



Annual Report
EL 36/2008 Golden Ridge
2014/2015



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Abstract

Tamar Gold's exploration philosophy is to test the potential of the Devonian granodiorites in NE Tasmania for Intrusion Related Gold Systems (IRGS) mineralisation. In line with this the granodiorite-Mathinna Supergroup contact in the Trafalgar-New Carthage area was the focus of last year's exploration at Golden Ridge.

A coherent arsenic in soil geochemical anomaly across the contact was found in the 2012-2013 licence year and the follow-up work in May/June 2014 consisted of a 231 metre diamond drill hole at Trafalgar and minor selective sampling of mineralised reef quartz in dumps at New Carthage.

Assay results from the drill hole were encouraging with a thin mineralised vein from 202.7 to 203.1 metres having blebs of pyrite, galena, sphalerite, pyrrhotite and several specks of visible gold. Two assays were taken and returned bonanza grades of 138 g/t and 162 g/t Au.

An interval of thin veining, weak stockworking and patchy silica-sericite-sulphide alteration from 217 to 222.65 metres returned a length weighted mean grade of 5.65m @ 1.76 g/t Au. Mineralisation remained open above and below this interval so in 2014/2015 the granodiorite between 201 and 231 metres was assayed. An intersection of 28m @ 0.6 g/t Au from 202m was achieved.

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Appendix 1

Additional geochemistry for TFD-1. Digital data only.

Appendix 2

File listing digital data only.

Introduction

Exploration objective

Tamar Gold Ltd had a change of management in August 2012. EL 36/2008 was previously held by BCD Resources who had completed a small geochemical survey to the north of Golden Ridge at Risky Ridge with poor results. Tamar Gold requested a literature review to assist in the rationalisation of its extensive ground holdings in North East Tasmania. One of the recommendations from that review was:

The gold in granodiorite at Trafalgar could indicate potential for Intrusive-related Gold System style of mineralisation. The Golden Ridge Granodiorite has been chemically mapped as being different from the Pyengana and Poimena and is also an I type granite. It is recommended that advice should be sought on this style of mineralisation and its potential at Golden Ridge.

Following the recommendations from that review Bruce Pertzelt was asked to comment on the Intrusive-related Gold Systems (IRGS) style of mineralisation (see Pemberton and Morrison, 2013). As a consequence of his positive summary of the IRGS style and its unrecognised potential within some of the ground held by Tamar Gold the company decided to focus its exploration effort on those areas in North East Tasmania that were prospective for the IRGS style of mineralisation.

Geological setting

The area is dominated by the hornfelsed Siluro-Devonian Mathinna Supergroup which forms the contact aureole of the Haleys New Country Devonian Granodiorite (see regional geology in figure 1 and Devonian granite batholiths and plutons in figure 2 below). The striking topographic relief of the southern part of the contact aureole forms Golden Ridge and is comprised of variable metamorphosed siltstones and greywackes. The south eastern part of the Haleys New Country Granodiorite forms a distinct topographic low and has been recognised by Davidson and Roach in Randell (1991) as being of a different composition (see Zr vs MgO in figure 3 below).

