

**LYNCH CREEK
TASMANIA
EL 1/2009**

**FINAL RELINQUISHMENT REPORT
25 MAY 2014**

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SUMMARY

This mineral exploration licence is for a total of 11 sq. km and is primarily focused on metallic minerals, specifically silver, lead zinc, reported to have been located in Lynch Ck and the Just in Time prospects. This report summarises exploration completed on EL 1/2009, which Australia Lianghuai Resources has proposed for relinquishment .

INTRODUCTION

The Lynch Ck and the Just in Time districts are very rugged State Forest. The majority of the area is covered with myrtle or eucalypt rainforest.

Access to the Lynch Ck prospect is via Boco Rd then via the Higgins Ck Track, both navigable by standard vehicles, with care.

EXPLORATION PHILOSOPHY

Initially this licence was acquired to locate and assess the Lynch Ck prospect (ref 2260), which is reported to be located at 375240E 5387480N (AMG66).No record of modern exploration has been located since a visit by Reid in 1918.

New owners of EL 1/2009, Australia Lianghuai Resources Pty Ltd decided to also investigate the Just in Time prospect (ref 2207)located at 374845mE 5391475mN (AMG 66), in the North of the licence, to see if there is any connection between the two prospects and if they warranted further exploration.

GEOLOGY

I am really not qualified to comment on the geology of the district. Please refer to Appendix 1 for a review of the geology of the district, by Karen Adams.

PREVIOUS EXPLORATION

1918

The Lynch Ck prospect was first discovered by A. McIntosh Reid and reported in Geological Survey Bulletin No.28. He described it as a “**strong lode**” and that it is “probably the continuation” of the “**Just-in-Time** claim”.

“Very large loose blocks of ore were first discovered in the bed of Lynch Ck.” “The indications of the potentialities of this ore bearing horizon as a source of galena are decidedly encouraging.” (GSB 28 - pages 98-100 plus map)

1963 – 1988

Comstaff carried out significant regional exploration and identified the Will O Wisp and Just in Time prospects. (85_2401)

Several reports mentioned the Lynch Ck prospect but that is all. (68_0540)

Comstaff soil sampled what they called the North and South Lynch Ck Prospects but these are located west of the “OLD” Lynch Ck Prospect. (71_0838 & 72_0849)

Several reports indicated that no work was done on the “OLD” Lynch Ck Prospect. Report 85_2392 provides an overview of Comstaff exploration in the area

1994

Sipa Exploration mentioned Lynch Ck Prospect but did not locate it (page 2 in 96-3725). However this report shows the relationship of Lynch Ck. Prospect to the Bobadil Fault and indicates the Bastyn Dam Prospect is along strike to the south. It also has some interesting comments on the geophysics of the area. (96_3907)

1993 – 1997

Pasminco Exploration explored the Just in Time prospect but did no work on the Lynch Ck Prospect. (97-4004)

2007 – 2009

Bass Metals conducted no work on the Lynch Ck Prospect or the Just in Time Prospect. (08_5680)

2010-2013

Australia Lianghuai Resources did soil sampling by hand and Stihl powered auger to “C” horizon was conducted in two phases by Australia Lianghuai and Ron Gregory staff at Lynch Ck South, Several very low grade Lead anomalies were detected, but are considered not worthy of follow-up. Location and results could be found in previous annual report.

WORK COMPLETED DURING THE 2013-2014 REPORTING PERIOD

North Lynch Creek

Removed the tented camp near the Huskisson River by Helicopter. Howard and one field assistant drive to hatfield river, walk into the camp, pack up gear, build bridge from local trees. Then Helicopter get the gear out.

EXPENDITURE 2013/2014

Ron Gregory Prospecting- tented camp remove \$10653.5

Administration Fee 10% \$1065.35

Total \$11718.85

REFERENCES

Not all the EL5/63 reports are quoted here as they are quite numerous.
Only those that had some mention of Lynch Ck prospect or relevance are noted.

- GSB37 – The North Pieman and Huskisson and Sterling Valley mining fields
Reid, A.M.
ER8014N – Geological Survey Explanatory Report, SHEET 44, Mackintosh
68_0540 – Geological review Exploration Licences EL 5/63, EL 1/68 and 7 AP/AM
North West Tasmania
Cornwall, F.W.D.' McBride, B.
71-0838 – 1970-1971 Summer Field Season Report, EL 5/63
Chisholm, T., Everett, M.P., Henry, D., Pigott, G.F., Wallis, D.
72_0849 – EL5/63, 1971/1972 Summer Field Season Report, Huskisson Grids.
Pigott, G.F.
82_1690 – Six Monthly Report to Tasmania Dept of Mines for the period Ended 30 Dec,
1981; Summary of Work Completed in Progress and Proposed for EL
85_2392 – An Assessment and Review of the Chester, Silver Falls and Pinnacles Area
(’69-’70)
Everett, M.P.
Anderson, B.E., Green, N.P., Jones, C.M., Pigott, G.F., Yardley, S.R.
85_2401 – Proposals for further work in the Will O’ wisp (CAB) Area of EL5/63
Everett, M.P.
95_3725 – Sipa Exploration NL Annual Report EL 29/91
Morant, P.
96-3907 – Golden Reef Enterprises, Final Report EL 29/91
White, A.H.
08_5680 – Bass Metals Ltd, Huskisson Project, Partial Relinquishment Report, EL
3/2005
Bates, S.

