

RON GREGORY PROSPECTING

RL1/2011

LEFROY

TASMANIA

ANNUAL REPORT

Period ending 30th April 2016

June 2016

Author: Ron Gregory

Datum: GDA

Distribution:

- 1. Mineral Resources Tasmania**
- 2. Ron Gregory**

TABLE OF CONTENTS

- 1. ABSTRACT**
- 2. INTRODUCTION**
- 3. TENEMENT STATUS**
- 4. TOPOGRAPHY AND ACCESS**
- 5. GEOLOGY AND MINERALISATION**
- 6. PREVIOUS EXPLORATION AND MINING**
- 7. WORK COMPLETED**
- 8. PROPOSED WORK 2015-2016**
- 9. ENVIRONMENTAL**
- 10. EXPENDITURE**

LIST OF FIGURES

- | | |
|-----------------|---|
| Figure 1 | Tenement Location Plan |
| Figure 2 | Historic soil sample locations |
| Figure 3 | Historic soil samples Au |
| Figure 4 | Historic soil samples Au results |
| Figure 5 | Historic soil samples As |
| Figure 6 | Historic soil samples As results |

1 ABSTRACT

This report details the work completed on RL1/2011 for the twelve month period ending 30th April 2016.

RL1/2011 (1.5sq km) basically covers the known locations of the Pinafore and Chum Reefs at Lefroy. These 2 reefs historically produced around 100,000oz of gold.

Whilst the early producers targeted ½ - 1oz high grade reefs, there remains a potential for an open cutable resource to still remain.

2. INTRODUCTION

Little field exploration work was done during 2015-2016, due to lack of financial resources in a difficult trading year.

A collation and review of the previous exploration was continued as well as a reconnaissance of the Pinafore/Chum workings.

Following a fire that burnt through the Pinafore and Chum old workings in March 2015 a field mapping program was conducted in March/April of 2015. The data from fieldwork has been compiled in 2015-16.

Mr Grant Macdonald was commissioned to review the BCD resource data and provided a report with thoughts on the future direction of exploration. The different past exploration data was consolidated in this report.

3. TENEMENT STATUS

The Retention Licence (RL1/2011) covers 1.5 square kilometres in north-eastern Tasmania, just north of Lefroy Township on the road to Beechford about 45km north of Launceston. See **Figure 1**.

The Licence (6 sq km) was originally granted to BCD Resources NL on 23rd April 2012 for a period of 2 years. The Licence was subsequently transferred to Ron Gregory effective from the 6th March 2013.

BCD Resources NL (previously named Beaconsfield Gold NL {BGL}) acquired the Exploration Licences covering the Lefroy Goldfield and

other areas from Lefroy Resources Ltd (LRL) in 2008, of which RL1/2011 is a small remaining part thereof. The Licence contains no excluded areas and covers the known location of the Pinafore and Chum Reefs.

4 TOPOGRAPHY AND ACCESS

RL1/2011 is located largely within the State Forest and accessed by the Council maintained Lefroy – Beechford road (bitumen), which runs south-north through the tenement. The terrain is undulating and vegetation is mostly light, open, eucalyptus forest, which has been extensively cutover for firewood.

5. GEOLOGY AND MINERALISATION

The Lefroy Goldfield is located in the Stoney Head Sandstone within 2km contact with the Turquoise Bluff Slate. The Stoney Head Sandstone is a thick bedded and typically unfossiliferous sandstone dominated succession (Reed, 2004).

A complete synopsis of the regional geology can be found in Baxter and Fulton (2006) – included as Appendix A, 2006 Annual technical report. (06_5386)

6 PREVIOUS EXPLORATION AND MINING

Pre 2004 and 2004-2007 is summarized in the last Lefroy Project Annual Technical Report (Lloyd, 2007) (07_5543)

BGL had Coffey Mining Pty Ltd reinterpreted the LRL work on the Pinafore Reef and generated a JORC compliant Inferred Resource of 810,000 tonnes @ 1.46 g/t Au for 37,900 oz. Recommendations were made for further drilling.

BCD drilled 13 percussion holes in 2010, 10 of which achieved intersections in the order of 0.5-3.4 g/t Au. The drilling “confirmed the southerly dip of the Pinafore Reef, but unfortunately no evidence of higher grade mineralization in the up-dip portion of the resource was encountered. The 2010 drilling firmed up the view that the main concentration of mineralised shoots with dip direction continuity is west of the Beechford Road and that the resource overall is of

marginal size and grade and would require a prolonged stable period of very high gold price (or gold hedging) to justify development.”

