

TORQUE MINING LTD

**EL 33/2010 Wanderer River
Annual on Exploration Activity
March 2014 to March 2015**

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Abstract

No fieldwork was undertaken in the reporting year.

Table of Contents

	Page No.	
1.0	Introduction	1
1.1	Exploration Philosophy	1
1.2	Geology	1
1.3	Tenure	1
1.4	Location	1
1.5	Access	1
1.6	Topography and Vegetation	3
1.7	Land Use	3
2.0	Review of Previous Work	4
2.1	Prior to current tenement	4
2.1.1	Lyell-EZ Explorations (LEE), 1956-62	4
2.1.2	BHP, 1964-1972	4
2.1.3	Geopeko, 1976-1984	4
2.1.4	Cyprus (Arimco)-Poseidon (1985-1990)	6
2.1.5	Aberfoyle-Arimco (Cyprus)-Poseidon (1990-1993)	9
2.1.6	Plutonic (1995-96)	9
2.1.7	TasEx/Tasgold (1999-2008)	9
2.2	During Life of Current Tenement	9
2.2.1	Frontier Resources NL/Torque Mining & EMC	9
3.0	Exploration Completed March 2014 to March 2015	14
4.0	Discussion of Results and conclusions	15
5.0	Environmental	16
6.0	Expenditure	17
7.0	References	18
Figures		
1	EL 33/2010 "Wanderer River" location.	2
2	EL 33/2010 Wanderer River prospects and tenements on Mineral Resources Tasmania's 1:25,000 geology.	5
3	North Porphyry Contact/Voyager 20 C-horizon soil sampling Zn results	8
4	EL 33/2010 "Wanderer River" and EL 20/1996 "Elliott Bay" VTEM survey flight lines on MRT 1:25,000 geology.	10
5	Raw field data dB/dt channel 15	11
6	Raw field data dB/dt channel 30	12
7	Raw field data dB/dt channel 45	13

1.0 Introduction

1.1 Exploration Philosophy

Torque has been exploring for base and/or precious metals. Mineralisation styles targeted are VHMS (Volcanogenic Hosted Massive Sulphides) either as seafloor precipitates or shallow subseafloor replacement, and/or hybrid VHMS/epithermal precious metal rich vein and/or replacement deposits.

1.2 Geology

EL 33/2010 covers a highly significant portion of the southernmost land extent of the Mt Read Volcanics. For a detailed geological description of the prospective rocks the reader is referred to Corbett (2003).

In the eastern tenement block felsic volcanics and volcanoclastics of the Mt Read Volcanics are unconformably overlain along their western margin by felsic volcanoclastics and shales of the Waterloo Creek Group, in turn conformably overlain by the Ordovician siliciclastic sediments of the Denison Group.

In the western tenement block the Western Epiclastic unit of felsic volcanoclastics, finer sediments and only occasional basaltic-andesite or gabbro, is fault juxtaposed along its eastern margin with the Ordovician siliciclastic sediments of the Denison Group. On its western margin the Western Epiclastics are in probable faulted contact with the Mainwaring River Volcanics, a unit of basalt-andesite and mafic volcanoclastics with common gabbros.

Mineral Resources Tasmania's 1:25,000 mapsheets are shown in figure 2.

1.3 Tenure

EL 33/2010 was granted Frontier Resources Ltd (90%) and Exploration and Management Consultants Pty. Ltd. (10%) on 29th March 2011 and transferred to Torque Mining Ltd on 4th May 2012.

In 2014 Torque voluntarily relinquished the northern of the three blocks, retaining the southern two blocks. This report details the final relinquishment of these latter two blocks.

1.4 Location

EL 33/2010 is located very near to the remote southwestern coast of Tasmania (see Figure 1.1) around 40 kilometres west of Strathgordon and 80 kilometres south of Strahan.

1.5 Access

Access to the area is difficult with no continuous road access to the rest of the state. The only vehicular track to the area, a rough 4WD track known as the Low Rocky Point Track commences at the southern end of Birch's Inlet off the southeastern corner of Macquarie Harbour and thus requires boat transport.

This track crosses a bridge over the Wanderer River which has been decommissioned restricting vehicular access to the licence.

Access is most commonly made by helicopter either from Strahan or Strathgordon.



Figure 1: EL 33/2010 "Wanderer River" location.

1.6 Topography and Vegetation

Much of the prospective country is low lying, however, Ordovician siliciclastics which stratigraphically overlie the prospective volcanics, form mountain ranges in the northern part of the licence area as well as Mt Osmund in the southern part.

The majority of the licence is covered with low standing, open coastal heath and button grass. Creek gullies and some of the areas in the western and easternmost parts have wet sclerophyll vegetation.

