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EL28/2001 Annual Report

'Tyndall Creek'

EL28/2001

Vol. 1 of 1

HELD BY:	**UNITY MINING LTD.**
MANAGER & OPERATOR:	**UNITY MINING LTD**
AUTHOR:	**C. Timms, M. Blake, B.Pallett**
DATE:	**MAY 2014**
MAP SHEETS:	**1:25k Tyndall (3835)** **Oceana (3635)** **1:100k Sophia**
GEOGRAPHIC COORDS (GDA94):	**Min East: 379,100mE** **Max East: 382,100mE** **Min North: 5,356,200mN** **Max North: 5,360,200mN**

COMMODITY(s): Au, Basemetals

Summary

During the lease period UML has:

- finished recutting old gridlines and new gridlines on the eastern margin of the lease around Tyndall Creek through to Jasper Point
- completed a B-horizon soil sampling program and
- rehabbed one drill hole at Newton Dam

Expenditure on the tenement since May 10 2013 has been $108,525

UML will be applying for a 12 month extension to EL28/2001 and intends to drill based on combined lithological, structural, geochemical and lithological targeting.

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1. Introduction

This report details work completed by Unity Mining Limited (UML) on EL 28/2001 over the past year.

EL28/2001 was due for relinquishment on 10 May 2014.

UML have submitted an application for extension of the entire tenement for 12 months.

The licence area consists of crown land and land vested in the HEC, both land uses coming under the mines act. The far western edge of the tenement is part of the Mt Dundas Regional Reserve (World Heritage Recommended Area for Protection). The far eastern extent, east of the HEC high-tension power lines is the Tyndall Regional Reserve. Any disturbances in these areas require notification and approval from the Mineral Exploration Working Group (MEWG). Further conditions of exploration are outlined in the Exploration Code of Practice (produced by Mineral Resources of Tasmania (MRT)).

The land vested in the HEC includes Lake Newton and associated pump station, the Henty canal, the high-tension power lines and service tracks.

1.1 Tenure

EL28/2001 was acquired in 2002 by Placer Dome Asia Pacific (formerly AurionGold Exploration and previously Goldfields Exploration) after a successful tender for ETA 552.

Barrick (Henty) Limited acquired the EL in January 2006, following the global takeover of Placer Dome by Barrick Gold Ltd.

In July 2009 Bendigo Mining Limited (BML) purchased the Henty Gold Mine and EL 28/2001 from Barrick Australia. BML subsequently applied for, and were granted, a variation to the tenement, which enlarged the area to the south by 1.4 sq km (Figure 1).

1.2 Location and Access

Lake Newton (EL28/2001) occurs midway between Queenstown and Tullah on Tasmania's West Coast. The EL's northern boundary abuts the Henty Gold Mine lease 5M/2002 (Figure 1). Local access to the tenement is off the Howards and Anthony Roads.