“Drilling coverage through the Pinafore Reef and the abandoned underground workings is now considered sufficient and no further drilling is planned in the near future” (Morrison 2010)

An in-house report (non JORC compliant but prepared under JORC guidelines) was prepared by David Gibbons, Senior Geologist of BCD Resources in October 2011, following the above drilling.

7. WORKS COMPLETED DURING REPORT PERIOD

7.1 Field mapping of the Pinafore and Chum Reefs west of the Beechford road

In March 2015 “Will & Tash” of Weymouth Consulting located the RL boundary and took GPS co-ordinates for all old surface workings they could find, together with brief descriptions of the workings.

A spreadsheet of GPS locations and brief description of workings is at **Appendix 1**.

Gillian Bennett Drafting has provided base maps and plotting of GPS points. See **Figure 2**.

This project is “a work in progress” as time and finances allow, to eventually developing a map of the surface workings.

7.2 Review of the Exploration Potential of RL1/2011 by Grant MacDonald

Grant MacDonald was commissioned in early 2015 to provide a review of previous exploration on RL 1/2011 and make recommendations for future exploration. Grant’s report recommends further close spaced soil sampling to locate other possible resources within the RL.

The review did not delineate any resources, close to the surface that would support a small high grade open cut, as was previously hoped for. Because the review did not recommend further drilling of the Pinafore Reef, at this time, it was decided to not proceed. Due to a

dramatic downturn in exploration activity and reduced income this was not possible anyway.

The compilation of previous companies' soil sampling by Grant MacDonald was transferred to working plans in GDA by Gillian Bennett Drafting. These are shown at **Figures 2-6**.

This report is provided at **Appendix 2**.

7.3 Research into historical newspaper reports on mines within RL 1/2011.

With the availability of old newspaper reports, online through "Trove", research was commenced to compile records relating to the old mines within RL 1/2011. This is a "work in progress" and is expected to be completed in 2016 -17.

8. PROPOSED EXPLORATION 2015-2016

- Continue to review existing geological and historical data
- Continue developing the map of historical surface workings.
- Conduct soil sampling of the areas recommended by Grant as funds allow.

9. ENVIRONMENTAL

No on-ground works were conducted that required re-habilitation.

10. EXPENDITURE

The value of work done by the author and Grant MacDonald in 2015-2016 was \$18,523.

RL1/2011

ANNUAL REPORT to 30th April 2016

APPENDIX 1

GPS co-ordinates of Pinafore/Chum surface workings.