1.7 Land Use

The Wanderer River licence area is crown land and is classified as part of the South West Conservation Area. As such it is open to mineral exploration.

The Tasmanian Government proclaimed the prospective rocks south of Macquarie Harbour to be within the Sorell Peninsula Prospectivity Zone, a recognition of the mineral potential of the area. Under this act any change in the status of the land within the zone requires the approval of both houses of the Tasmanian parliament with any affected party entitled to compensation (this does not cover any decisions of the Federal government).

2.0 Review of Previous Work

2.1 Prior to current tenement

The southern Mt Read Volcanics saw relatively little of the prospecting activity which characterized the rest of the west coast of Tasmania. Prospector T.B. Moore spent his summers prospecting in the area in the latter part of the 19th century.

2.1.1 Lyell-EZ Explorations (LEE), 1956-62

The first modern exploration of the area was carried out in a joint venture operation by Lyell-EZ Explorations (LEE) on the vast 'Gordon Concession' covering much of SW Tasmania. Airborne magnetics, EM and scintillometer surveys were flown and a variety of ground geophysics utilised. The LEE JV bulldozed the road from Birch Inlet to Moore's Valley which was later extended to Low Rocky Point to service the lighthouse.

2.1.2 BHP, 1964-1972

BHP conducted a major exploration campaign in SW Tasmania between 1964 and 1972 on EL13/65. They constructed the Moore's Valley airstrip, established a major base camp at Birch Inlet and reused the LEE camp at Moore's Valley. Much of the work consisted of reconnaissance mapping, stream sediment sampling and minor soil sampling.

2.1.3 Geopeko, 1976-1984

The first comprehensive ground based exploration of the Mt Read Volcanics in the Elliott Bay region was carried by Geopeko on EL 27/76. A major base camp was established south of Wart Hill and tracked bombardiers used for exploration in the largely open countryside. Regional and local mapping resulted in much of the current understanding of the area and delineation of many alteration zones and prospects which were given the Voyager prefix.

Mapping, stream sediment sampling and airborne magnetics were used for reconnaissance work resulting in the delineation of 34 Prospects (termed Voyager 1 to 34) Prospects relevant to EL 33/2010 are shown in figure 2.. Seventeen of these were followed up with detailed gridding, mapping, soil sampling and various geophysical methods.

Voyager 20 lies in the eastern tenement block, whilst Voyagers 21, 22, 34 and 35 lie in the western block. The follow summarises only that work carried out in the eastern and western tenement blocks.