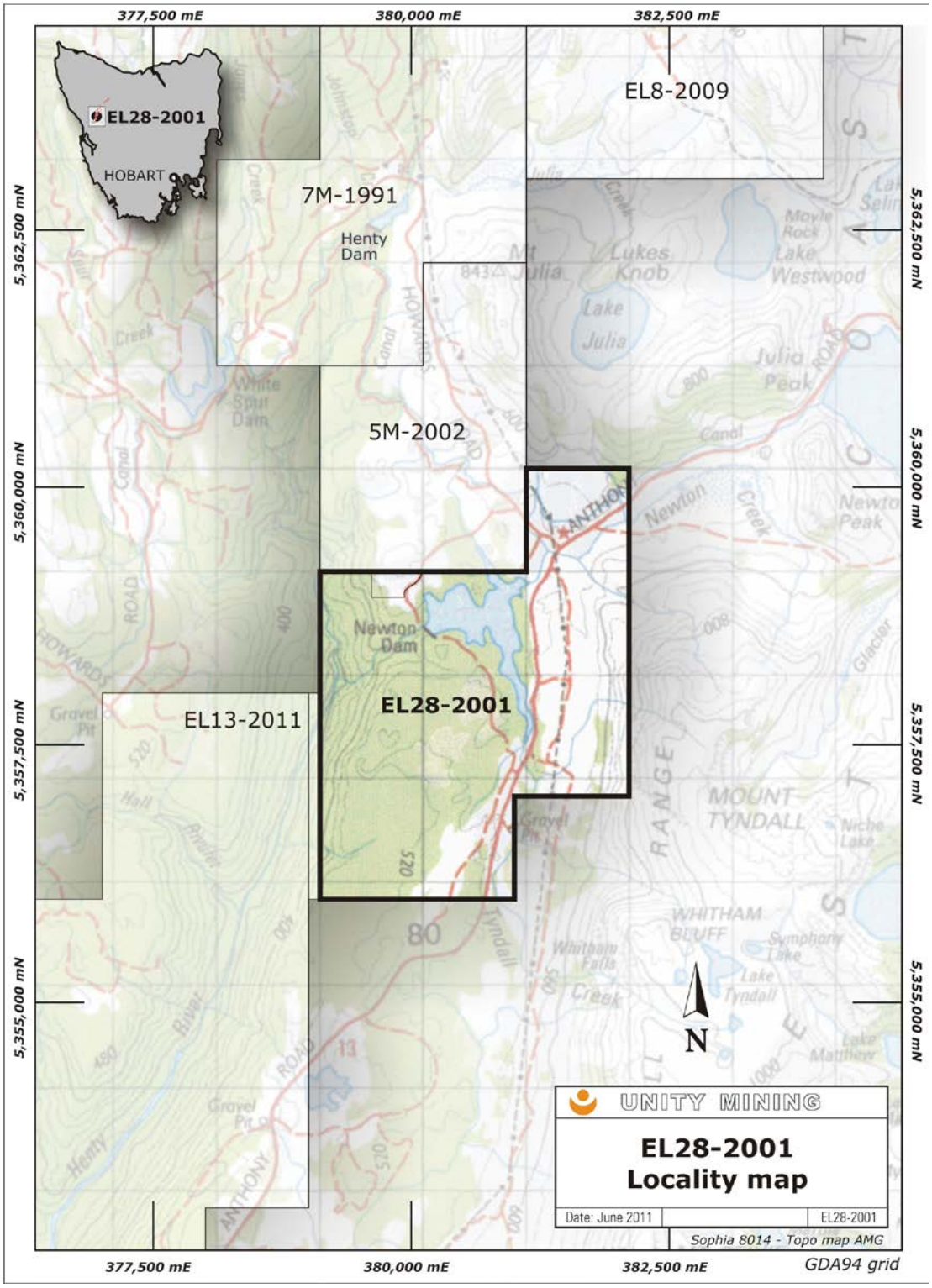


Figure 1: Location of EL28/2001 (map in GDA 94 projection).

1.3 Regional Geology

This section is taken from the Annual Report for this tenement for the period April 2008-April 2009 (Barrick 2009):

Basement rocks of western Tasmania comprise sediments multiply deformed during the Late Proterozoic Penguin Orogeny (700±50 Ma) (Berry, 1994). A rift phase followed, characterised by continental shelf sedimentation and tholeiitic volcanism (Crawford and Berry, 1992).

The first phase of the Cambrian Delamerian Orogeny (510-490 Ma) is characterised by extensional tectonism which resulted in the rapid deposition of sediments and calc-alkaline volcanics (Mount Read Volcanics), particularly along the eastern margin of the newly formed Dundas Trough (Berry, 1994).

The Mount Read Volcanics (MRV) interfinger with the Dundas Group to the west and are bound by Precambrian rocks of the Tyennan Region to the east.

On the south-eastern side of the Henty Fault, the MRV package can be divided into four main lithostratigraphic groups (Corbett, 1992). These are: the Western Volcano-Sedimentary Sequence (WVSS), the Central Volcanic Complex (CVC), the Eastern Quartz Phyric Sequence (EQPS) and the Tyndall Group (TG).

The WVSS comprises rocks of the Dundas Group and the Yolande River Sequence (Corbett, 1992) which interfinger with the lava rich zones of the CVC and the EQPS sequence. The WVSS was deposited in a marine setting and consists of tuffaceous mass flow deposits, volcano-sedimentary siltstones/mudstones, volcaniclastic turbidites and black graphitic shales (Corbett & Lees, 1987).

The CVC is the central belt of the MRV and interfingers with both the WVSS and EQPS. CVC lithologies are predominantly feldspar-porphyritic rhyolitic to andesitic volcanics and pumiceous volcaniclastics, with lesser intercalated minor sediments and mafic units (Corbett 1992). A useful geochemical subdivision is proposed by Crawford et al (1992) where the CVC is split into two distinct geochemical suites (Suite 1 and Suite 2, see Section 1.4: Local Geology).

The EQPS occurs along the eastern margin of the MRV belt and interfingers with the CVC to the west. The package comprises rhyo-dacitic lava-dominated volcanics with common quartz-feldspar phyric intrusives (Corbett, 1992).

The TG comprises a lower association consisting mainly of crystal-rich sandstones and polymictic breccias with minor rhyolitic and andesitic lavas, overlain by the volcanogenic conglomerate and sandstone units of the upper TG.

The last phase of the Cambrian Delamerian Orogeny (~490 Ma) caused the earlier faults to be reactivated as reverse faults and formed open north trending folds along with the uplift and erosion of the Tyennan Block which formed the Owen Group conglomerates (Berry, 1994). The Owen Group appears to conformably overly the TG in the Henty area (Corbett, 1992).

Deposition of the Owen Group ceased in the mid Devonian with the onset of the Tabberabberan Orogeny resulting in tightening of the north trending Cambrian Folds in the Dundas Trough with formation of a NNW striking cleavage (Berry, 1994).

1.4 Local Geology

1.4.1 Stratigraphy

The stratigraphy of the South Henty lease has been well documented by previous workers through detailed lithogeochemistry and mapping. The stratigraphic interpretation remains largely unchanged following work completed by Barrick with the exception of separating the Howards Basalt unit into an upper and lower unit. A slightly amended stratigraphic column is suggested for the South Henty area and has been summarised in Figure 3.

In the Lake Newton area the volcanic package comprises a section of Central Volcanic Complex (CVC) conformably overlain by lower Tyndall Group stratigraphy. The CVC is broadly divided into a lower association (Suite 1) and an upper package (Suite 2), based on geochemical divisions (Crawford et al, 1992). The lower CVC (Suite 1) comprises a package of interlayered feldspar-phyric rhyolitic to dacitic lavas, volcaniclastic breccias, conglomerates and crystal rich sandstones (Williams, 2000).

The overlying upper CVC (Suite 2) is commonly referred to as the Anthony Road Andesites after the andesite members that dominate the package, but is also known as the Anthony Road Volcanics (ARV). Upper CVC units within the tenement area are dominated by a quartz-feldspar porphyry facies interpreted to be a sill in the South Henty area (Street, 1999) and a comagmatic package of interlayered plagioclase+hornblende-phyric andesite units with lesser interlayered sandstone, mudstone and carbonate units (Williams, 2000).

Conformably overlying the CVC package are crystal-rich sandstones, polymictic breccia units and lesser quartz-feldspar felsic lavas of the Lower Tyndall Group. The felsic lavas of the Tyndall Group are characteristically Suite 1 (Williams, 2000).

