

TNT MINES LIMITED

ABN 67 107 244 039

EL63/2004

MONTANA FLATS

ANNUAL REPORT TO FEBRUARY 2016

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1.0 INTRODUCTION

This report is a summary of the exploration activities conducted on the Oonah exploration licence, EL63/2004 (Figure 1), for the period 8 August 2013 to 7 February 2016. The licence covers a total area of 24 km². The Oonah licence is subject to an exploration joint venture agreement between TNT Mines Limited and Geoinformatics Tasmania Pty Ltd, a wholly-owned subsidiary of Clancy Exploration Ltd. TNT Mines is currently managing exploration of the licence.

The licence is situated in western Tasmania and covers an interpreted portion of the Tenth Legion Fault. The licence was claimed primarily because the Tenth Legion Fault is interpreted to thrust the Burnie & Oonah Formations on top of younger units including the Gordon Limestone which is considered prospective for carbonate-replacement tin mineralisation.

1.1 Location and tenure

The Oonah licence is located directly adjacent to the town of Zeehan and approximately 30km north of Strahan on the west coast of Tasmania (Figure 1). Zeehan is accessed from the north via the Zeehan Hwy off the Murchison Hwy. Access to the licence from Zeehan township is via the Heemskirk Rd and various unsealed public roads. The 24km² tenement can be found on the Heemskirk and Dundas (1:25,000) LTIS map sheets. The joint venture did not seek renewal of the tenement at the end of the period under review due to a degree of downrating of its prospectivity by our work to date and also to the present economic climate for the junior exploration sector.

Topographically the area is of variable, undulating relief with the majority of the licence area classified as undifferentiated button grass moorland. In general, vehicular access is good with various unsealed vehicle 4WD tracks accessing the numerous old workings.

