

Exploration Licence
EL21/2013

Year 2 Annual Report

September 2015 - 2016

NORTH SCOTTSDALE RESOURCES PTY LTD

Prepared by A D MacGregor
12/9/16

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ABSTRACT

EL21/2013 is a 4 km² Category 3 and 5 licence located at Barnbougale Road approximately 10km south east of Bridport. The EL is held by North Scottsdale Resources Pty Ltd and was issued on 15th September 2014.

The exploration program seeks to determine the extent of the sand resource and the viability of the resource for construction purposes and for glass manufacture.

It was initially intended that the exploration program in the second year would include a drilling program, however further site investigation led to the decision to forgo the drilling program in favour of further exploration via the excavation of a series of test holes across the site. This work has now been completed and the collected sand samples are currently being analysed.

INTRODUCTION AND TENEMENT DETAILS

The exploration licensee has identified a high quality, diverse, sand deposit to the south east of Bridport on the north coast Tasmania. The sand is expected to supplement existing sand deposits held under mining lease by a related party from 25/30 years to 45/50 years.

Licensee: North Scottsdale Resources Pty Ltd

Exploration Licence Number: EL21/2013

Location: Barnbougale Road, Bridport

Reporting period: 15/9/2015 to 14/9/2016

REVIEW OF PREVIOUS WORK

The deposit was first identified by Mr Reg Huett in 2012. It is understood that Mr Huett undertook some drilling on the deposit however no records of that work are currently available.

North Scottsdale Resources Pty Ltd was established with the aim of determining the economic viability of the sand resource for local and interstate use.

EXPLORATION COMPLETED

In the second year of the Exploration Licence it was determined to forgo the original plan to undertake a drilling program in favour of excavating a series of test holes across the site. The basis for this decision was the requirement to more accurately determine the geographical extent of the resource prior to undertaking work to determine the depth.

The work was undertaken in accordance with the recommendations listed in the approved Exploration Program detailed in the letter of approval from MRT dated 1st August 2016.

The test hole program was undertaken in August 2016 utilising a 20 tonne excavator supplied by contractor Peter Hall from Boobyalla Earthmoving Pty Ltd. A series of 17 test holes were excavated, typically to a depth of 4.0 metres (see plan at Attachment 2). The test holes were excavated in previously disturbed areas that had been subject to previous exploration, mining or forestry activities. Access to the test holes was via existing tracks and disturbed ground. After sample collection all test holes, other than those in exposed sand conditions, were backfilled and top-dressed with vegetated topsoil stripped prior to excavation.

Site investigation determined that the threatened species *Xanthorrhoea* aff. *bracteata* (shiny grasstree) exists on the site within the *Eucalyptus amygdalina* coastal forest. The works program was developed so that there was no disturbance to this species.

The work was monitored by Aboriginal Heritage Consultant Vernon Graham and his conclusion was that “there was no Aboriginal Heritage site(s) identified, in the vicinity of the monitoring of the testing holes regarding the proposal.” Mr Graham’s report is attached at Annexure 3.

DISCUSSION OF RESULTS

The test holing has proven to be a valuable exercise as it has determined that future exploration for a commercial resource is best limited to the western portion of the Exploration Licence area in the vicinity of test holes 1 to 9 and to the central eastern portion in the vicinity of test holes 12-14.

At the time of writing of this Annual Report the collected sand samples are awaiting analysis.

CONCLUSIONS

Work during the reporting period has shown that the existing sand resource has a number of potential commercial uses.

A drilling program will now be developed based on the knowledge acquired from the test hole program so that the depth of the resource can be properly determined. The drilling program will also provide sufficient sampling to allow more detailed analysis of the resource.

ENVIRONMENTAL ACTIVITIES

No field work was undertaken in the reporting period that would represent any threat to the environment.

As discussed previously in this report, the site investigation determined that the threatened species *Xanthorrhoea* aff. *bracteata* (shiny grasstree) exists on the site within the *Eucalyptus amygdalina* coastal forest. The works program was developed so that there was no disturbance to this species.

Field work over the next reporting period will be limited to a drilling program that will take place over previously disturbed ground so it is not contemplated that there will be any adverse environmental impact.

