

Tim Callaghan – Resource and Exploration Geology
3 Main Rd Penguin 7318 ph. 0428 888 896 email: timcallaghan@netspace.net.au
ABN 50886857181

FINAL REPORT
EL1/2006 DIAMOND HILL
WESTERN TASMANIA

Prepared for: Stebbo's Diamond Drilling

Tim Callaghan, February 2016

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.

EXECUTIVE SUMMARY

This report is the final report for EL1/2006 Diamond Hill. The EL forms part of a tenement package prospective for barite and gold mineralisation within the Yolande River sequence and intrusive felsic porphyries of the Cambrian Mt Read Volcanics.

No work has been completed since the 2013 annual report. The license holder Lance Stebbings broke his leg prospecting the EL and stopped exploration. Drillhole MH09 was completed but not logged and the hole depth is not known by the author. Drill core from MH08 was not sampled.

The EL has been relinquished due to the ill health of the licensee and the burden of ongoing expenditure commitments.

CONTENTS

Executive Summary	3
1 Introduction	5
2 Local Geology	8
3 Work Completed September 2011 – August 2012	9
4 Proposed Work Program	10
5 Environmental	11
6 Expenditure	12
Additional Notes	17

LIST OF FIGURES

Figure 1	EL1/2006 location and geology	6
Figure 2	EL1/2006 TMI and prospect locations	7

1 INTRODUCTION

EL1/2006 Diamond Hill consisting of 13km² was licensed to Stebbo's Diamond Drilling.

The EL is located on the junction of the Murchison and Lyell Highway's with reasonable access on fire trails and the Lake Margaret Road. Foot access to the Diamond Hill gold prospect is via a cut track.

Most of the license is covered by moderately thick tea tree re-growth and low swamps. The area has seen repeated wild fires over the last 100 years, significantly modifying the local environment.

The licensee's consider the EL to be prospective for:

- High grade barite, suitable for specialist needs
- volcanogenic or metamorphogenic vein hosted gold deposits

The EL has been prospected and explored since the 1890's with historic mining activity consisting of costeans, adits and winzes evident at the Madam Howard's Plains Barite lodes, and the Diamond Hill gold prospect. Alluvial gold has been recovered from much of the area by local prospectors over the last 100 years.

The Licensee, Lance Stebbings broke his leg while prospecting on the EL and was forced to relinquish the EL. The license was relinquished in 2015 due to the ill health of the licensee and the burden of ongoing expenditure commitments.

2 LOCAL GEOLOGY

The Local geology of EL1/2006 is dominated by the Yolande River Sequence of the Cambrian Mt Read Volcanics (Figure 1). A major regional Fault, the firewood siding fault is located in the southern EL, separating the Cambrian volcanics from the younger Silurian Siliciclastics. The South Henty Fault is located just west of the EL.

Most of the EL is underlain by Yolande River Sequence felsic volcanoclastic sediments, mostly vitric siltstones and mass flows. The volcanoclastics are generally well bedded.

Several NNW trending felsic intrusive/extrusives are located in the northern EL. Quartz porphyry is located at diamond Hill and several kilometers to the north towards the Yolande River. The porphyries can be divided on modal hornblende and biotite (Morrison, 1997). The aphyric to feldspar phyrlic porphyries have a weak magnetic signature (Figure 2).

Just east of the EL is an andesitic intrusive. Several enigmatic Cambrian basalts are located close to the firewood siding fault to the south.

Known Mineralisation within the area includes:

Madam Howards: Approximately 1300t of barite was mined from two NE trending lodes at Madam Howard's Plains between 1910 and 1920. Groves (1964) describes the lodes as lenticular bodies, the southern group striking 060° magnetic and the northern group 020° magnetic. The main deposits are up to 4m wide and extend over 600m in length. In 1962 the mines department drilled three drillholes under the main workings but only intersected minor barite. Minor fluorite hematite and galena filled amygdales were observed along with numerous quartz-carbonate veins. The holes were analysed for Au by CMT in 1997 (Morrison, 1997). The holes were slightly anomalous with a peak value of 0.11g/t.

Diamond Hill: An E-W quartz vein in a pipe-like intrusive body was historically mined with evidence of alluvial workings in the nearby creeks and 4 small adits into the deposit. The prospect is defined by a pan concentrate anomaly and patchy but interesting rock chip samples (Max 18g/t).

Raggedy Anne: A gold bearing quartz lode hosted in the Silurian sediments near the firewood siding Fault. Further research is required.

The area has been consistently worked for minor amounts of alluvial gold over the last 100 years.

