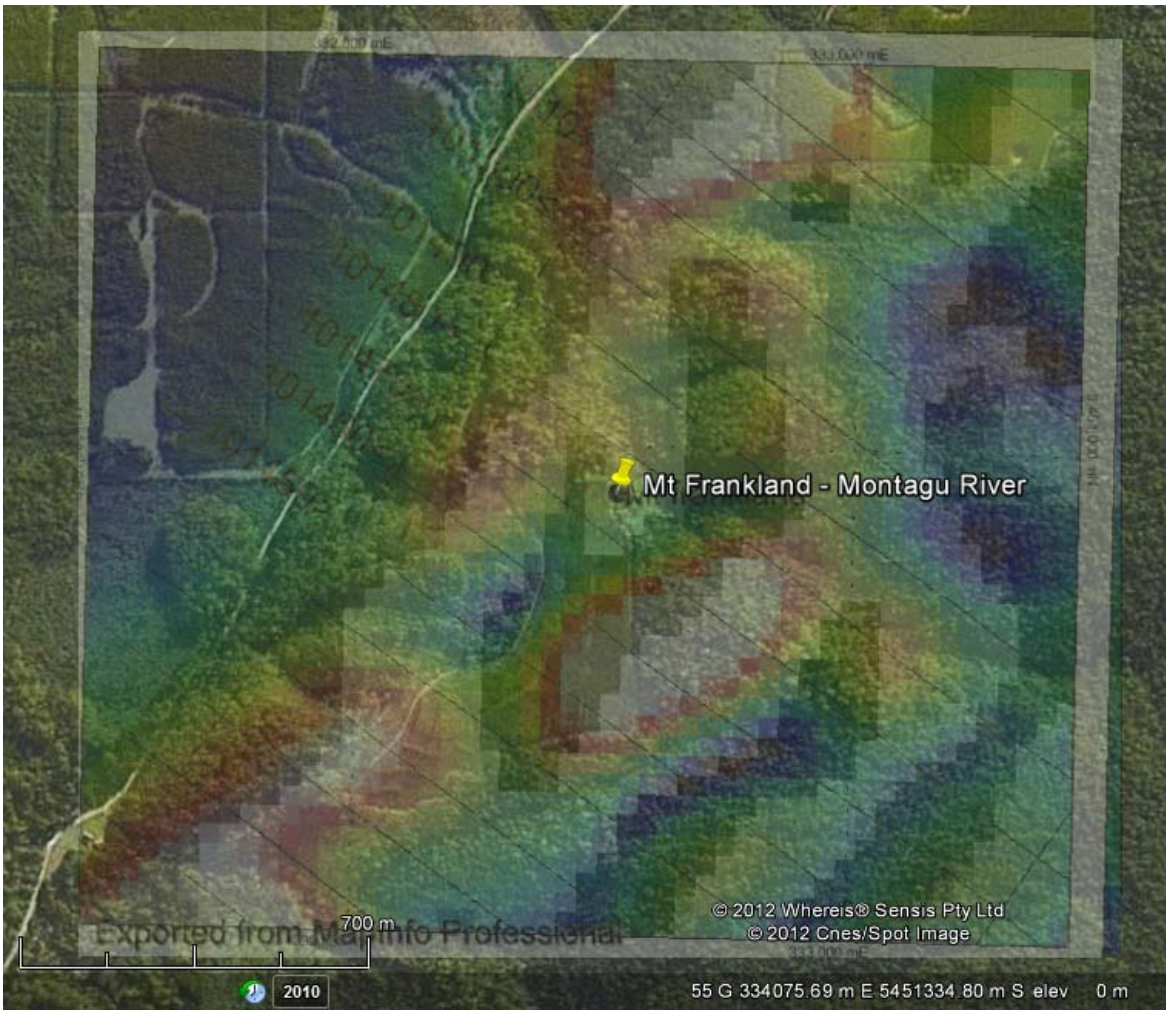

Figure 5 Google earth image with Analytic signal overlay

5 MT FRANKLAND – BLACKWATER SPUR 8

1. Magnetic Anomaly description : North end of a 2km long discrete magnetic anomaly (Figure 6)
2. Signs of Remanence: Looks like little remanence as Analytic Signal image matches TMI image very well (Figure 6)

3. Model (potent): Completed
4. Strike: 155
5. Dip & Dip Direction: 70 degrees towards 065
6. Depth to source: 40m
7. Analytic Signal Image Check: Coincident
8. Adjustment from currently planned hole: Move E about 80m and drill to SE
   Ie Collar 324510E, 5437060N dipping 70 degrees towards 240. This is very close to the road. Collar could also be move to the SW along the road if necessary. The road pretty much follows the magnetic anomaly (Figure 7).