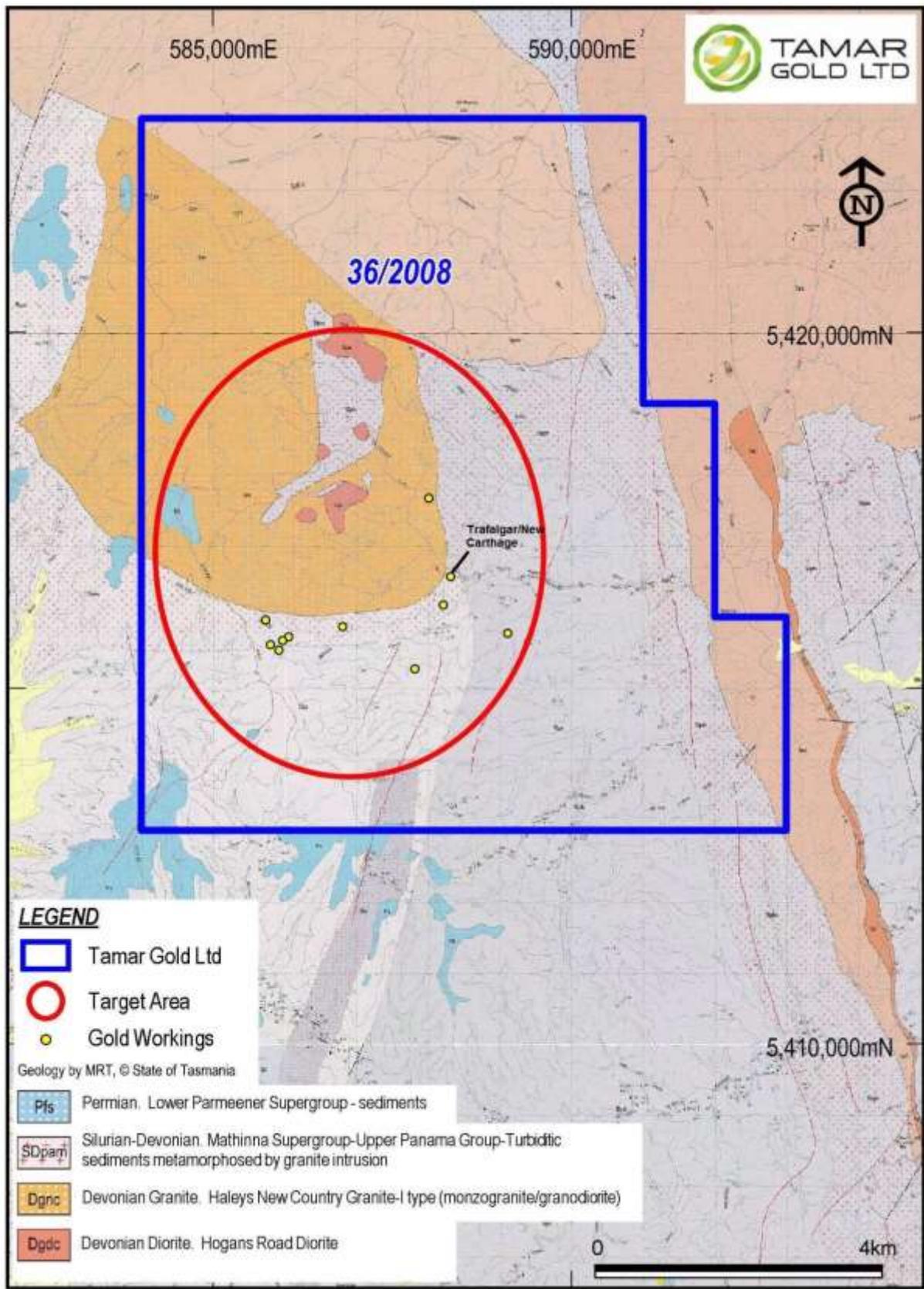


Figure 1. Geology, tenement boundary and area regarded as being prospective for IRGS.