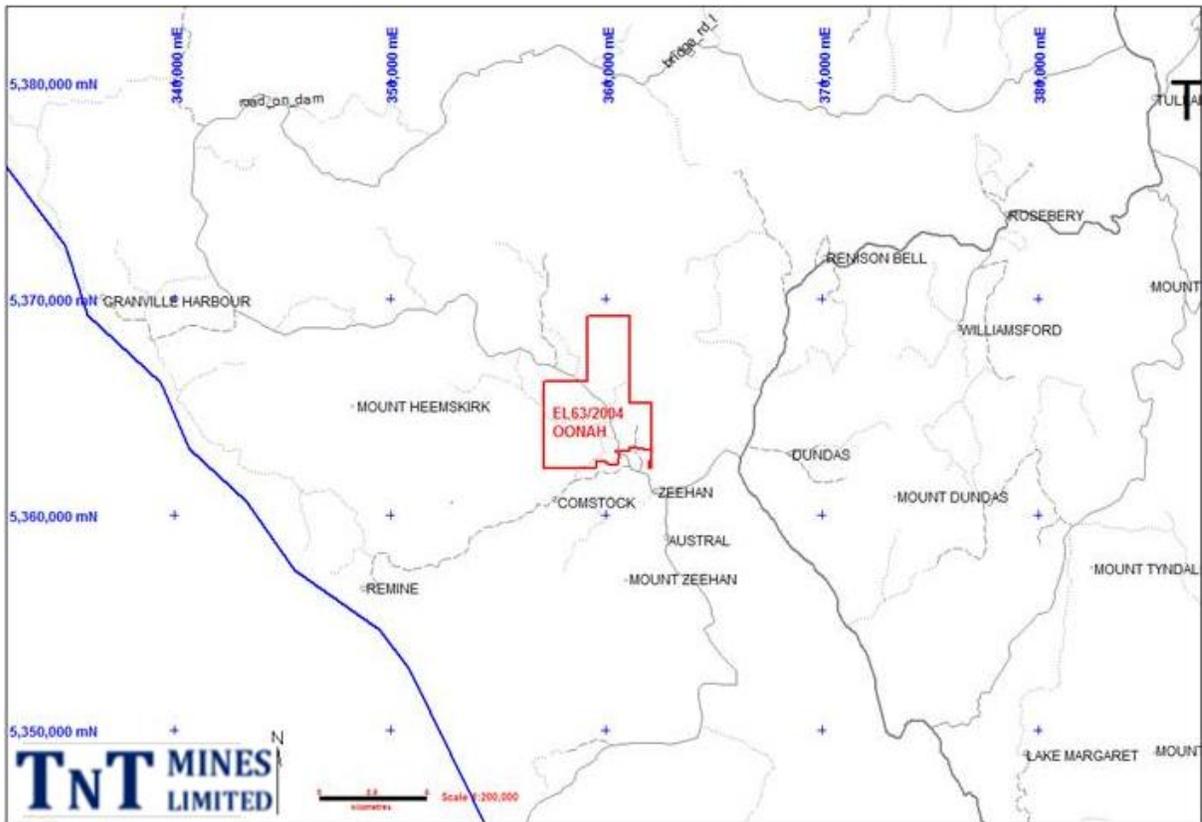


Figure 1: Regional location plan

1.2 Geology overview

The reader is referred to earlier Annual Reports for a comprehensive review of the geology of the tenement.