1.4.2 Structure

Two major structures constrain the Cambrian lithologies in the Lake Newton area, the South Henty Fault to the west and the Great Lyell Fault to the east. The South Henty Fault is a steeply west dipping (60-90^{o}) major regional structure which forms the western boundary of the Yolande River Sequence, CVC and Tyndall Group rocks. The Great Lyell Fault forms the eastern margin of Cambrian lithologies and is a large west dipping fault with several hundred metres of displacement (Corbett & Lees, 1987).

Bedding is generally steeply dipping to the east and occasionally appears overturned, dipping steeply to the west. A tight, shallow, north plunging syncline is located near the Great Lyell Fault in the southeast of the lease and may be a southern extension of the Mt Julia syncline (Callaghan, 1999). A major regional S_2 foliation is noted by Callaghan (2003) which steeply dips towards the southwest and overprints most rocks in the Lake Newton area.

Callaghan (2003) also notes evidence for extensive ductile deformation in the Howards Anomaly area. In this area the Howards basalt horizon has a strongly developed foliation and down dip stretching lineation in chloritised basaltic breccias grading into brittle faulting and kinking of the earlier foliation. The fault represents the extended limb and hinge of a series of NNW trending asymmetric folds located in the SE corner of the EL which extend southwards. These structures mark the change from dominantly east-facing, steeply dipping bedding, strongly influenced by the Henty Fault in the west to flatter lying strata to the east. The bedding to the east is disrupted by N to NNW trending open to tight folds and associated faulted limbs with wavelengths of approximately 200m in the east (Callaghan, 2003).

The geology of the tenement is shown in Figure 2, the legend in Figure 3, with the stratigraphy outlined in Figure 4.

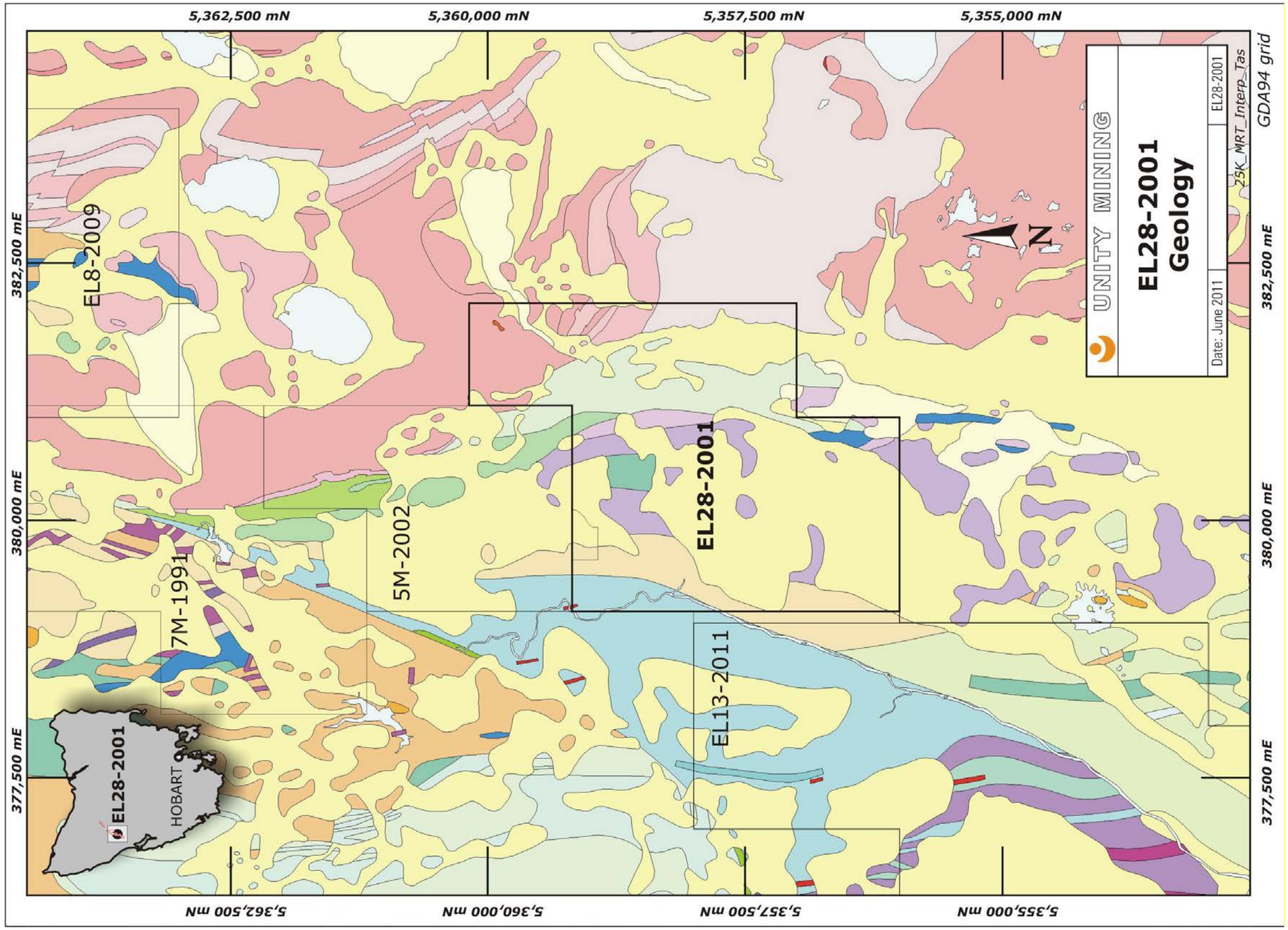


Figure 2: Geology of EL 28/2001 from the MRT 1:25,000 Map series.

