

Lottah Mining Pty Ltd

Annual Report

Exploration Licence 35/2006

For the period

September 2013 – September 2014

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MAP CONVENTIONS

Coordinates in this report and in digital data associated with this report are recorded as GDA94 Zone 55.

RL's in this report are MSL.

Cross sections are drawn looking north.

EXECUTIVE SUMMARY

This report covers exploration activities completed on EL35/2006 Hampshire 1. The EL forms part of a tenement package prospective for Magnetite and Tungsten mineralisation around the House Top Granite in NW Tasmania.

Exploration in 2013-2014 consisted of 1 diamond Drill hole for 73.7m. The hole intersected deeply weathered calc-silicate skarn with only minor magnetite nodules and vein estimated to comprise 10% of the rock mass between 28.7 to 31.6m.

In early 2014 the Blythe River Iron Project changed ownership from Forward Mining to Lottah Mining Pty ltd (LMPL). The change in ownership delayed some of the projected work for the 2013-2014 year.

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1 INTRODUCTION

EL35/2006 Hampshire is one of 6 current exploration licenses held by Blythe River Iron Pty Ltd (BRI). The tenements were previously held by either Iron Mountain Pty Ltd or Red River Mining Pty Ltd. Tenement details are listed in Table 1.

Table 1 Tenement Details of the Blythe River Project

EL	Name	Held By	Size(km ²)	Expiry	Comments
EL6/2005	Cuprona	BRI	22	07/09/2014	Renewal granted
EL15/2006	Camena	BRI	30	Expired	Awaiting grant of new EL 11/2014
EL25/2009	Highclere	BRI	33	25/05/2015	1 year remaining
EL35/2006	Hampshire 1	BRI	89	25/02/2015	Renewal granted
EL18/2007	Rogetta	BRI	70	09/07/2014	Renewal granted
EL53/2007	Mt Everett	BRI	47	18/12/2014	Renewal granted

The Blythe River Iron Project (BRIP) consists of a number of small to medium size magnetite skarn deposits located in NW Tasmania, approximately 30km south of Burnie (Figure 1 and 2). Exploration is focused on resource delineation of semi massive to massive magnetite deposits to provide a resource base for a magnetite mining operation for the iron ore market.

During the current year work on EL35/2006 has involved field mapping, detailed research of historical data, geological surveys, general reconnaissance and diamond drilling.

2 REGIONAL GEOLOGY

The Blythe River Iron Project is located on the western margin of the Dial Range Trough and is underlain by lithologies of the Late Proterozoic Oonah Formation, Owen Group Siliciclastics, Gordon Group Limestone, Devonian Granites and Tertiary Basalt (Figure 1). The Dial Trough is a structurally interesting basin that includes a possible Northern Extension of the Hellyer Fault, and significant basin bounding faults on the western and eastern sides. The Devonian post orogenic Housetop Granite dominates the geology to the south of the project area and is considered to underlie much of the southern Dial Trough. The Dial Trough has been poorly mapped and stratigraphic correlations are uncertain for many units.

Oonah Formation

The oldest rocks in the district are the Proterozoic Oonah formation, consisting of polydeformed quartzwacke, siltstone and pelite with lesser dolerite intrusives. These are overlain by a sequence of pelite-carbonate with minor mafic volcanics and conglomerate. This association is host to replacement deposits at Mt Bischoff and near Zeehan and consequently represents a potential host for similar styles of skarn mineralisation.

Mt Read Volcanics

Mt Read Volcanic associations have been correlated with the felsic volcanoclastics of the Western Volcano-sedimentary sequence and the Tyndall Group quartz-feldspar phyric volcanoclastics.

Owen Group

The Late Cambrian to Ordovician Owen Group overlies the Mt Read Volcanics and is comprised dominantly of siliciclastic conglomerate and sandstone. Locally volcanic derived conglomerates are associated with basal members. The Moina Sandstone, comprised of coarse to fine siliciclastic sandstone with minor intercalated conglomerate is the uppermost siliciclastic unit of the Owen Group and has a gradational contact with the overlying Gordon Group.

Gordon Group Limestone

Conformably overlying the Owen Group is the Gordon Group limestone and dolomite sequence which is the host of the Kara district magnetite skarns. The stratigraphic thickness of the limestone is regionally variable ranging between 50-1000m.

Housetop Granite

The Housetop granite outcrops in much of the Blythe River Prospect and is believed to extend below much of the area (Leaman, 1993). Leaman concludes that the Housetop granite is anomalously dense and highly magnetic, which may explain the abundance of iron metasomatism in the district. The granite is responsible for massive Magnetite-SnWO₃ mineralisation of the Kara District. The association of Tasmanian Devonian granites with Magnetite, Sn-WO₃, Pb-Zn-Ag and Au mineralisation is well documented.

