Mt Paris

Second Annual Report for EL19/2014
for the Period 29 January 2016 to 28 January 2017

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ABSTRACT

This report describes the exploration activities completed within EL19/2014 during the period 29 January 2016 to 28 January 2017. This is the second annual report for the first year of grant of the Tenement.

Geotech International Pty Ltd is the holder of the tenement, however Argosy Minerals Ltd was the manager of the tenement during the reporting period from 8 February 2016. Argosy Minerals Ltd executed a Heads of Agreement with Geotech International Pty Ltd for an option to purchase the tenement.

The Tenement is located south of the town of Derby, and (directly) about 60km east of Launceston.

Tin and to a much lesser extent tungsten occur in quartz veins, in greisen and altered phases of the Devonian Mt Paris pluton in the roof zone near the contact with overlying Ordovician-Silurian Mathinna Beds. Lithium occurs as zinnwaldite in the granites and to some extent in the greisens.

The Tenement covers past producer alluvial tin mines and several small tin deposits in the basement. There has been only minor production of tin, mainly from secondary alluvial/eluvial deposits. The source of the major past production of alluvial cassiterite in the several Ringarooma valley leads was the Mt Paris pluton.

The company's main focus is exploration for lithium deposits. Work completed during the reporting period included;

- Conducting preliminary exploration works targeting the greisens at Mt Paris Mine (Mt Terror) and Rattler Hill to test for lithium; and
- Collect, re-log and analyse the historic samples of drill cores from the Project area stored at the MRT core library in Hobart for lithium.

KEYWORDS

NE Tasmania
Geology
Mineralisation
Alluvial
Primary Deposits
Granite
Greisen
Mathinna Group
Tin
Tungsten
Lithium
Exploration Targets

SUMMARY OF ACTIVITIES for EL19/2014 Mt Paris
for the Period 29 January 2016 to 28 January 2017

- Review of historical reports to determine extent and quality of work done, and evaluate the distribution, nature and controls of mineralisation,
- Assess the prospectivity for undiscovered lithium deposits,
- Conduct preliminary exploration works targeting the greisens at Mt Paris Mine (Mt Terror) and Rattler Hill to test for lithium,
- Collect, re-log and analyse the historic samples of drill cores from the Project area stored at the MRT core library in Hobart for lithium, and
- Generate targets for future work.

CO-ORDINATES
All lat/long co-ordinates in this report refer to the GDA94 Datum, unless stated otherwise.
All AMG co-ordinates in this report refer to the GDA94 - Zone55, unless stated otherwise.

FILE SUMMARY LIST

File name	Format	Contents
El192014_2017_01_report.pdf	Pdf	Annual Report

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FIGURES

1.0 INTRODUCTION

This report describes the exploration activities completed within EL19/2014 during the period 29 January 2016 to 28 January 2017. This is the second annual report for the Tenement.

Geotech International Pty Ltd is the holder of the tenement (Table 1), however Argosy Minerals Ltd was the manager of the tenement during the reporting period from 8 February 2016. Argosy Minerals Ltd executed a Heads of Agreement with Geotech International Pty Ltd for an option to purchase the tenement.

The Tenement is located south of the town of Derby, and (directly) about 60km east of Launceston, Figure 1.

Table 1 – Tenement Details

Tenement	Holder	Date Applied	Date Granted	Size
EL19/2014 Mt Paris	Geotech International Pty Ltd 100%	29 July 2014	29 January 2015 (Categories 1 & 5)	$115km^2$

Excluded from the grant of the tenement is one small 5ha mining lease for stone and gravel south of Bells Hill as illustrated on Figure 2.

Most of the land encompassing known mineralisation is logged state forest, timber plantation and timber reserves.

The project lies within the Tasmania NE (SK55-21) 1:250,000 map sheet, and the 1:25,000 map sheets of Ringarooma (5643), and Derby (5644).

Access is via the formed Branxholm-Weldborough Road, running through the centre of the Tenement, with logging tracks and other rough tracks providing further access.

The tenement covers past producer alluvial tin mines and several small tin deposits in the basement. There has been only minor production of tin, mainly from secondary alluvial/eluvial deposits.

The company's main focus is exploration for lithium deposits.

Work completed during the period included conducting preliminary exploration works targeting the greisens at Mt Paris Mine (Mt Terror) and Rattler Hill to test for lithium and collect, re-logging and analysing the historic samples of drill cores from the Project area stored at the MRT core library in Hobart for lithium.