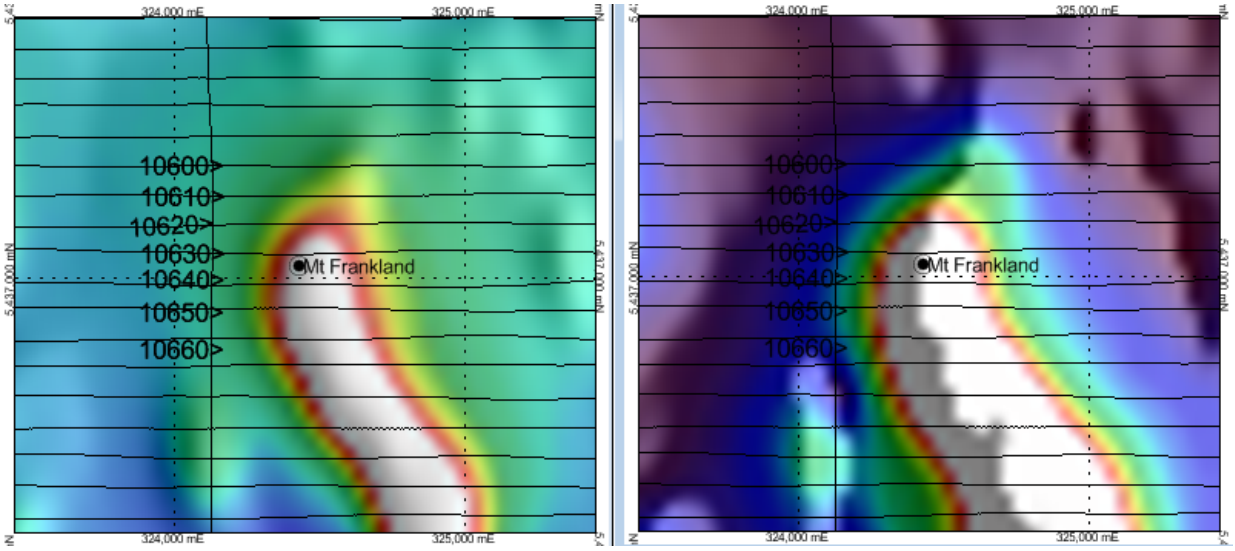

Figure 6 TMI image on left and Analytic Signal on Right

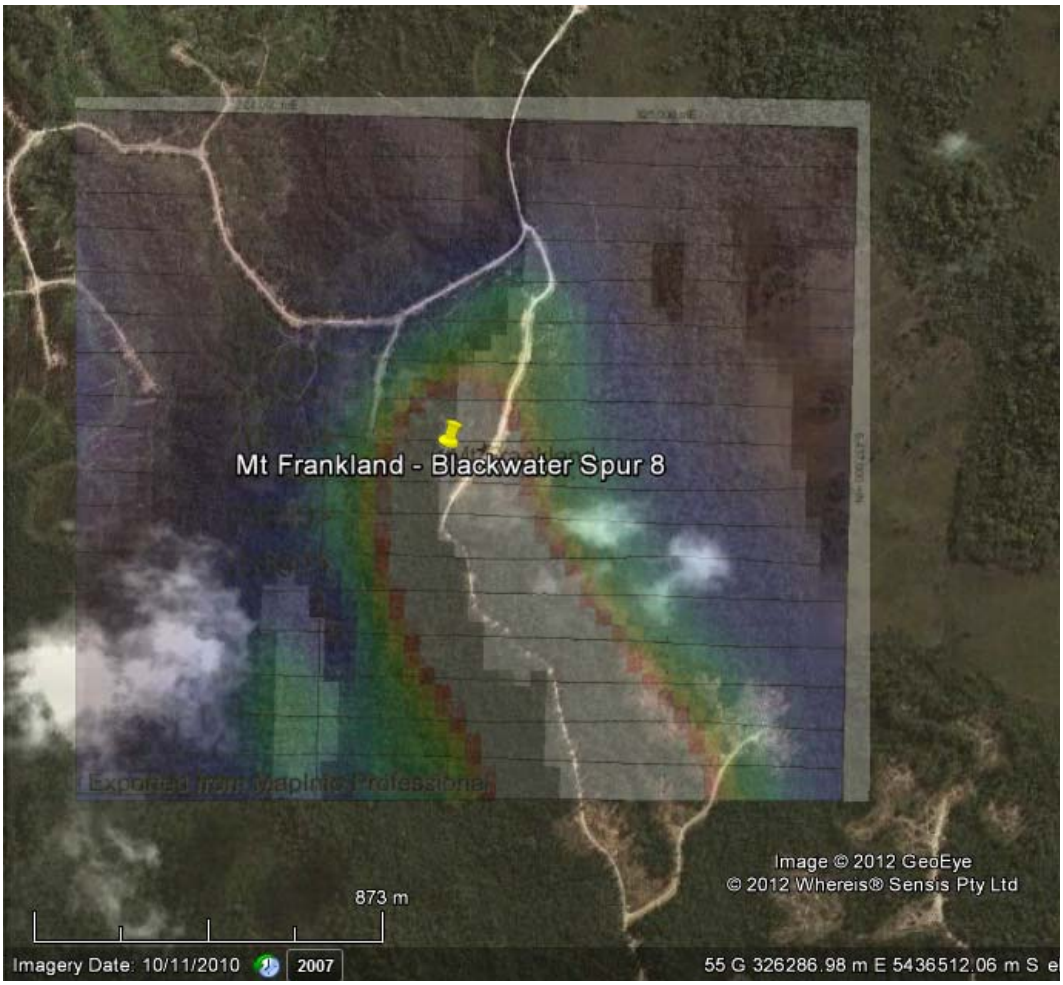

Figure 7 Google earth image with Analytic signal overlay. New hole collar marked with a star

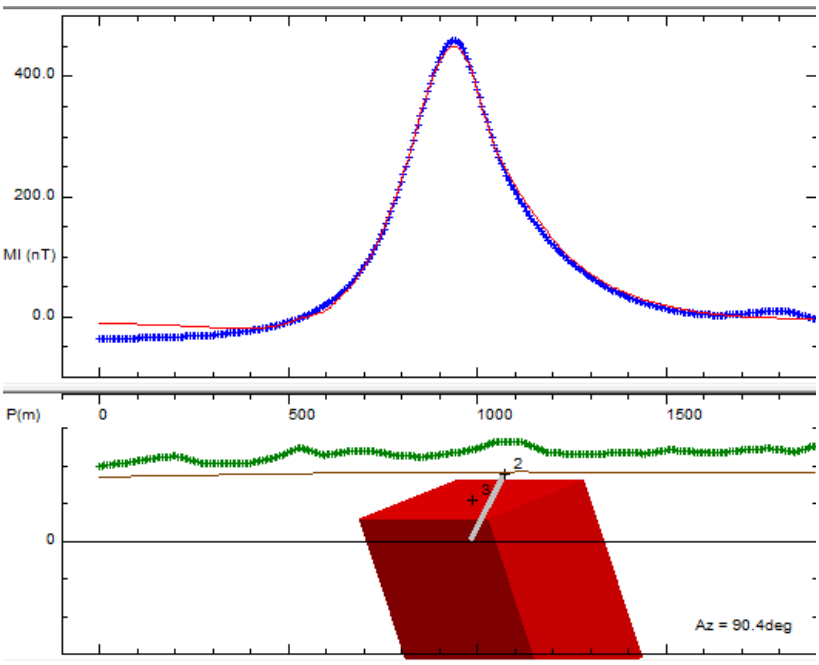

Figure 8 Data with model fit (above) and recommended drill hole in model (below)

6 3 MILE HILL

1. Magnetic Anomaly description : Discrete magnetic high
2. Signs of Remanence: The RTP1VD matches the Analytic Signal quite well (Figure 9) indicating that remanence is minor, however there is a distinct magnetic low on the west side of the anomalies indicating that some remanence is present (Figure 9 and Figure 10).
3. Model (potent): Modelling was attempted however the remanence present and complex anomaly with the superimposed response of multiple conductors (Figure 10) creates models with high uncertainty.
4. Strike: 160
5. Dip & Dip Direction: unknown
6. Depth to source: 100-120m?
7. Analytic Signal Image Check:
8. Adjustment from currently planned hole required: The best targeting strategy is to target the centre of the analytic signal anomaly with a vertical hole. This is at 319800E, 5461440N. This is only 60m from the northern planned drill hole.

