

Exploration Licence
EL18/2015

Year 1 Annual Report

February 2016- 2017

NORTH EAST EXCAVATIONS (Tas) PTY LTD

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2/6/17

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ABSTRACT

EL18/2015 is a 3 km² Category 3 licence located on the northern side of Basin Creek Road and is located approximately 4 km south of the township of St Helens. The EL is held by North East Excavations (Tas) Pty Ltd and was issued on the 2nd day of February 2016.

The exploration program for the first two years of the licence seeks to determine the extent of the rock resource and the viability of the resource for road construction purposes.

INTRODUCTION AND TENEMENT DETAILS

The exploration licensee currently operates the Dianas Basin Quarry which abuts the south-eastern corner of the licence area.

The licensee seeks to ensure a continuous supply of High Skid resistance aggregate to the Tasmanian market into the future to satisfy the annual requirements of the Department of State Growth.

Licensee: North East Excavations (Tas) Pty Ltd
Exploration Licence Number: EL18/2015
Location: Basin Creek Road, St Helens
Reporting period: 2/2/2016 to 1/2/2017

REVIEW OF PREVIOUS WORK

The licensee has no knowledge of any previous exploration work being undertaken within the licence area.

The adjoining Dianas Basin Quarry exploits a Devonian aged quartzite derived from sedimentary successions of the extensive Mathinna Group, as indicated by the Mineral Resources Tasmania 1:25,000 scale geology map. The rock is used as a source for road construction material including road bases and sealing aggregates. The quarry is currently G6 compliant and compliant with VicRoads specifications. The

quarry has supplied material to various Department of State Growth (DSG) road construction and reconstruction projects in recent years.

The quarry was inspected by VicRoads in June 2016 and sampling and testing was undertaken on behalf of the DSG in accordance with VicRoads Code of Practice 500.00 *Source Rock Investigations*. Representative aggregate samples were collected and tested for Los Angeles Value and Polished Stone Value with the following results;

Assigned Los Angeles Value:	13
Assigned Polished Stone Value:	57

EXPLORATION COMPLETED

Exploration in the first year was limited to walking of the ground to check the extent of the licence area boundaries and visual inspection of the site and collection of exposed samples for comparison with material found at the adjoining quarry.

It was determined by the licensee that the priority in the first year of the licence was to undertake testing on the material in the adjoining quarry to determine the Los Angeles Value and the Polished Stone Value thereby providing a basis for consideration of the commercial value of material.

DISCUSSION OF RESULTS

The sampling and testing of the rock material in the adjoining quarry has determined the Polished Stone Value to be 57.

It is understood that the Department of State Growth and VicRoads require a minimum Polished Stone Value of 54 for high demand skid locations. The Licensee has knowledge of one other quarry operation on the west coast with a Polished Stone Value of 54.

CONCLUSIONS

It is evident from the work undertaken by VicRoads in sampling and testing the rock material in the adjoining Dianas Basin Quarry that the rock material, with a Polished Stone Value of 57, is a very important resource for the State of Tasmania.

Work will now be undertaken in the second year of the Exploration Licence to determine the extent of the rock material in the licence area.

ENVIRONMENTAL ACTIVITIES

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

EXPENDITURE

The bulk of the expenditure in the first year of the Exploration Licence is attributed to the sampling and testing of the rock material in the adjoining Dianas Basin Quarry. This expenditure, whilst of vital importance to the future prospects of the licence area, cannot be properly attributed to the licence area exploration as it is a cost against the quarry operation.