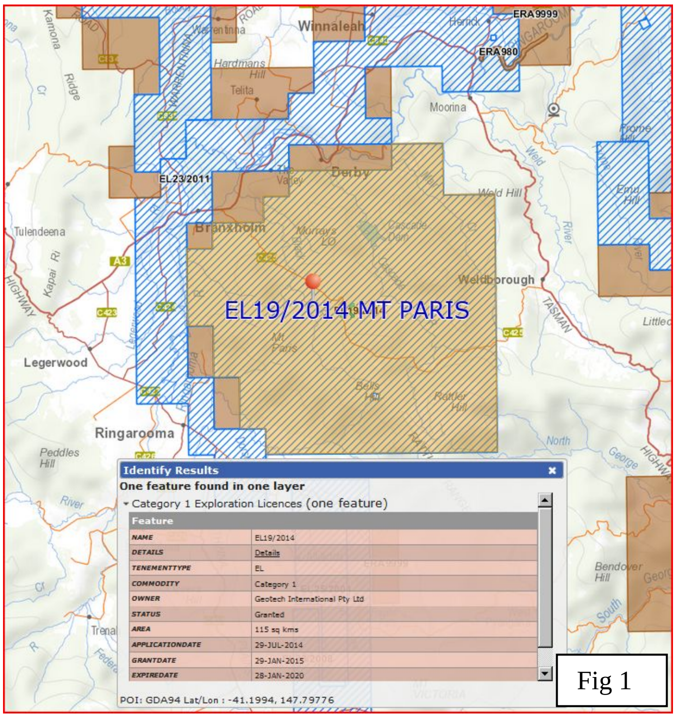

Fig 1

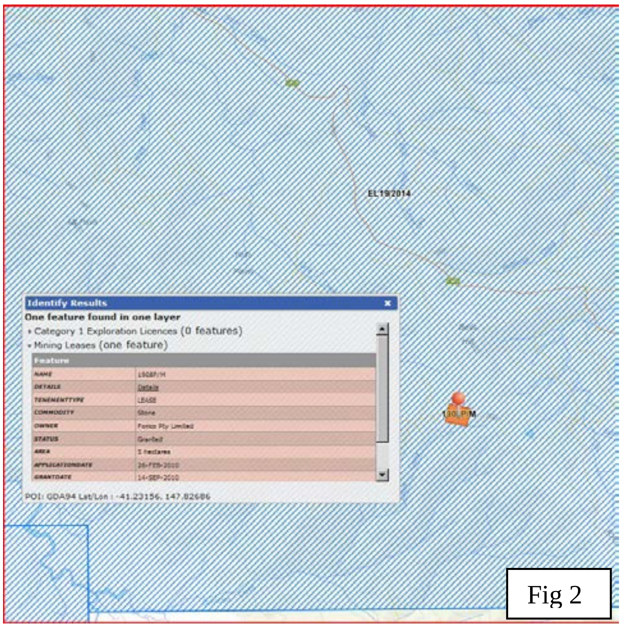

Fig 2

Geological Setting

The Mt Paris tenement area contains Siluro-Devonian Mathinna Bed meta-siltstones and quartzites, intruded by Devonian biotite muscovite alkali feldspar granite (the Mt Paris Granite, a phase of the Blue Tier Batholith) and minor Tertiary basalt flows and ?plugs. There is minor alluvial cover.

The 1:25 000 scale MRT geological maps for Ringarooma and Derby cover the area.

Particularly in the south of the area, an undulating granite roof zone is extensively exposed. In this zone there are known tin (tungsten, molybdenum) deposits concentrated in an ENE trending 12km by 2km corridor, Figure 3.

Known mineralisation in bedrock is confined to the granite, (and altered granite) with little mineralisation in the overlying slightly contact-metamorphosed Mathinna Beds. Bedrock mineralisation styles are (a) quartz-greisen veins containing coarse cassiterite with minor sulphides such as chalcopyrite, (b) micaceous greisen veins, usually steeply-dipping, also carrying cassiterite, (c) flat lying greisen sheets, and (d) clay (?kaolinite rich) altered granite.

Most historic cassiterite mining has been from sluicing of secondary eluvial and alluvial material and soft clay-altered granite. This has been poorly documented, and so production figures are not reliably known, but descriptions of the main deposits and workings are given by Solomon (1971), Nye(1924, 1933), McIntosh-Reid (1926), Keid (1944) and Jack (1962,1966).

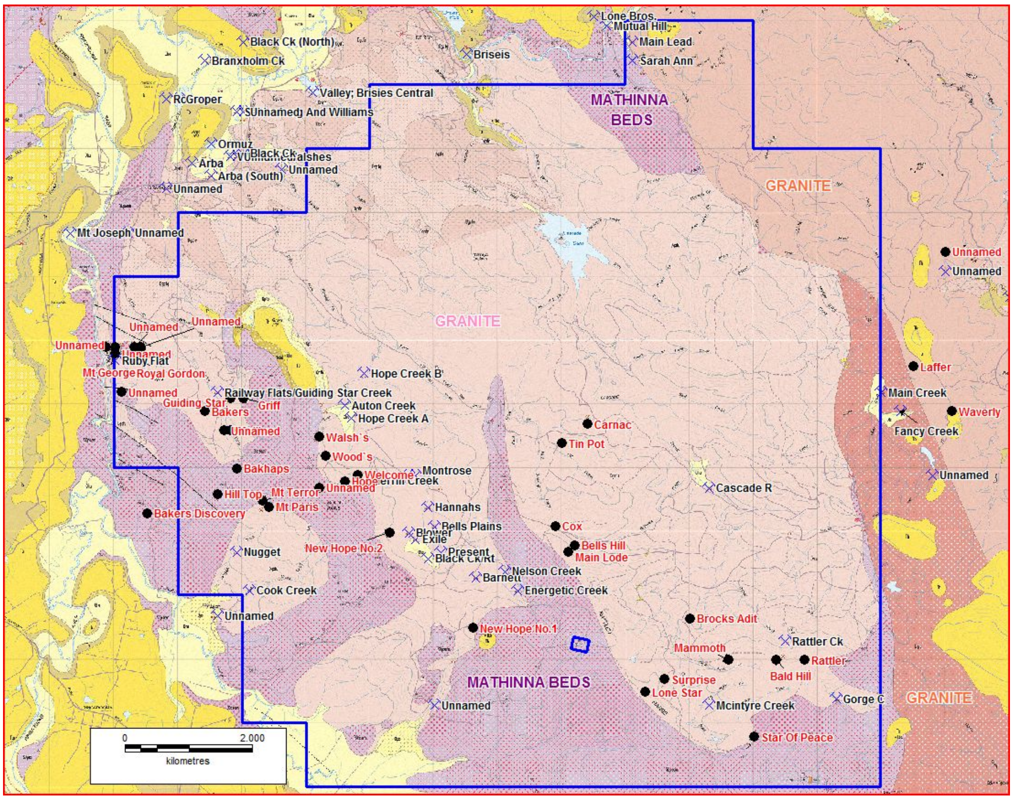

Figure 3. Known tin (& tungsten) deposits, on geology from 25 000 map sheets. Red are primary deposits in basement, and black are eluvial/alluvial deposits.

3.0 REVIEW OF PREVIOUS MINING and EXPLORATION WORK

The first documented discovery of tin in the area was in 1876 just outside the tenement at the Briseis alluvial deposit. Most production occurred before 1900 from alluvial deposits in several leads along the Ringarooma valley. The cassiterite in all those deposits, totalling over 23 000 tonnes of metallic tin, would have had its primary source in the Mt Paris area.

The mining and exploration history up to 2011 has been well and thoroughly documented by W Herrmann (2011) for Torque Mining, so I will not unnecessarily repeat its contents here.

