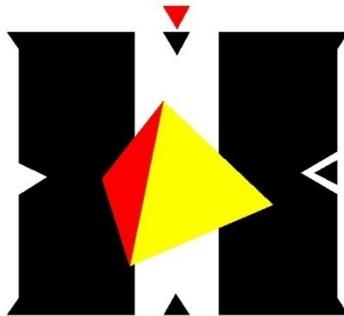


**Progress Report and  
Full Relinquishment Report  
Licence EL21/2004 Dundas  
for the period  
June 2015 - June 2016.**



**Australian Hualong Pty Ltd**  
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Signed:

A handwritten signature in black ink, appearing to read 'L. Veska', is placed over a light grey rectangular background.

Date: August 2016

Distribution: Australian Hualong Pty Ltd  
Mineral Resources Tasmania

Coordinate system used in maps and diagrams within this report is MGA55 (GDA94), unless otherwise specified.

## **Abstract**

EL21/2004 was primarily of interest to Australian Hualong for tin and tin-copper distal skarns located at the intersection of fault conduits for Devonian granite sourced fluids and carbonate bearing horizons within the Cambrian host rocks. At the Razorback deposit, the host rock for tin mineralisation is dominantly zones of talc-carbonate after serpentinite.

No significant field work was undertaken during the reporting period. It was decided during the 2015/2016 reporting period that the licence should be relinquished in full.

## Contents

Abstract.....	2
1. Introduction.....	4
1.1 Location.....	4
1.2 Land Tenure.....	5
1.3 Licence Tenure.....	6
2. Geology.....	7
2.1 Regional Geology.....	7
2.2 Local Geology.....	8
3. Review of Previous Exploration.....	9
4. Exploration completed during current period.....	10
5. Summary of work completed – all years.....	11
6. Environment.....	12
7. Expenditure.....	13
8. References.....	14

## Figures

Figure 1: Location of licence EL21/2004.....	4
Figure 2: Land tenure - EL21/2004.....	5
Figure 3: Schematic Geology Map of Tasmania Showing Location of main mafic- ultramafic Complexes. No 1 = Andersons Creek, 2 = Forth, 3 = Heazlewood River, 4 = Mt Stewart, 5 = Wilson River, 6 = Huskisson River, 7 = Serpentine Hill, 8 = Dundas, 9 = McIvors Hill, 10 = Trial Harbour, 11 = Cape Sorell, 12 = Spero Bay, 13 = Boyes Bay, 14 = Adamsfield, 15 = Rocky Boat Harbour (from Brown 1989).....	7

## Tables

Table 1: Licence expenditure 2015/2016.....	13
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# 1. Introduction

## 1.1 Location

EL 21/2004 Dundas, an area of 13km<sup>2</sup> is centred about 7 km east north east of Zeehan Township and covers the old Dundas town site. Principal access is via the Dundas Road from the Murchison Highway, which parallels the western edge of the licence.