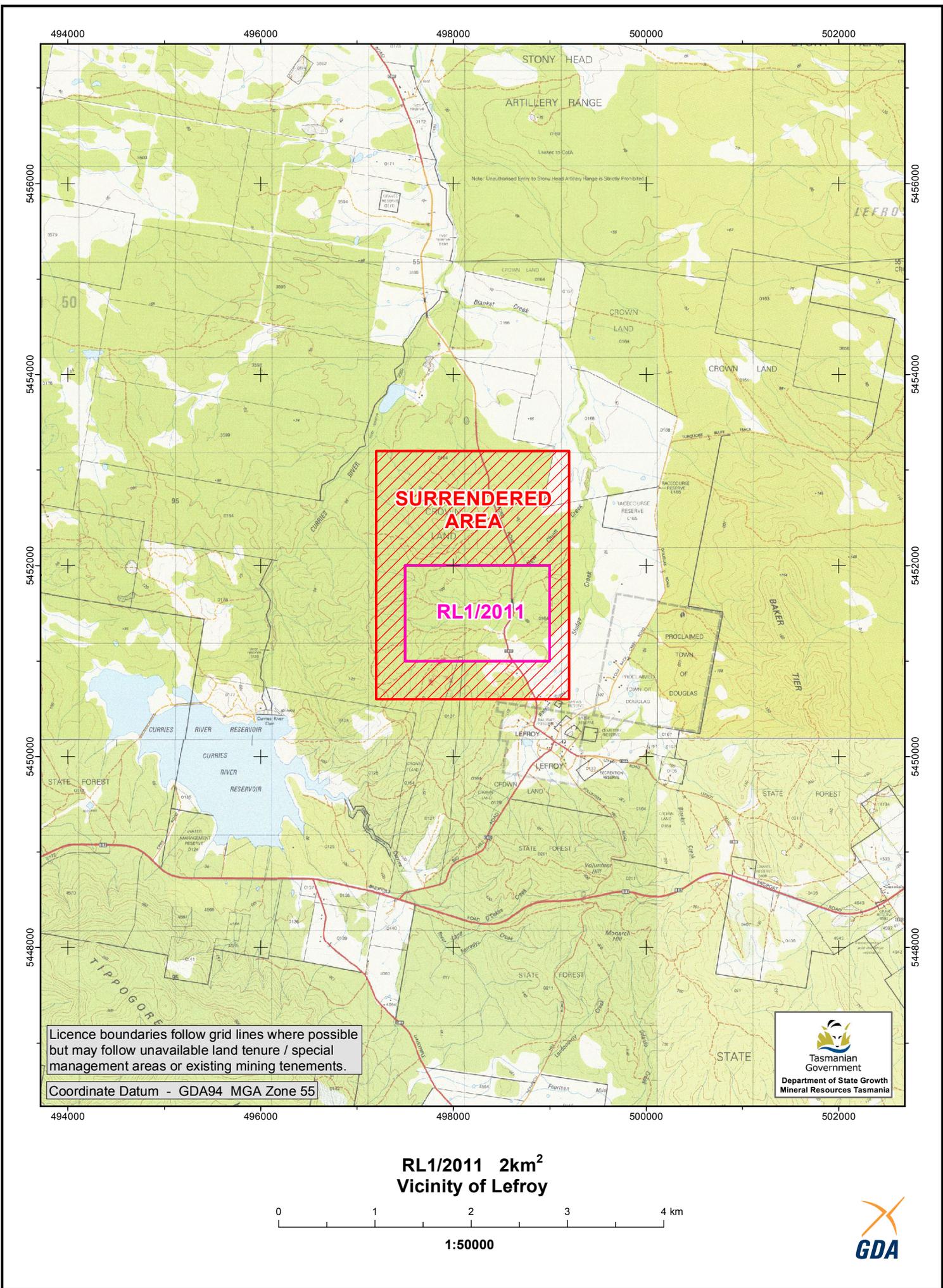
RL1/2011

ANNUAL REPORT to 30th April 2016

APPENDIX 2

Some thoughts on the exploration potential of RL1/2011

Grant MacDonald, 2015

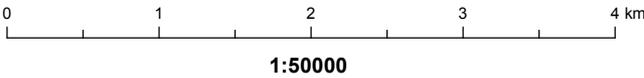