After Hermann's report was completed the results for exploration on a small surrendered exploration licence at Bell's Hill were released. The essential work is in de Vries (2008) and de Vries (2009). Work consisted of a review of mining history, very limited surface sampling and two diamond drill holes. The holes, to test the Bell's Hill lode, suffered from very poor recovery in the weathered granite, and so unfortunately the results are of little value.

Torque Mining reported on work done after the date of Herrmann's report, in Macdonald (2011). This work consisted of processing of MRT's airborne magnetic and radiometric and DEM datasets, and two traverses of soil sampling between Mullins and Mt Terror and south of Mt Paris with analyses done via a portable XRF device.

No further work was conducted since Torque surrendered their tenement, Farrell (2013).

4.0 EXPLORATION CONDUCTED DURING THE REPORT PERIOD

Work done by Geotech International Pty Ltd during the period consisted of;

- Review of all reports to determine the extent and quality of work done, and to evaluate the distribution, nature and controls of mineralisation,
- Assess the prospectivity for undiscovered lithium deposits,
- Conducting preliminary exploration works targeting the greisens at Mt Paris Mine (Mt Terror) and Rattler Hill to test for lithium,
- Collecting, re-logging and analysing the historic samples of drill cores from the Project area stored at the MRT core library in Hobart for lithium.
- Generate targets for future work.

Based on previous works, the most prospective targets for lithium within the licence are likely to be the tin greisens in the Mt Terror-Mt Paris and Rattler Hill areas. A limited sampling program designed to screen these targets for significant lithium potential was proposed for the Year 2 exploration program and K C Morrison Pty Ltd was engaged on a consulting basis to carry out this work.

In December 2016-January 2017 core from a fence of four angled diamond drill holes at Mt Terror, drilled by Union Corporation Australia in 1981 (Winnall, 1981), was scan logged at the MRT core store, Mornington, and 15 quarter core samples of mica-rich granitic lithologies were cut and sampled. Field reconnaissance along the Rattler Range trend, from Mt Paris to Rattler Hill located greisens and minor pegmatitic granite at three locations, resulting in a further 13 rock chip samples being collected. The core and rock chip samples were assayed for lithium by ICP-AES at ALS, Townsville.

Please refer to the "Field Exploration Report" attached in Appendix 1 for additional details of exploration works conducted by Argosy Minerals Ltd and carried out by Ken Morrison.

5.0 DISCUSSION OF RESULTS

Sample locations, descriptions and lithium assays are shown on Table 1 and Figure 2. The samples were assayed only for lithium, by ALS, Townsville, using method ME-ICP61 with a 10 ppm lower level of detection.

The results fall into two broad groups. The drill core and rock chips from Mt Terror and the rock chips from Bells Hill and to the west of Rattler Hill generally range from 30-290 ppm Li, with three outliers. A sample of breccia from Mt Terror drill hole MT-1 (LE4094) returned <10 ppm level of detection and two samples of Mt Terror quartz-mica greisen returned 490 and 450 ppm Li from drill core (LE4082) and rock chip (LE4096) respectively. The remaining 21 samples in this group sit within the spread of background Li values for Mt Paris granites, compiled by Askins (2016), from the MRT database and Higgins (1990), which range from 30-315 ppm Li (n=29).

The second group of samples are the four from small diggings (probably the Mammoth mine?) on the western flank of Rattler Hill. Samples LE4105-4108 contained Li ranging from 400-1220 ppm. These rocks were quartz-white mica greisens with oxidised pits, probably after sulphide, and minor secondary copper carbonate. The two samples with highest Li content (LE4106 - 960 ppm, LE4108 - 1220 ppm) included coarse, sub pegmatitic greisen domains.

Please refer to the “Field Exploration Report” attached in Appendix 1 for additional details of exploration results.

6.0 CONCLUSION

The targeting of Mt Terror and Rattler Hill as the areas of known greisen occurrences within the Tenement most likely to host lithium mineralisation resulted in a small program of drill core and rock chip sampling. The results downgraded the Mt Terror prospect and returned values at Rattler Hill up to 1220 ppm Li, well above the existing background levels from available data on the Mt Paris granites but well below what could be considered ore grade.

The Year 2 program involved the minimum investigation for estimating the potential of the Rattler Range greisen trend as a district with lithium potential. There are at least 20 additional known greisen occurrences along the trend which were not sampled, although general knowledge of these tin greisens suggests that the lithologies sampled are probably typical of the overall trend. Judgement is needed as to whether the work done is sufficient to determine the economic risk of conducting a more intensive search.

If further exploration is to be conducted on EL 19/2014, it is recommended that the focus is on the Rattler Hill area, for both geological and access logistics reasons, and that the project is re-directed towards exploration for tin +/- lithium.

7.0 ENVIRONMENT

No environmental clearance works were conducted nor obtained from MRT during the reporting period.

8.0 EXPENDITURE

Expenditures have been reported via MRT Quarterly Returns.

9.0 REFERENCES

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APPENDIX 1

Argosy Minerals Ltd

EL 19/2014 Mt Paris

Report on Lithium Exploration – Licence Year 2

Ken Morrison M. Econ. Geol.

February 2017

Contents

Exploration Undertaken in Licence Year 2

Introduction

Following the comprehensive Year 1 review of previous tin exploration reports and the evidence for potential lithium enrichment in the Mt Paris granites (Askins, 2016), Argosy Minerals Ltd concluded that the most prospective targets for lithium within the licence are likely to be the tin greisens in the Mt Terror-Mt Paris and Rattler Hill areas. A limited sampling program designed to screen these targets for significant lithium potential was proposed for the Year 2 exploration program and K C Morrison Pty Ltd was engaged on a consulting basis to carry out this work.

In December 2016-January 2017 core from a fence of four angled diamond drill holes at Mt Terror, drilled by Union Corporation Australia in 1981 (Winnall, 1981), was scan logged at the MRT core store, Mornington, and 15 quarter core samples of mica-rich granitic lithologies were cut and sampled. Field reconnaissance along the Rattler Range trend, from Mt Paris to Rattler Hill (Figure 1), located greisens and minor pegmatitic granite at three locations, resulting in a further 13 rock chip samples. The core and rock chip samples were assayed for lithium by ICP-AES at ALS, Townsville. Scan logs and sample details and results are recorded below in this report.