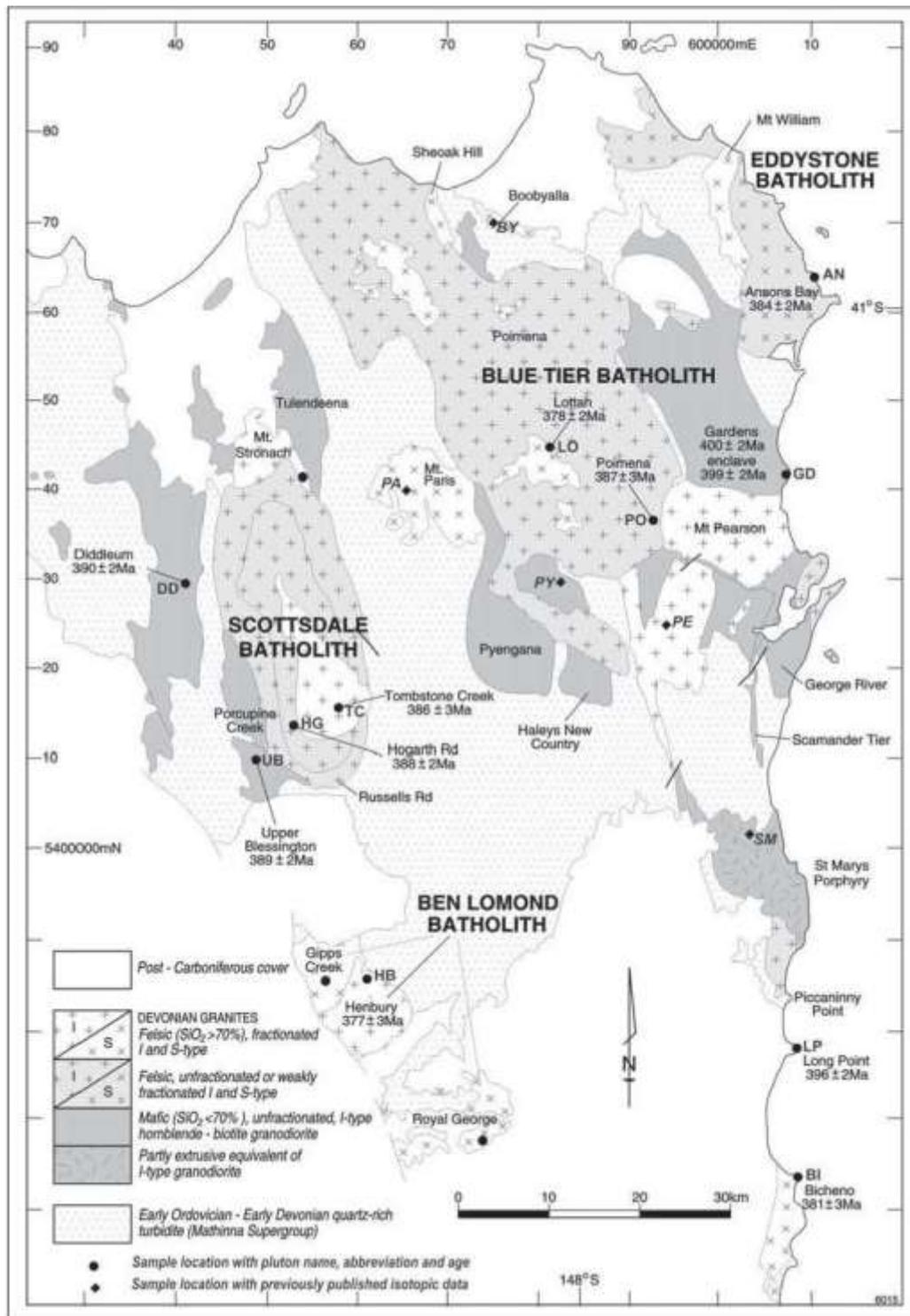


Figure 2. North East Tasmania showing Devonian granite batholiths and plutons from Black et al., 2005.

Drilling by Billiton Australia and MPI Gold Pty Ltd at Brilliant-New Golden Ridge allowed Garrard (2000) to construct a Surpac model which identified a steeply plunging zone of Au mineralisation of some 25,000 ounces @ 1.6 to 1.9 g/t from surface to 300 metres vertical depth.