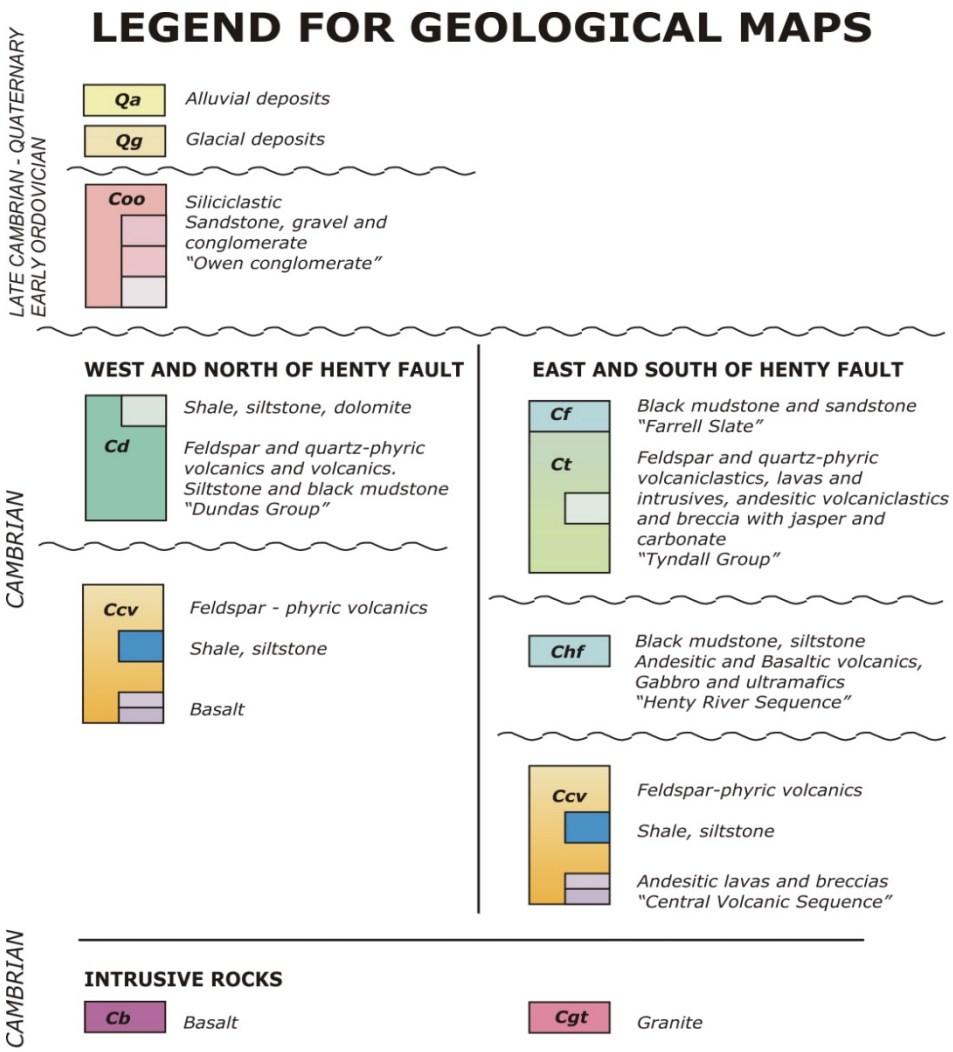


Figure 3: Geological legend

Henty Area Stratigraphy				
	Group	Formation	Unit	Lithologies
Late Cambrian-Ordovician	**Owen Group**		*Owen Conglomerate (OC)*	Siliciclastic conglomerate and sandstone
			Newton Creek Sandstone (NCF)	Turbiditic micaceous siltstone, quartzwacke and conglomerate
Cambrian	**Tyndall Group (Suite 1)**	Zig Zag Hill Formation (ZZH)		Rhyolitic volcaniclastic sediments
				Bedded sandstone-siltstone units
		Comstock Formation		Syn-eruptive quartz-feldspar crystal rich sandstone. Massive quartz-phyric rhyolitic lavas, breccias and intrusions (Mt Julia Rhyolite)
			Mt Julia Member (MJM)	Quartz + feldspar-phyric lava and intrusives
			Upper Howards Basalt Breccia (UHBB)	Fine grained basaltic andesite dykes, lavas and lithic breccias (Howards Basalt). Commonly haematitic and carbonate alteration
			Lynchford Member (LYM)	Syn-eruptive feldspar crystal rich volcaniclastic sandstone.
				Massive carbonate and marly sediments
				Dacitic volcaniclastic sediments
	Central Volcanic Complex (Suite II)	Anthony Road Volcanics	*Suite II Porphyry*	Quartz-feldspar-hornblende porphyry. Intrusive sill. Peperitic top and bottom contacts
			Anthony Road Andesite (CVC)	Feldspar-hornblende phyric andesite and breccia, extrusive and intrusive
			Lower Howards Basalt Breccia (LHBB)	
	Central Volcanic Complex (Suite I)	Newton Creek Dacites		Dacitic volcaniclastic pumice breccias
				Dacitic, feldspar-phyric to aphyric lavas, breccias and intrusions. Peperitic contacts
				Dacitic to andesitic volcaniclastic sediments\vitric tuff, minor shale, sandstone
			Spillway Breccia	Coarse polymict and dacitic mass flows with some sulphide clasts
			Spillway Basalt Breccia	Massive to stratified clast-supported monomictic basalt breccia 'fire fountain'
	Yolande River Sequence		*Footwall Pumice Breccia*	Rhyolitic-dacitic mass flows, commonly graded
				Bedded vitric siltstones and sandstones

Figure 4: Henty area stratigraphy

1.5 Alteration and Mineralisation

There are a number of alteration and mineralisation occurrences within the tenement area. The most significant are:

- The Lake Newton Prospect (Cu-Au).
- Howards Anomaly (Ba-Ag) - Tyndall Creek (Zn-Pb-Ba)
- The spillway horizon (VHMS-polymetallic massive sulphide)

There is an excellent description of each of these in the Annual Report for EL28/2001 for the period April 2008-2009 (quoted below).

