

JIYUAN MINING PTY LTD **EL31/2010 Final Report**

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Abstract

This report details the work completed on EL31/2010

Contents

1. Introduction	1
1.1 Report Datum	1
1.2 Exploration Rationale	1
1.3 Geological Setting	1
1.4 Licence Information	2
2. Previous Work	2
2.1 Work Prior to Current Licence	2
3. Exploration	3
3.1 Desktop Studies	3
3.2 Regional Exploration Activities	3
3.3 Prospect-based Exploration Activities	3-7
4. Results	7
5. Conclusions	7
5.1 Conclusions	7
5.2 Recommendations	7
6. Environment	7
7. Expenditure	7
8. References	8
9. Appendices	8
9. Plans	
Plan 1. - Location	
Plan 2. - Regional Geology & Mine/Workings	
Plan 3. - Rockchip Sample Locations	

1. Introduction

A review and assessment of previous exploration and general field reconnaissance of the license and the Anchor mine workings was completed by Jiyuan Mining during the past five years. During 2013/2014 Australian China Corporation of Coal Geology Engineering Pty Ltd (ACCCGE) entered into a Joint Venture with the Coal Geology Survey and Design Institute of Jilin Province (Jilin) to form Jiyuan Mining Pty Ltd (Jiyuan Mining) to explore EL30/2010 and EL31/2010 for tin, tungsten, copper, silver and other minerals.

1.1 Report Datum

GDA94

1.2 Exploration Rationale

The Upper Scamander area has potential for mineable tin resource.

1.3 Geological Setting

The northeastern area of Tasmania is dominated by the Silurian – Devonian Mathinna Beds. These typically consist of alternating sequence of dominantly bedded sandstones up to 10m with lesser siltstone and shale sequences up to 5m thick (Plan 2). The sequence was folded during the Tabberabberan Orogeny into open NNW trending folds. Major faults and shear zones also trend NNW. Low grade metamorphism has resulted in the formation of quartzites and slates. The sedimentary sequence was been intruded by the multiphase middle to late Devonian Blue Tier Batholith during the end of the Tabberabberan Orogeny. The bulk of the licence area is underlain by the Poimena Pluton a middle Devonian porphyritic and coarse grained biotite granite/adamellite. It typically consists of large K-feldspar phenocrysts in a medium grained groundmass. Late stage leucocratic tin-bearing granites belonging to the Late Devonian Lottah Suite intrude the older granites in the area of the exploration licence. The Lottah granites comprise equigranular fine grained muscovite-biotite granites, granite porphyries, leucogranite, aplite, pegmatite and greisen. Greisens are typically composed of quartz, muscovite, minor albite and abundant coarse grained fractured cassiterite crystals. Accessory minerals may include green biotite, carbonate, topaz, chalcopyrite, bornite, molybdenite and fluorite.

1.4 Licence Information

1.4.1 Licence Number

EL31/2010

1.4.2 Licence Name

Upper Scamander

1.4.3 Licence Location

Upper Scamander – see Plan 1.

1.4.5 Tenement Holder

Jiyuan Mining Pty Ltd

2. Previous Work

2.1 Work Prior to Current Mining Lease

Prospecting and exploration from 1874 onwards has defined numerous alluvial tin deposits and small tonnage greisens (Suppre, 1985). A number of sluicing ventures on veined greisens were undertaken at Southern Cross, Lottah, Kent, Haleys, Marie, Planet, Rising Sun, Crystal Hill, Spinks, Cream Creek, Nichols(F-B), Australia and Anchor (Plan 2). The Mount Lyell and Railway Company conducted a significant program of trenches and diamond drilling between 1906 and 1906 targeting vein greisens. The best intercept of 3.75m @ 0.51% tin was returned from the Moon Mine in Bore 18 (Suppre, 1985). The Anchor mine was established in 1895 and produced approximately 2,680 tonnes of tin until 1918 from a number of open pits. Other short-term operations in the area produced an additional 1,500 tonnes (Suppre, 1985). Renison Limited, previously the Aberfolye Tin Deveolpment Partnership, commenced modern exploration of the Anchor deposit in 1964 and continued through to the early 1980's. A pre-JORC resource of 8.8Mt @ 0.18% Sn (0.05% cut-off) was determined after infill resource drilling, (Ross, 1981).