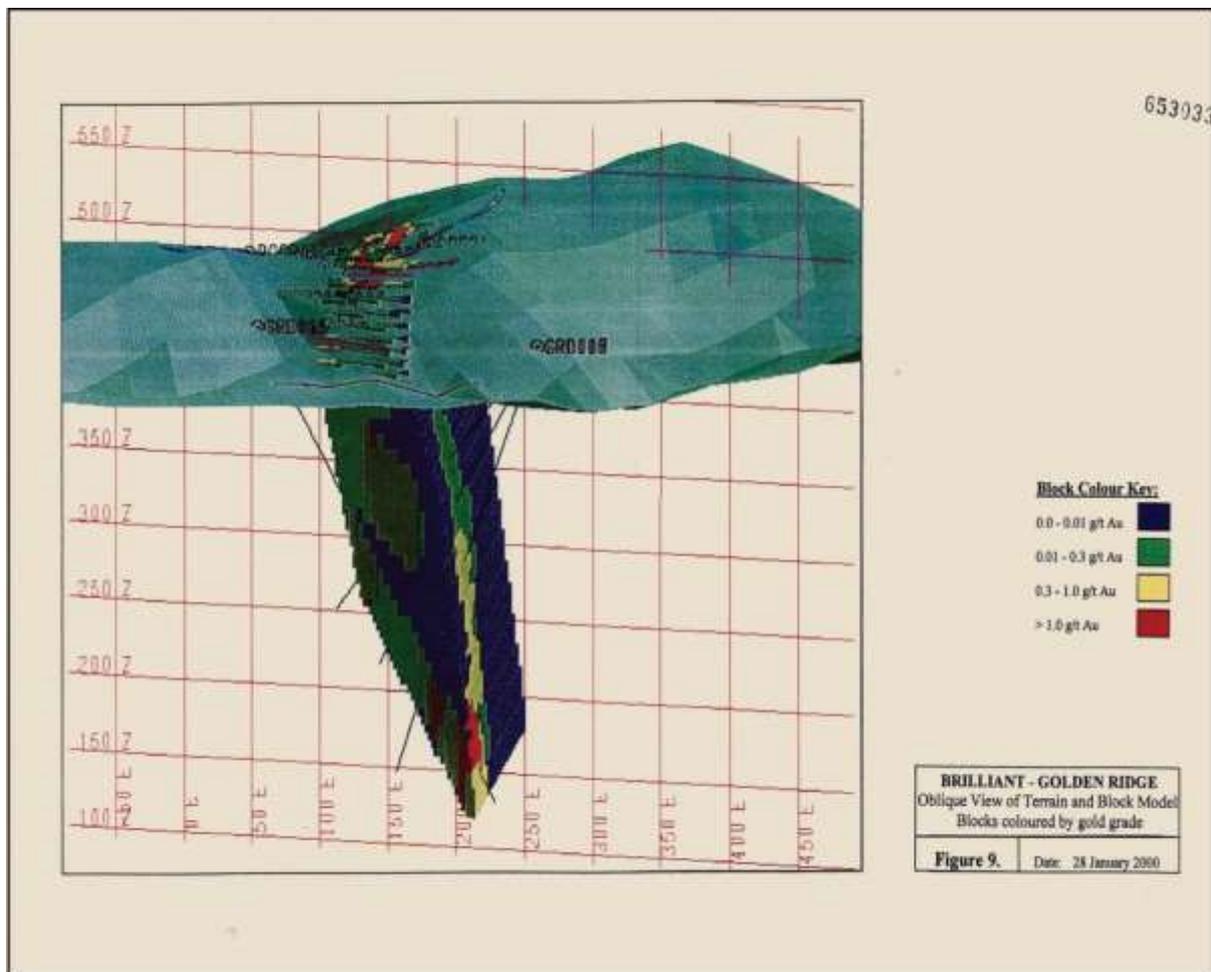


Figure 5. Block model of Brilliant – New Golden Ridge mineralisation.

At the Trafalgar Mine Au-As veins and disseminated sulphides were mined from within the Golden Ridge Granodiorite and Billiton drilled three percussion holes and Shaws drilled two. One of these holes (RCGR 6) had an intersection of 3m @ 1.46 g/t from within a rock described by Randell, 1993, as mixed granitoid and hornfels.

Tenement information

Tenement number: EL 36/2008
Tenement name: Golden Ridge
Tenement location: North East Tasmania
Reporting period: 31/05/2013 to 31/06/2014
Tenement Holder: Tamar Gold Ltd

Location

EL 36/2008 is located 13km north west of Upper Scamander in North East Tasmania.