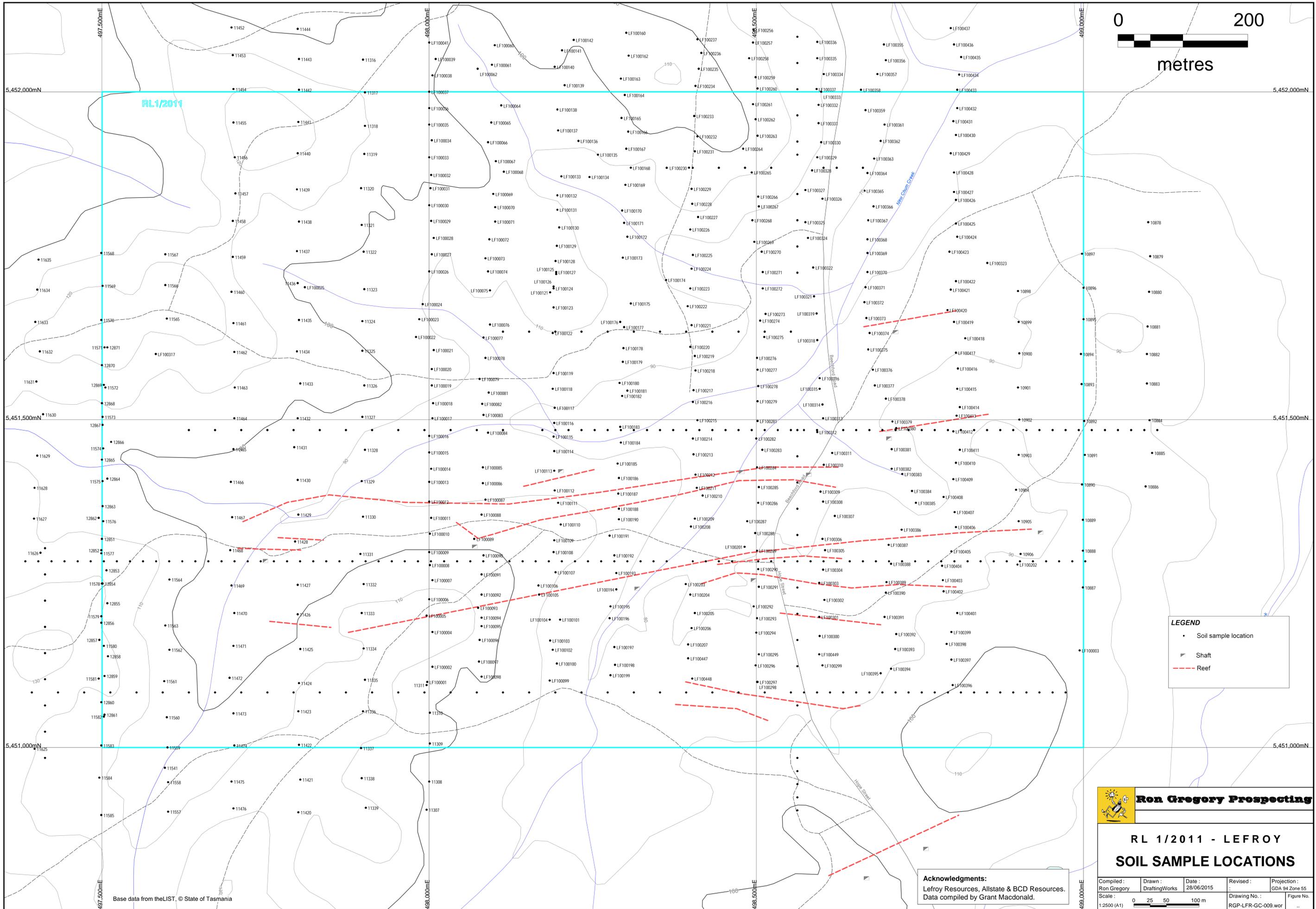
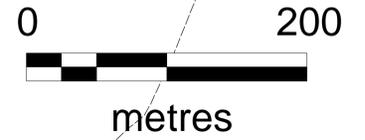
Licence boundaries follow grid lines where possible but may follow unavailable land tenure / special management areas or existing mining tenements.