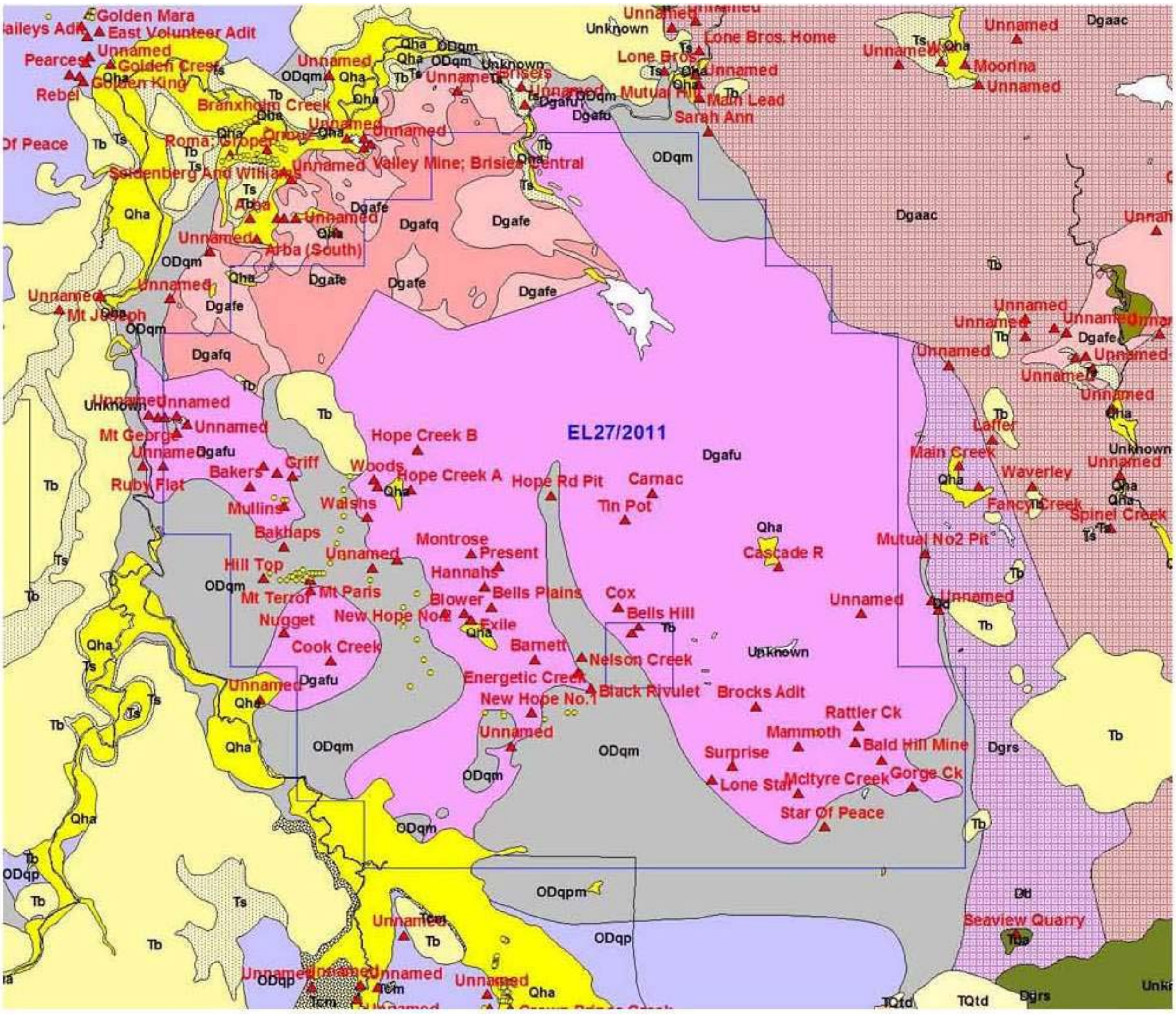


Figure 1. Historic tin workings along the Rattler Range trend in the south-western part of the Mt Paris granite batholith (from Herrmann, 2011, in MacDonald, 2012).

(nb This earlier EL covers the same area as the current EL 19/2014)

Scan Logging

MT-1

0-16.0m. Sandstone-Siltstone. Heavily oxidised, partly hornfelsed, limonitic fine quartz white mica sandstone interbedded with minor darker weakly carbonaceous siltstone. Minor fracture-fill irregular 1-5cm veins of fine granite, granite breccia.

16.0-19.2m. Hornfels Oxidised hornfelsed sandstone a/a, with network of brittle fracture brecciation.

19.2-31.1m. Hornfels Partly oxidised spotted hornfels.

31.1-38.0m. Core missing

38.0-39.9m. Granite Oxidised equigranular unaltered granite.

39.9-69.3m. Breccia Brittle deformation hornfels > granite breccia with minor zones of more ductile migmatite including contorted quartz lenses and veins. Interval of fine granite fracture fill network hosted in hornfels @ 57.5-64.3m., with textures indicating fluid pressure fracturing and granite with minor vein quartz, stoping into brittle contact metamorphosed Mathinna Supergroup roof rocks.

69.3-72.5m. Granite Uniform, slightly oxidised fine-medium equigranular two mica adamellite.

72.5-73.0m. Granite Abrupt contact to porphyritic granite a/a, with patchy dark ?chlorite or manganese oxide overgrowth of feldspar crystals. **EOH**

MT-2

0-32.4m. Granite Uniform, partly oxidised, equigranular quartz-feldspar-white mica granite, grading to more siliceous towards base.

32.4-38.5m. Sandstone Uniform oxidised fine quartz mica Mathinna Supergroup sandstone.

38.5-40.7m. Granite Bleached, partly oxidised fine quartz-feldspar-white mica granite with feldspars altered/weathered to white clay.

40.7-50.0m. Core missing..

50.0-50.1m. Granite-Hornfels contact Granite is quartz-rich two mica granite, residual material from probable sampling of missing interval above.

50.1-55.7m. Hornfels Partly oxidised, deformed spotted hornfels grading locally to hornfels-quartz migmatite.

55.7-58.0m. Core missing

58.0-93.1m. Hornfels Deformed greenish hornfels with zones of migmatite textures including deformed vein quartz and pegmatitic tourmaline granite @ 60.2, 90.2m. Core missing @ 79.9-81.6m.

