

WHITE SPUR CREEK EL 10/2011 ANNUAL REPORT

FOR THE PERIOD ENDING 6TH NOVEMBER 2016

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Mineral Resources Tasmania, Hobart
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1 SUMMARY

Exploration Licence 10/2011 was granted to MMG on the 6th November 2011. Work completed during the period was follow up of grid based soil and rock sampling as part of a bigger regional program. 6 line kilometres of grid were cut in preparation for soil sampling.

2 INTRODUCTION

This report details work undertaken on EL 10/2011 White Spur Creek (Figure 1) from 7th November 2015 to 6th November 2016.

The White Spur licence covers a portion of the Cambrian Mount Read Volcanics to the south of the Rosebery and Hercules Mines and to the west of the Henty Mine in Western Tasmania. The principal exploration targets sought within the licence area are Hellyer or Rosebery-type VHMS Pb-Zn-Cu-Ag-Au massive sulphide deposits. A 5km strike length of the contact between the White Spur Formation (WSF) and the Central Volcanic Complex (CVC) runs through the centre of the tenement and has been the main target of recent exploration. The CVC – WSF contact has been considered to be a correlate of the Rosebery-Hercules host horizon by previous workers (Hicks, 2009, Vicary, 1997). A second and less well understood target is the Jones Creek package, in the NE part of the tenement. This sequence of shales and fine volcanogenic sediments associated with rhyolitic intrusives is thought to correlate with the Rosebery host position, but correlations are not as clear as for the base of the White Spur Formation due to structural complications.

Access into the tenement is via Howards Rd. (off the Anthony Rd) or on 4WD tracks (in particular the Moore's Pimple track) heading south from Mt Read and the Hercules Mine. Within the EL access is via a series of old logging tracks and a new HEC road, which follows a major canal.

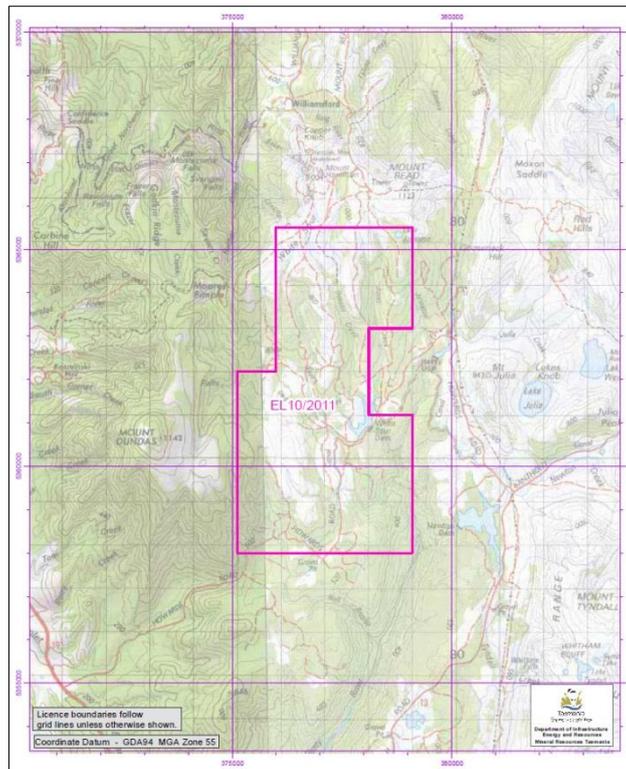


Figure 1: Location of EL 10/2011

3 GEOLOGY

The MRV in the area of EL 10/2011 can be subdivided into three main units; the WSF, CVC and Henty Fault Wedge Sequence. Of these only the first two are part of the VHMS prospective sequence.

The WSF was formally defined by Corbett and Lees (1987) as a west facing sequence of felsic tuff, siltstone, greywacke and slate that unconformably overlies the Central Volcanic Complex between the North Henty Fault and Williamsford. The WSF is conformably overlain by Dundas Group conglomerate, quartzwacke, mudstone and lithicwacke on the western end of Howards Road. The abundance of quartz-phyric detritus in the White Spur Formation may suggest derivation from Tyndall Group rocks located to the east of the Henty Fault Zone.

4 PREVIOUS EXPLORATION

Previous exploration was compiled in the 2014 annual report – the reader is referred to this report for information.

5 WORK COMPLETED (YEAR 5)

During the period a grid cutting and soil sampling program was designed to follow up the soil anomaly identified in 2014-15. A total of 7 kilometres of grids were cut (Figure 2). Sampling has commenced and will be completed in the following 2 months.

The location of the grid cut for soil sampling is shown in Figure 2.