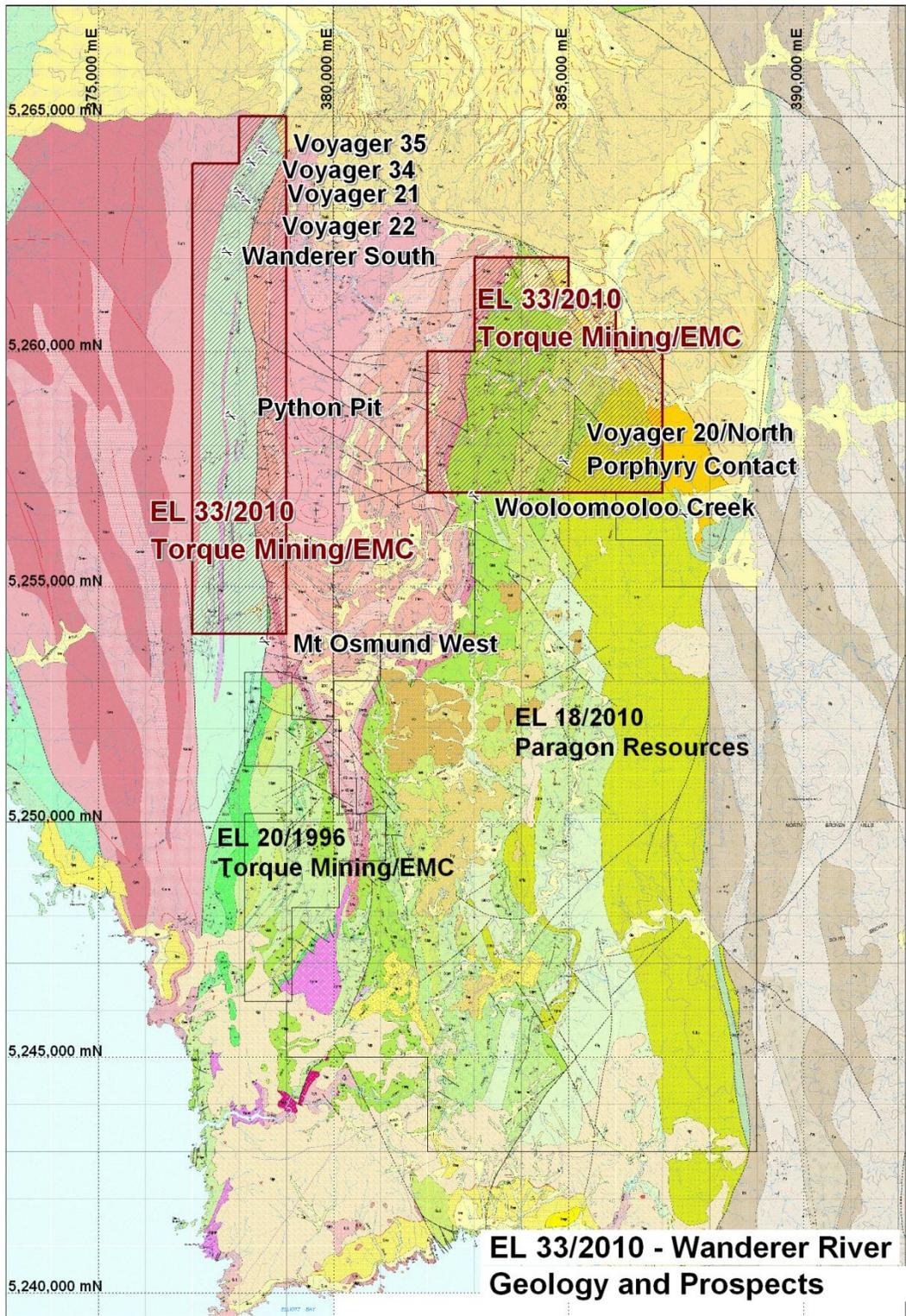


Figure 2: EL 33/2010 Wanderer River prospects and tenements on Mineral Resources Tasmania's 1:25,000 geology.

1976-77 (Ref?)

- Reconnaissance mapping, rock sampling and -80# stream sediments over much of the area of Mt. Read volcanics.

1978-79 (Strickland, 1979)

- Regional mapping, rock sampling and -80# steam sediment sampling.

1979-80 (Large, 1981)

- Regional reconnaissance work was extended with -80# stream sediment sampling and mapping.
- 26 Voyager Prospects defined.
- Detailed rock sampling and mapping of V20. Hematite-chloritic altered volcanics with potential for lead-zinc mineralisation identified.

1980-81 (Heithersay et al, 1981).

- Gridding, mapping, rock and soil sampling at V22

1981-82 (Wilson et al. 1982).

- V22 - Infill gridding, mapping, magnetics and soil sampling.
- V33 - Gridding, mapping, soil sampling and magnetics.
- V34 - Gridding, mapping, soil sampling and magnetics.
- V20 - Gridding, soil sampling, stream sediment sampling, VLF-EM and magnetics.

1982-83 (Herrmann, 1983).

- Aquitaine Australia Minerals Ltd JV'd into the project in 1982 but withdrew in 1983.
- Extensive dipole-dipole IP survey over the volcanics on either side of the Mt. Osmund syncline from V33 on the western side to V34 on the eastern.
- Systematic C-horizon soil sampling and detailed was completed over the same area.
- Infill soil sampling and IP conducted in areas where anomalous responses were recorded.

1983-84 (Herrmann, W and Sumpton, J. 1984)

- V33 two DDH's, narrow structurally controlled mineralisation.

1984-85 (Herrmann, 1985)

Geopeko decided to withdraw from exploration in Tasmania in early 1984, however, a J.V. partner could not be found and the ground was dropped in mid 1985.

2.1.4 Cyprus (Arimco)-Poseidon (1985-1990)

Cyprus (Arimco) held EL 40/85 from 1985 until late 1994 when the ground was compulsorily relinquished. Cyprus and Poseidon maintained a 50:50 J.V. until Aberfoyle farmed in 1990. Cyprus managed the property until 1989. Just that work relevant to the eastern and western tenement blocks shown.

1985-1986 (Hartley et al, 1987).

- Dighem-magnetic survey 500 line km on 150 metre lines.
- Ground follow-up of ten anomalous areas max-min EM survey and magnetics, C horizon soil samples, rock chip samples reconnaissance geological mapping and minor petrology. Minor Pb-Zn soil anomalies on lines 2,5 and 8. Gold soil anomalies on lines 6 and 8.

1986-1987 (Hartley et al, 1987)

Regional:

- Review of all previous geophysical work by Mitre Geophysics (Bishop, 1987).
- Compilation of 1:10000 Prospect mapping at 1:25000
- Regional Stream geochemical sampling (-80# and panned concentrates)
- Rock chip sampling
- Air photo interpretation of structures.

