

EL15/2009 ANNUAL REPORT HAWKES CREEK

Combined 2012/13 & 2013/14



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6th October 2014

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Abstract

In two previous exploration campaigns a resource along the Northwest track was investigated by 18 test pits in 2010 and by 42 test pits in 2011.

Speculative resource assessments were made for 2 parts of the Northwest track resource. On the Third and Fourth Hills there is a mass of 64,400 tonnes of pale coloured silica flour and lump, while on the Second Hill there is a mass of 34,125 tonnes.

The resource figures given here are not JORC compliant. The portion of waste is unknown and bulk sampling will be essential to better estimate the yield of commercial silica flour and to investigate processing properties of the silica. This investigation was planned for the last quarter of 2013, however at that time capacity constraints arose at TAM's processing facility due to a significant unexpected equipment breakdown, and strong demand for existing products from customers. The investigation was therefore delayed, and is currently planned for November/December 2014.

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1. Introduction & Review of Previous Work

Tasmanian Advanced Minerals Pty Ltd is actively mining and processing high purity, residual, quartz sand and quartz silt, known locally as silica flour, from near Corinna and from two areas near the Arthur River in northwest Tasmania. The Blackwater area is on the south side of the river two to four kilometres west of Kanunnah Bridge and the Hawkes Creek area is a further five kilometres to the west, but on the north side of the river (Figure 1). EL15/2009 is adjacent to TAM's existing Hawkes Creek mine ML 27M/2009.

During November-December, 2011, and February-March, 2012, exploration work was carried out in the Hawkes Creek area with the aim of delineating further resources along strike to the northwest of the current mining operation (Figure 2). The resource delineated by the past work consists predominantly of pale coloured silica flour and pale coloured, hard, lump silica. The tonnage estimates for the resource are not JORC compliant measures. Instead, they are speculative values that include an unspecified amount of waste consisting mainly of the hard lump silica, but also including patches of clay, limonite and black organics as well as material that may be pale coloured, but is chemically inferior due, in some instances, to the presence of intermixed sedimentary sand and fine gravel.

Four hills make up the ridge that is followed by the Northwest Track. They are designated First Hill Northwest at the southern end of the track through to Fourth Hill Northwest at the northern end of the track (Figure 2). Pale coloured silica flour is present on all of the four hills, but on the Third and Fourth Hills Northwest the occurrence is up to 50 m wide (Figure 3) whereas on Second Hill Northwest the occurrence may be only 15 m wide. The occurrence on the First Hill Northwest is small though it is of easy access.

Further work involving the screening of bulk samples combined with chemical and grain size analyses of the screened product as well as processing those samples to evaluate likely feed blending limits will be necessary to estimate the commercial potential of the delineated resource.

2. Planned Work

An excavator operated by TAM personnel will be used to extract silica flour and rock from 2-3 test pits at the 2nd, 3rd and 4th Hills NW. The EL adjoins TAM's existing mining lease 27M/2009. Access to the area of extraction will be via an existing forestry road on the ML and EL, and then by a previous exploration track. The extracted silica will be loaded on to a dump truck and carted to ML27M/2009 by the existing track and road where it will be screened and sampled for analysis. Flour and rock portions will be calculated in the screening process. Analysis consists of chemical impurity and particle size testing, and particle shape investigation, and will be carried out at TAM's laboratory at Wynyard.

During normal operations at TAM's Wynyard factory the silica feed blend comprises silica from its existing mines at Hawkes Creek, Blackwater and Corinna. The feed blend is decided by taking into account final product specification requirements, resource quantity and other processing constraints.