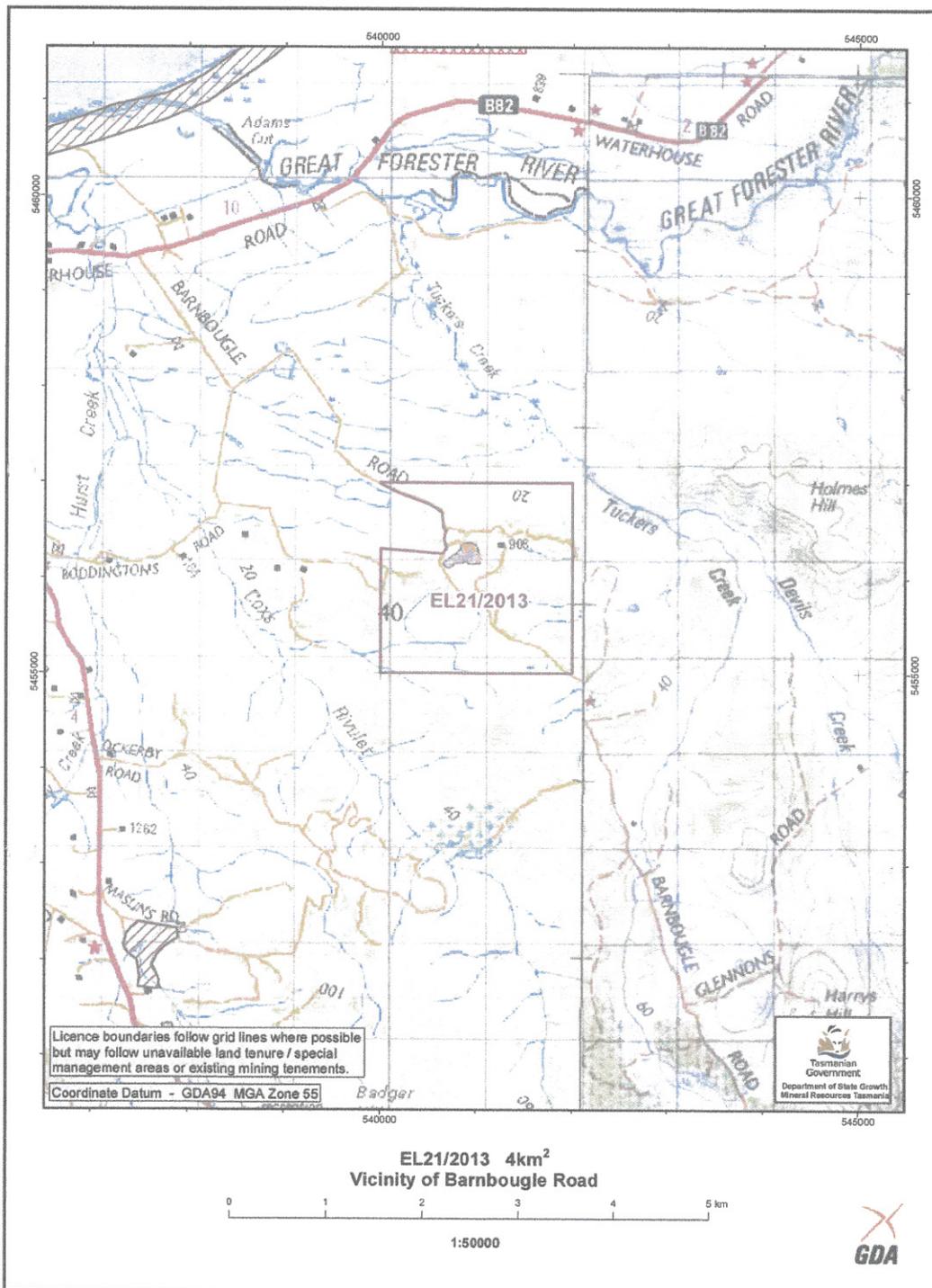
EXPENDITURE

Total expenditure on EL21/2013 up to 14th September 2016 was \$11,050 as follows;

Preparation of Exploration Program and	
Supervision of works by Project Facilitator	\$4,400
Project Management	\$2,000
Aboriginal Heritage Consultant	\$1,225
Contractor	\$1,925
Reporting and Administration	\$1,500
Sample testing	\$2,500
TOTAL:	\$13,550

Annexure 1

Location Map



Annexure 2

Test Hole Locations (August 2016)

North Scottsdale Resources - Test Holes 1/8/16



NSR - Test Hole Program - 1/8/'16

Test Hole Locations

Test Hole	Easting	Northing
1	540709	5456214
2	540812	5456349
3	540708	5456360
4	540776	5456492
5	540702	5456661
6	540743	5456628
7	540827	5456626
8	540848	5446516
9	540920	5456506
10	541355	5455846
11	541521	5455894
12	541687	5455953
13	541657	5456019
14	541604	5455935
15	541436	5456144
16	541491	5456350
17	541612	5456418