Prospects:

- Wanderer South (Dighem anomaly). Gridding, ground EM, stream geochemistry, soil geochemistry, rock chip geochemistry. No anomalies detected.
- Python Pit (Dighem anomaly). Gridding, ground EM, stream geochemistry, soil geochemistry, rock chip geochemistry. Moderate Cu-As-Au soil anomalies associated with siltstones shales and basic volcanics.
- Mt Osmund West (Dighem anomaly, V33). Gridding, stream geochemistry, soil geochemistry, rock chip geochemistry, ground EM and groundmagnetics. Abundant visible gold in panned concentrates. Anomalous metals in rock chips and soils. Weak EM response.
- Woolloomooloo Creek (Dighem anomaly). Gridding, stream geochemistry, soil geochemistry, rock chip geochemistry, ground mag and ground EM. Anomalous gold in streams, no soil anomalies detected, weak EM conductor associated with shales.
- North Porphyry Contact (Voyager 20). Gridding, stream geochemistry, soil geochemistry, rock chip geochemistry, ground mag and ground EM. Mag anomalies identified as chlorite-magnetite zones on porphyry contact. Considered to be adequately tested.

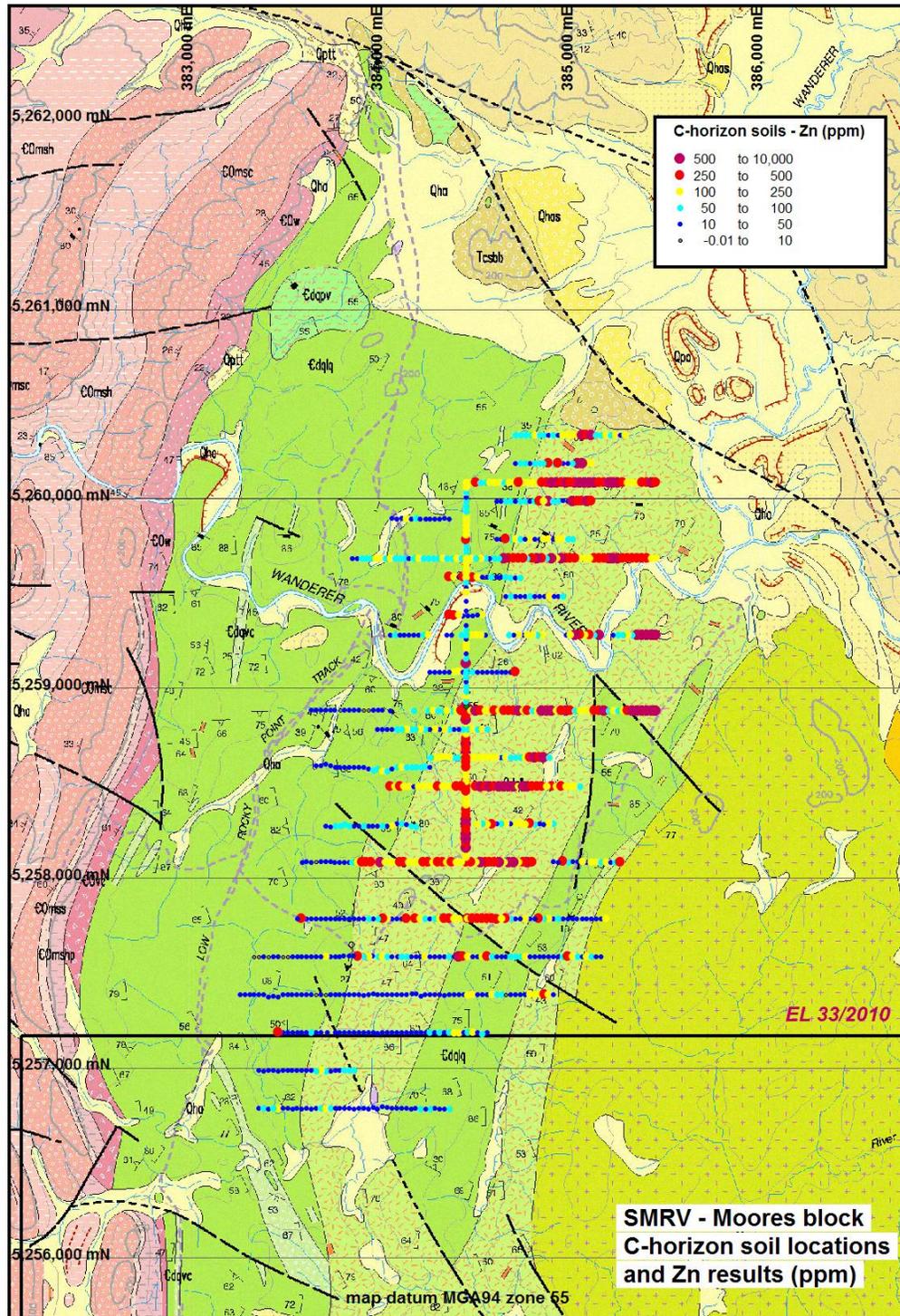


Figure 3: North Porphyry Contact/Voyager 20 C-horizon soil sampling Zn results.