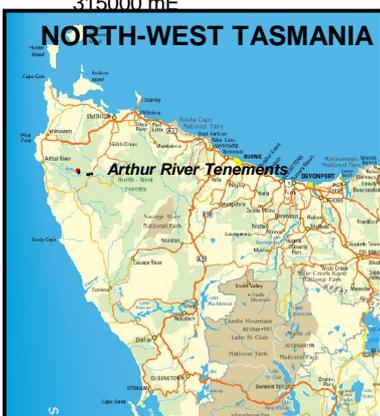
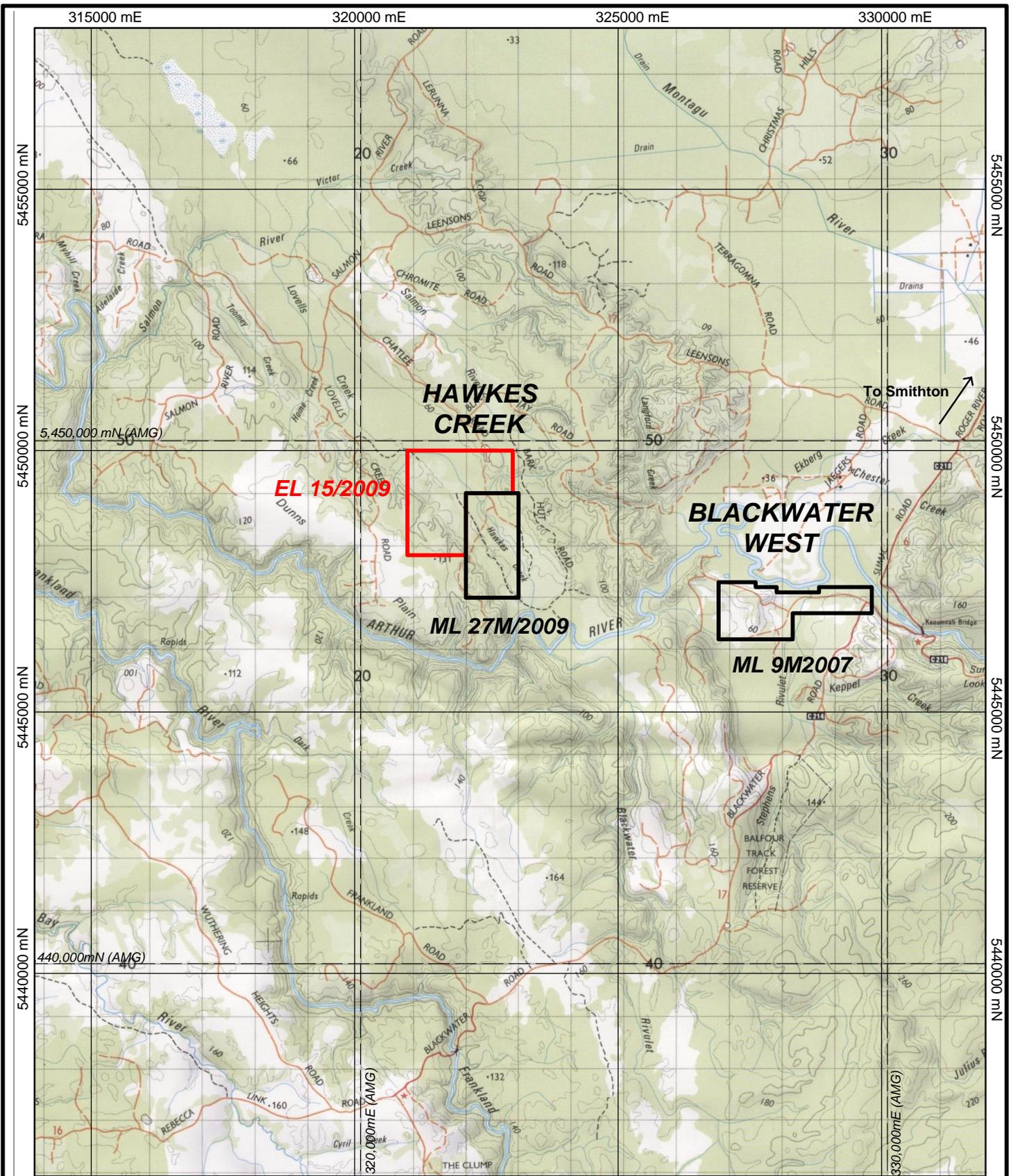
The bulk samples' analytical results will point to potential feed blends with other silica. The blends will be fed to the plant evaluate commercial potential.

The total sample size will be up to 1,000t.

3. Environmental Matters

No significant conservation issues have been identified in the exploration area.

Currently all tracks remain open pending further work. Test pits have been made safe for workers and for wildlife, but they have not been fully rehabilitated. The final form (post program) will be as inconspicuous as possible and not leave any safety or erosion hazards.