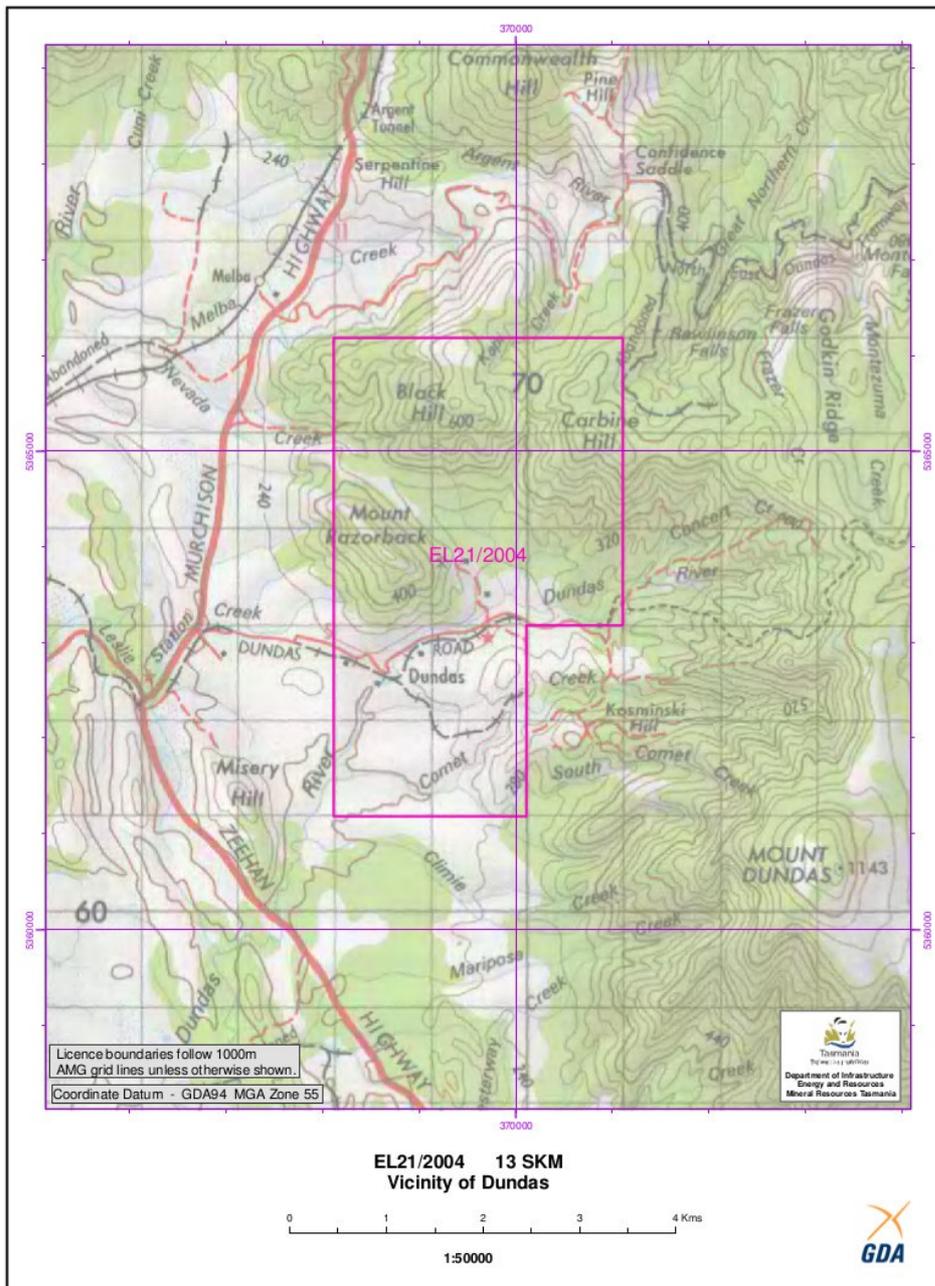


Figure 1: Location of licence EL21/2004

## 1.2 Land Tenure

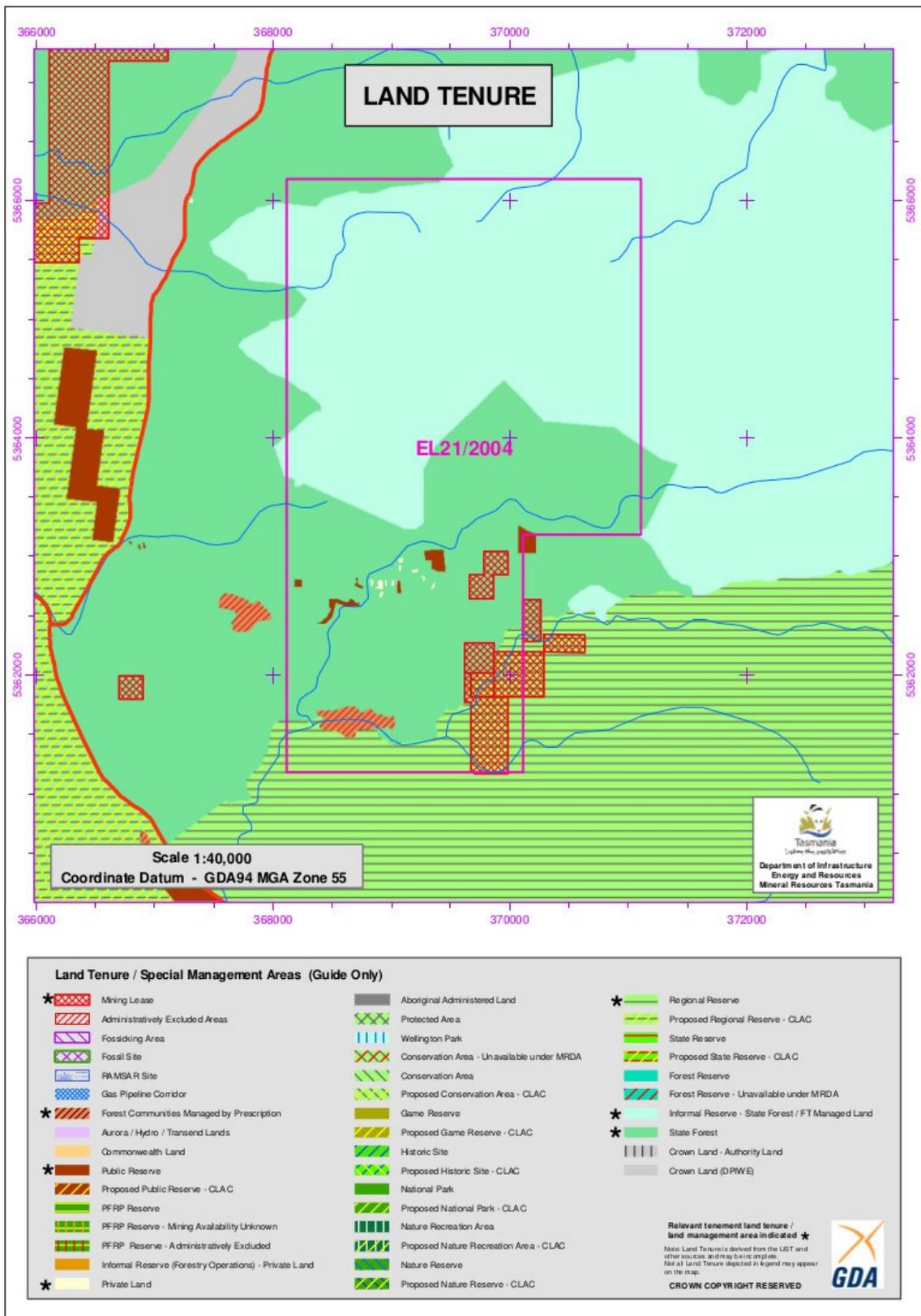


Figure 2: Land tenure - EL21/2004

### **1.3 Licence Tenure**

Exploration Licence EL21/2004 was transferred to Australian Hualong Proprietary Limited (AHL) from Creat Resources Holdings Limited (CHRL) in March 2013. The licence applied to all Category 1 minerals.

EL 21/2004 was granted to Creat Resources on 11th December 2009 after purchasing the licence from Rubicon Min Tech Ventures Pty Ltd (100% subsidiary of Stellar Resources Ltd). Rubicon Min Tech Ventures acquired EL21/2004 from Discovery Nickel in 2006.