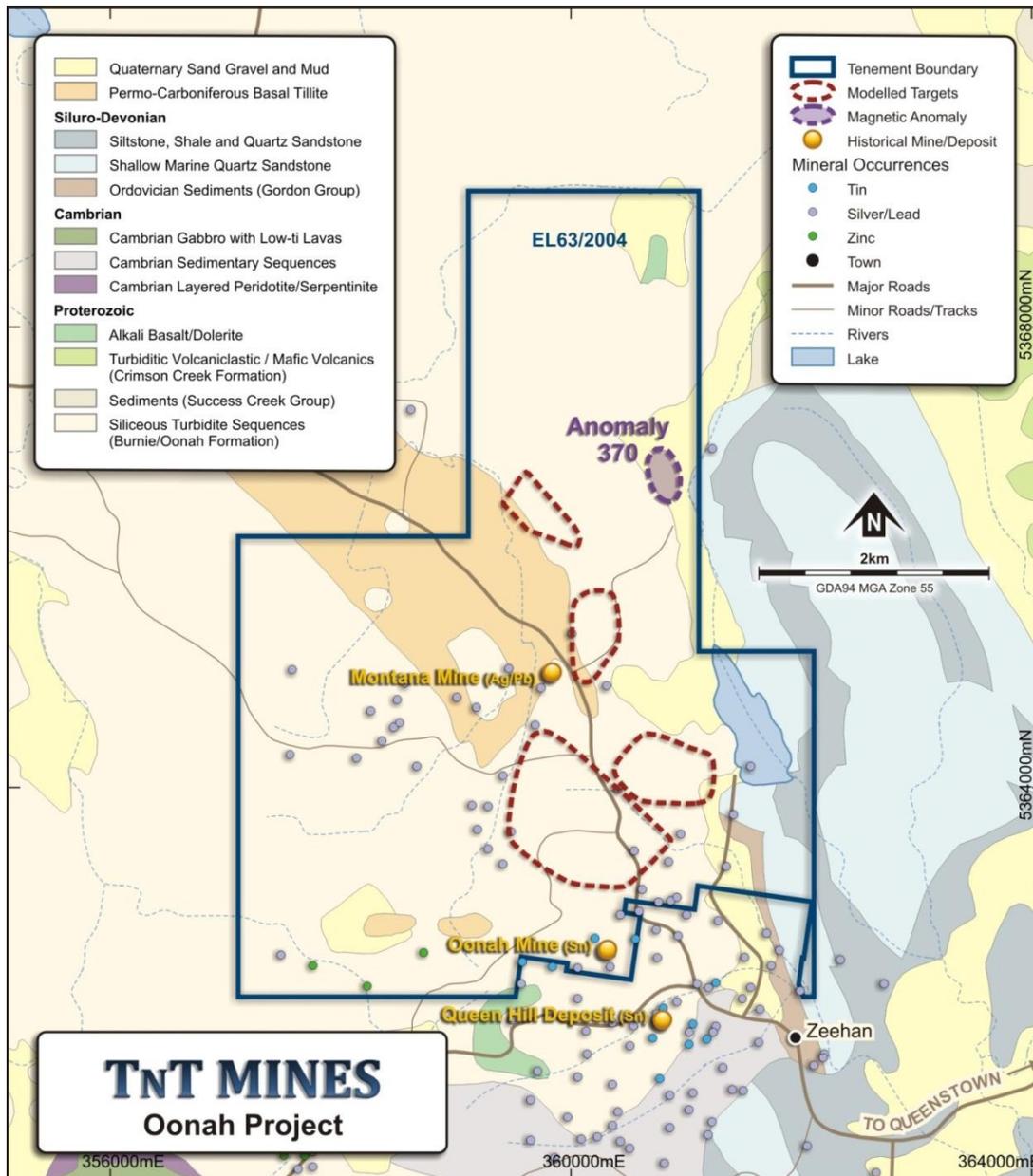


Figure 2: Regional geology

1.3 Exploration Rationale

The Oonah tenement was acquired because it overlays the interpreted Tenth Legion Fault considered to be thrusting the Burnie and Oonah Formations on top of younger units. The larger deposits in the area such as Montana Silver Lead, Oonah and the Stannite Lodes are hosted in the Burnie and Oonah Formations which possibly acted as an aquatard trapping mineralisation below and immediately above the fault.

There is considered to be considerable potential for new deposits to be found or for extensions to existing deposits such as Oonah or Montana.

2.0 REVIEW OF WORK BY PREVIOUS EXPLORERS

The reader is referred to previous Annual Reports.

3.0 PREVIOUS WORK UNDERTAKEN BY THE JOINT VENTURE

The reader is referred to earlier Annual Reports.

3.1 Queen Hill

The joint venture did not generate new data during the period under review. However, interpretation of our data, in combination with that which has been publicly released by Stellar Resources Ltd for its adjacent Heemskirk project, was carried out. It was concluded that Queen Hill can reasonably be considered as part of the overall Heemskirk mineralised system, although not necessarily being in strict spatial continuity with it. Based on the drilling database for Queen Hill, it is unlikely that there is sufficient mineralisation to justify a stand-alone operation on it. However, the economics of mining Queen Hill are likely to be significantly improved if access at depth to its mineralisation could be attained from the decline which Stellar has publicly advised is the preferred development route for Heemskirk.

Several approaches were made to Stellar to determine whether they might be interested in some sort of deal over Queen Hill to incorporate it into that which would then be a greater Heemskirk development. However, no substantive interest was indicated and our joint venture formed the view that no further work could be justified at the current time.

3.2 Anomaly 370

The joint venture focused its attention on this virgin target during the period under review. The modelling of the aeromagnetic data over this area had provided a clear target, as has been described in earlier reports.

3.2.1 Soil Sampling

TNT undertook a soil sampling program over the aeromagnetic target area and a report of this work is presented as Appendix 2.

3.2.2 Diamond Drilling

The soil sampling results were combined with those of the aeromagnetic interpretation to provide a significant target to test by diamond drilling. The requisite approvals to undertake a program were received and one hole, to a depth of 145m, was completed.

In summary, little significant mineralisation was intersected, and it can generally be considered that the cause of the aeromagnetic and surface geochemical signatures has not been discovered in the interval drilled.

A report on the drilling, together with all the data generated, is presented as Appendix 3.

4.0 DISCUSSION OF RESULTS

Although a considerable commitment to a drilling program around Queen Hill is considered likely to increase the extent of intersected mineralisation and to form the basis for a new, and probably larger, resource estimate, the joint-venture considered that the expenditure necessary for it could not be justified in the current economic climate for the junior exploration sector.

For similar reasons, further work at Anomaly 370, although it presents a reasonably attractive target for a virgin discovery, could not be justified.

Accordingly, the joint venture determined it would not seek an extension of tenure.

5.0 REHABILITATION

Rehabilitation was undertaken on Oonah Mine drill collars and water diversion, as well as older Montana disturbances (See Appendix 4).

APPENDIX 1 – List of Appended Data Files

Exploration Work Type	Filename	File format
Report	EL632004_201710_01_Report.pdf	<i>pdf</i>
Surface sampling	EL632004_201710_02_SG_1.xls	xls
	EL632004_201710_03_SoilAnalysisBU14056423	pdf
	EL632004_201710_04_SoilAnalysisBU14056423QC	pdf
Drilling	EL632004_201710_05_SL_1.xls	xls
	EL632004_201710_06_DS_1.xls	xls
	EL632004_201710_07_DL_1.xls	xls
	EL632004_201710_08_Lithologycodes.xls	xls
	EL632004_201710_09_DG_1.xls	xls
	EL632004_201710_10_DStructure_1.xls	xls
	EL632004_201710_11_DGeoTech_1.xls	xls
	magnetic susceptibility readings	EL632004_201710_12_DMagSus_1.xls
File Verification Listing (<i>this file</i>)	EL632004_201710_13_FileListing.xls	xls