93.1-101.0m. Granite Uniform equigranular two mica granite with selective overprint of some feldspar crystals by dark ?chlorite or manganese oxide. **EOH**

MT-3

0-6.5m. Sandstone Partly oxidised fine quartz-mica Mathinna Supergroup sandstone.

6.5-23.4m. Granite Uniform partly oxidised, equigranular quartz-feldspar-two mica granite with feldspars mainly altered/weathered to white clay.

23.4-25.5m. Breccia Fracture controlled partly oxidised hornfels-fine felsic granite angular fragment breccia.

25.5-31.0m. Hornfels Oxidised interbedded fine sandstone-siltstone with patches of spotted hornfels preserved.

31.0-35.5m. Breccia Oxidised hornfels-granite breccia grading locally to more ductile deformed migmatite.

35.5-40.7m. Core missing

40.7-47.6m. Hornfels Weakly oxidised interbedded fine quartz-mica sandstone and darker slightly carbonaceous siltstone, contact metamorphosed to spotted hornfels with granoblastic biotite-quartz +/-cordierite texture.

47.6-50.9m. Core missing

50.9-54.9m. Hornfels Spotted hornfels a/a, becoming fresher down hole.

54.9-55.4m. Granite Oxidised two mica granite with chlorite alteration of biotite.

55.4-58.3m. Hornfels Mainly fresh banded, spotted granoblastic hornfels a/a.

58.3-60.5m. Granite Uniform equigranular two mica granite with chlorite alteration of biotite a/a.

60.5-63.5m. Migmatite Granite-hornfels ductile deformed migmatite grading locally to angular fragment breccia.

63.5-80.4m. Breccia Fresh spotted granoblastic hornfels-granite angular fragment breccia with fine undulose fracture network fabric indicating hydraulic fracturing and stoping of granite into roof rocks.

80.4-89.0m. Granite Partly oxidised, unaltered two mica plus fine black ?tourmaline granite with angular xenoliths of hornfels, decreasing down hole, and zones of coarse feldspar>quartz pegmatite.

89.0-94.4m. Core missing

94.4-100.0m. Granite Mainly fresh feldspar>quartz porphyritic two mica granite with dark ?chlorite or manganese oxide overprinting some feldspar crystals.**EOH**

MT-4

0-25.7m. Sandstone Oxidised fine quartz-mica sandstone with minor 1-10cm fracture fill veins of wall rock-granite breccia. Core missing @ 24.8-25.6m.

25.7-27.1m. Granite Soft, partly decomposed, oxidised quartz-feldspar-white mica granite.

27.1-29.7m. Core missing

29.7-30.3m. Sandstone Oxidised Mathinna Supergroup Sandstone a/a.

30.3-35.6m. Core missing

35.6-36.0m. Remnant of hornfels-granite contact

36.0-36.7m. Core missing

36.7-37.5m. Granite Uniform medium grained equigranular two mica granite with minor angular hornfels xenoliths.

37.5-49.5m. Hornfels Biotite-quartz-?cordierite spotted hornfels with 15cm granite dyke/vein @ 47.5-47.65m.

49.5-52.3m. Hornfels Spotted hornfels a/a, with fracture-fill fine two mica granite xenoliths.

52.3-54.75m. Granite Fine two mica granite a/a, with minor angular hornfels xenoliths.

54.75-59.45m. Migmatite Spotted hornfels, granite and minor irregular vein quartz lenses and veins deformed with a ductile fabric.

59.45-62.4m. Granite Partly oxidised mainly fine-medium equigranular but with minor feldspar porphyritic texture, two mica granite a/a, with stylolite-like shear fabric.

62.4-73.2m. Migmatite Granite-hornfels-minor vein quartz migmatite a/a.

73.2-83.8m.Granite Uniform fresh unaltered two mica plus fine black ?tourmaline equigranular adamellite.

83.8-100.0m. Granite Abrupt change to porphyritic two mica granite, with dark ?chlorite overprinting selective feldspar crystals. **EOH**

Summary of Scan Logging Observations

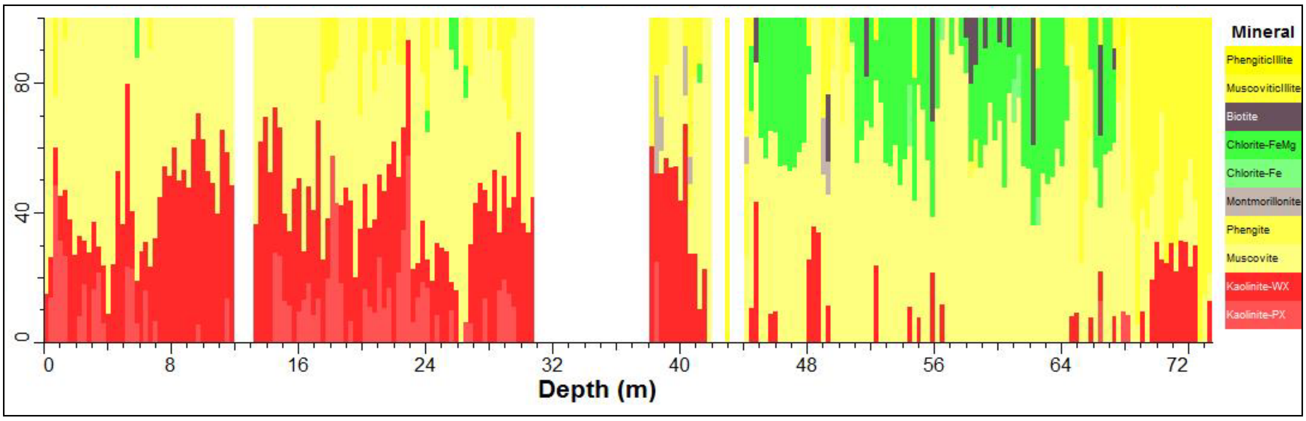
All four holes intersected essentially the same suite of lithologies, in a sequence suggesting the Mt Terror geology is close to its undeformed orientation at the time of granite intrusion. Although the system has been exhumed by regional erosion, to the degree that the roof contact is almost outcropping, the coherent greisen cap and the migmatitic breccia zone in the immediate Mathinna Supergroup roof hornfels, are preserved in a position essentially conformable to the present landscape. This geometry, and the nature of the greisen-roof rock contact are well depicted in the graphic logs and the schematic cross section through Mt Terror, by Winnall (1981) for Union Corporation, and no evidence departing from that model was observed during the current work.