TASMANIAN ADVANCED MINERALS P/L
ARTHUR RIVER TENEMENTS AT 18.03.12

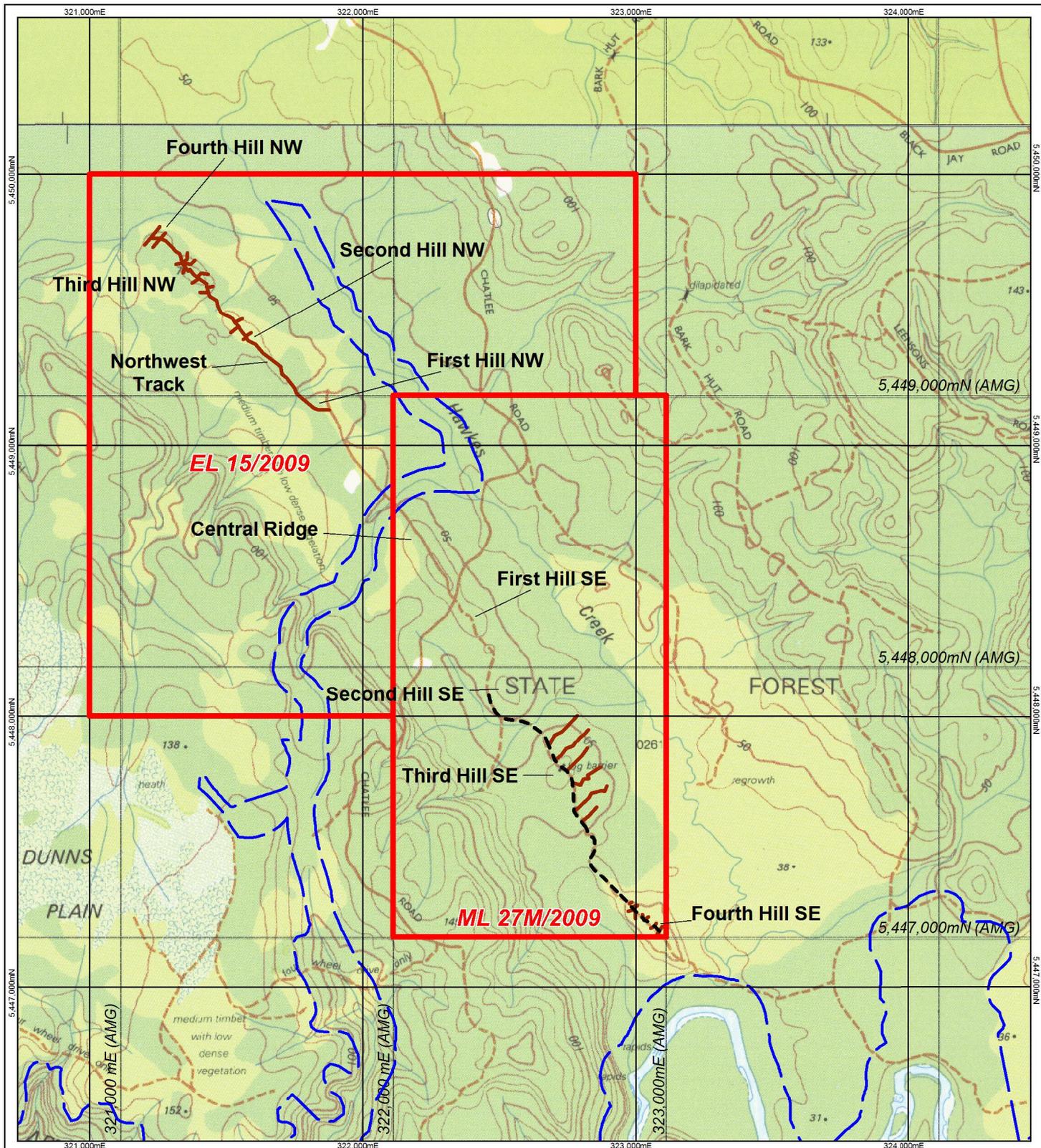
ML 27M/2009 and EL 15/2009 - HAWKES CREEK
ML 9M2007 - BLACKWATER

LOCATION PLAN

Compiled : Nic Turner	Drawn : Gillian Bennett	Date : 24/03/2012	File : AR-Tenements 100k.wor
Scale: 1:100,000		Projection: MGA Zone 33 (GDA94)	
0		5 km	
1.25		2.5	
Figure No			1

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Base image by TASMAT. © State of Tasmania