APPENDIX 2 - Anomaly 370 Soil Sampling Report (EL63/2004)

(By Rob Reid, 29/4/2014)

A soil sampling program was designed to test the Sn in soil anomaly generated by Bass Metals (See Figure 1 and data appended). This anomaly is coincident with an aeromagnetic anomaly, which has subsequently been tested by ground magnetics, with 3D inversion modelling undertaken to assist anomaly shape definition.

27 samples were collected on 4th April at Anomaly 370 (travel 3rd to 5th April). A power auger was utilised to drill to ~80cm with a hand cup auger used to sample the bottom of hole or extend further if required to a maximum of 120cm. Each sample site was referenced by local grid and / or GPS; sample and waypoint data are appended.

Sn in C-horizon soil samples varies up to 8ppm. The precision of the sample results is lower than that of the Bass samples, but the values vary sympathetically and are of similar tenor. This holds for the northern line 6800N and central 6600N, despite the assessed dubious sample quality. Samples from 6600N were of perceived worst sample quality, since most holes returned elluvium. However, weak Sn to 3ppm was returned from the eastern anomaly tested.

Line 6400N where the drill hole was planned is interesting. This line returned were a couple of MnO & FeO altered samples, then a skarn!, a hornfels and weathered rock bearing minor FeO filled vugs from beneath the known FeO matrix fill fault breccia. Basically a significant brittle style / cataclasite fault breccia separates a more arkosic? sandstone and siltstone unit (Crimson Creek Formation Equiv?) in the east from weakly friable quartz sandstone to the west (Oonah Formation?). The gossanous rock chip sample from this section was not Sn anomalous, whereas skarn and adjacent sandstone returned 5 and 8ppm Sn respectively.

The northern line 6800N returned a few weak to moderately oxidised soils. The middle line 6600N was problematic, being very flat and marshy. Most holes were drilled by power auger to ~90cm and follow up hand augering failed to return bedrock soil; quartz bearing eluvium returned in each case. These samples were retained regardless. I think two samples only were representative on this line.

The additional proposed line 6300N was not sampled due to time constraints and difficult access.