It appears almost certain that the missing core intervals, present to in the core from each hole, were whole core samples of greisen taken for tin assaying. Unfortunately these fractionated granites would also be the most likely rocks to carry elevated lithium, if it is present. Although the 15 quarter core samples taken from MT-1 to MT-4 all contained some greisen-like granitic lithologies, their lithium concentrations should be considered as minimum values for the overall potential at Mt Terror. This view is supported by the subcrop samples collected around the Mt Terror workings, which consisted of quartz-mica-minor black tourmaline +/- trace cassiterite. It is likely that these rocks correlate with the missing core from the four drill holes, and they appear more prospective for both lithium and tin than the fracture-fill greisen stringers and veins hosted in the roof breccia zone at Mt Terror.

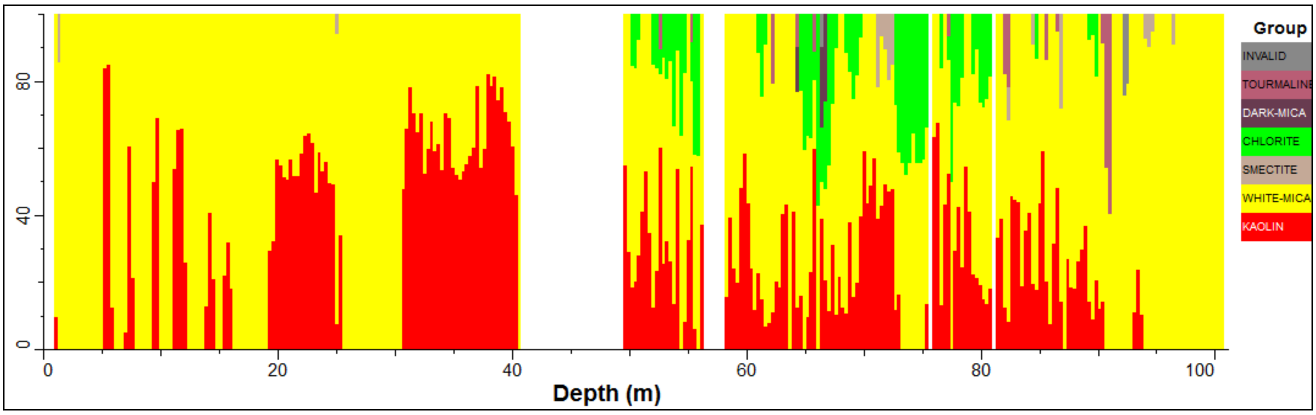
Hylogger Data

The assistance of Dr David Green, MRT, is gratefully acknowledged for providing Hylogger plots of the core from the four MT holes. Although the suite of minerals identified by the current system at MRT is limited, discrimination of the main mica species and the recognition of tourmaline were helpful aids to the visual core logging.

MT1

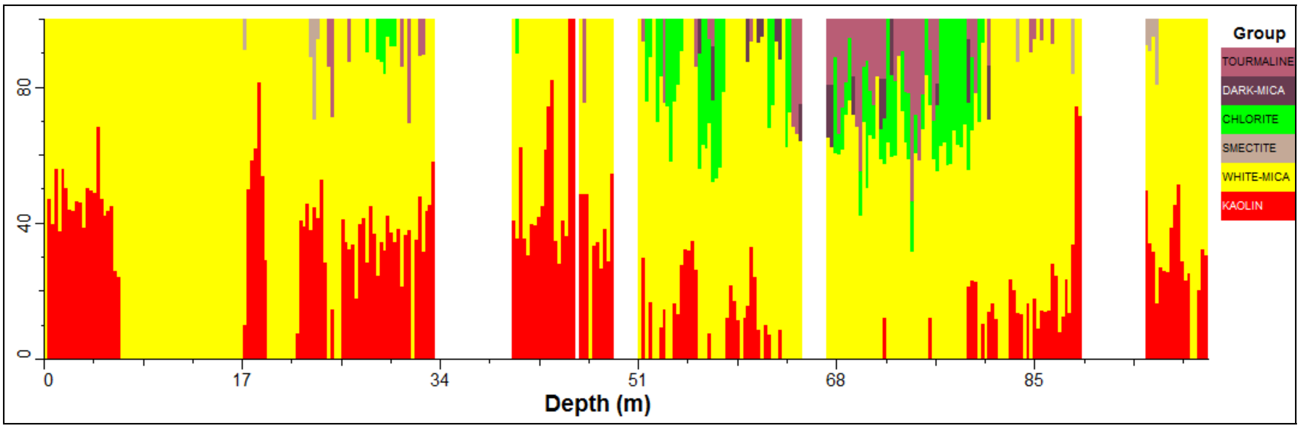


MT2



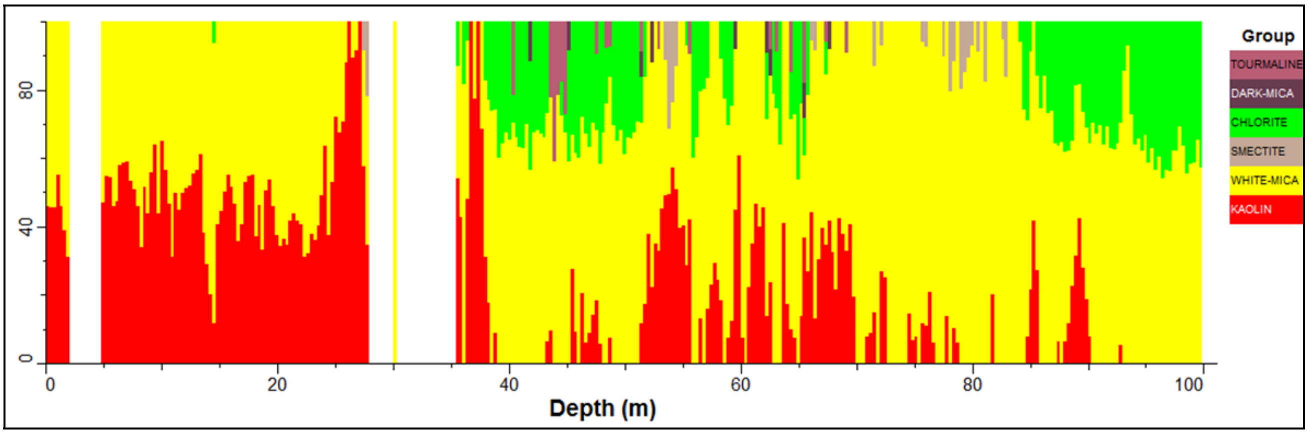
0
40
80
0
20
40
60
80
100
Depth (m)
Group
INVALID
TOURMALINE
DARK-MICA
CHLORITE
SMECTITE
WHITE-MICA
KAOLIN