1987-88 (Poltock et al, 1988).

- Compilation of all previous geophysics (Bishop, 1988).

2.1.5 Aberfoyle-Arimco (Cyprus)-Poseidon (1990-1993)

Aberfoyle managed the JV from 1990 to 1993.

1991-92 (Wallace, 1991 & Richardson, 1992)

A QUESTEM airborne EM survey was flown over the prospective rocks. Nine anomalies were recognised from the survey. 4 of these – numbers EB6, EB7, EB8 and EB9 lie in the eastern tenement block.

1992-93 (Richardson, 1993)

Ground follow-up was carried out at all nine anomalies. This involved ground EM and soil surveys over some of the anomalies. The four anomalies in the current EL were downgraded.

2.1.6 Plutonic (1995-96)

1995-96 (Herrmann, 1996)

Plutonic successfully tendered for the Elliott Bay EL in late 1994 with the licence granted in 1995. Plutonic did no work with the current tenement.

2.1.7 TasEx/Tasgold (1999-2008)

In 1999 TasEx/Tasgold (to become Frontier) pegged EL 21/1999 Wanderer River which covered much of those areas of Mt Read Volcanics in the Elliott Bay area not included in EL 20/1996. Parts of this licence are contained within the two blocks of the current EL 33/2010 Wanderer River.

2003-2004 (Hall, 2004)

Gold assays of historical drillholes in several of the Voyager prospects are presented. Results were disappointing, with less than 10% of assays above detection limit.

Appendices include reviews of soil sampling and geophysics at the V33 and V22 prospects and drill hole proposals.

2.2 During Life of Current Tenement

2.2.1 Frontier Resources NL/Torque Mining (90%) & EMC (10%)

The body of fieldwork carried out by Frontier Resources was the flying of a new generation VTEM Survey which was flown over all prospective rocks i.e Mt Read Volcanics and Waterloo Creek Group rocks, within Frontier's (now Torque's) two tenements in the Southern Mt. Read Volcanics area (MacDonald, 2012). The location of the survey flight lines and Images of conductivity at a number of time channels, i.e. 15, 30 and 45, are shown in figures 4, 5, 6 and 7.

The survey was fully reported in MacDonald, 2012.

Other than the Wanderer River bridge the survey did not recognize any anomalous responses considered likely to be due to massive sulphides (MacDonald, 2012).

Desktop work included digitizing existing IP and soil geochemical data (MacDonald, 2013).