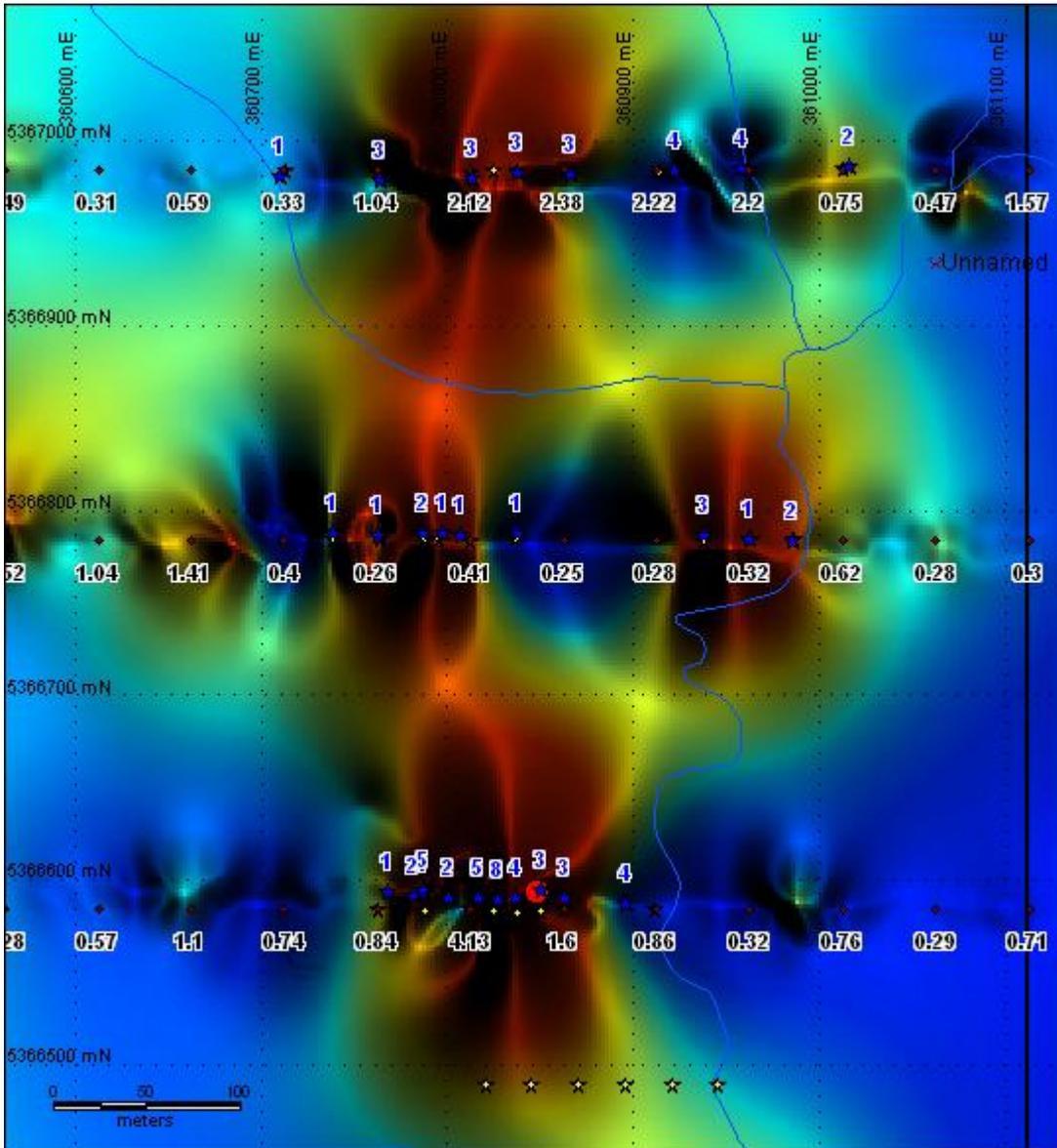


Figure 1: TNT Sn in soils (top = blue) compared to Bass Sn in soils (bottom = black) over ground total magnetic intensity.

APPENDIX 3 - Anomaly 370 Drilling 2014 (EL63/2004)

By Robert Reid (BSc Hons, MSc Econ Geol)
Consultant Geologist
1/9/2014

Introduction and Summary

TNT Mines Ltd. drill tested a Tin (Sn) in C-Horizon soil and ground magnetic anomaly within EL63/2004. A Longyear 44 drill rig was helicopter mobilised on the 13/8/14. Drill hole 370DH1 (Azimuth 270TN/-50dip) commenced on 14/8/14 and was completed at 145m on 26/8/14, with demobilisation on the 28/8/14. GPS averaging locates the 370DH1 collar at 360854mE, 5366596mN (GDA94, Zone 55).

Two holes of 270/-5, EOH ~125m and 270/-70, EOH ~100m were originally planned. The second hole to be drilled as warranted. However, this wasn't undertaken as geological observation of 370DH1 identified only weak intensity alteration, mineralisation and XRF Sn (Max = 0.053%, Niton) analysis.

Overall, weak scattered indications of Sn are apparent from Niton XRF analyses (point max 0.053%Sn) and no significant Sn-related alteration or mineralisation was intersected in 370DH1. The hole seems to have intersected an upper fault zone bearing quartz-carbonate-chlorite veining and very sparse sphalerite bearing veins (3 to 4 by <1cm). An ~0.2SI magnetic susceptibility zone in the upper (20 to 60m) portion of the hole corresponds to weak pervasive silicification, accompanied by very fine grained pyrite and pyrrhotite (generally <0.5%), within volcanoclastic siltstone and sandstone. Siltstone and shale, with local silicified zones extends from ~90m to the end of hole. In general there's greater quartz-carbonate vein intensity at the top and at depth in the hole. Several minor faulted zones are apparent at depth and these may roughly correlate with the gossanous fault breccia projected from surface. However the quartz sandstone subcrop and float above the surface projected end of the hole was not intersected. Further vein and bedding orientation and interpretation is required to assess the structural regime.

Key intervals for potential laboratory analysis are identified in the attached drill log.

Drilling Notes

Azimuth 270TN, -50dip EOH 145m (Collar GPS average 360854mE, 5366595mN GDA94, Zone 55).