1.5.1 Lake Newton Prospect (including Howards Anomaly-Tyndall Creek)

Previous workers have defined the prospect as a well zoned, epigenetic, low grade (0.2-0.4 g/t Au), disseminated copper-gold system with an extensive low grade (<1% Pb + Zn) base metal halo. The entire alteration zone extends over a strike length of at least two kilometres, varies between 30 to over 400 metres in width and is open to the south and at depth. The alteration system is well zoned moving inwards from a distal carbonate-chlorite halo → carbonate-sericite-(chlorite-sphalerite-galena) → sericite-pyrite-carbonate-(gold-galena-sphalerite) and a proximal zone of sericite-silica-pyrite-(chalcopyrite±gold) (Callaghan, 2003). Typical results from the inner zone include:

SHD16	615.0-736.0m	121m @ 0.2 g/t Au
	770.8-791.8m	21m @ 0.4 g/t Au
SHD22	346.0-392.0m	46m @ 0.2 g/t Au
SHD22	482.0-508.0m	26m @ 0.3 g/t Au

The alteration is dominantly hosted in the polymict dacitic mass flows of the Spillway Horizon and overlying the massive dacitic pumice breccias of the Newton Creek Dacites, but also overprints the Spillway Basalt and extends down into the underlying Yolande River Sequence (Callaghan, 2003).

The top of the alteration system also crosscuts units of the lower Tyndall Group, particularly the Howards Basalt and Lynchford Member volcaniclastics, and varies in composition along strike from south to north. The Tyndall Creek occurrence, to the south of the lease, is hosted within Lynchford Member units. It is interpreted to represent an exhalative expression of the Lake Newton alteration system and consists of small discontinuous lenses of barite-base metal-sulphide alteration with weakly anomalous gold, confirmed in limited shallow drilling (to 3.8g/t in TC3). In the north of the lease, the lower Tyndall Group alteration varies between weak, disseminated pyrite-sericite (e.g. SHD21) and occasional elevated silver assays from haematite altered volcaniclastics (e.g. Howards Anomaly, drill holes HA4 and HA6). The presence of barite and jasper veining at both prospects suggests a near seafloor position within the Lower Tyndall Group during the mineralising event (Callaghan, 2003).

The relative timing of the alteration system can be partly constrained by overprinting relationships of the alteration across the boundary of Suite 2 porphyry units. This overprinting relationship implies a syn- to post-porphyry timing of the hydrothermal event (Callaghan, 2003). As Suite 2 porphyries show consistent peperitic intrusive contacts with the overlying Lynchford Member units, the porphyry, and therefore the alteration, post dates at least some

units of the Lynchford Member (possibly even the exhalative sulphide lenses within the Lynchford Member).

1.5.2 The Spillway Horizon (Polymetallic Massive Sulphide)

The spillway horizon is a volcaniclastic mass flow breccia unit (Ccvag) containing a number of high-grade, polymetallic sulphide clasts, outcropping in the Lake Newton Dam spillway. The source of the massive sulphide clasts is yet to be identified. The sulphide clasts are well-rounded cobbles and boulders consisting of massive sphalerite-galena-pyrite and chalcopyrite with an average grade of 27% Pb, 31.7% Zn, 700 g/t Ag and 0.92 g/t Au (Herrmann and MacDonald, 1996).

A detailed interpretation of the spillway breccia and sulphide clasts by Allen (1993) suggested that the clasts had not been transported far from their source environment. The sulphides are most likely to have formed in the same source area as the dominantly dacitic hyaloclastite rich mass flow. The proximal sulphide source is likely to have existed within 5km of the outcropping clasts (Allen, 1993). The Spillway Basalt forms a distinct and laterally continuous marker horizon at the base of the mass flow breccias (Allen, 1993).

1.6 Previous Exploration

The area of the tenement has been explored intensively, mostly for VHMS-style mineralisation during the last forty years (summarised in Appendix 1).

In the two years between April 2007 and April 2009 Barrick had two brief but intense exploration campaigns. Both of these were largely project generation and data compilation, with only one soil sampling campaign and one drill hole completed. Core from the Newton Creek alteration zone was analysed using short wave-length spectroscopy. A 3D model of the geology of the lease area was commenced.

The drilling completed by Barrick was designed to test the down-dip extension of low-grade gold mineralisation at the Tyndall Creek Prospect. The first hole drilled was abandoned due to ground conditions (Z16732). The second (Z16739) has been interpreted to have drilled down dip and not tested the target. No gold was found in either hole.

After a review of the targets generated by Barrick, Unity Mining concluded that further testing of the Henty stratigraphic position at Tyndall Creek was warranted. Two drill holes were completed during the previous reporting period, TC6 and TC7, as documented in the Annual Report for this tenement for the period April 2010-April 2011 (Stonestreet, 2011). The results are briefly summarised below.

TC6 was 383.3m long and drilled from the east to test at depth the barite/haematitic horizon anomalous in base metals and gold. The highest Au assay was 0.5m at 0.2g/t on the contact of altered volcaniclastic sandstone with altered tuff, potentially a correlative of the Lynchford Tuff. TC7 was drilled from the same drill pad as TC6, but drilled to the east to test a discontinuity and interpreted fault visible in the magnetic interpretation of the area. TC7 is hosted in principally jasper-bearing interbedded shale and carbonate rock, with the end of hole at 575m in andesitic lithologies. There were no significant assays in this hole (Stonestreet, 2011). Following the lack of success in drill holes TC6 and TC7, the Tyndall Creek drill hole site was rehabilitated during May 2011 (Timms, 2012).

The results of the MMI soil study conducted by Barrick in 2008 had never been properly assessed due in some respect to the sale of the tenement to Bendigo Mining[1] during 2009. A first pass geochemical analysis of these results was undertaken by Unity personnel that focussed on the relation of the geochemical anomalies to the mapped geology and structures of the study area.