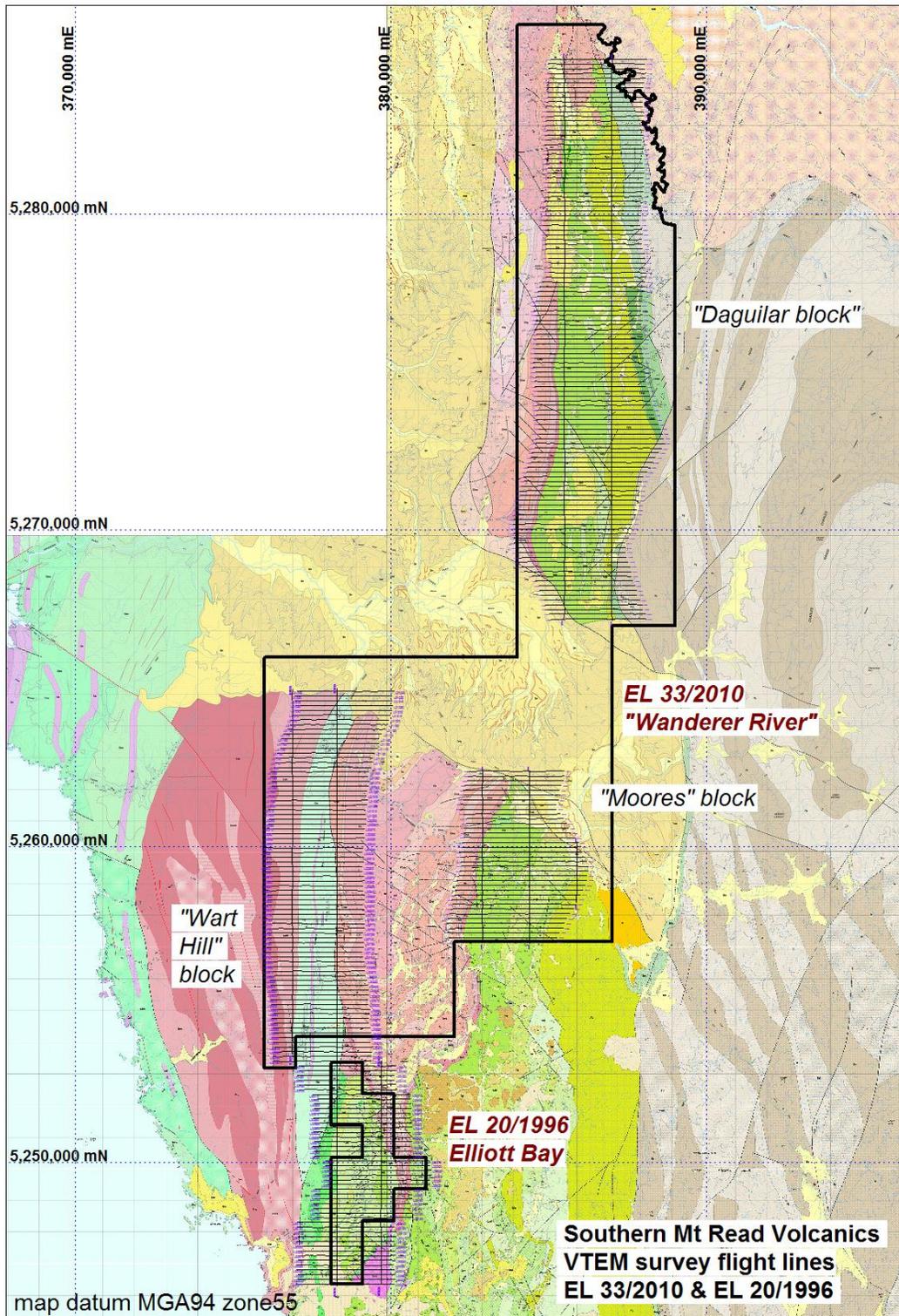


Figure 4: EL 33/2010 "Wanderer River" and EL 20/1996 "Elliott Bay" VTEM survey flight lines on MRT 1:25,000 geology.