The rig was mobilised to the Anomaly 370 site on 13/8/14. There was drizzle and low cloud early in the day, but it cleared enough by midday to enable sling loading. The operation ran smoothly with the collar being cased late afternoon in prep for coring on 14/8/14. Little progress was made on the first coring day due to a problem with a crack in the core barrel. It was initially slow going with short runs in broken rock to ~23m. The hole was caving in this upper zone and was cemented before shifts end, leaving it overnight to set. Core recovery improved markedly from 23m, following an extensive moderate to strongly broken (Faulted) zone. No significant problems were encountered there on to holes end at 145m. HQ extended to 59.5m.

Surveys (Eastman Camera) were undertaken at 31, 66 and 100m. No significant lift or hole azimuth deviation was recorded.

Magnetic Susceptibility

Magnetic susceptibility readings (average and peak) were recorded between core blocks at ~15 to 25cm intervals resulting in averages from 3 to 10 readings per interval. Some narrower intervals were re-sampled to cover peak zones, as well as notable lithology and alteration boundaries. Data is appended in 370DH1_Drill Log.xls. Magnetic susceptibility varies from 0.1 to 0.2SI in fresh rock; peak values ~0.5SI.

Magnetic susceptibility in the weathered 0 to 13m interval was generally low at <0.08 but peaking at 0.14SI. Fresh rock returned <20SI from 13 to 20.8m, beyond which magnetic susceptibility rises to averages 0.22SI from 20 to 60m. Scattered elevated zones with spiky magnetic susceptibility readings extend to the end of hole.

The main ~0.2SI magnetic zone in the upper (20 to 60m) portion of the hole corresponds to weak pervasive silicification accompanied by very fine grained pyrite and pyrrhotite (generally <0.5%). The elevated magnetic susceptibility may also be in part lithology related, since the volcanoclastics regionally bear some mafic component. The stronger vein alteration commonly returns low magnetic susceptibility (<0.1SI) and appears to be magnetite destructive.

XRF

A Niton XRF (on loan from Minemakers) was used to test 370DH1 core. Comparison to standards returned values similar but slightly elevated values; OREOS140 (1755ppm Sn) read 6 to 10% over, whilst OREOS141 (0.6016ppm Sn) was 14 to 24% over. Russell Fulton (pers. comm.) says the Niton XRF is good for Sn; no overlap with other elements being apparent on the spectrum.

Readings for Sn were recorded in the field, which is fortunate as when downloaded from the Niton XRF, the error associated with many readings resulted in a below detection limit (<LOD) value being returned.

Fresh rock with few breaks, from 23m to 60m was tested by drawing the Niton steadily down the core, sampling near full core tray runs of <1m length. Low level Sn was detected, ranging up to 0.008%. However, this technique is not an ideal application of the Niton, as demonstrated by analysis of the interval 90.1 to 90.5m which returned differing results when compared with spot analysis. See data appended.

Numerous spot XRF samples were recorded from a variety of lithologies and alteration. Spot magnetic susceptibility readings directly accompanied some XRF sampled points. Appended raw data has not been interpreted as yet. The best results define a number of zones of elevated Sn ranging up to 0.053% Sn. Some of these intervals, when considered with magnetic susceptibility and geological observation are tabulated as potential selections for laboratory analysis (See Drill Log370DH01.xlsx appended).

The clayey near surface weathered zone, extending to 13m was spot sampled returning Sn below detection. Comparatively the soil sample in that vicinity was 3-4ppm Sn). A zone of moderate to strongly broken core extending from 13 to 23m returned a maximum 0.001% Sn from un-veined siltstone.

The fault breccia subcrop with ferruginous matrix, located ~70m west of the hole was tested, returning detectable Sn (0.000, 0.004, 0.000 & 0.001%) and Fe to 28%. This rock also returned a magnetic susceptibility of 0.4SI, as did subcropping siltstone (Sn < LOD)

35m west of the collar. Both magnetic susceptibility and Sn values are similar to those returned from the drill hole.

Geology

The stratigraphy changes from broken and faulted siltstone / shale (<26m) to dominantly volcanoclastic siltstone, with minor volcanoclastic sandstone (26 to 95m), then hematitic chert (95 to 100m), followed by interbedded dark grey shale and siltstone towards holes end. The volcanoclastics likely correlate regionally with the pelite –carbonate association of the upper Oonah formation. Comparison with the Crimson Creek Formation (volcanoclastics) and Red rock Member of the Renison stratigraphy (hematitic chert at Anomaly 370) is drawing a long bow, but could be explored.