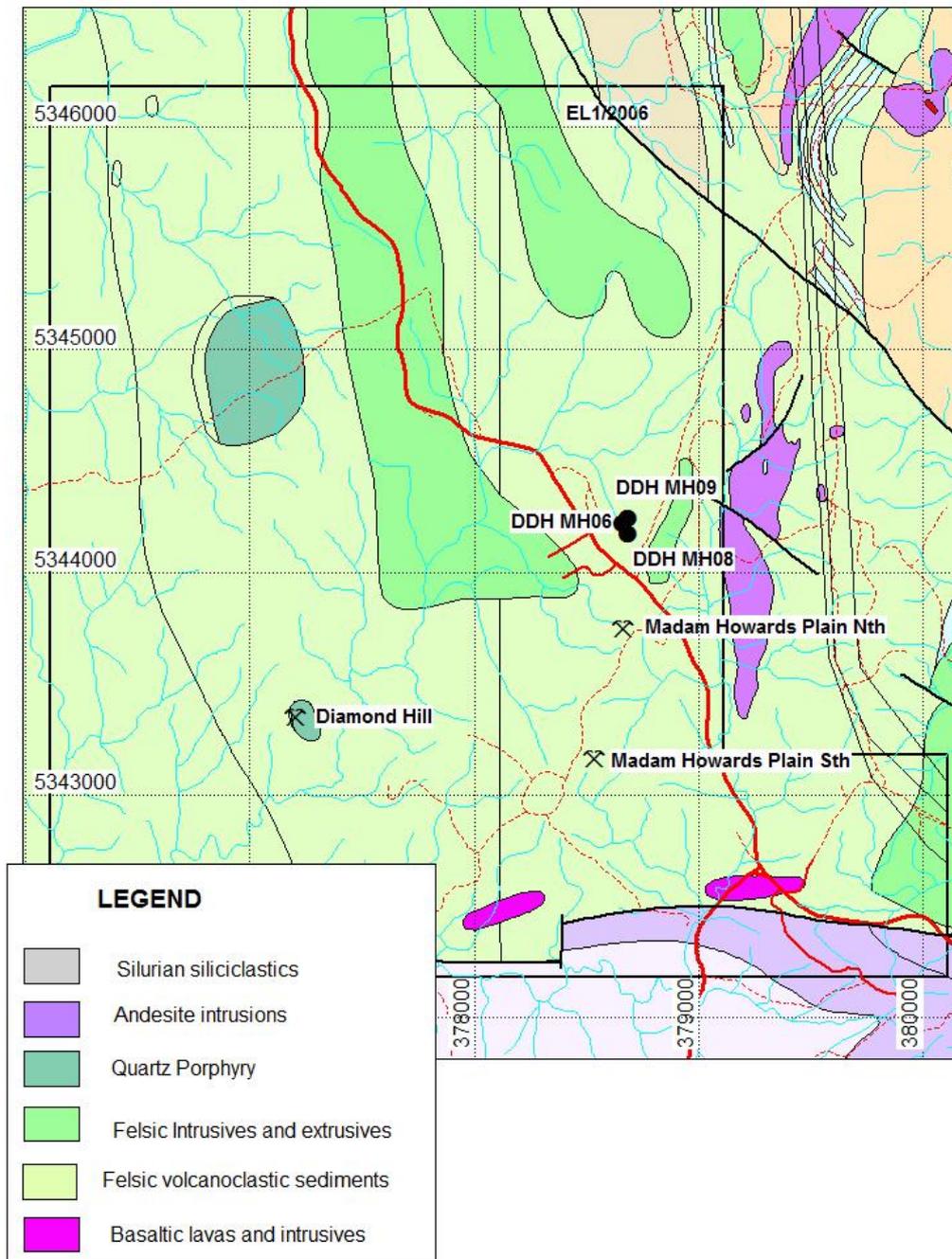


Figure 1. EL1/2006 Geology.