Tertiary Basalt

Basaltic flows are widespread throughout the Blythe River Iron Project area, flooding Tertiary palaeo-topographic lows. The basalts vary widely in thickness and frequently have a high magnetic susceptibility creating difficulties for magnetite exploration below basaltic cover. Recent resource

and exploration drilling at the Kara Mine indicates that the magnetite skarn extends below basalt cover.

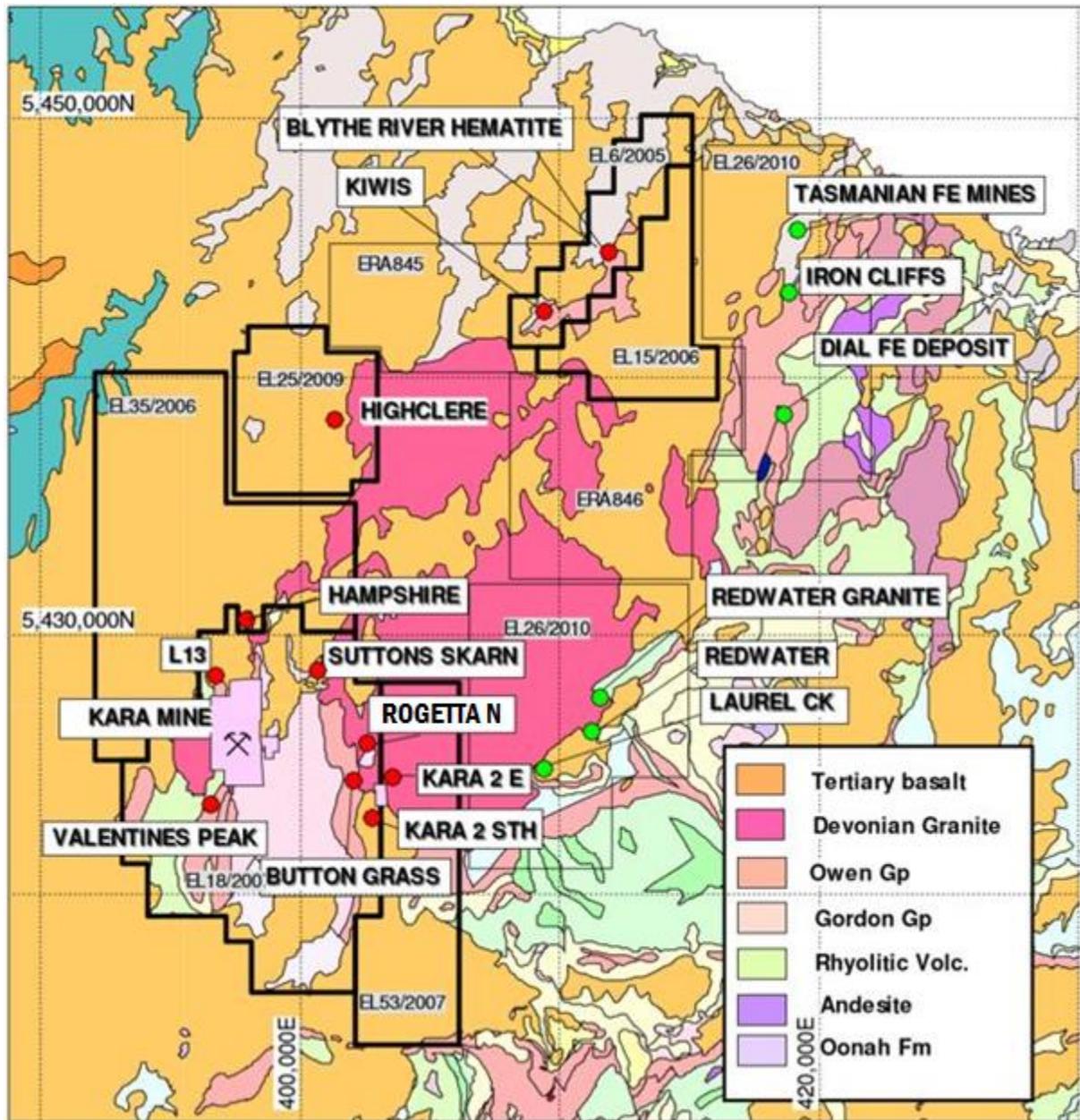


Figure 1. Blythe River Project location, Fe Prospects and MRT 250k Geology. Red dots are Blythe Project Fe prospects, green dots are other regional Fe Prospects.