2.

3. Exploration

3.1 Desktop Studies

REVIEW OF EXPLORATION POTENTIAL OF EL31/2010.

To supplement a review and assessment of previous exploration and general field reconnaissance of the license and the Anchor mine workings was completed in the reporting period.

Four rockchip samples were collected and analysed by ALS, Table 2. The sample locations shown in Plan 3.

SAMPLE	Ag	Cu	Fe	Mn	P	Pb	Sn	Zn
	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm
31D001-H1A	0.23	72.5	2.01	309	440	28.2	9.2	63
31D002-H1	0.84	86.6	1.65	1180	510	6.3	84.4	176
31D002-H2	3.97	92.7	0.81	397	1560	8	230	112
31D003-H1	0.24	33.9	13.65	588	4000	42	39.8	194
31D003-H1A EXTRA	0.58	59.6	1.74	179	910	37.9	10.5	66

3.2 Regional Exploration Activities

No regional exploration was conducted.

3.3 Prospect-based Exploration Activities

No individual prospects were assessed in any detail, but a Reconnaissance Survey for logistic and familiarization of the geology and known mineral deposits was conducted.

With the expected arrival of a team of Geologists from Jiyuan Mining accommodation was found at Scamander and a complete engaged to conduct a reconnaissance of the logistics required to conduct an exploration program over the summer. They familiarized themselves with the geology and known prospects within the Licence. Grab samples of interesting rocks were taken to show the Jiyuan Mining team, but no assays were undertaken.

The Jiyuan Mining team did not eventuate due to problems in China at Jilin, so the Ron Gregory Prospecting team was withdrawn in November to await their arrival.

As at the 25th May the Exploration Base at Scamander was still in existence awaiting the arrival of the Jiyuan Team.

The following is a brief report by Mr. Lipeng Wan on the field reconnaissance.

EL31/2010

Reconnaissance of EL31/2010 in September and October 2010

Field Reconnaissance work of EL31/2010 Upper Scamander was undertaken by Geologists, Lipeng Wan and Angelique Martin from 26th Sep 2010 to the 9th of Oct 2010. Initial work involved inspecting the old existing tracks with a Four Wheel Drive to record road conditions and to clear the tracks of obstructions. Large logs were left for Senior Field Assistant Howard Armitage (with chain saw licence) to clear later.

A few spots needed extra attention were also recorded and treated. For example, the collapsed track on Orieco Road, near the junction with Loila Tier Road, above the culvert presented potential falling hazard to passing vehicles. The area has now been flagged and the danger of falling has been alleviated. Also recorded was the Pyramid track which was regarded as not safe to drive, at the end of the track close to the junction with Loila Track, the track was too steep to drive up safely, therefore, it is not recommended to use the track without further work has been done(grading of the track etc.)

4.

A contour map with accessible tracks recorded was completed after the program.

After completing the logistics exercise, known mineral occurrences as recorded on MRT website were examined. The table 1 records the prospects visited and my opinions regarding the prospects and recommendations for further work.

Some samples were taken at each prospect visited and they would serve as a good reference for further discussion. Out of so many prospects inspected, the one that really requires a bit more work is the North and South Orieco structure. There was pervasive Copper Oxide mineralisation. Both North and South Orieco prospects have substantial gossanous outcrops, especially the South Orieco, which has a massive gossanous outcrop area, worthy of assaying and testing. The only other prospect with Cu oxide that is interesting is Dunne's, a small audit with Cu Oxide and Marcasite. The mineralisation seems to be narrow (2-3m wide) quartz veining and related mineralisation in sandstone.