## 2. Geology

### 2.1 Regional Geology

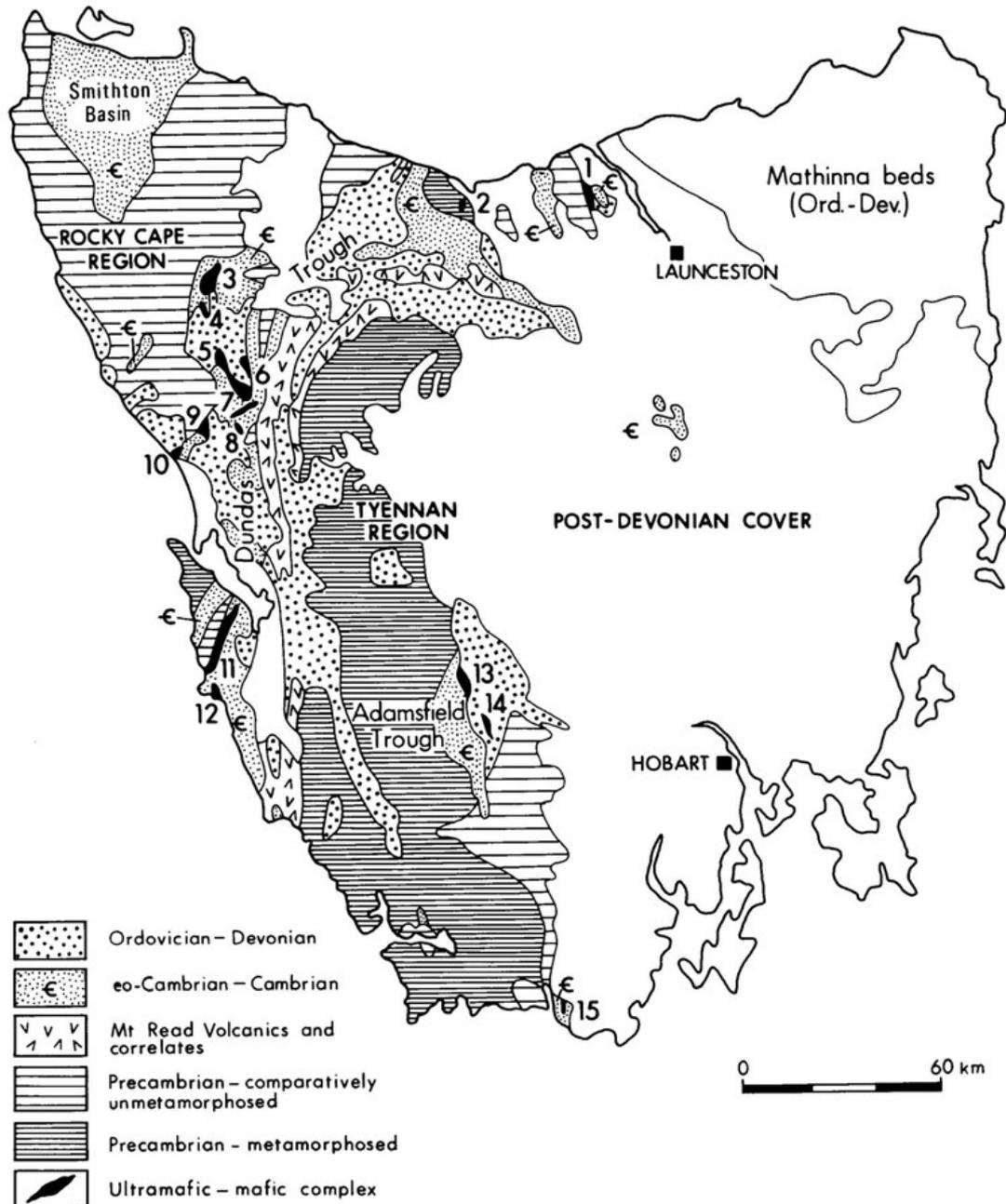


Figure 3: Schematic Geology Map of Tasmania Showing Location of main mafic- ultramafic Complexes. No 1 = Andersons Creek, 2 = Forth, 3 = Heazlewood River, 4 = Mt Stewart, 5 = Wilson River, 6 = Huskisson River, 7 = Serpentine Hill, 8 = Dundas, 9 = McIvors Hill, 10 = Trial Harbour, 11 = Cape Sorell, 12 = Spero Bay, 13 = Boyes Bay, 14 = Adamsfield, 15 = Rocky Boat Harbour (from Brown 1989).

