

JIYUAN MINING PTY LTD
EL31/2010 Partial Surrender Report
2015
POIMENA

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Report Date: Sept 2015



Abstract

This report details the work completed on that portion of EL31/2010 that is to be surrendered in September 2015

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1. Introduction

Little field work was done by Jiyuan Mining during the four years tenure of this Licence.

During 2013/2014 Australian China Corporation of Coal Geology Engineering Pty Ltd (ACCCGE) entered into a Joint Venture with the Coal Geology Survey and Design Institute of Jilin Province (Jilin) to form Jiyuan Mining Pty Ltd (Jiyuan Mining) to explore EL31/2010 and EL30/2010 for tin, tungsten, copper, silver and other minerals. The work that was done was of a logistical and reconnaissance nature together with a Review of Prospectivity of EL30/2010 and EL31/2010.

This review of existing Aeromagnetics and previous exploration downgraded the area to be surrendered.

1.1 Report Datum

GDA94

1.2 Exploration Rationale

The Blue Tier area has potential for mineable tin resource.

1.3 Geological Setting

The Devonian granites of north east Tasmania intrude the Ordovician-Silurian Mathinna Supergroup sediments. The Blue Tier Batholith comprises early mafic granodiorites to late leucocratic granites (see Groves et al., 1977). The dominant type is the medium to coarse grained porphyritic I-Type Poimena Granite intruded by the biotite-muscovite S type Lottah Granite which carries the tin mineralisation.

In the Blue Tier Batholith activity lasted for about 23 Ma with the initial intrusion of the Poimena at about 378 Ma and ending with the crystal fractionated Lottah Granite (McClenaghan, 2006).

See Plan 2.

1.4 Licence Information

1.4.1 Licence Number

EL31/2010

1.4.2 Licence Name

Poimena

1.4.3 Licence Location

Blue Tier – see Plan 1.

1.4.4 Reporting Period

25th May 2011 – September 2015

1.4.5 Tenement Holder

Jiyuan Mining Pty Ltd
(Previously ACCCGE Pty Ltd)

2. Previous Work

2.1 Work Prior to Current Mining Licence

Prospecting and exploration from 1874 onwards has defined numerous alluvial tin deposits and small tonnage greisens (Supree 1985). A number of sluicing ventures on veined greisens were undertaken at Southern Cross, Lottah, Kent, Haleys, Marie, Planet, Rising sun, Crystal Hill, Spinks, Cream Creek, Nichols(F-B), Australia and Anchor.

The Mount Lyall and Railway Company conducted a significant program of trenches and diamond drilling in 1906 targeting vein greisens. The best intercept of 3.5m @ 0.51% tin was returned from the Moon Mine in Bore 18 (Supree, 1985).

The Anchor Mine was established in 1895 and produced approximately 2,680 tons of tin until 1918 from a number of open pits. Other short term operations in the area produced an additional 1,500 tons (Supree 1985).

3.

Renison Ltd, previously Aberfoyle Tin Development Partnership, commenced modern exploration of the Anchor deposit in 1964 and continued through to early 1980's. a pre-JORC resource of 8.8Mt @ 0.18% Sn (0.05% cut-off) was determined after infill resource drilling, (Ross, 1981).

Spectrum Resources commenced an underground mining operation in 1988, which was later suspended in December 1991, due to low tin prices. Mining recommenced for a two-year period in January 1995, until low prices again forced closure (Fulton, 2009).

An estimated 215,000 tons at 0.52% tin was produced between 1988 and 1996. A sulphide concentrate of 30% copper and 2% bismuth was also produced. Other potential by-products include silver, zinc and tungsten (Fulton, 2009).

Exploration outside the Anchor mine is as follows:

In 1974 Geophoto conducted exploration from Cross Ck to Cream Ck with the conclusion that mineralisation in this area was sub-economic (Supree, 1985)

In the late 1970's Aberfoyle explored for repeat Anchor-type deposits north of the Anchor mine. A planned six hole percussion drill program at Cream Ck workings was terminated after completion of 2 holes due to heavy water flows.