Lipeng (Peter) Wan

November 2010

Name	Interesting	GDA94-E	GDA94-N	Commodities	Comments
Orieco Prospect	Y	601343	5413944	Cu, As, Ag, Zn	One adit and dump site located, with mineralisation of Cu oxides in meta-sediment
Great Pyramid	Y	599713	5413484	Sn, Ag, As, Pb, Zn	Multiple pits and audits found with gossanous outcrops. However, not too sure whether we found Cassiterite or not – assay required
Arm Prospect	N	601813	5415584		Nothing really caught our eyes around the recorded spot
Cramp	N	601513	5415684		Heavy plantation scrub, did not find the shaft, but gravels of gossan present
Dunne's	Y	601613	5414484	Cu, As, Sn	One audit and a few pits found with tags put around
North Orieco	Y	600943	5414564	Sn, Zn	Massive Gossan outcrops with no Cu Found
South Orieco	Y	601653	5413604	As, Cu, Zn	One audit found with very heavy bush
Lutwyche	N	597563	5415684	W, Mo	One trench with gossanous outcrop
Carson De Beers	N	597513	5416184	W, Mo	One trench and one shaft located (outside of tenement boundary)
West Pinnacle	N	598213	5414884	Sn, Cu, As	A few pits with gossan
North Scamander	Y	601283	5411934	Pb, Cu, Fe, Ag, Zn	A trench Located with gossanous outcrops
Copper Show Creek	N	595093	5415444	Cu, As, Pb	a shaft and audit with gossanous outcrops

3.3.7 Ore Reserves and Resources

No ore reserves were defined.

3.3.8 3D Modelling

No 3D modelling was conducted.

4. Results

The results from the work done are minimal. The Exploration Base at Scamander has since been closed down and staff stood down. However the Base and suitable staff could be re-established at short notice.

The Review of prospectivity of EL31, indicates that a full greenfields exploration program, including close spaced aerial geophysics is required if a mineral deposit is to be located outside of RL2/2009.

A good exploration target would be the Great Pyramid deposit if suitable arrangements could be made with the holder of RL2/2009.

5. Conclusions

5.1 Conclusions

No conclusions can be drawn at this time.

5.2 Recommendations

No recommendations other than to either relinquish the Licence or proceed with serious exploration can be made at this time.