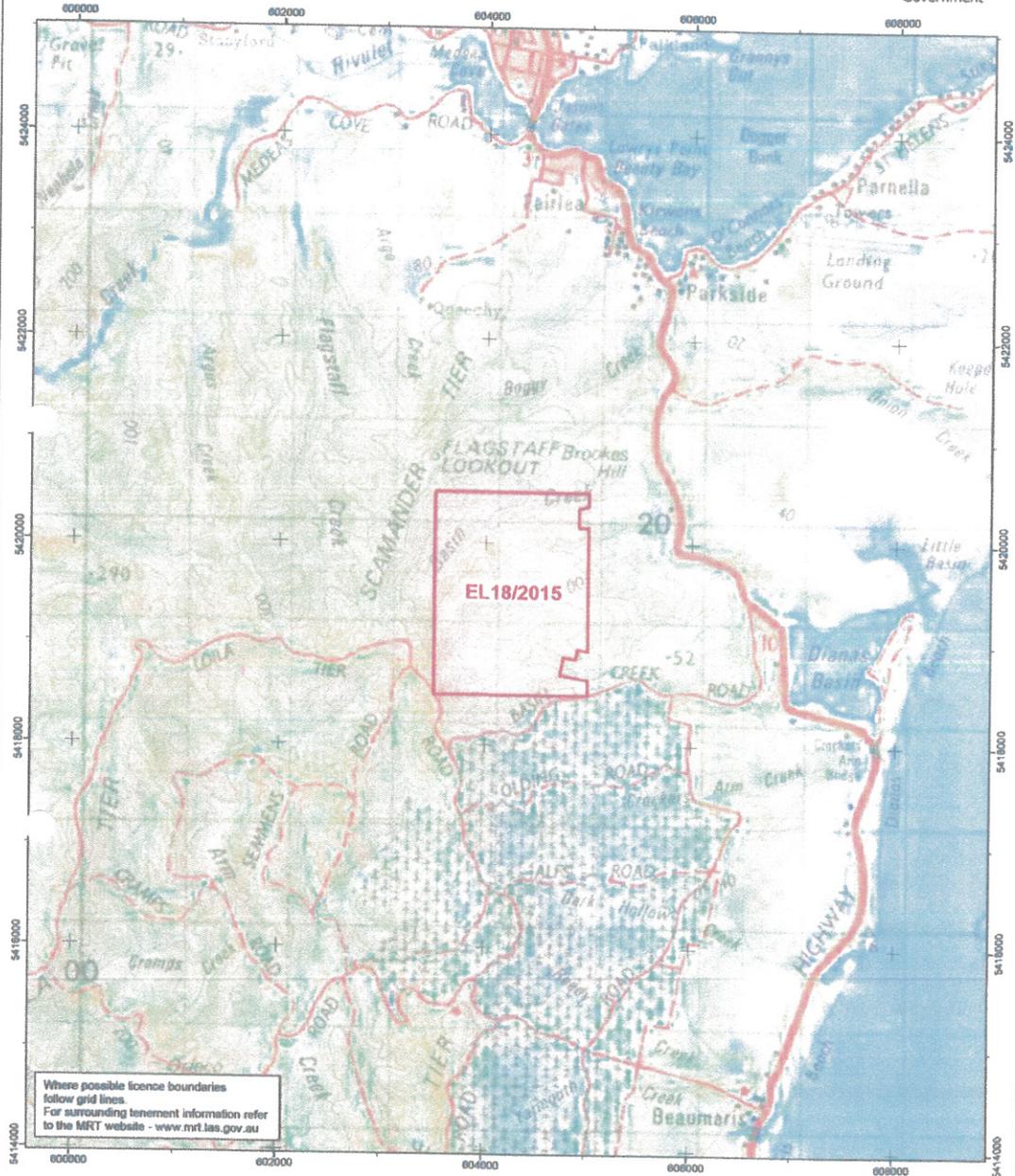
Total expenditure on EL18/2015 up to 1st February 2017 was \$570.00 as follows;

Site inspections	\$370.00
Reporting and Administration	\$200.00
TOTAL:	\$570.00

Annexure 1

Location Map

Department of State Growth
MINERAL RESOURCES TASMANIA



Where possible fence boundaries follow grid lines.
 For surrounding tenement information refer to the MRT website - www.mrt.tas.gov.au

EL18/2015 3km²
Vicinity of Basin Creek Road
(5km S of St Helens)



1:50,000

Coordinate Datum - GDA84 MGA Zone 55



Base image by TASMAP
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