[1] Bendigo Mining Limited became Unity Mining Limited (UML) in December 2010

LIDAR was flown over all of Unity's exploration and mining tenements in 2011. This data was processed and interpreted in conjunction with other geospatial and geochemical data sets (Vukovic, 2011). Following on from this UML decided to re-evaluate Tyndall Creek. A review of the available geochemical, geophysical and geospatial data was conducted by a geological consultant; from this a number of drill hole targets were generated as well as a first pass, resource estimation of the Lake Newton gold prospect (Vukovic, 2012).

Drill core and pulp samples from several historic and recent holes on the Tyndall Creek tenement were analysed as part of a wider rare earth element (REE) study. Forty five, 2m samples from the Tyndall Creek tenement were assayed for light and heavy REE's. Overall results indicate that the majority of samples were at/near to the crustal abundance, yet there was some minor REE enrichment in the Anthony Road Andesite (Purvis, 2011).

Elevated base metal values in soils are found adjacent to the Henty Fault in the western part of EL 28/2001. Work began on gridding, mapping and soil sampling in the southwestern portion of the tenement in June of 2011 and was ongoing through 2012.

In the 2012/2013 season the C-horizon soil program along the western margin of the tenement was completed, results of which indicated limited anomalism along the main target of the South Henty Fault. One drill hole, Z18650 was collared on the edge of Lake Newton in 2013. Its purpose was to test coincident magnetic, structural and geochemical MMI anomalies in the region of the Wendy's Folly prospect, east of the South Henty Fault and along strike of the Spillway Horizon. Minor, disseminated pyritic mineralisation was intersected down hole.

2. Work Completed during the Reporting Period 2013 to 2014

Assays were received for the Newton Dam drill hole, Z18650. A, B-horizon soil survey was conducted along the eastern margin of EL 28/2001, encompassing the Tyndall Creek and Jasper Point prospects.

2.1 Tyndall Creek B-Horizon Soil Program

The Tyndall Creek B-horizon soil sampling program commenced in March and was partially completed in May of this report year. During the review of all geospatial data in the tenement, it was noted that there were gaps in the soil geochemistry data for the south-eastern margin of the tenement adjacent to the Great Lyell Fault, alongside the Tyndall Range. This western portion of the survey encompasses the Tyndall Creek base metal (with weak gold) prospect; in the vicinity of Jasper Point, the survey is in the region of the low-grade Lake Newton Au prospect and CSAMT anomalies (Figure 5).

2.1.1 B-Horizon Soils Gridding

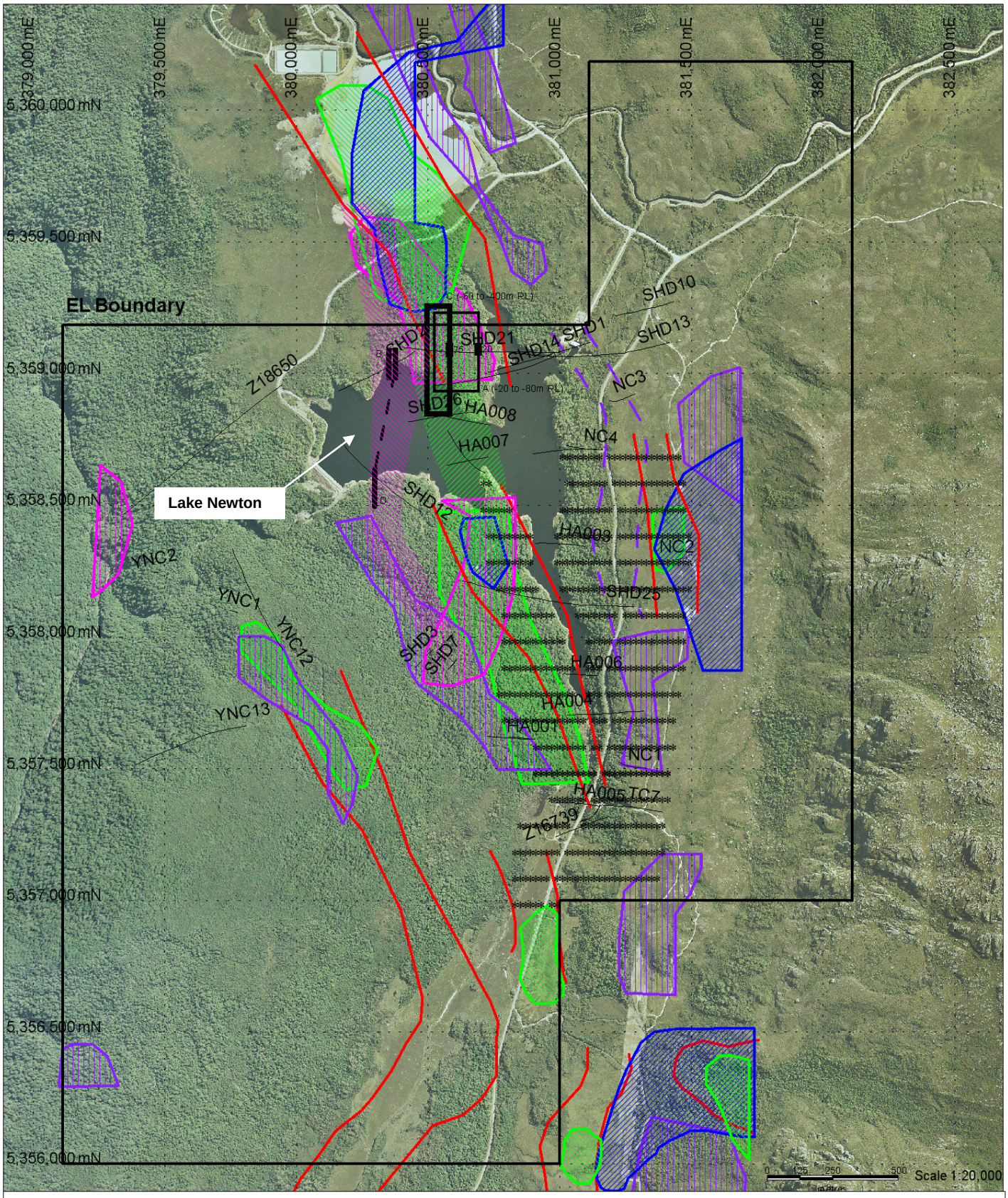
The designed survey has 8.9 line kilometres of gridding; under half of this was not required to be cut as it is in button grass terrain. This survey was planned using the 1966 Australian geodetic datum, AGD66; this is what the existing soil geochemistry coverage is based on. The eastern margin of the grid is the border of the Tyndall Creek Regional Reserve. This part is accessed from the Tyndall Creek turnoff on the Transend track parallel to the Tyndall Range. The western margin of the grid is the old Howard's Road track and subsidiary forestry track, both accessed from the Anthony Road.