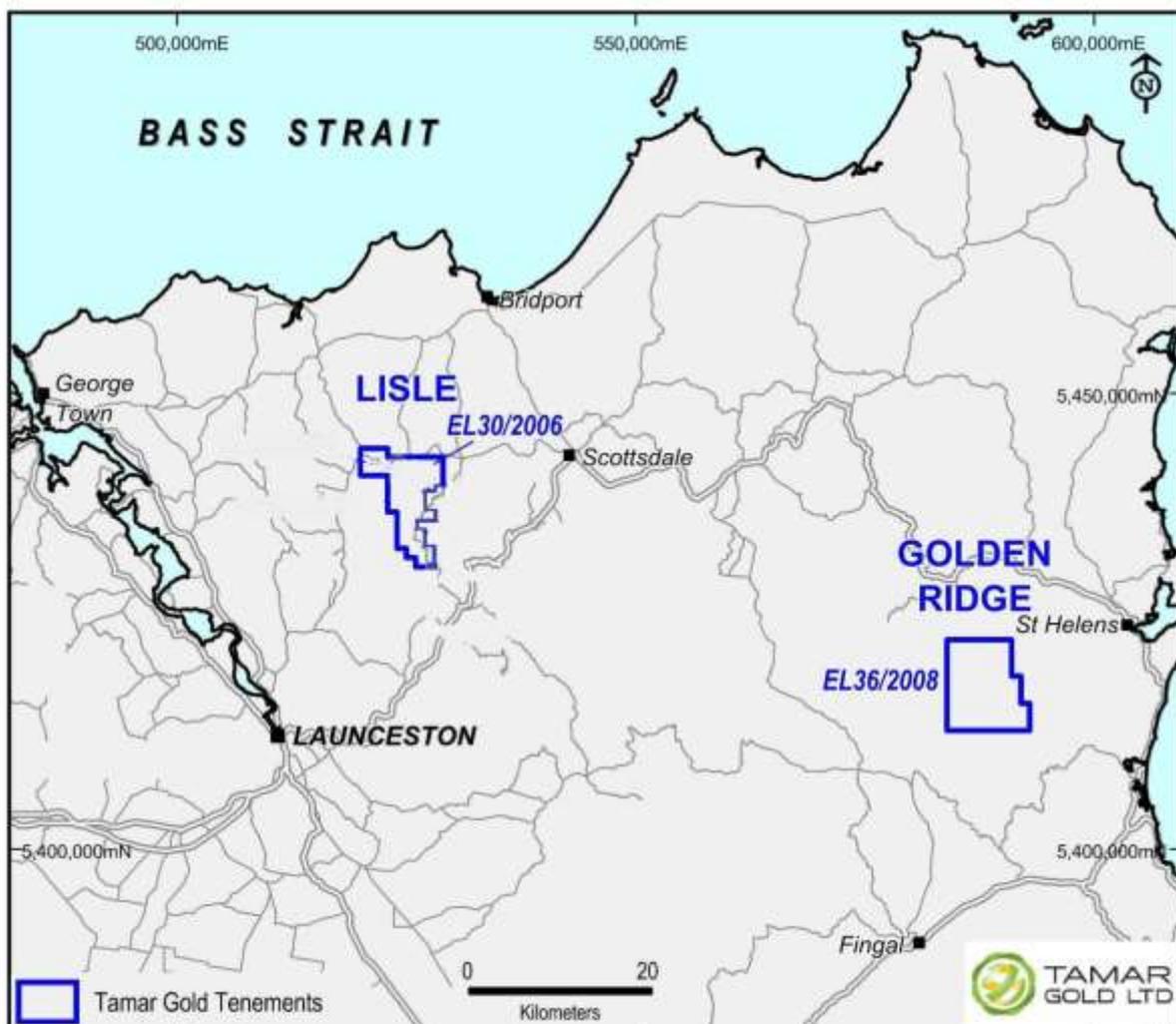


Figure 6. Tamar Gold Ltd tenements in North East Tasmania.

Tenure

EL 36/2008 is held by Tamar Gold Ltd after completing a purchase agreement with BCD Resources in January 2013. The land tenure is all State Forest.