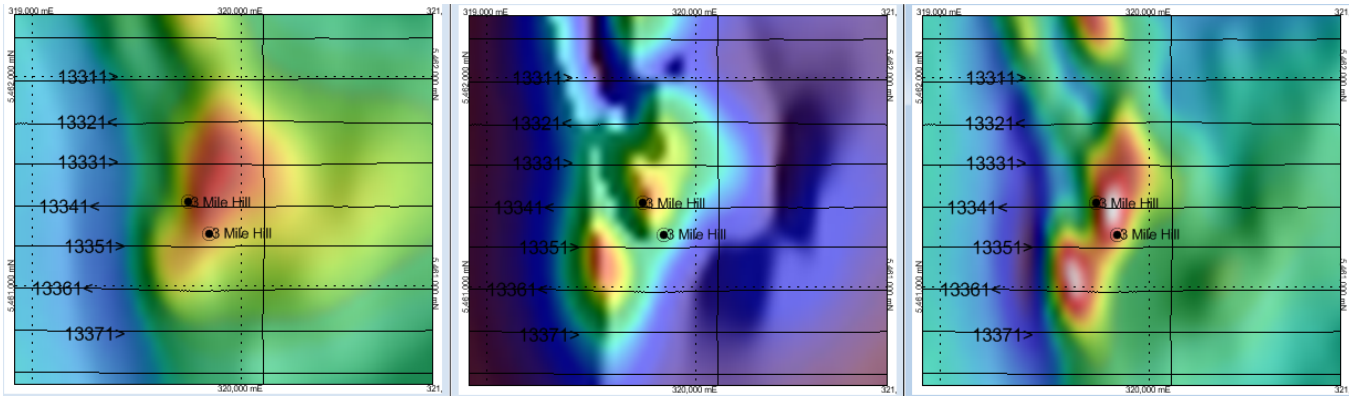

Figure 9 TMI image on left, Analytic Signal Image in Centre and RTP1VD on right. The close correlation between RTP and Ansig images indicates remanence is minor although there is some indication of remanence effecting the anomaly in the SW

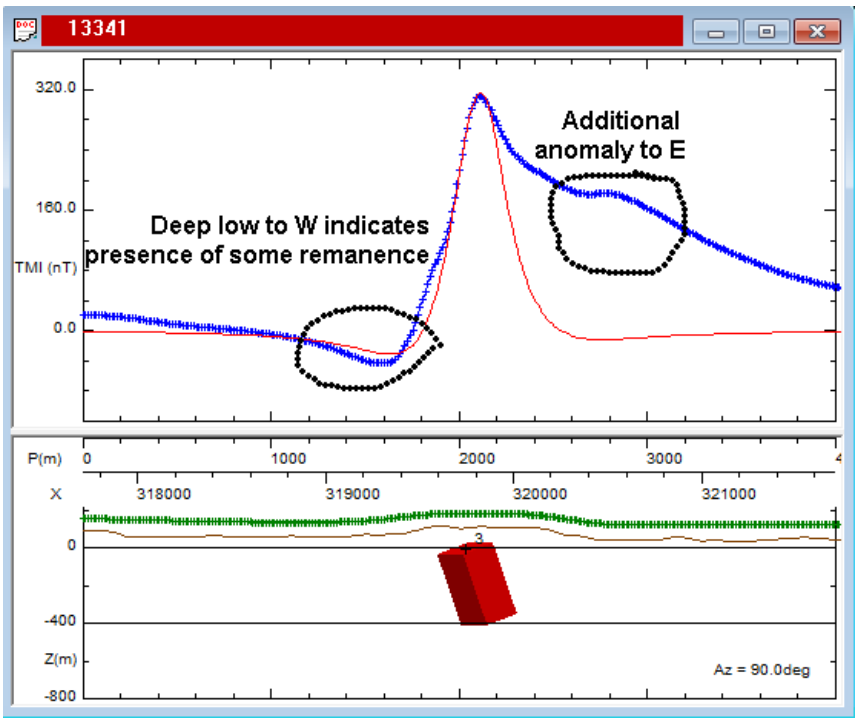

Figure 10 Data (blue) with model fit (black) showing poor fit due to complex anomaly with remanent magnetism present.

7 DUNNS

1. Magnetic Anomaly description :
2. Signs of Remanence:
3. Model (potent): Not completed
4. Strike & strike direction:
5. Dip & Dip Direction:
6. Depth to source:
7. Analytic Signal Image Check:
8. Any adjustment from currently planned hole required

8 MONTAGU

8. Magnetic Anomaly description :
9. Signs of Remanence:
10. Model (potent): Not completed
11. Strike & strike direction:
12. Dip & Dip Direction:
13. Depth to source:
14. Analytic Signal Image Check:
15. Any adjustment from currently planned hole required

APPENDIX 3

Drilling data – location and geology summaries

Metadata: Collars

H01	Tenement Holder	IMX Resources Ltd	
H02	Tenement Name	EL17/2007	
H03	Activity	RC Drilling programme	
H04	Location of the data	EL172007_201209_04_Appendix3.txt	
H05	Date created	27/08/2012	
H06	Date modified	31/08/2012	
H07	Parameters of data acquisition/ processing	RC drill chips spear	
H08	Contractor	Edrill Pty Ltd	
H09	Translation Parameters	GPS	
H10	Equipment	Globe 2000 Truck-Mounted RC Drill rig.	
H11	Original data format	csv	
H12	Codes	RC	Reverse Circulation
H13	Codes	IBF	Ian Fahey