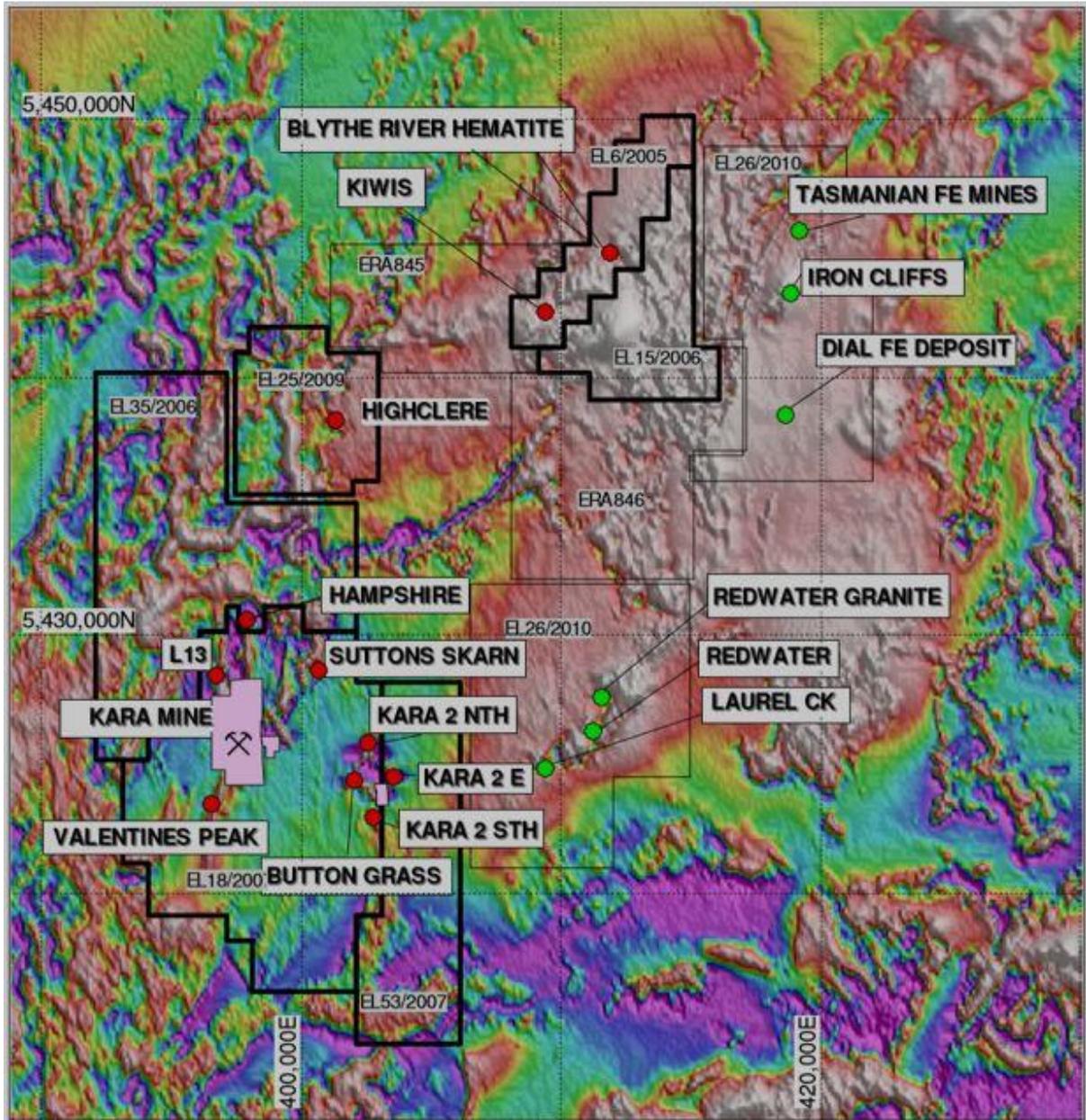


Figure 2. Blythe Project tenements, TMI and prospect locations. Red dots are Blythe Project Fe prospects, green dots are other regional Fe Prospects.

2.1 LOCAL GEOLOGY

The geology of EL35/2006 is dominated by Tertiary basalt flows, particularly to the north. On the southern boundary several basement windows expose granite intrusions with adjacent skarn mineralisation and the underlying Moina Sandstone including the Hampshire magnetite skarn, typical of the metasomatic magnetite rich skarns associated with the Housetop Granite.