Coordinate Datum - GDA94 MGA Zone 55



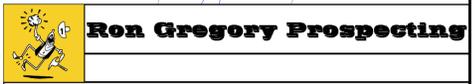
**RL1/2011 2km²
Vicinity of Lefroy**





LEGEND

- Soil sample location
- ▲ Shaft
- - - Reef

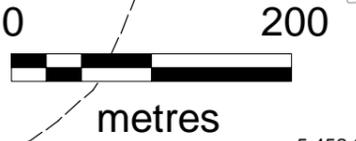
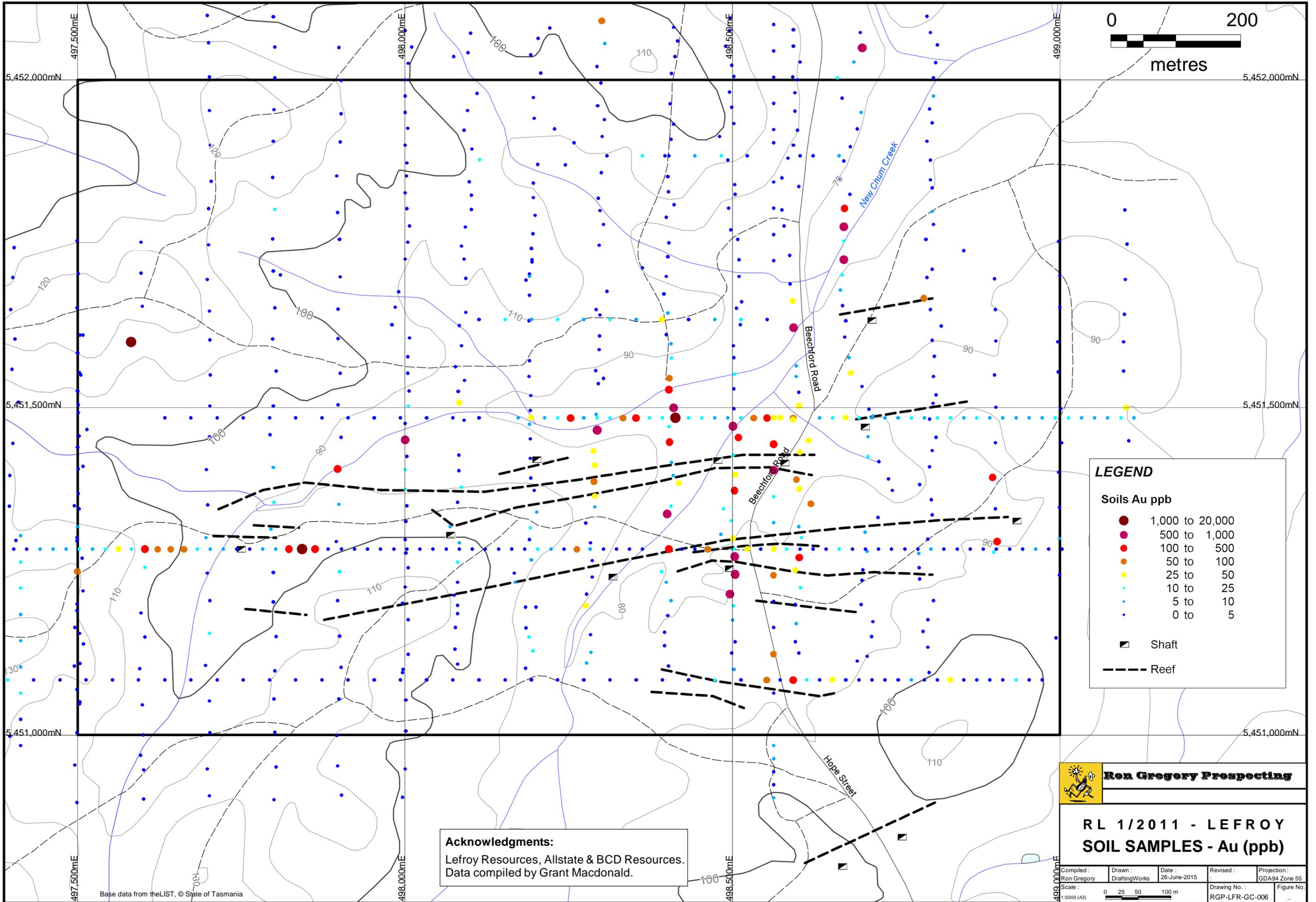