MT3



0
40
80
0
17
34
51
68
85
Depth (m)
Group
TOURMALINE
DARK-MICA
CHLORITE
SMECTITE
WHITE-MICA
KAOLIN

MT4



0
40
80
0
20
40
60
80
100
Depth (m)
Group
TOURMALINE
DARK-MICA
CHLORITE
SMECTITE
WHITE-MICA
KAOLIN

The mica, clay and tourmaline profile is similar in the core from all four holes and can be lumped into three main units.

- An upper unit ranging from 35-50 metres down hole thickness, consisting of kaolin and white micas. This unit corresponds to the roof rock association of sandstone, hornfels and minor fracture-fill granite veins and stringers. It is also the shallowest and most oxidised lithology and therefore much of the kaolin might be due to weathering rather than hydrothermal alteration.
- A middle unit ranging from 20-55 metres down hole thickness, consisting of both white and dark micas, patchy minor tourmaline and smectite clay and a decreased but still significant kaolin content. This unit corresponds to the breccia-migmatite zone with abundant greisens and tourmaline bearing fractionated granitic rocks, occurring as both fracture fill stringer-vein networks and as interlayered coherent granite intrusions. The core loss due to sampling of some greisens would have occurred prior to Hylogging and therefore some of the most fractionated rocks may not have been scanned, but the general pattern is still apparent and this unit contains the rocks of economic interest.
- A lower unit of unknown thickness, due to it extending to EOH in all holes, comprising relatively fresh unaltered granite, with a consistent equigranular facies overlying a feldspar porphyritic facies. Tourmaline and almost all biotite and smectite are absent in this unit, which appears to be a reliable cut off to the zone of economic interest, for both tin and lithium. Although no variation in the texture of the basal granites was observed in the visual logging, the infra red reflection response shows a substantial amount of chlorite and no kaolin in MT-4, in contrast to the other three holes. The reason for this is unclear.

Discussion of Sampling Results

Sample locations, descriptions and lithium assays are shown on Table 1 and Figure 2. The samples were assayed only for lithium, by ALS, Townsville, using method ME-ICP61 with a 10 ppm lower level of detection.

The results fall into two broad groups. The drill core and rock chips from Mt Terror and the rock chips from Bells Hill and to the west of Rattler Hill generally range from 30-290 ppm Li, with three outliers. A sample of breccia from Mt Terror drill hole MT-1 (LE4094) returned <10 ppm level of detection and two samples of Mt Terror quartz-mica greisen returned 490 and 450 ppm Li from drill core (LE4082) and rock chip (LE4096) respectively. The remaining 21 samples in this group sit within the spread of background Li values for Mt Paris granites, compiled by Askins (2016), from the MRT database and Higgins (1990), which range from 30-315 ppm Li (n=29).

Table 1. **Register of Samples for Lithium Screening - January 2017**

Sample ID	Sample Type	Location	GDA East	North	Description	Li ppm
LE4081	Quarter core	MT4	564223	5437499	pegmatitic granite with coarse mica 71.1-71.5m.	100
LE4082	Quarter core	MT4	564223	5437499	quartz-mica greisen with wall rock xenoliths 69.7-69.9m.	490
LE4083	Quarter core	MT4	564223	5437499	quartz-mica greisen with wall rock xenoliths 66.15-66.3m.	90
LE4084	Quarter core	MT4	564223	5437499	oxidised mica-rich granite 26.0-26.2m.	140
LE4085	Quarter core	MT3	564223	5437499	breccia with pegmatite fracture fill 81.0-81.15m.	260
LE4086	Quarter core	MT3	564223	5437499	quartz-mica greisen fracture fill 76.1-76.4m.	110
LE4087	Quarter core	MT3	564223	5437499	hornfels granite migmatite 71.0-71.5m.	160
LE4088	Quarter core	MT3	564223	5437499	mica-rich greisen veins in hornfels 70.2-70.5m.	170
LE4089	Quarter core	MT2	564223	5437499	migmatite with pegmatite zones 91.6-92.0m.	70
LE4090	Quarter core	MT2	564223	5437499	quartz-mica greisen fracture fill 59.8-60.3m.	210
LE4091	Quarter core	MT2	564223	5437499	greisen at contact with granite 49.9-50.1m.	290
LE4092	Quarter core	MT2	564223	5437499	coarse mica zone in granite 2.8-2.95m.	270
LE4093	Quarter core	MT1	564223	5437499	pegmatite zones in granite 68.1-68.3m.	170
LE4094	Quarter core	MT1	564223	5437499	breccia 56.7-56.85m.	<10
LE4095	Quarter core	MT1	564223	5437499	greisen fracture fill in breccia 17.95-18.3m.	130
LE4096	Rock chip-sub crop	Mt Terror	564398	5437740	quartz-mica-tourmaline greisen	450
LE4097	Rock chip-sub crop	Mt Terror	564360	5437674	quartz-mica-tourmaline greisen	140
LE4098	Rock chip-sub crop	Mt Terror	564335	5437746	quartz-mica-tourmaline greisen, quartz-rich band, minor oxidised vugs, trace ?cassiterite	100
LE4099	Rock chip-sub crop	Mt Terror	564335	5437746	quartz-mica-tourmaline greisen, quartz-rich band, minor oxidised vugs, trace ?cassiterite	80
LE4100	Rock chip-sub crop	Mt Terror	564335	5437746	quartz-mica-tourmaline greisen	200
LE4101	Rock chip-float	Mt Terror	564439	5437850	quartz-mica-tourmaline granite, vugs with coarse mica, quartz, trace cassiterite	60
LE4102	Rock chip-float	Bells Hill	569769	5435931	quartz-mica greisen, greenish clay alteration ?after feldspar	190
LE4103	Rock chip-float	Bells Hill	569769	5435931	quartz-mica greisen, pegmatitic quartz bands, limonitic vugs ?after sulphide	190
LE4104	Rock chip-sub crop	Rattler Hill	571578	5435058	vein-like band of quartz,minor fine pale greenish mica	30
LE4105	Rock chip-sub crop	Rattler Hill	572166	5435012	quartz-mica greisen, limonitic vugs ?after sulphide, trace green ?malachite	660
LE4106	Rock chip-sub crop	Rattler Hill	572166	5435012	oxidised coarse quartz-mica greisen	960
LE4107	Rock chip-sub crop	Rattler Hill	572190	5435030	hard fresh fine quartz-mica greisen, traces fine green ?malachite	400
LE4108	Rock chip-sub crop	Rattler Hill	572177	5435007	oxidised coarse quartz-mica greisen, common blebs green ?malachite	1220