Rogers Exploration Services, Yolla, were employed to cut the soil gridlines, utilising the existing Aberfoyle grid lines where possible (200m spacing). Access to the northern and western parts of the grid was from an old forestry track off the Anthony Road in an area of previously logged state forest. Lines were located using handheld Garmin GPS; the accuracy of these units in semi-level terrain and zones with/without low-lying canopy is about 2-3 metres.

2.1.2 B-Horizon Soil Sampling Methodology

To obtain a high resolution data set, the B horizon soil survey was designed with 100m line spacing, with samples taken every 20m (Figure 6). Of the planned 518 sample locations, 313 surface samples were obtained to May 2014. Planned sites not sampled included in the vicinity of roads and disturbed ground, on top of outcrop or where there was a physical barrier. UML exploration personnel collected the samples utilising a spade and pick. Firstly the top vegetative layer was removed using the pick; where possible this was preserved as a slice to rehab the site. Next the spade was used to dig down a square foot into the B horizon.

Using the Australian Soil Classification system (Wray, 2012), the soils found in the Tyndall Creek lease in the survey vicinity range from Dermosol (lacking contrast from the A to B horizon) to Organosol (peat/organic rich). One to two kilos of soil material were then collected using the pick from the base of the hole; this was often demarked by till/erratics. Sites were rehabbed immediately after sampling; the holes were infilled with the excavated soil and capped with the vegetation. Samples were then bagged and ticketed with their corresponding, alphanumeric sample ID. Standards were taken every twenty samples and duplicates were taken every 25 soil samples.



St Henty CSAMT Interp

- Edges of surficial conductors (top 100 m)
- Edges of surficial conductors (top 100 m)
- Line
- Conductor from depth slice at RL +260 to 160 m
- Conductor at depth 200-400 m (from 1024 Hz data)
- Conductor at depth 200-400 m (from 2048 Hz data)
- Conductor from depth slice at RL +360 m
- Conductor at depth 200-400 m (from 2048 Hz data)
- Edges of surficial conductors (top 100 m)