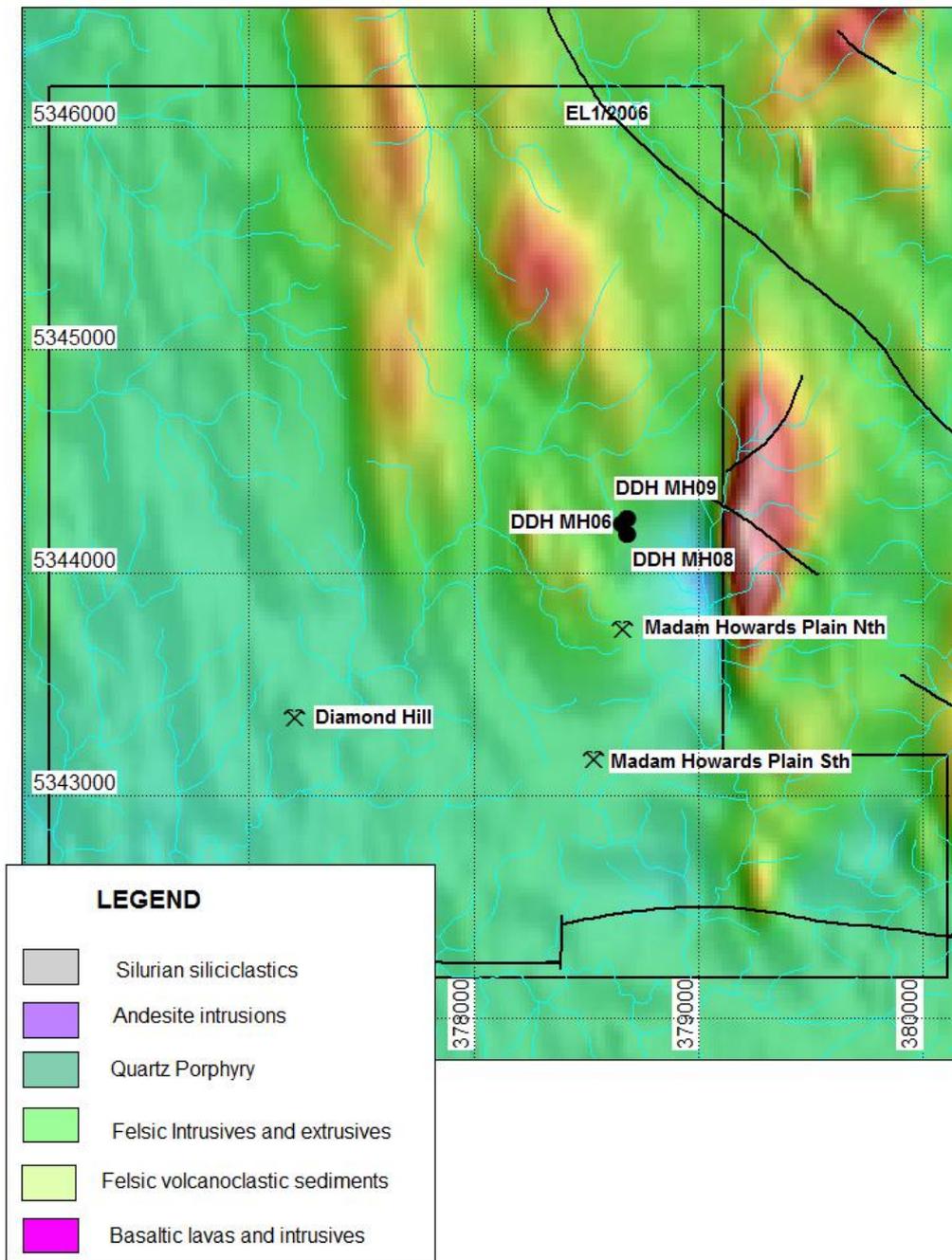


Figure 2. EL1/2006 Total Magnetic Intensity Image.

3 PREVIOUS WORK ON EL1/2006

Work completed on EL1/2006 during its tenure is detailed in the annual reports listed in the following table.

08_5007	Annual Report 2006-2007, Diamond Hill, de Vries P.J. Feb 2008
08_5739	Annual Report 2007-2008, Diamond Hill, de Vries P.J. Oct 2008
09_5930	EL1/2006, Diamond Hill, Annual Technical report 4 th Sept 2008 – 3 rd September 2009, de Vries P.J.
10_6133	EL1/2006, Diamond Hill, Annual Technical report 4 th Sept 2009 – 3 rd September 2010, de Vries P.J.
12_6499	Annual Report EL1/2006 Diamond Hill Western Tasmania, September 2012, Callaghan T
13_6734	Annual Report EL1/2006 Diamond Hill Western Tasmania, September 2013, Callaghan T

4 WORK COMPLETED 4th SEPTEMBER 2013 – 3rd SEPTEMBER 2015

Drillhole MH09 was completed after September 4th 2013. The hole has not been logged and the hole depth is not known by the author. Collar location is listed below.

MH09 378576E 5344057N Azm 105° Dip -50° Length ?m

Drill core from MH08 marked up for sampling was not sampled after the core was logged.

It is assumed the core from all drillholes remains on site at the residence of Rory Wray McCann.

5 ENVIRONMENTAL

A site inspection after demobilization has not been completed by the author. Drill sites were visited during work and it was noted that drill sites were on formed roads utilising a small low impact diamond drill rig and minimal rehabilitation would have been required.

References

Groves DI 1964. Madam Howard Plains Barite deposit. *Tas Mines Department Technical Report No8.*

Morrison K C, 1997. Exploration Licence 27/95 – Yolande River Year 1 Annual Report. *Unpublished annual report for Copper Mines of Tasmania Pty Ltd*