Amoco Minerals Australia held an exploration licence over the northern part of EL31/2010. They completed mapping, soil and rock chip sampling of the Schroeder's Ck, Tallewang Ck and Spinks area, but failed to locate significant greisen-tin mineralisation.

3. Exploration

3.1 Desktop Studies

REVIEW OF EXPLORATION POTENTIAL OF EL30/2010.

A review of the available geophysics on EL 31 and EL30 (also held by Jiyuan Mining) was conducted by Mr. Phil Muir of Southern Mineral Exploration Geophysics (SMEG), which was reviewed by Mr. Ken Morrison of KC Morrison Pty Ltd.

4.

Mr. John Pemberton (Ron Gregory Prospecting) reviewed the previous exploration and mining history of both Licences.

Both the above reviews were combined into “**Jiyuan Mining Review of EL30 & 31 Oct 2014**” “closed file”. This Review was commissioned to provide a general direction for future exploration. The recommendations for EL31 were as follows:

“The failed drilling of Aberfoyle at Cream Creek and the interesting results from the Mines Department drilling in the 1940s and Amoco exploration at Spinks Creek indicate that this area requires further work. It is recommended that a program of detailed data compilation to accurately locate the drill holes and on ground mapping, sampling and geophysics is undertaken to allow a drilling program to be planned in the coming summer. This is the highest ranking prospect within EL 31/2010, apart from Anchor which is held under the Niuminco Group Ltd retention licence RL 2/2009.”

At the time of writing the above recommendations the Anchor Mine was held under RL1/2009 and still is, however the Mining Lease over the Anchor is within EL31/2010.

3.2 Regional Exploration Activities

No regional exploration was conducted in 2014-2015,

3.3 Prospect-based Exploration Activities

A Reconnaissance Survey was conducted over the Western part of EL31. The Cream Creek area was considered the most prospective and the Eastern part of EL31 around Poimena and Lottah was considered more environmentally and socially more sensitive than the Western part.

No field work was conducted in the area to be surrendered.

3.3.7 Ore Reserves and Resources

No ore reserves were defined.

3.3.8 3D Modelling

No 3D modelling was conducted.

4. Results

The results from the work done in 2014 are minimal.

5. Conclusions

5.1 Conclusions

No conclusions can be drawn at this time..

5.2 Recommendations

Recommend the relinquishment of areas regarded as non-prospective.

6. Environment

No field work was conducted on surrendered area.