Moderate to strong weathering with MnO on fractures extends to 11.5m, followed by total core loss to 13m. This loss zone apparently results from strong weathering at a faulted contact, as the driller noted that rock was drilled but not recovered. This is a potentially critical, although narrow zone, which may correspond to the peak 8ppm Sn in soil anomaly at surface. Core recovery improves markedly from 23m, following an extensive moderate to strongly broken (faulted) zone.

The interval 26 to 95m comprises fresh, moderately indurated mostly volcanoclastic siltstone and lesser grey siltstone/shale and volcanoclastic sandstone. The finer lithologies are locally laminar bedded with S0 mostly at high LCA. The coarser sandstone component is poorly sorted with minor disseminated black grains. The volcanoclastics in the upper part of the hole locally display weak pervasive silicification accompanied by very fine grained disseminated sulphide, over sub metre intervals. An example from 49.2 to 49.55m bearing 1% disseminated pyrrhotite(?) returned up to 0.58SI and 0.006% Sn from Niton XRF; the elevated magnetic susceptibility suggesting that the sulphide likely contains pyrrhotite).

Notably a zone from 131.4 to 134.5m displaying common coarse clots / blebs of pyrite, including framboidal like zones, in black shale returns very weak Sn and low magnetic susceptibility. This suggests that the pyrite present here maybe largely of diagenetic origin, comprised of pyrite with little pyrrhotite.

Quartz-carbonate veinlets are scattered, but most common through the upper ~20m and below the volcanoclastics (~90m). These are commonly <2mm, but veins displaying hydrofracture breccia to 15cm true width are evident. Chlorite forms vein selvages up to 5mm and locally the matrix of wider veins. Some are disseminated sphalerite bearing (<0.2% Zn Niton XRF), but in general, calcite-quartz veins and veinlets with chlorite selvages appear to bear minimal sulphide and few sulphidic fractures are present. Zones of stronger carbonate – quartz veinlets are commonly of low magnetic susceptibility (<0.15SI). This is likely later magnetite destructive alteration.

Potential Analysis intervals:-

A combination of observed zones of elevated Sn, magnetic susceptibility and logged alteration and mineralisation was used as a guide for selection of potential laboratory analysis intervals. These are tabulated in DrillLog_370DH1.xls.

Notable zones are:-

90 to 90.5m laminated bedded siltstone with carbonate – quartz veining (10-15%) and matrix replacement pyrite (5%, locally 20% over 10cm) bearing spot Sn to 0.02%.

A key zone of silicified pyritic (~1%) volcanoclastics from 109.05 to ~116.6m (Interval ~8m) returned elevated Sn (0.044, 0, 0.004, 0.023, 0.019 and 0.022%) +/- Cu (0.041, 0.02 & 0.09%). These volcanics bear bedding parallel coarse grained and blebby pyrite.
131.4 to 134.5m weakly silicified grey siltstone and minor shale with disseminated blebs (framboids?, diagenetic?) pyrite (7%) to 3cm diameter. Trace chalcopyrite(?) is not supported by the Niton (0.01 to 0.022 % Sn).



Photo: showing quartz-calcite vein hydrofracture vein breccia at 27.1m



Photo: Showing pyrite and quartz – carbonate veining in laminar bedded volcaniclastic siltstone from the altered interval 90 to 90.5m.