6. Environment

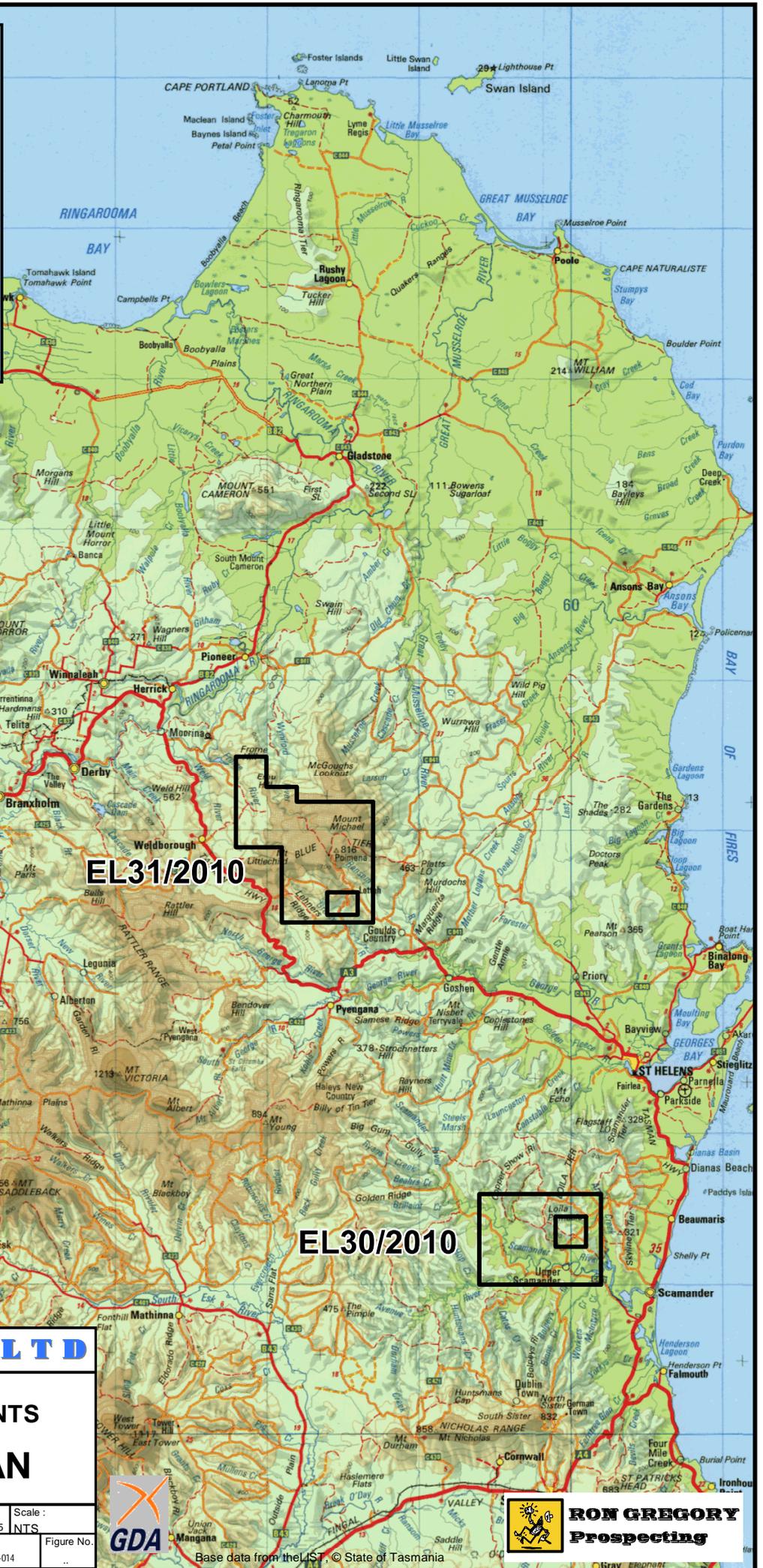
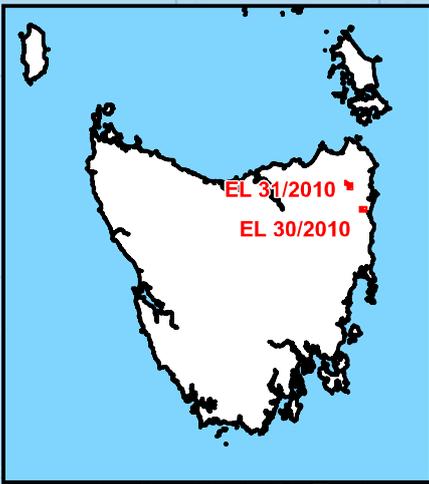
No ground disturbance occurred in the reporting period.