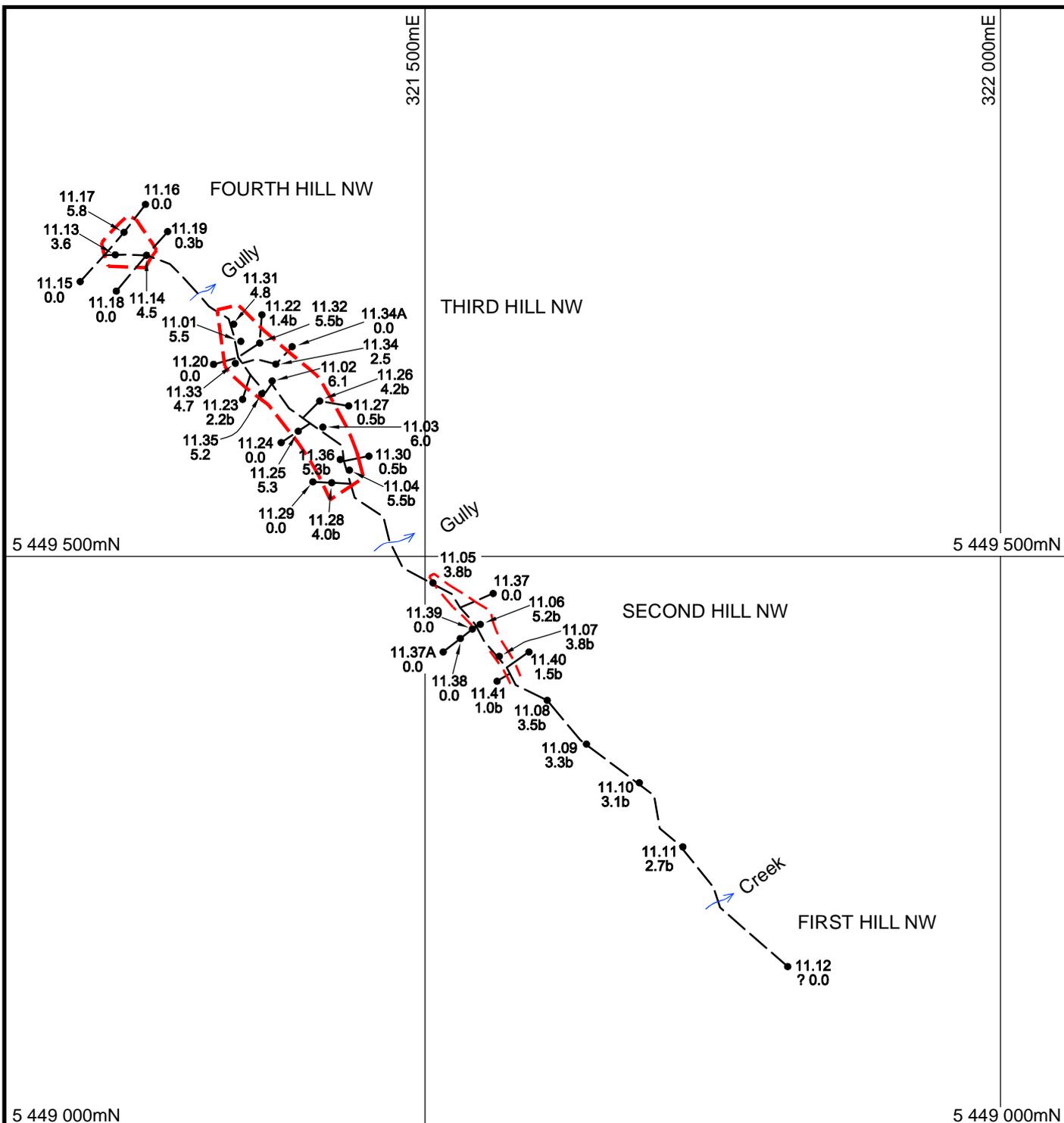
- Tasmanian Reserve Estate: Informal reserve on other public land.
- Tracks for test pit access
- New
- Reopened

Mining proceeding on Central Ridge, First Hill SE and Second Hill SE



Base image by TASMAR, © State of Tasmania

TASMANIAN ADVANCED MINERALS P/L			
ML 27M/2009 and EL 15/2009 HAWKES CREEK TENEMENTS WORK CARRIED OUT NOV-DEC, 2011 and FEB-MAR, 2012			
Compiled : Nic Turner.	Drawn : G. Bennett	Date : 02/04/2012	File : HC-Feb-Mar 2012-20k.wor
Scale: 1:20000		Projection MGA Zone 55 (GDA 94)	
		Figure No 2	
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LEGEND

- Rough Track
- 11.33 4.7 Test pit with the number (11.33) and thickness (4.7m) of pale silica flour and lump silica.
- - - Interpolated 3m thickness line or isopach.
- b Indicates that the bottom of the pale silica was reached.



TASMANIAN ADVANCED MINERALS P/L
EL 15/2009 - HAWKES CREEK

**TEST PITS ALONG THE
NORTHWEST TRACK**

Compiled : Nic Turner	Drawn : Gillian Bennett	Date : 23/03/12	Scale : 1:5000
Survey : Hand held GPS, Tape and Compass		File : HC-TP-NWTrack.dwg	Figure No 3

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