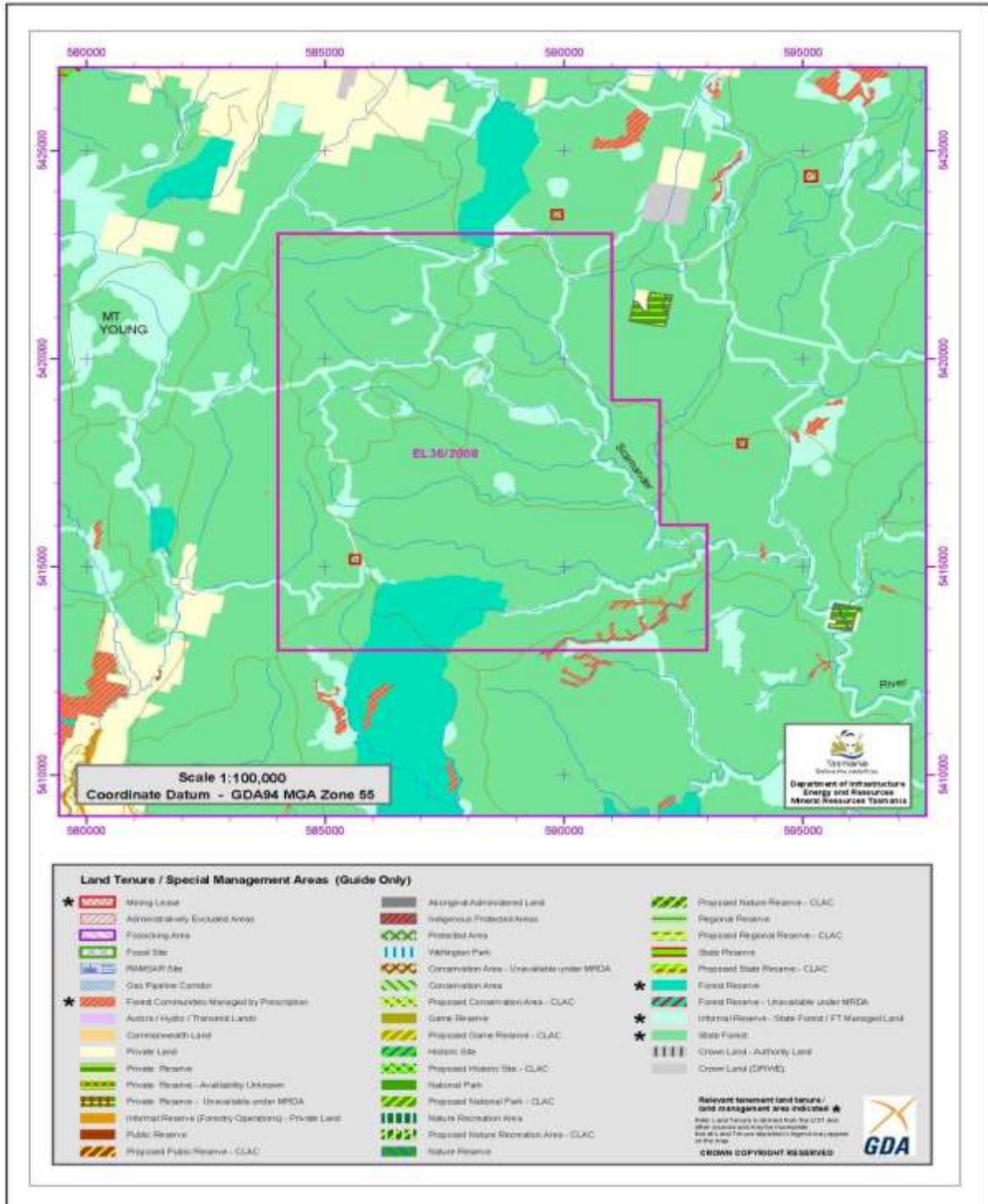


Figure 7. Land Tenure (from MRT).

The Management Decision Classification system of Forest Tasmania shows State Forest, Informal Reserves, Forest Communities Managed by Prescription and the Evercreech Forest Reserve. All these land tenure types are available for exploration and mining.

Review of previous work

The most recent exploration in the Golden Ridge area prior to the current tenement was in 2000 (EL 6/99) and reported on by Morrison, 2001. Shaw Excavations Pty Ltd drilled two holes at New Carthage–Trafalgar to test an anomalous line of rock chips taken by Billiton Australia. Shaw commissioned David Garrard (see Garrard, 2000) from SVEDA Pty Ltd to construct a Surpac model of the gold mineralisation intersected by the Billiton JV and MPI in drill holes and costeans in the Golden Ridge-Brilliant area.

MPI Gold Pty Ltd explored EL 12/93 from 1994 to 1997 (see Poltock, 1994, Dugdale, 1995 and Frances, 1996). They were targeting a moderate tonnage and low grade gold deposit and considered the Golden Ridge prospect as one of the few in North East Tasmania where broad intervals of gold mineralisation had been located (costean with 34.5m @ 1.37g/t Au). Ten diamond holes were drilled at the Golden Ridge-Brilliant prospect (see Frances, 1996).

Billiton Australia in JV with Aureole NL and American Horizon Resources JV explored EL 58/88 from 1991 to 1993 (see Randell, 1990, 1991 and 1993). During this period trenching at New Golden Ridge-Brilliant had positive results with 18m @ 1.24g/t and 34.5m @ 1.37g/t. Drilling at Trafalgar had mixed success with 3m @ 1.46g/t from 92m and at Brilliant the best intercept was 6m @ 4.41g/t.

BCD Resources completed a geochemical survey across Risky Ridge in 2010/2011 (see Pemberton and Morrison, 2013). It is interesting that the 4 soil samples that had gold between 0.005ppm and 0.008ppm were taken in the same area as 5 rock chip samples that had gold between 0.02ppm and 0.03ppm.

In 2013 Tamar Gold reported on the following work (see Pemberton and Morrison, 2013):

- A literature review.
- A review of IGRS.
- Compilation of the regional geophysics and DTM by Phil Muir.
- Soil and panned concentrates surveys.
- A report on the sulphide mineralogy - Trafalgar Mine.

The literature review recognised the potential of the area for IRGS style mineralisation and the summary by Bruce Pertzelt provided encouragement to proceed with a regional exploration program. The results from the geophysics, soil sampling, panned concentrate sampling and the mineralogical work of Gary McArthur supported a proposal for further work in the 2013/2014 licence year.

The coherent arsenic in soil geochemical anomaly across the contact was followed up in May/June in 2014 and consisted of a 231 metre diamond drill hole (TFD-1) at Trafalgar and minor selective sampling of mineralised reef quartz in dumps at New Carthage (see Morrison and Pemberton, 2014).

Assay results from the drill hole were encouraging with a thin mineralised vein from 202.7 to 203.1 metres having blebs of pyrite, galena, sphalerite, pyrrhotite and several specks of visible gold. Two assays were taken and returned bonanza grades of 138 g/t and 162 g/t Au.

An interval of thin veining, weak stockworking and patchy silica-sericite-sulphide alteration from 217 to 222.65 metres returned a length weighted mean grade of 5.65m @ 1.76 g/t Au.