2.1.1 HAMPSHIRE MAGNETITE SKARN

The Hampshire Magnetite skarn has been explored historically for Sn and WO₃ by ANZECO and MacIntyre Mines during the 1970's and 1980's. Iron Mountain Pty Ltd completed a comprehensive 30m spaced RC drilling program on the northern 250m of the deposit in 2008. 30 holes were drilled for 1530m. Drilling returned numerous high grade magnetite intersections in a consistently west dipping lens. Tungsten values were generally low with only a few samples above 0.1% WO₃.

The Hampshire Magnetite Skarn outcrops over a strike length of 500m and dips moderately west. Mineralisation consists of an approximately 10m thick massive magnetite skarn hosted in a thicker sequence of garnet-pyroxene-actinolite calc silicate skarn. Mineralisation has replaced a calcareous sandstone located just below the Moina Sandstone. Hornfelsed quartzite sandstone of the Moina Sandstone lies directly over the skarn.

The skarns are proximal to the Housetop Granite which truncates the mineralisation down dip to the west (Figure 5). The mineralisation is considered to be hosted in a roof pendant of Paleozoic calcareous sediments on the Housetop Granite.

Tertiary Basalt flows infill palaeo-valley and for basaltic flood deposits over much of the EL. Small windows of basement outcrop in the Hampshire area and the far east of the EL.

The deposit and remains open to the south, with a prominent magnetic high extending beneath basalt cover onto EL18/2007 (Figures 3 and 4). Reconnaissance mapping completed this year traced the outcropping magnetite skarn a further 250m south of the area drilled. Follow up drilling in 2013 identified calc-silicate skarn in the host sequence but only minor magnetite mineralisation was intercepted.

2.1.2 NOLANS HILL AND SEA SLUG

Several large aeromagnetic anomalies are present on EL35/2006, one located 4kms to the west of Hampshire named by Iron Mountain as the Sea Slug Prospect. The other is located 5kms north of Hampshire at Nolan's Hill.

Red River-Iron Mountain completed exploration RC drilling of the Sea Slug magnetic anomaly in 2008. Five RC holes for 385m were completed on the prospect with holes extending between 50m and 100m depth and remained in basalt for their entire length. Drill holes were spaced over 100m apart covering the strong magnetic anomaly.

A similar program of RC drilling was completed at the Nolan's Hill Prospect with five holes for 330m between 50 and 100m. Similarly all holes remained in basalt for their entire length. Holes were spaced approximately 100m apart testing the prominent anomaly.

The Nolan's Hill and Sea slug anomalies were possibly not fully tested with all holes ending in basalt, failing to reach the basement. However the depth of the basalt and the irregular shape of the aeromagnetic anomalies suggest they are low order targets for future exploration. If the magnetic anomalies associated with these deposits are magnetite skarns, they are considered to be too deep to be economically viable in the medium term.

3 WORK COMPLETED SEPTEMBER 2013 – SEPTEMBER 2014

Work completed specifically on EL35/2006 included drilling of 1 diamond drill hole for 73.7m. The Hole HDH001 was designed to test the southern extension of the magnetite skarn identified in an earlier RC drilling program. Minor magnetite was observed outcropping in the field south of the deposit and the magnetic anomaly remains open to the south.

The hole was collared in October 2013 and intersected calc-silicate skarn of the Transition beds that host much of the magnetite-scheelite skarn in the district. A drill summary is listed below.

Project	BHID	Easting	Northing	RL	Depth	Depth	Azm_Amg	Dip
Hampshire	HDH001	397952.0	5430389.0	494	73.7	0.0	90.00	-70.00

Depth (m)	Lithology
0 – 10.2	Weathered Tertiary basalt.
10.2 – 31.6	Clay weathered calc-silicate skarn (Transition Beds). Minor magnetite nodules and veins noted at 28.7 to 31.6m.
31.6 – 50.1	Quartzite and sandstone. Moina sandstone.
50.1 – 73.7	Granite.

Other work completed included ground work for magnetic, gravity and seismic surveys in the region. Geological research of historic works in the region has been undertaken to gain further insight of the deposit. A future drilling program is currently being planned.

4 PROPOSED WORK PROGRAM

Work planned for EL35/2006 is expected to involve a resource estimation of the Hampshire deposit. Further field exploration of the southern extension of the Hampshire skarn is warranted and may involve ground magnetics and geological mapping. A proposed expenditure of \$25,000 is expected for the EL.

5 ENVIRONMENTAL

Environmental disturbance in EL35 during the reporting period was minimal. Existing access infrastructure was used when required for site visits and work completed during the year. The drill site was rehabilitated on completion of the drill hole. Rehabilitation will be completed once a final decision as to the viability of the mineral potential in the area has been determined.

6 EXPENDITURE

Expenditure for 2014 is anticipated to be approximately \$25,000.

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