**RL 1/2011 - LEFROY
SOIL SAMPLE LOCATIONS**

Acknowledgments:
Lefroy Resources, Allstate & BCD Resources.
Data compiled by Grant Macdonald.

| | | | | |
|---------------------------|--------------------------|----------------------|-------------------------------------|--------------------------------|
| Compiled : Ron Gregory | Drawn : DraftingWorks | Date : 28/06/2015 | Revised : : | Projection : GDA 94 Zone 55 |
| Scale : 1:2500 (A1) | 0 25 50 100 m | | Drawing No. : RGP-LFR-GC-009.wor | Figure No. : .. |

Base data from theLIST, © State of Tasmania



LEGEND

Soils Au ppb

- 1,000 to 20,000
- 500 to 1,000
- 100 to 500
- 50 to 100
- 25 to 50
- 10 to 25
- 5 to 10
- 0 to 5

▣ Shaft

--- Reef

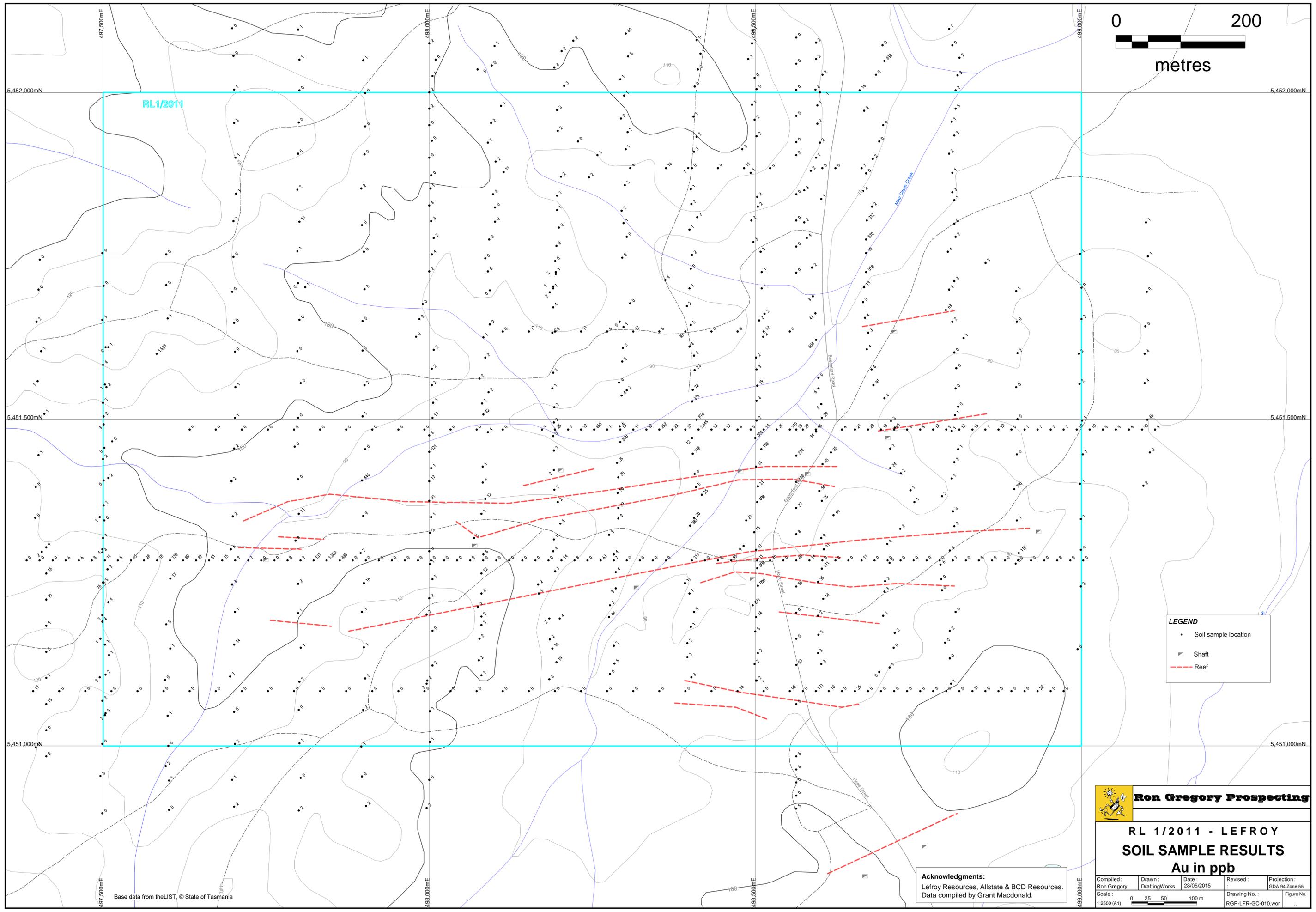
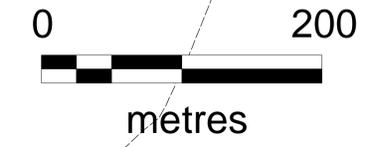
Acknowledgments:
 Lefroy Resources, Allstate & BCD Resources.
 Data compiled by Grant Macdonald.

Ron Gregory Prospecting

**RL 1/2011 - LEFROY
 SOIL SAMPLES - Au (ppb)**

| | | | | |
|--------------------------|-------------------------|-----------------------|--------------------------------|------------------------------|
| Compiled: Ron Gregory | Drawn: DraftingWorks | Date: 26-June-2015 | Revised: | Projection: GDA94 Zone 55 |
| Scale: 1:5000 (A3) | 0 25 50 100 m | | Drawing No.: RGP-LFR-GC-006 | Figure No.: |