Exploration completed during the report period

Additional down hole geochemistry on TFD-1

No new field exploration was undertaken during the current licence year. Additional half core samples from drill hole TFD-1 were cut at the MRT core store, Mornington, and assayed for gold by Fire Assay/AAS at ALS, Burnie. The aim was to complete testing the interval from 201m to 231m EOH, by infilling the zones of weak-low level silica, pyrite sericite alteration and minor quartz veining above and below the original more heavily altered intervals assayed (see Morrison and Pemberton, 2014, Photos a-b).

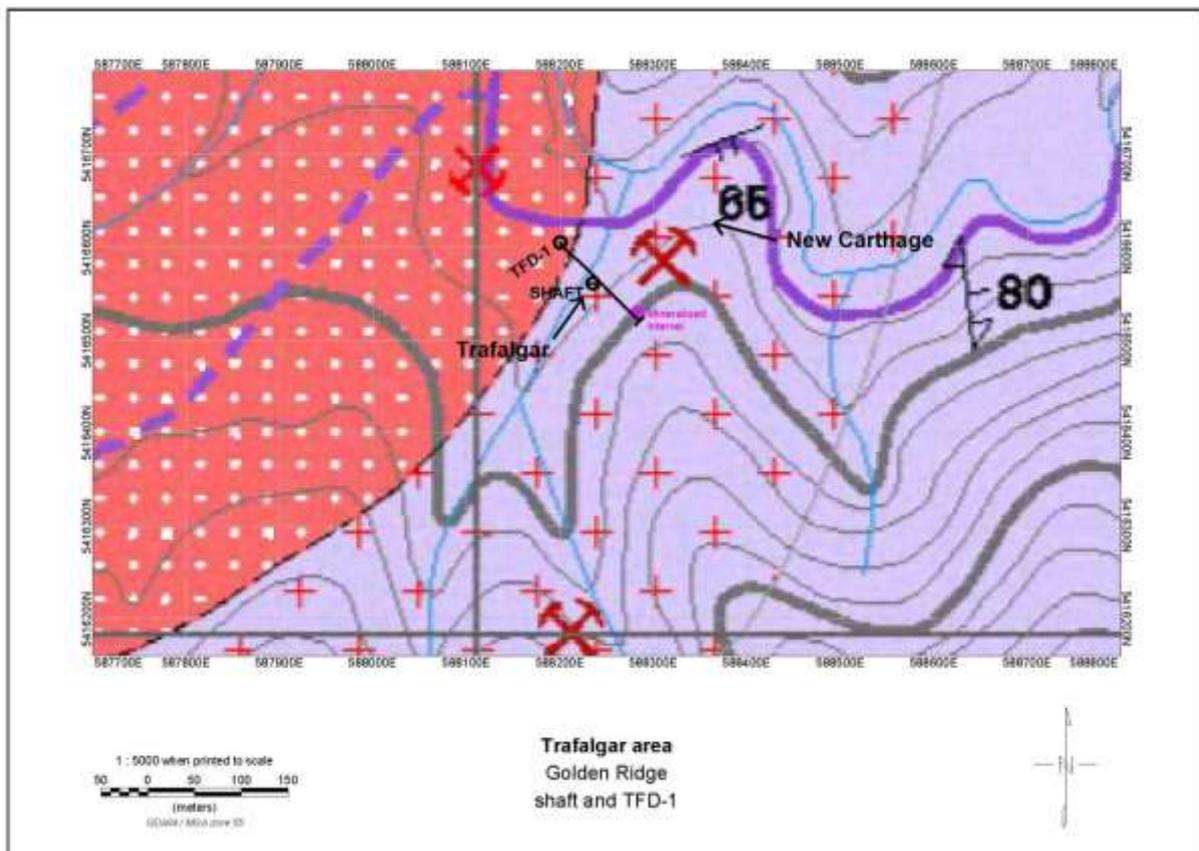


Figure 8. Map of Trafalgar-New Carthage area showing TFD-1.