7. Expenditure

An amount of \$89,083.50 was expended on EL31/1010 in 2014 - 2015

8. References

Groves, D. J., 1977

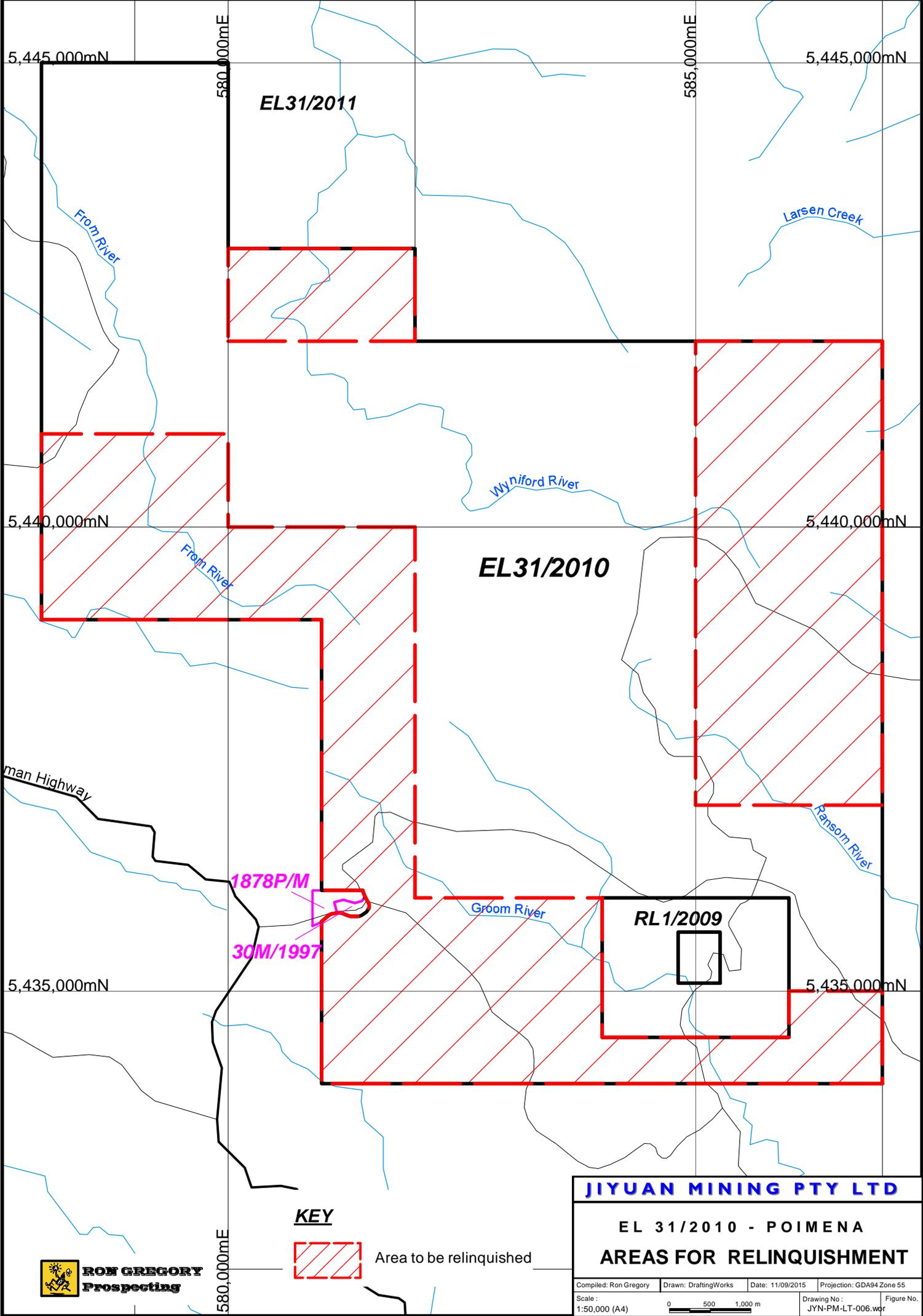
The Blue Tier Batholith

GSB55

McClenaghan, M. P., 2006

The geochemistry of Tasmanian Devonian-Carboniferous granites and implications for the composition of their source rocks