Base data from theLIST, © State of Tasmania



LEGEND

- Soil sample location
- ▲ Shaft
- - - Reef

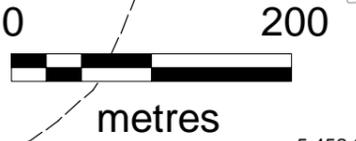
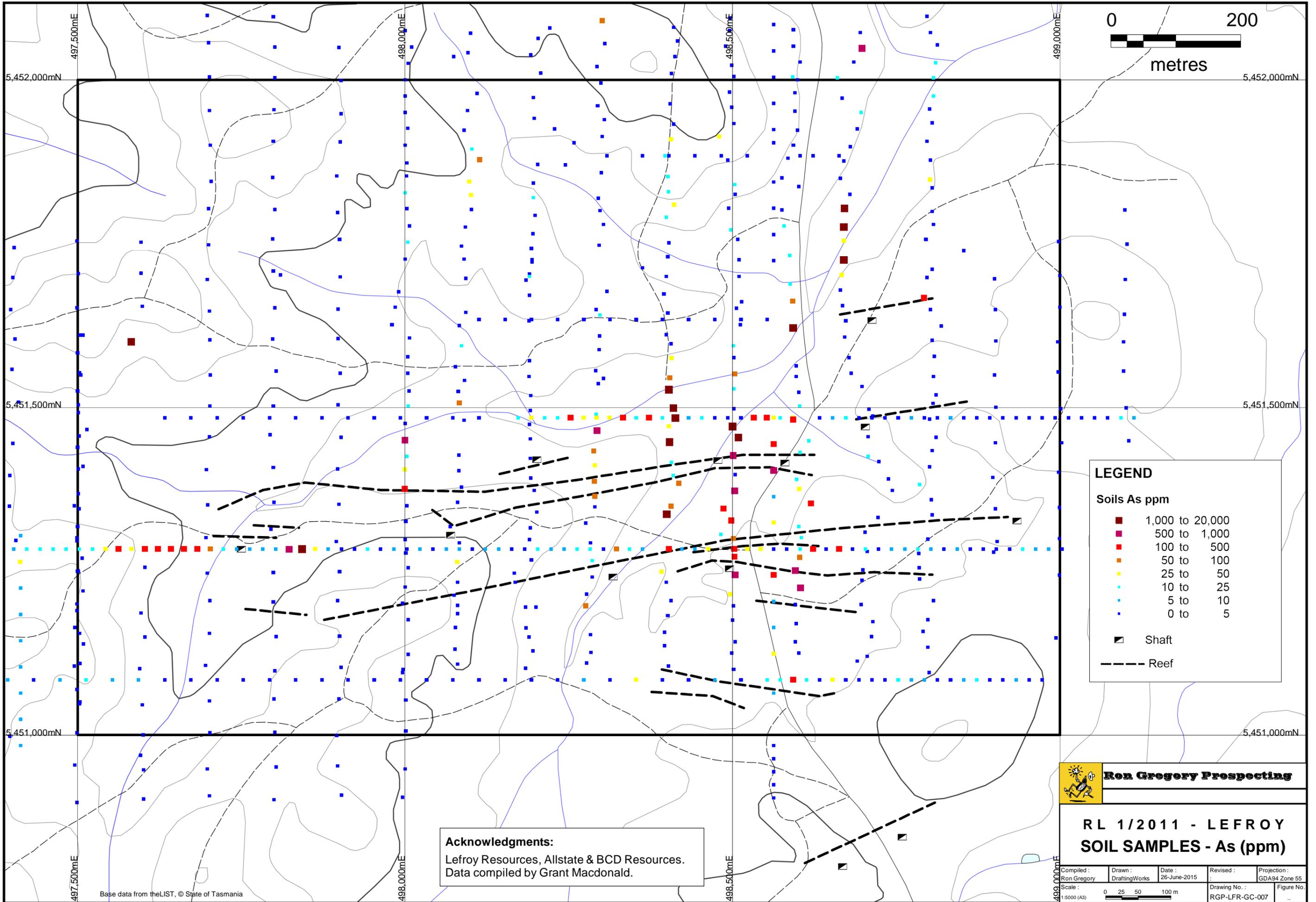


**RL 1/2011 - LEFROY
SOIL SAMPLE RESULTS
Au in ppb**

Acknowledgments:
Lefroy Resources, Allstate & BCD Resources.
Data compiled by Grant Macdonald.

| | | | | |
|---------------------------|--------------------------|----------------------|-------------------------------------|--------------------------------|
| Compiled : Ron Gregory | Drawn : DraftingWorks | Date : 28/06/2015 | Revised : : | Projection : GDA 94 Zone 55 |
| Scale : 1:2500 (A1) | 0 25 50 100 m | | Drawing No. : RGP-LFR-GC-010.wor | Figure No. : .. |

Base data from theLIST, © State of Tasmania



LEGEND

Soils As ppm

- 1,000 to 20,000
- 500 to 1,000
- 100 to 500
- 50 to 100
- 25 to 50
- 10 to 25
- 5 to 10
- 0 to 5