7. Expenditure

An amount of \$155,498.00 was expended on the above work

8. References

There are no References



ACCCE PTY LTD

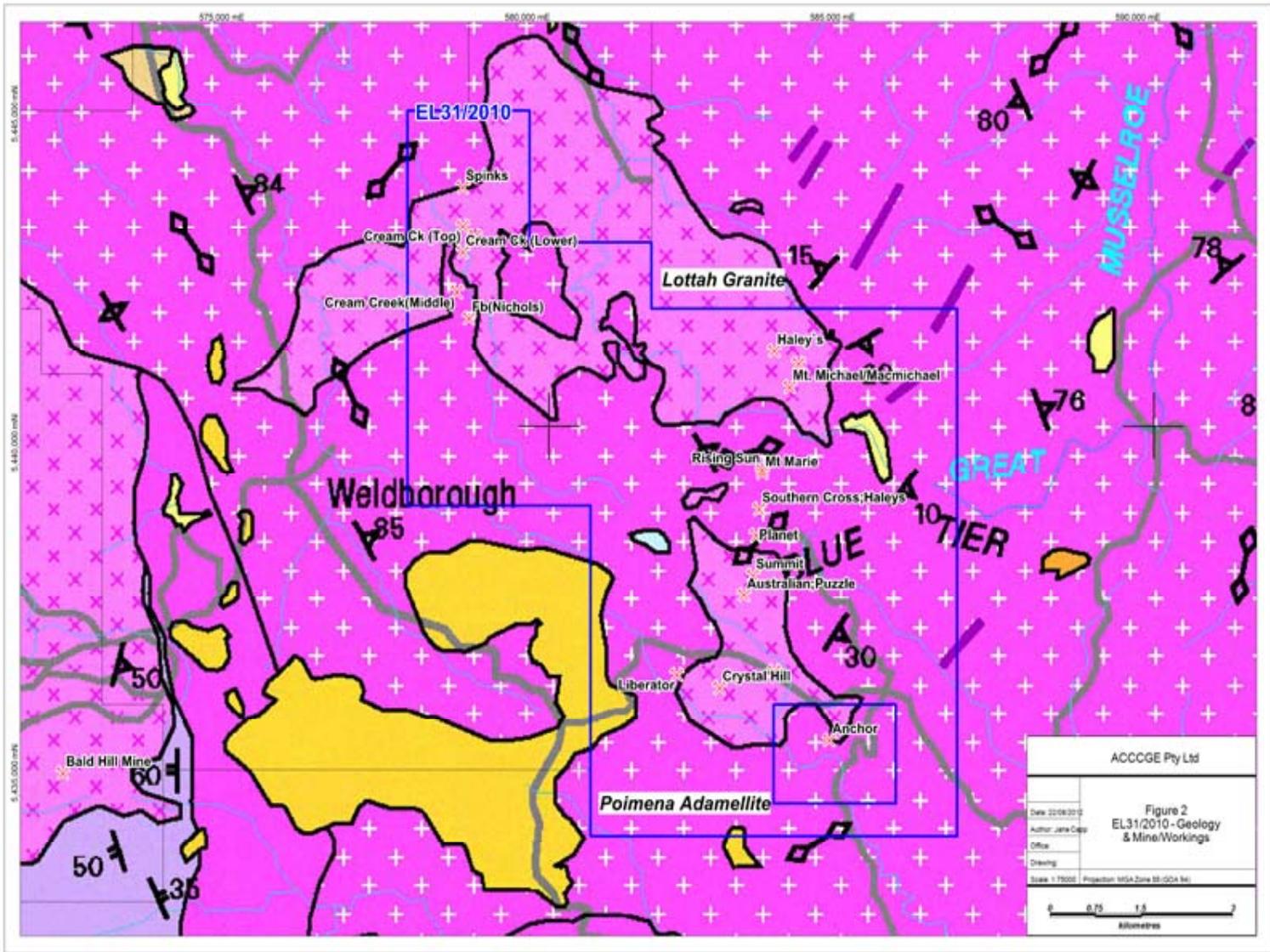
**NORTH EAST TENEMENTS
LOCATION PLAN**

Compiled : Ron Gregory	Drawn : Draftingworks	Date : 23/05/2014	Projection : GDA94 Zone 55	Scale : NTS
0 5 10 km			Drawing No. : ACCCE-NE-LN-014	Figure No. :



**RON GREGORY
Prospecting**

Base data from the LIT, © State of Tasmania



Plan 2: Regional Geology & Mine/Workings – EL31/2010