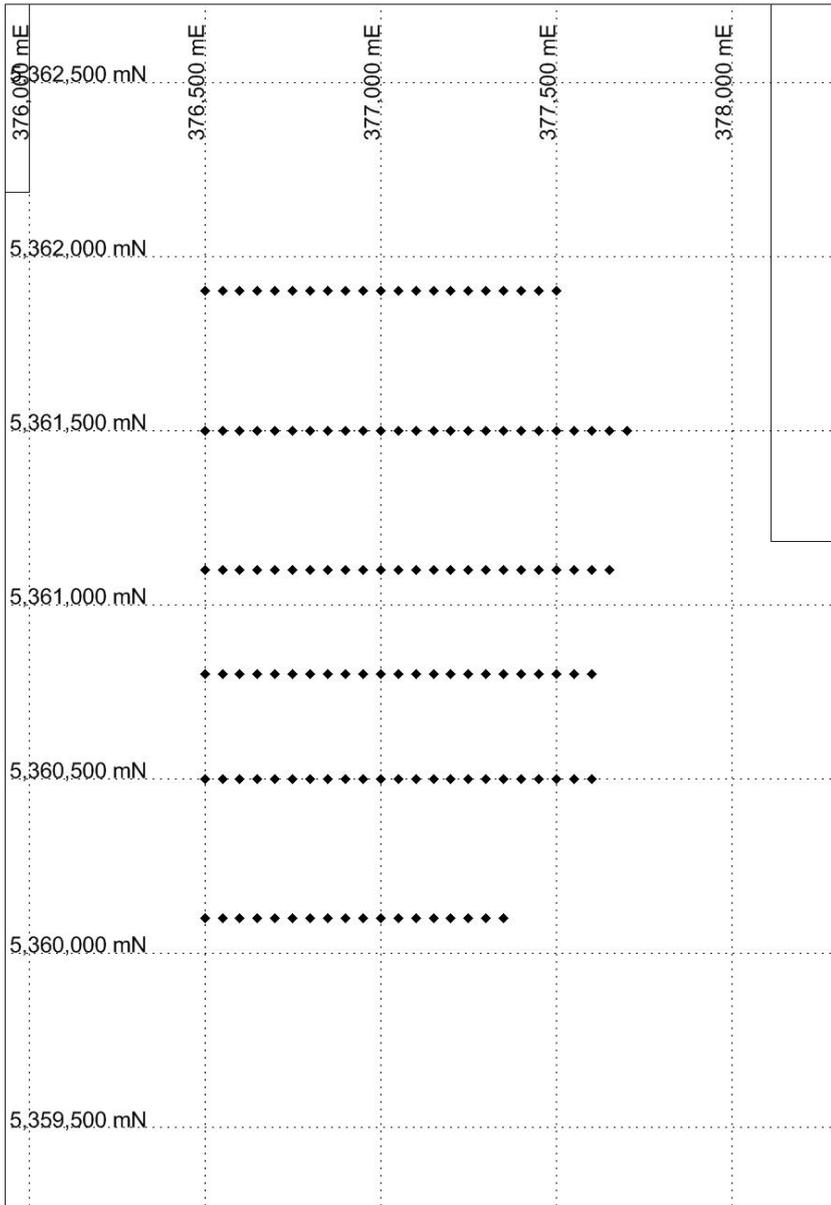


Figure 2: Location of grid for soil samples.

6 CONCLUSIONS & RECOMMENDATIONS

The grid cutting is now completed and soil sampling will be completed by the end of November and results returned by January. Once results are analysed assuming the anomaly is confirmed then either additional gridding and further soil sampling will occur on a closer spaced grid (100m?) to better define the anomaly or the anomaly will be drilled.

A budget of \$50,000 is proposed for 2016-17.

7 ENVIRONMENT & REHABILITATION

The drill pad at WSP17 was rehabilitated during the period.

8 EXPENDITURE

A total of \$54,359 was spent on EL 10/2011 for the reporting period. A detailed expenditure statement is given below (Table 1).

TABLE 1: EXPENDITURE FOR EL 10/2011 WHITE SPUR CREEK

	White Spur Creek EL 10/2011
TOTAL COSTS	54,359
PERSONNEL	17,837
GEOSCIENCE CONSULTANTS	
TRACK CUTTING & GRIDDING	22,700
GEOCHEMICAL & ASSAYING	5,000
DRILLING	
STORES & SUPPLIES	
ADMIN OVERHEADS & LICENCE FEES	6872
LAND & ENVIRONMENT	1,950
EQUIPMENT HIRE	