The mafic-ultramafic complexes present in western Tasmania occur within the Cambrian Dundas Trough (Figure 3).

The Dundas Trough wraps around the Precambrian Tyennan Region of central Tasmania, and includes strato-tectonic elements such as the Dundas Group and the famous Cambrian Mount Read Volcanics (which host poly-metallic VHMS deposits such as Rosebery, Hellyer and Mt Lyell).

The western side of the Dundas Trough contains several mafic-ultramafic bodies such as those at Heazlewood, Serpentine Hill, Trial Harbour, Dundas and McIvors Hill.

## **2.2 Local Geology**

The geology within EL 21/2004 comprises a fault-bounded wedge of serpentinitised Early Cambrian dunite juxtaposed against predominantly Middle Cambrian Dundas Group marine sedimentary rocks to the southwest, and predominantly Late Cambrian Owen Group and Late Proterozoic Onah Formation marine sedimentary rocks to the northeast.

### **3. Review of Previous Exploration**

The area was originally mined for lead and silver starting in the late 1800's. Systematic exploration for tin did not take place until 1958-60 when the BMR and Tasmanian Mines Department carried out geological mapping, geophysical surveys and drilled three holes.

Extensive drilling and underground exploratory development was undertaken by Placer Prospecting P/L in the period 1964-66. Placer withdrew after outlining reserves of 195,000 tonnes of 0.83% Sn (oxide ore) and 394,000 tonnes of 0.86% Sn (sulphide ore). The mining operation ceased in February 1978 after extracting 180,000 tonnes of oxide ore grading 0.6% Sn. Mill recoveries averaged only 40% and the venture incurred a loss.

From March to July 1978, Minops drilled 7 diamond drill holes to try and locate extensions of the ore to the south of the open-cut, but only weak mineralisation was intersected. In March 1979 a Joint Venture Agreement was signed between CRA Exploration and Minops over the Razorback property. CRAE proceeded to drill 5 diamond drill holes over the next few years (RC1 – RC5) and in 1982 concluded that further drilling was not warranted. It was also concluded that the morphology of the talc-carbonate host unit was more complex than first thought, with unexplained thickening and thinning on adjacent sections.

Renison Limited explored in the region from 1971- 1987, including several diamond drill holes around the Kapi Fault and the Grand Prize area.

Pasminco was also active in the area from 1996 – 2001, including flying an HEM Survey over an area including that of EL21. None of the 14 HEM anomalies which warranted further investigation were located within the licence area.

Today, small-scale mining continues in the area for mineral specimens, particularly crocoite and stichtite.

A comprehensive spreadsheet summary of previous exploration work was compiled by A.M. Rigg of Stellar Resources (September, 2008).

#### **4. Exploration completed during current period**

No significant exploration work was undertaken during the reporting period.

## **5. Summary of work completed - all years**

Work during the licence tenure period included the reviewing of previous drilling data. A drill hole to test the tin potential at depth below the Razorback workings towards the north of the deposit was proposed, however it was not drilled mainly due to the ongoing weakening of the tin price.

Other activities on-site included attempts to locate historic drill collars, and the investigation of potential access for a drill rig and the most practical locations for drill pads.

## **6. Environment**

No works were carried out during the reporting period that require rehabilitation.

## 7. Expenditure

Year	Quarter	Expenditure
2015	3	\$6,238
2015	4	\$0
2016	1	\$0
2016	2	\$0
		<b>\$6,238</b>

*Table 1: Licence expenditure 2015/2016*

Expenditure is mainly comprised of geology and field crew salaries and administration costs.

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