The second group of samples are the four from small diggings (probably the Mammoth mine?) on the western flank of Rattler Hill. Samples LE4105-4108 contained Li ranging from 400-1220 ppm. These rocks were quartz-white mica greisens with oxidised pits, probably after sulphide, and minor secondary copper carbonate. The two samples with highest Li content (LE4106 -960 ppm, LE4108 -1220 ppm) included coarse, sub pegmatitic greisen domains.

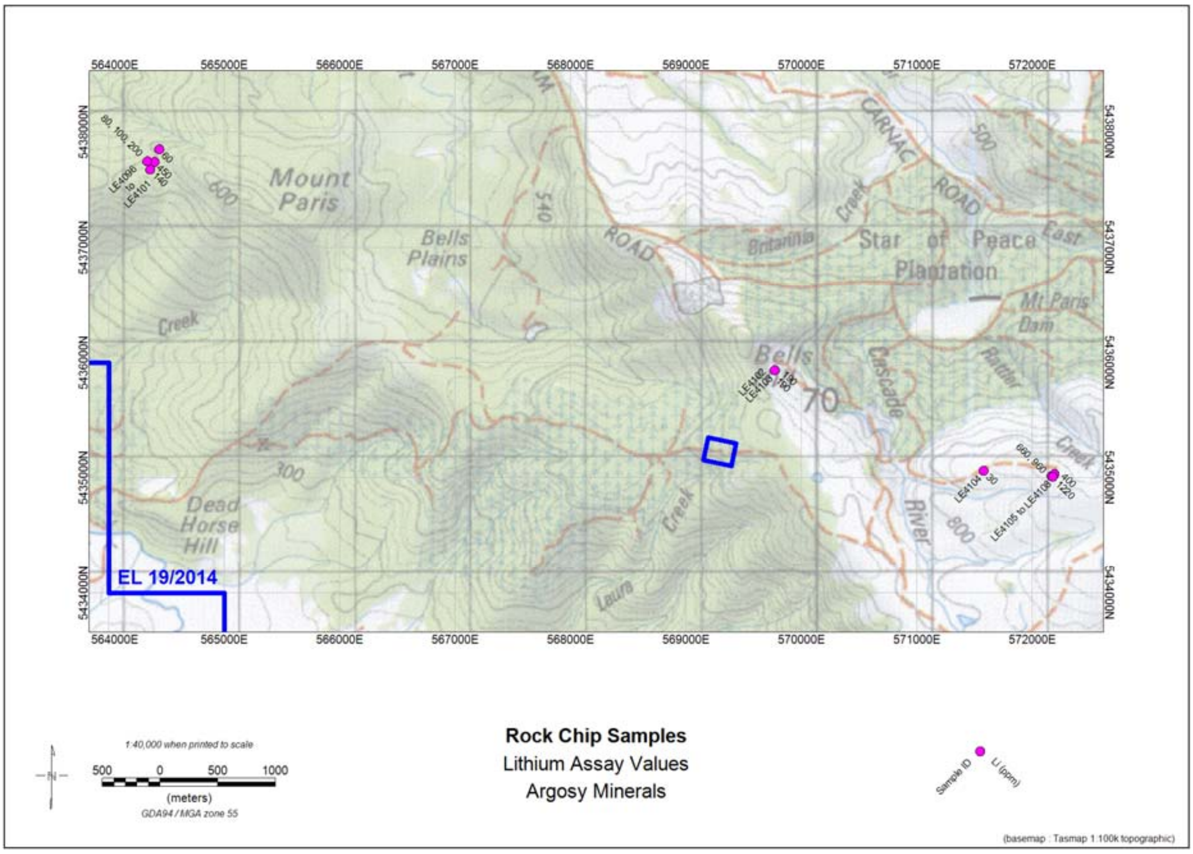


Figure 2. Rock Chip Sample Location Map

Conclusions

- The targeting of Mt Terror and Rattler Hill as the areas of known greisen occurrences within the EL most likely to host lithium mineralisation resulted in a small program of drill core and rock chip sampling. The results downgraded the Mt Terror prospect and returned values at Rattler Hill up to 1220 ppm Li, well above the existing background levels from available data on the Mt Paris granites but well below what could be considered ore grade.

- The Year 2 program involved the minimum investigation for estimating the potential of the Rattler Range greisen trend as a district with lithium potential. There are at least 20 additional known greisen occurrences along the trend which were not sampled, although general knowledge of these tin greisens suggests that the lithologies sampled are probably typical of the overall trend. Judgement is needed as to whether the work done is sufficient to determine the economic risk of conducting a more intensive search.

- If further exploration is to be conducted on EL 19/2014, it is recommended that the focus is on the Rattler Hill area, for both geological and access logistics reasons, and that the project is re-directed towards exploration for tin +/- lithium.

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