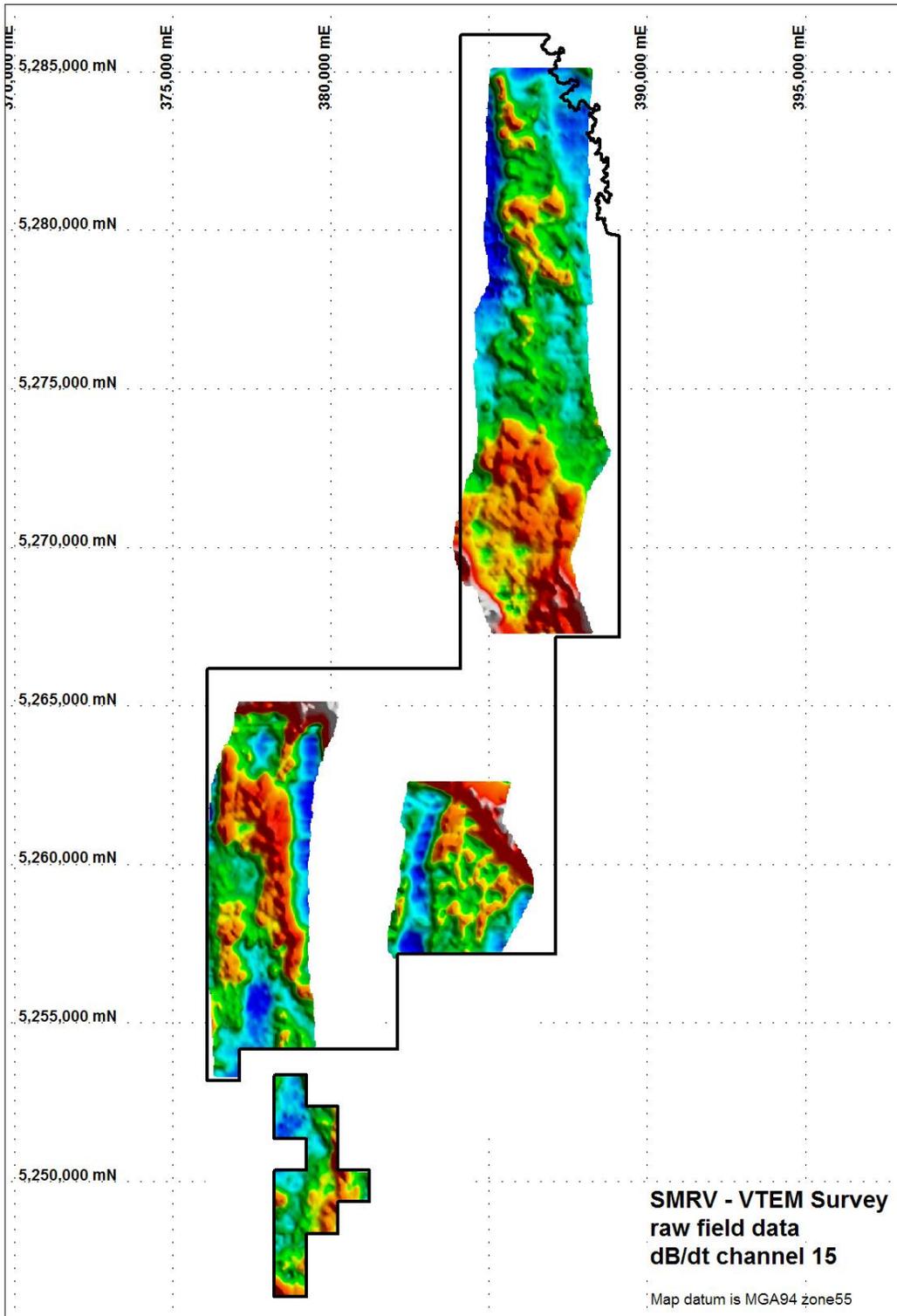


Figure 5: Raw field data dB/dt channel 15

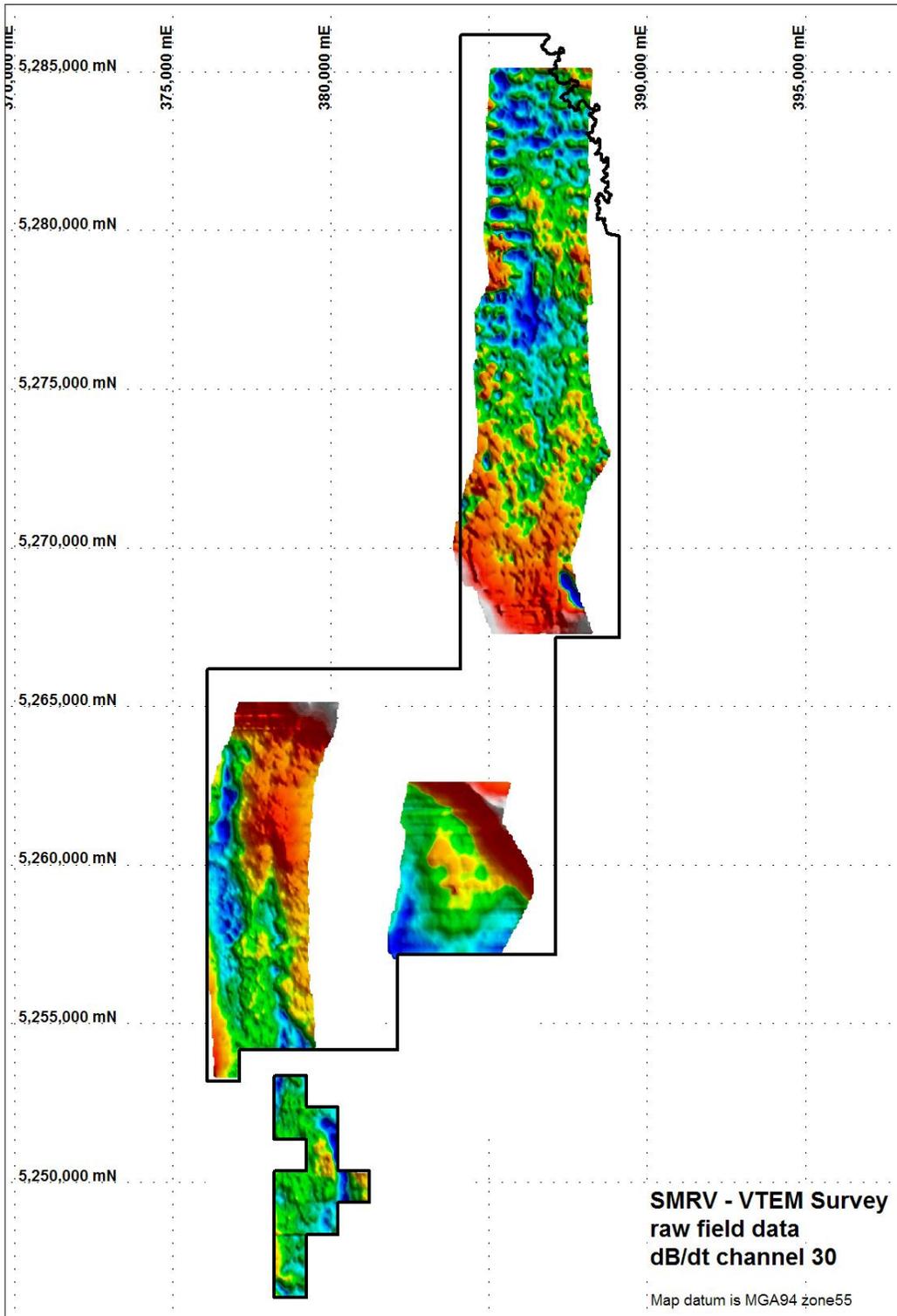


Figure 6: Raw field data dB/dt channel 30

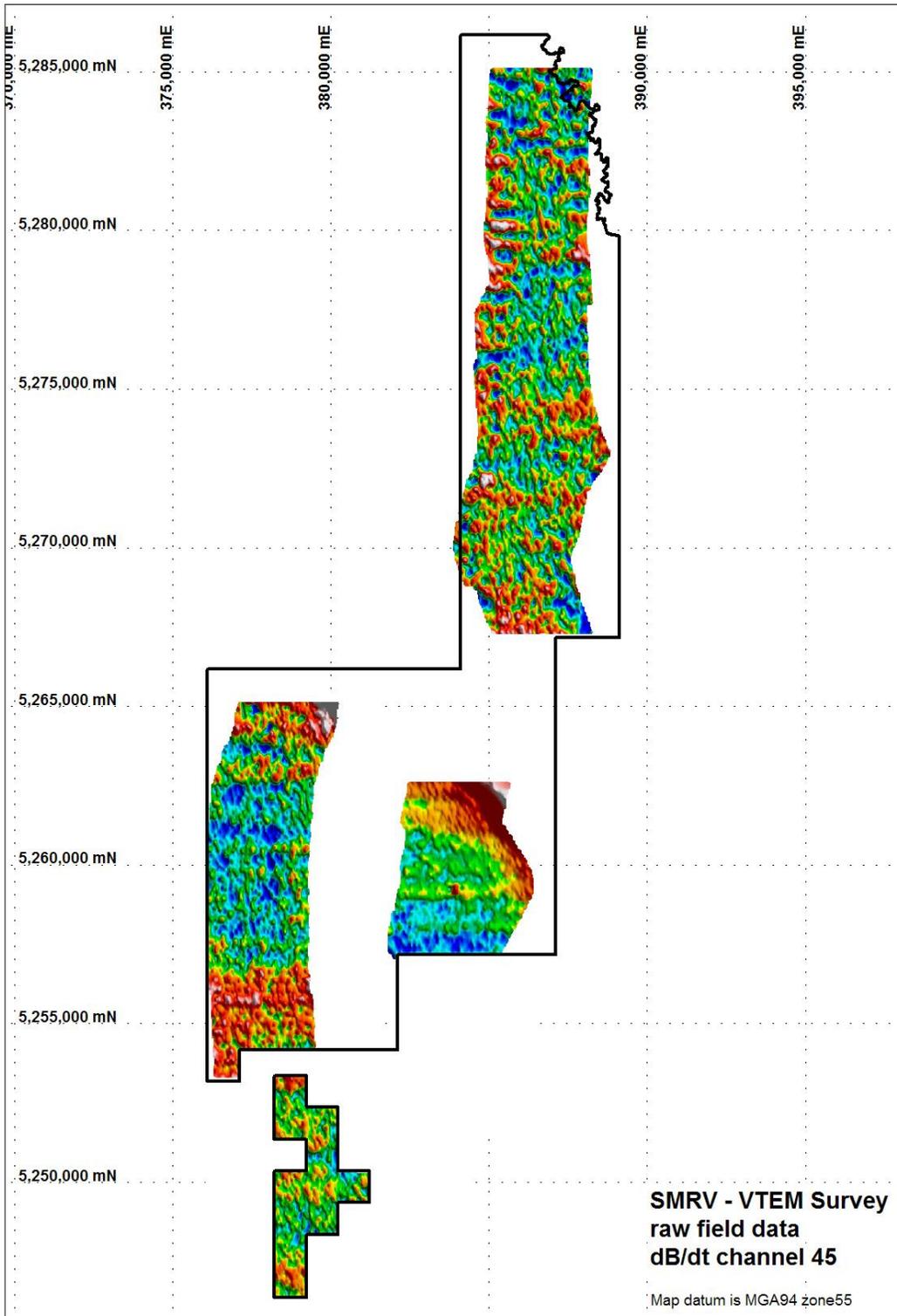


Figure 7: Raw field data dB/dt channel 45

3.0 Exploration Completed March 2013 to March 2014

Due to a lack of funds from the companies Stormont gold mine no exploration has been undertaken within the Wanderer River licence during the year.

4.0 Discussion of Results and Conclusions

Torque Mining Pty Ltd is in the process of transferring the tenement to a new owner at time of writing this report.

5.0 Environmental

No field work was undertaken and thus there has been no environmental impact on the licence area.

6.0 Expenditure

Geology: \$2,000

Administration: \$1,000

Total: \$3,000

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