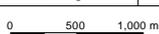
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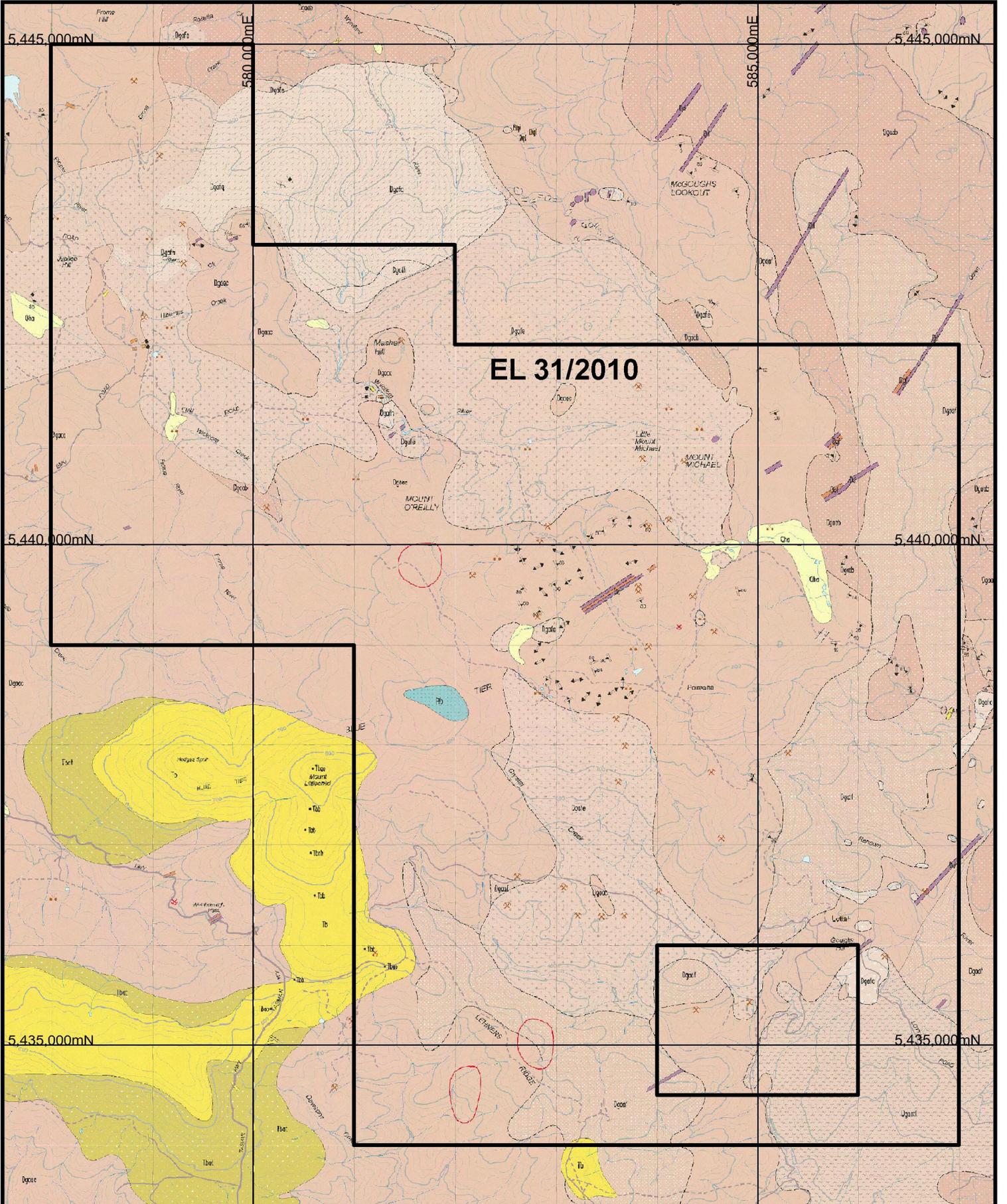
KEY
 Area to be relinquished

JIYUAN MINING PTY LTD

EL 31/2010 - POIMENA
AREAS FOR RELINQUISHMENT

| | | | |
|-----------------------|---|------------------|-------------------------------|
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| Scale: 1:50,000 (A4) |  | | Drawing No: JYN-PM-LT-006.wpr |
| | | | Figure No. |





EL 31/2010

ACCCGE PTY LTD

**EL 31/2010 - POIMENA
REGIONAL GEOLOGY**
(From MRT 1:25,000 Series Geology)

| | | | | |
|---------------------------|--------------------------|----------------------|-------------------------------------|---------------------|
| Compiled : Ron Gregory | Drawn : Draftingworks | Date : 23/05/2014 | Projection : GDA94 Zone 55 | Scale : 1:50,000 |
| 0 0.5 1 2 km | | | Drawing No. : ACCCGE-PMA-GLR-016 | Figure No. : .. |