APPENDIX 1
Brief Discussion of Geology of Exploration Licence 1/2009
(Based on literature review) Huskisson River District

Karen Adams January, 2011

1.

The Huskisson River Exploration Licence 1/2009 is comprised of four main rock groups: The Oonah Formation (Proterozoic), Dundas Group (Cambrian), Tyndall Group (Cambrian) and the Crimson Creek Formation (Cambrian). Work done in this area previously includes geophysical surveys, stream and soil geochemical analysis and geological mapping. It is noted in the majority of the exploration reports reviewed for this document that the rugged terrain and inhospitable weather are major correlates to the amount of work that has been done on the district. Outcrop is described by White (1996) as being restricted to road cuttings as a result of glacial overburden that can be quite thick and partially cemented.

The oldest rocks on the lease are those of the Oonah formation, part of which is represented by a fault bounded sliver of this Neoproterozoic age formation that dominates the western half of EL 1/2009. These meta-sediments are generally described as thinly bedded calcareous siltstone and conglomerate with minor quartzwacke and mudstone. The Oonah Formation is a highly deformed sequence and is thought to have undergone at least seven different deformation events.

The Cambrian rocks in the area are described as being comprised of shale to sandstone, tuff to greywacke and conglomerate with intercalated volcanic rocks (Everett, 1971). The Crimson Creek Formation occurs west of the Bobadil Fault in a north trending belt and comprises the central sliver of EL 1/2009. This formation can consist of andesitic volcanic derived coarse and fine grained turbiditic rocks, with some noted occurrences of thinly bedded felsic tuffs (White, 1996). These tuffs are likely to be ash fall tuffs as they are noted to be fine grained. They are noted to be completely composed of fine grained sericite with coarser grained clots.

Dundas Group rocks occur in the south-east corner and north-eastern branch of EL 1/2009. In the south East, they host the Lynch Creek prospect which contains Pb-Ba mineralisation. Previous geochemical analyses have identified base metal anomalies in the vicinity of the Bobadil Fault in this area. In conjunction with the Lynch Creek Ba-Pb association, it should also be noted that barium (commonly in barite lenses) is known to be associated with base metal deposits on Tasmania's west coast. This occurs at Rosebery (Pb-Zn-Ag), North Lyell (Cu +/- Pb), and at the Just In Time and Silver Falls prospects within and Near EL 1/2009.

2.

2.

The Dundas Group in general is comprised of tuffs, slates, greywacke, siltstones and conglomerates and has been aged as middle to upper Cambrian due to fossil occurrences. This sequence is thought to have a conformable contact with the underlying Crimson Creek Formation (Cornwall & McBride, 1968).

Outcropping Dundas Group in the area of EL 1/2009 has been described as coarse volcanoclastic breccias, which are thought to be of acid to intermediate volcanic origin, interbedded with carbonaceous mudstones (White, 1996). White (1996) also points out the possibility that in this area there is limited thickness of the Dundas Group due to a shallowly dipping Rosebery Fault.

The Dundas Group is generally considered a prospective unit for VHMS type deposits. There is also the potential for CSA style Pb-Zn replacement deposits in Dundas Group rocks that are situated in appropriate structural settings along the generally north-south trending Bobadil Fault (White, 1996).

In the far north-eastern corner of EL 1/2009 occurs an area of Tyndall Group rocks. The Tyndall Group is a part of the greater Mt Read Volcanics. This sequence is mainly volcanoclastic to polymictic sandstone, breccia, siltstone, mudstone and conglomerate with contained sequences of dominantly siliciclastic conglomerate and sandstone.

The Silver Falls and Pinnacles Pb-Zn-Ag prospects (to the west and south-west of EL 1/2009) occur within the Mt Read Volcanics, towards the base of the sequence and near the upper Success Creek Stratigraphy, and according to McBride (Cornwall & McBride, 1968), this stratigraphic area (the top of the basal Cambrian Success Creek Group) is prospective for the occurrence of base metal deposits on the west coast of Tasmania.

McBride adds that the major mineralisation phenomena in the west of Tasmania could be linked to an orogenic time where the Success Creek and Mt Read Volcanics were separated from the overlying sediments to account for the concentration of known deposits occurring at this particular area of the stratigraphic column.

Cornwall also notes that in the north west of Tasmania the majority of known mineralised occurrences are associated with the Cambrian sediments and volcanics (Cornwall & McBride, 1968). For example, the massive sulphide deposits in the area such as Rosebery, Hercules and Farrell are all located in sedimentary sequences composed of tuffaceous shales within the massive pyroclastic rocks of the Mt Read Volcanics.