▣ Shaft

--- Reef

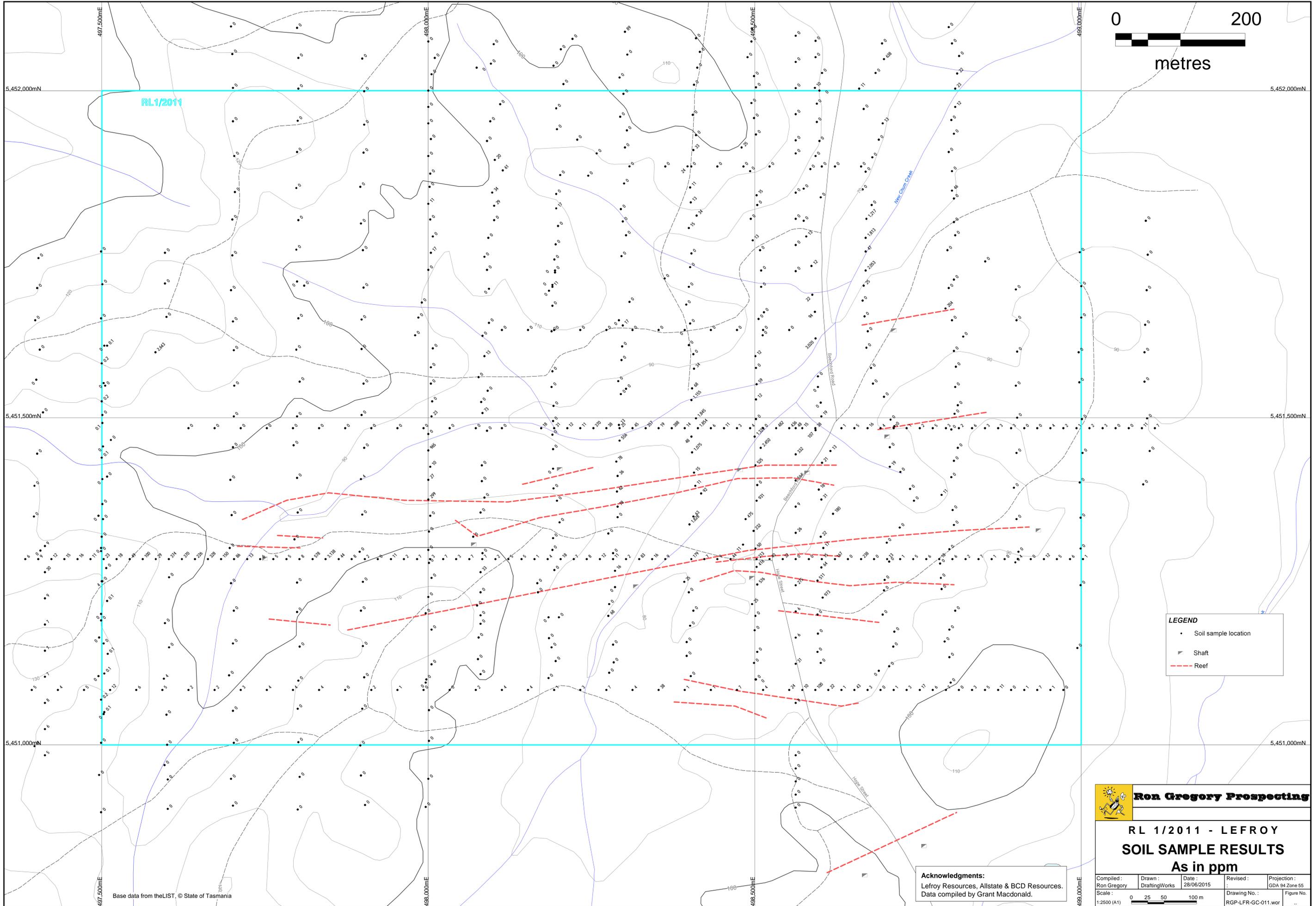
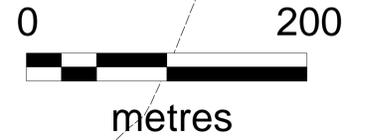
Acknowledgments:
 Lefroy Resources, Allstate & BCD Resources.
 Data compiled by Grant Macdonald.

 **Ron Gregory Prospecting**

**RL 1/2011 - LEFROY
 SOIL SAMPLES - As (ppm)**

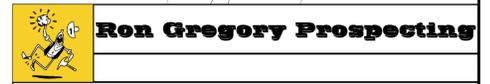
| | | | | |
|--------------------------|-------------------------|-----------------------|----------------|------------------------------|
| Compiled: Ron Gregory | Drawn: DraftingWorks | Date: 26-June-2015 | Revised: | Projection: GDA94 Zone 55 |
| Scale: 1:5000 (A3) | 0 25 50 100 m | | Drawing No.: | Figure No.: |
| | | | RGP-LFR-GC-007 | ... |

Base data from theLIST, © State of Tasmania



LEGEND

- Soil sample location
- ▲ Shaft
- - - Reef



**RL 1/2011 - LEFROY
SOIL SAMPLE RESULTS
As in ppm**

Acknowledgments:
Lefroy Resources, Allstate & BCD Resources.
Data compiled by Grant Macdonald.

| | | | | |
|-------------------------------------|--------------------------|----------------------|----------------|--------------------------------|
| Compiled : Ron Gregory | Drawn : DraftingWorks | Date : 28/06/2015 | Revised : : | Projection : GDA 94 Zone 55 |
| Scale : 1:2500 (A1) | 0 25 50 100 m | | | Figure No. : .. |
| Drawing No. : RGP-LFR-GC-011.wor | | | | |

Base data from theLIST, © State of Tasmania