SHenty CSAMTDHEM Anomalies 1999

- DHEM anomaly zone
- DHEM anomaly zone

Sth Henty drill holes

- Surface Trace

MMI Sample locations

- * locality

Datum

- - - - - - GDA94

Figure 5. Locality of Tyndall Creek 2014 Soil Survey

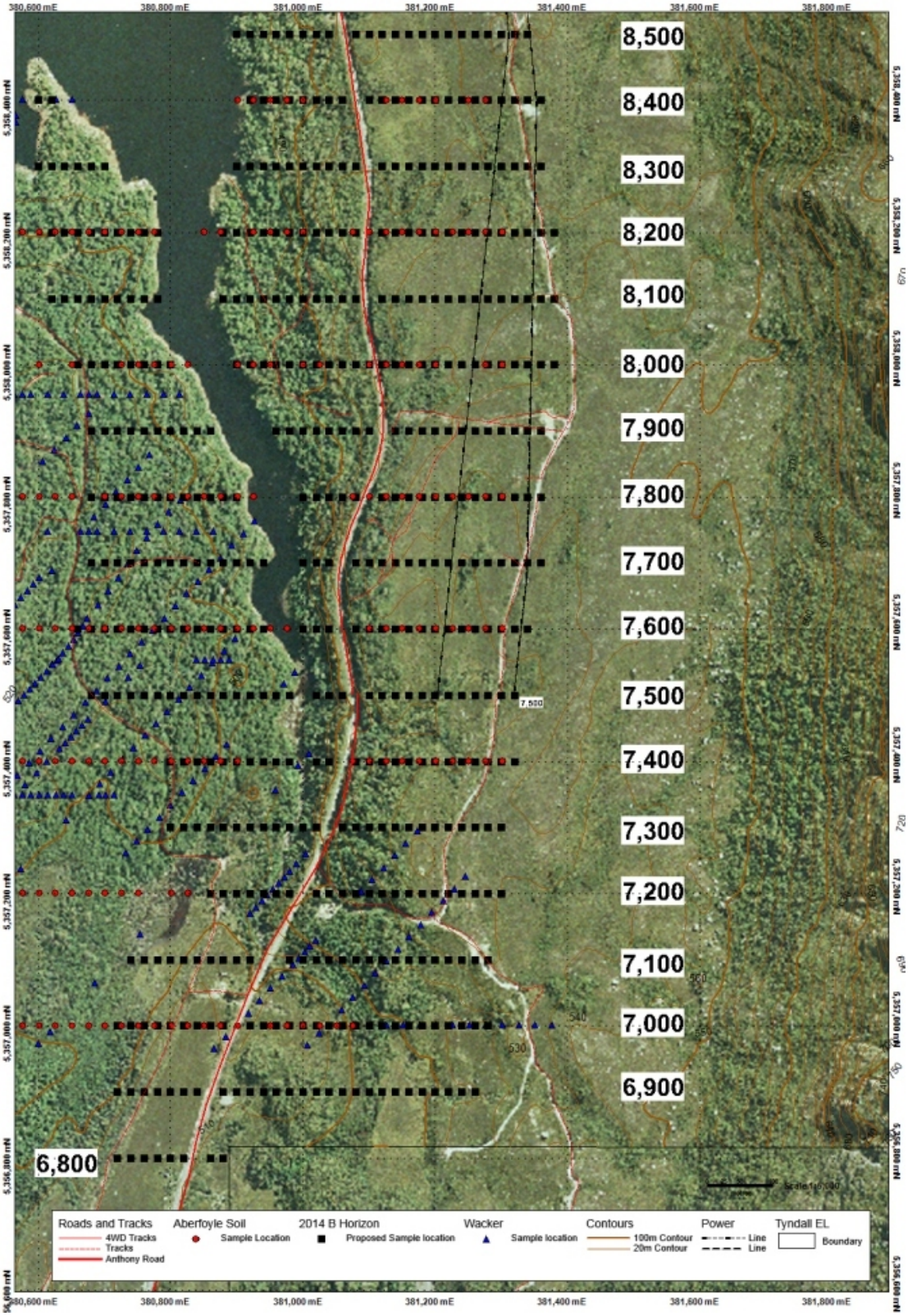


Figure 6: Tyndall Creek Soil Survey Detail. Black squares are the proposed soil sample locations. Red circles indicate location of previous C horizon soil survey. Access tracks and roads denoted by variable thickness red lines (Australian Geodetic Datum AGD66).

2.1.3 B-Horizon Soil Sample Preparation and Assaying

Samples were dried under heat lamps at Henty, then collated and documented before being dispatched to ALS Geochemistry in Burnie, Tasmania. Gold standard sample pulps were included with every sample batch for QAQC purposes. Sample preparation for trace level gold and multi element, partial leach analysis with an ICP_MS finish was completed at ALS Geochemistry in Perth. Methods used were Ionic Leach (ME-MS23) and gold by fire assay and AAS (AU-AA21).

The Ionic Leach method was chosen as the main analysis as it has been shown to be effective in Au/Cu complexes under cover, and can provide elements such as In and Hg, and Pb isotopes (Ben Cooke ALS pers. comm.).

2.1.4 B-Horizon Soil Sampling Results

Soil sampling lab results are presented in Appendix 2. Interpretation of these results had not been completed at the time of this report.

2.2 Diamond Drilling

Forty two, diamond drill core samples for the Newton Creek hole Z18650 were submitted for assay during the reporting period. This drill site near the Newton Dam was also rehabilitated. The geological description of this hole is reported in the EL28/2001 Annual report for 2012/2013 (Timms, 2013).

2.2.1 Drill Site Rehabilitation

The drill pad excavation, staging sump and sumps constructed across the road were rehabbed by Queenstown contractors Williams Earthmoving. The sumps were filled in and pad built back up to the original, pre-drilling level.

2.2.2 Drill Core Sample Preparation and Assaying Z18650

Diamond drill core (NQ2) was split on site using an Almonte® core saw. Forty six samples (Appendix 3 - Sample List)[2] were bagged and dispatched to ALS Burnie Research Laboratory on the 21st of May, 2013. Pulverised samples were fire assayed for Au using the ALS analysis, Au-AA25. Silver, copper, lead, zinc, molybdenum, bismuth and arsenic were analysed for by a four acid digest with an ICP-MS/ICP-AES finish (ALS code ME-MS61). One sample with high zinc was re-analysed using an ore grade finish (ALS code OG62). Repeat assaying was carried out on select samples i.e. lab duplicates.

2.2.3 Assay Results Z18650

Lab assay results are presented in Appendix 3. Weak, disseminated pyrite mineralisation was observed and sampled as well as any mineralised, thin stringer veins and coarse grained base metal mineralisation in Devonian veins. No significant results were returned apart from a value of 1.5% Zn, from a mineralised Devonian quartz vein. The assay batch passed both the laboratory's and UML exploration's QAQC procedures.

[2] Two blank samples consisting of crushed feldspar, and two Rocklabs, CRM reference material standards were submitted with the batch.

2.3 Petrological Assessment

One sample of unweathered, felsic grey volcanic from the first lithological unit of drill hole Z18650 was sent to Dr Tony Crawford of A & A Crawford Geological Research Consultants. This area had been mapped with andesitic lava outcropping at surface, yet the lithological features suggested it was of a dacitic protolith. The petrographical assessment confirms that the sample is a dacite, most likely belonging to the CVC. The full details of this report are presented in Appendix 4.

3. Conclusion

Though no significant results were returned from Z18650, the Henty Fault and structures with significant shear in targeted lithological positions remain key targets for Henty Style mineralisation on EL28/2001. Combined information from MMI soils sampling, geophysics and structural interpretation will be used to focus on drill ready gold targets in 2014-2015.

4. Expenditure 2013/14 Reporting Period

Total Expenditure for the 2013/14 Reporting Period was:

Expenditure EL 28/2001 May 2013-April 2014	$
Geology	59 500
Geochemistry	22 824
Gridding	16 335
Sub Total	98 659
Admin (10%)	9 866
Total	108 525

Table 1: E28/2001 Tyndall Creek Exploration Expenditure 2013/14.

5. Forecast Expenditure 2014/15

Forecast expenditure for the following year is as follows:

Forecast Expenditure May 2014-April 2015	$
Personnel	100 000
Drilling, site prep and rehab.	200 000
Geochemistry	25 000
TOTAL	325,000

Table 2: E28/2001 'Lake Newton' Exploration Budget Forecast 2014/15

References

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