Annexure 3

Aboriginal Heritage Monitoring Report

**Vernon Graham
Aboriginal Heritage Consultants**

Palawa Cultural Heritage - Aboriginal Archaeology



***Aboriginal Heritage Consultant Re: Aboriginal Cultural Heritage Survey
Cross Cultural Awareness Training, Arts Traditional Crafts & Photography***

Vernon Graham
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6th August 2016

To whom it may concern,

Re: Aboriginal Heritage Monitoring,

The monitoring of 17 test holes at EL 21/2013 located at Barnbougale Road, Bridport regarding the proposed sand extraction refer to email, (see Attachments).

In reference to the aforementioned proposal, regarding the monitoring for Aboriginal heritage this was conducted by Vernon Graham Senior Aboriginal Heritage Officer on Monday 1st of August 2016.

Legal requirements

In compliance with the *Aboriginal Relics Act 1975*, as contained under Section 2 (3 a, b, c) and (4) of the act, interpretation of the term relic is as follows:

- (3) For the purposes of this Act, but subject to the following provisions of this section, a relic is—
- (a) any artefact, painting, carving, engraving, arrangement of stones, midden, or other object made or created by any of the original inhabitants of Australia or the descendants of any such inhabitants;
 - (b) any object, site, or place that bears signs of activities of any such original inhabitants or their descendants; or
 - (c) the remains of the body of such an original inhabitant or of the descendant of such an inhabitant who died before the year 1876 that are not interred in—
 - (i) any land that is or has been held, set aside, reserved, or used for the purposes of a burial-ground or cemetery pursuant to any Act, deed, or other instrument; or]
 - (ii) a marked grave in any other land.

As part of the assessment, the consultant has an obligation in accordance with the *Aboriginal Relics Act 1975*, as contained under Section 14 (1).

Except as otherwise provided in the Act, no person shall otherwise than in accordance with the terms of a permit granted by the Minister on the recommendation of the director—

(a) destroy, damage, deface, conceal, or otherwise interfere with a relic.

All Aboriginal sites, along with other important landscape values and cultural resources, are an integral part of Aboriginal Cultural/Heritage values and should be managed. Any Aboriginal site/s is to be afforded legal protection from the aforementioned legislation.

Prior to the *Aboriginal Relics Acts 1975* no process or acknowledgement existed to protect and maintain the connection to the living landscape; i.e. Aboriginal Heritage sites. Irrespective of the size of the site, Aboriginal Heritage values cannot be replaced.

Monitoring methodology

The methodology in dealing with the area being monitored to identify incidences of Aboriginal Archaeological (Heritage) values, looked at the topographical layout of the land and also take into consideration the variation of ground visibility and then examined the area by viewing the test holes being dug by a 20 tonne excavator in the locality of the proposed sand extraction, refer to the Aerial Photo of the Area being Monitored, (see Attachments).

If any Relics (Aboriginal Archaeological / Heritage) identified such as, (isolated artefact, artefact scatter, occupied and or unoccupied rock shelter, scarred tree, art site, engraving, stone arrangement and burial site/s), in recording the site; the GPS (Datum – GDA 94) location of site, description of the location and the vegetation, how far from a water resource and how much of the site has been disturbed, the aforementioned is then inscribed onto a TASI site recording form. As no previous Aboriginal cultural heritage survey work has been done in the area regarding the locality concerning the assessment to identify incidences of Aboriginal Heritage.

Statement of Social Significance, Per com, Graham V.

The Aboriginal community values native flora, fauna and aquatic life, these being an integral part of Aboriginal culture and heritage which coincides with Aboriginal Heritage values. These values represent a continuous link with the past occupation by the traditional Aboriginal people.

All Aboriginal heritage/relics are not renewable. Hence any cultural heritage values provide a direct link to past occupation undertaken by traditional indigenous ancestors to the region of the project proposal. This provides a story or link for the Aboriginal community today, and facilitates the connection to social cultural heritage values, stories of the past and the present a relationship pertaining to country.

The above is an integral part of regaining knowledge so it can be encapsulated and retained by the both individual Aboriginal people and for the Aboriginal community collectively.

Outcome Regarding the monitoring

There was no Aboriginal Heritage site/s identified, in the vicinity of the monitoring of the testing holes regarding the proposal.

Thank You

Sign



Vernon Graham
Senior Aboriginal Heritage Consultant