

EL25/2008 Jericho Annual Report 2017

EL 25/2008 (Jericho)

September 2016 – September 2017

Tiger Coal Pty Ltd
(ACN: 130 087 697)

Authors

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Abstract

The purpose of EL25/2008 is to locate an economically feasible coal mine.

No exploration works were conducted during the 2016 – 2017 licence period due to a decision by the Southern Midland Council to re-zone some areas of the licence, potentially harming the overall project economics. The companies Board of Directors appealed the councils re-zoning decision, but ultimately voted to suspend exploration works until a satisfactory outcome could be finalised by the Resource Management And Planning Appeal Tribunal.

A suitable outcome was reached in mid May 2017 when the Tasmanian Planning Commission finally made amendments to the re-zoning that allows mining as a discretionary land use. Unfortunately this did not leave sufficient time to carry out works in the current year with the onset of winter.

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1. Introduction

The operator's (Midlands Energy Pty Ltd) principal objective of exploration in the Jericho area is to delineate any coal seams within the near surface Triassic coal measures for the purpose of defining one or more resources suitable for open cut mining.

1.1 Report Datum

GDA94

1.2 Exploration Rationale

The aim of the current exploration program on EL 25/2008 (Jericho) is to quantify an economically viable JORC resource in the near surface Triassic coal measures.

1.3 Geological Setting

The geology of the area is dominated by the freshwater sequence of mudstones, sandstones and siltstones of the Upper Parmeener of the Triassic intruded by Jurassic Dolerite. Typically the Coal measures are found within a lithic sandstone sequence (dominantly within the grabens) that has been preserved in some areas by Jurassic dolerite capping. Structurally, the Jericho area (and surrounds) is dominated by a series of north to north-north-western troughs/grabens upwards of 50 by 1 kilometres in size and disrupted by numerous north-east trending faults.

1.4 Licence Information

1.4.1 Licence Number

EL25/2008

1.4.2 Licence Name

Jericho

1.4.3 Licence Location

The Licence covers the Jericho district, from Bowhill Rd west of Oatlands in the north, to Mudwalls Rd in the south. Please refer to Location Plan at **Figure 1**.

1.4.4 Reporting Period

18th September 2016 – 17th September 2017

1.4.5 Tenement Holder

Tiger Coal Pty Ltd

2. Previous Work

2.1 Work Prior to Current Licence

A review of past exploration was completed in the 2012 Annual Report (Pemberton, 2012).

The following are notes from the report.

Modern exploration has only taken place since 1980 when Capricorn Mining Ltd was granted EL 28/1979. Capricorn conducted a regional exploration program over a wide area that included reconnaissance geology, remote sensing, structural interpretation and some drilling (reports: TCR80_1513, TCR81_1682 and TCR82_1798).

CRA Exploration Pty Ltd conducted a program over three licences in the Oatlands-Jericho-Kempton area: EL18/1982, EL19/1982 and EL20/1982. CRA used LANDSAT imagery to identify the overall structural trend in the area and followed up with a percussion drilling program to identify if the graben structures were prospective for coal. While the results indicated coal was present, elements of complexity due to the highly faulted nature of the area and the frequent presence of dolerite intrusions were also identified (report TCR84_2213).

The Department of Mines drilled a deep diamond hole in 1982 at Mount Vernon (Mount Vernon DDH1). Coal measures were intercepted; the most significant seam observed was 2.3m thick from 204.79m and surprisingly low in ash.

Cornwall coal Company NL was granted EL11/91 in 1991 to follow up on this hole with three rotary holes and two diamond holes in the area with limited success attributed to both dolerite intrusions and the nature of the faulting proximal to the coal measures (reports TCR92_3378 and TCR93_3491).

3. Exploration

3.1 Desktop Studies

No Desktop Studies were completed in 2016 - 2017

3.2 Regional Exploration Activities

No regional exploration was conducted in 2016-2017

3.3 Prospect-based Exploration Activities

No prospect-based exploration was conducted in 2016-2017

3.3.2 Geology

No Geochemistry was conducted in 2016 – 2017

3.3.3 Geochemistry

No Geochemistry was conducted in 2016 – 2017

3.3.4 Geophysics

No Geophysics were conducted in 2016 – 2017

3.3.5 Remote Sensing

No Remote Sensing was conducted in 2016 - 2017

3.3.6 Drilling

No Drilling was conducted in 2016 - 2017

3.3.7 Ore Reserves and Resources

No Reserve or Resource calculations were conducted in 2016 - 2017

3.3.8 3D Modelling

No 3D modelling was conducted in 2016 - 2017

4. Results

No Results were recorded for the 2016 - 2017 licence period

5. Conclusions

5.1 Conclusions

Conclusions cannot be formulated due to no exploration work having been conducted

5.2 Recommendations

Further exploration works are recommended to fully understand the resource geology of the area and to more accurately define the economic boundaries of the potential resource. Management is currently researching the merits of conducting a 2D seismic

survey campaign in the coming year in an attempt to better understand the local geology and better define new targets for drilling in the coming year.

Further works will be commenced on the finalisation of a substantial investment the company is expecting soon. This will fund exploration at Jericho for the coming two years with an increasing intensity of exploration.

6. Environment

No environmental disturbance was created during the 2016 - 2017 period. To the company's best knowledge, all previous disturbances have been rehabilitated

7. Expenditure

Expenditure for the 2017 exploration year has been calculated at \$3,249 as per the companies' quarterly returns up to and including June Quarter 2017.

8. References

Pemberton J., 2012. *A brief review of past exploration in the area covered by EL 25/2008 Melton Mowbray for Midlands Energy Ltd.*

TCR80_1513 *Final report of Tasmanian Coal Prospects for Capricorn Mining Ltd.* General Geological Services. February 1981.

TCR81_1682 *Tasmanian coal prospects. Six month progress report, 17 April to 16 October 1981, for Capricorn Mining Ltd.* General Geological Services.

TCR82_1798 *Capricorn Mining Ltd, Relinquishment Report, Coal EL28/79, Oatlands Tasmania.* May 1982

TCR84_2213 *Parattah EL18/82, Kempton EL19/82, Jericho EL20/82. Exploration report for the year ending 30 September 1984.* CRA Exploration Pty Ltd. Report 12862.

TCR92_3378 *The Cornwall Coal Company NL Coal Exploration Kempton – Report No 1. Year ended 23/8/92. EL11/91.* By Dr JH Bryan.

TCR93_3491 *The Cornwall Coal Company NL Relinquishment Report. Year ended 23/8/1993. EL11/91.* By Dr JH Bryan.

9. Appendices

N/A