Metadata: Geology

H01	Tenement Holder	IMX Resources Ltd
H02	Tenement Name	EL17/2007
H03	Activity	RC Drilling programme
H04	Location of the data	EL172007_201209_04_Appendix3.txt
H05	Date created	27/08/2012
H06	Date modified	14/09/2012
H07	Parameters of data acquisition/processing	Geology logs
H08	Contractor	Edrill Pty Ltd
H09	Translation Parameters	GPS
H10	Equipment	Globe 2000 Truck-mounted RC drilling rig
H11	Original data format	excel

Drillhole Summary

HOLE ID:	SRRC05	PROJECT:	Smithton			EPM/ML:	EL17/2007
MGA_E:	319229	DIP:	-60	AZI:	250	AZI_MGA:	250
MGA_N:	5456019	Pre-Collar:	8	Survey:		Start Date:	10/08/2012
RL:	87	EOH:	37	LOG BY:	IBF	End Date:	12/08/2012

Descriptive Geology:

From	To	LITH	% Ox/S	Structure	Description
0.0	3.0	CLAY			WH + Brown clay+ ferruginous rock.
3.0	12.0	Saprock			White leached saprock and clay with increasing ferruginous (limonitic) rock.
12.0	37.0	Shale	3% Py		Fine grain dark grey carbonaceous pyritic shale. Fine cubic pyrite disemninated, on weak layering and following fractures. Mnr lamninations. Poss volcanic source rocks. Rock still moderatly to strongly weathered to 17m. Large cavities and hole collapsing at 27m and 31m - hole abandoned.

Drilling Summary/Comments: Pyritic shale/siltstone. Large cavities and hole collapsing at 27m and 31m - hole abandoned @ 37m. Niton data upto 770ppm Vanadium - poss volcanic sediment source rock?

Drillhole Summary

HOLE ID:	SRRC06	PROJECT:	Smithton			EPM/ML:	EL17/2007
MGA_E:	315888	DIP:	-60	AZI:	230	AZI_MGA:	230
MGA_N:	5456402	Pre-Collar:	20	Survey:		Start Date:	12/08/2012
RL:	76	EOH:	100	LOG BY:	IBF	End Date:	14/08/2012

Descriptive Geology:

From	To	LITH	% Ox/S	Structure	Description
0.0	5.0	CLAY			Fn Br clay with weathered rock fragments
5.0	25.0	Saprock	0.5% Py		Clay + strongly weathered rock fragments. Fn ferro mags. Limonitic @ 12m and 24m.
25.0	38.0	Saprock	0.5% Mgt		Clay minerals in matrix+ feldspar+qtz? Weathered greywacke or basalt. Trace magnetite. Limonitic 35m. Fn ferro mags.
38.0	51.0	Basalt			Fine grain Dark Grey matrix with fn feldspar phenocrysts in some metres. Cl alt. Calcite+cl in fractures. Slight patchy reddish colouring in matrix. Calcareous overprint from 43m.
51.0	55.0	Limestone			Strong calcite overprint of original rock. Cl alt.
55.0	59.0	Basalt	Mgt 0.5%	Wk foliation	Fine to medium grained Grey matrix with reddish patchy colouring. Moderatly calcareous.
59.0	79.0	Mafic Volcanic Sediment	Py 0.1%	Wk Foliation WK bdg	Fine grained green grey matrix. Wk Cl alt. Wk patchey red colour 64-70m - alt. Fine plag phenocrysts 70m. Wk calcareous to 74m. Wk laminations. Bedding increasing towards end of interval - more pronounced in some metres. Cubic py 67-68m
79.0	100.0	Siltstone	Py 1% 93-94m	Foliated Wk Bdg	Finely laminated bdg. Finely laminated layers of siltstone+calcareous siltstone+-sandstone. Poss volcanic source. Greeny colour - per Cl alt. Med grained limestone/calc silicate @93-94m with DS

Drilling Summary/Comments: Saprock 5-38m probably weathered Basalt. Basalt 38 to 59m with calcareous overprint. Strong calcareous overprint/limestone 51-55m. 59 - 79m mafic volcanic sediment/siltstone. Siltstone (poss volcanic sediment source) 79-100m Cl alt. Minor pyrite and minor magnetite. Wkly foliated.