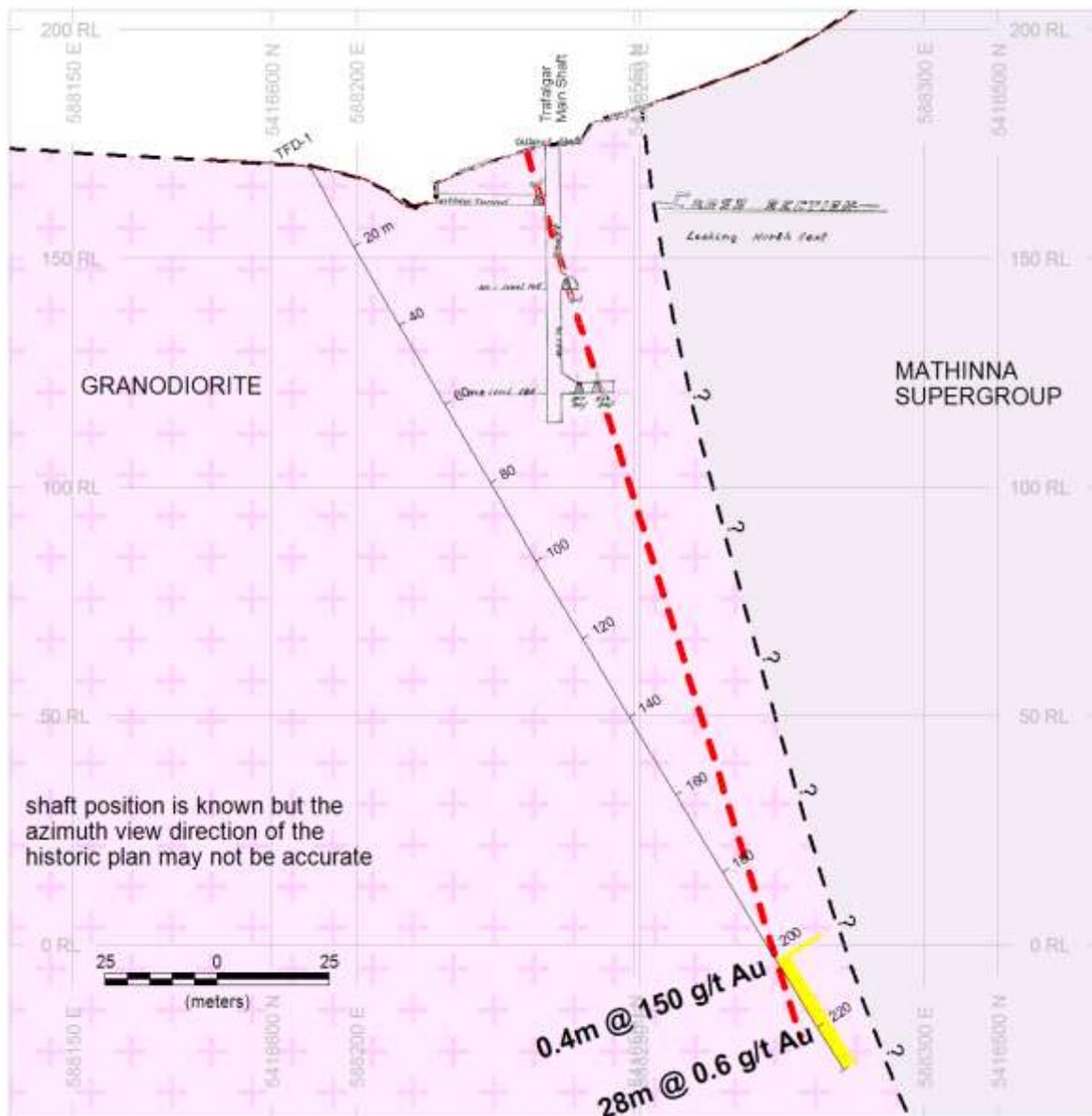


Figure 9. TFD-1 Cross section

The results (see Appendix 1) show that minor grades of discontinuous gold mineralisation extend to the total depth reached of 231m, and that the hole has not effectively closed off the potential mineralised zone (Figure 9). By infilling the gaps in the assay interval and prioritising the down hole length of mineralisation, rather than the grade, an intersection of 28m @ 0.6 g/t Au from 202m was achieved.

Conclusion and proposed future work

It is apparent that TFD-1 drilled sub parallel to the granodiorite–Mathinna Supergroup contact, which must dip east at a low to moderate angle, and therefore we have not established the position of the contact and whether mineralised structures exist close to the contact and into the wall rocks. Also it is clear that the

intersections achieved in TFD-1 are not true thicknesses so to progress the prospect it is essential that another hole be drilled to twin TFD-1 by collaring on Mathinna rocks and drilling on a northwesterly azimuth. Due to the challenging steep topography east of the mapped surface contact, it will probably require a pad and track access to be located northeast of the Trafalgar shaft (see Figure 8). This would have the added advantage of providing a partial test of the strike of the Trafalgar structure. It is estimated that this work will cost \$100K.

Environment

TFD-1 was rehabilitated and sealed on completion and reported on in 2014. No further on ground work was completed during the current year.

Expenditure

Total expenditure for 2013/2014 was \$68K. This figure includes the cost of the drilling program which was reported on in 2014.

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