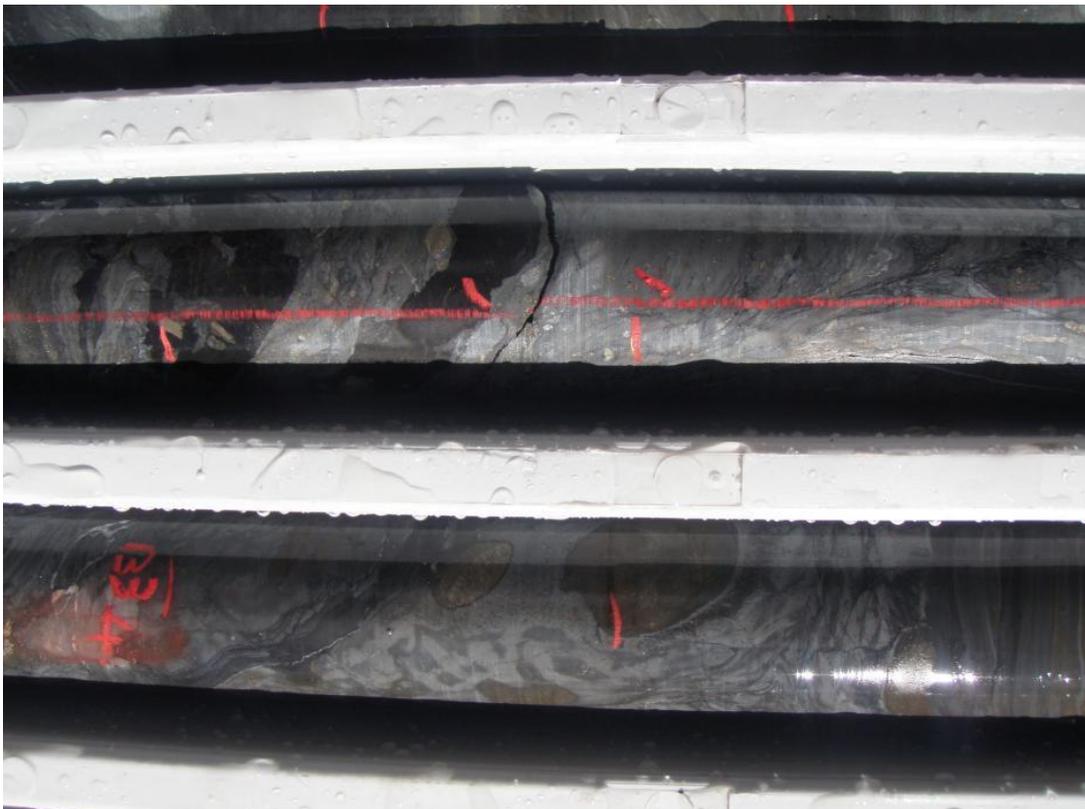


Photo: showing pyrite framboids? at ~133.5m in interbedded shale and siltstone

Structure

Core orientation was undertaken utilising a spear at approximately half a dozen locations (See appended DrillLog_370DH1.xlsx. Crude orientation measurements were undertaken by mounting select core in plastic core tray, orientated the same as the drill hole.

Two principal carbonate vein orientations at ~90degrees relative angle were noted commonly noted within the hole. A key structure bearing tapered tension gash carbonate veins (See Photo below) reveals potential information on the structural regime. Here, two vein sets appear to reflect R and P shears that potential relate to an approximately NE (45TN) principal strain orientation. i.e. faulting orientated ~NE with moderately SW dip, resulting from normal fault movement during extension. This observation from ~143m possibly explains why the quartz sandstone at surface some ~70m from the drill collar was not intersected.

Comparatively, at 59.1m ramped slickensides formed in quartz and chlorite possibly suggest dextral movement (reverse / compression) with the up hole moving to the north. (Perhaps the pervasive silica-pyrite results from lithology replacement during an earlier compression event?).

Further vein orientation and interpretation is required to assess the structural regime. There is potential to define fold axis orientation from the oriented core bedding readings (incl. 65/26E @75.8m, 25/90E @ 93.92m, 290/77W @101.7m, 285/75W @ 102m, 95/68E @ 103.1m, 50/82 E @ 120.85m, 72/54E @ 136.3m and 255/60W @ 142.9m). Open parasitic folds are evident at two locations; 102.8m and 101.5m in black shale. Whereas at 52.4m is a tight fold closure in volcanoclastic siltstone. No indication of folded repeats of the stratigraphy is apparent. All facing indicators viewed (incl. graded bedding and basal scour) were younging up hole. A hematitic chert from 94.6 to 99.7m is a key marker at the top of the shale unit that would illustrate potential folding.



Photo: Carbonate-quartz tension gash veins at ~142m; Orientated core Bottom Dead Centre (BDC) shown.



Photo: parasitic fold closure in volcaniclastic siltstone ~52.6m

Exploration Potential Comments

The tenor of Tin mineralisation reflected by the Niton XRF is low (peak ~0.05%Sn), but regardless illustrates that a Sn mineralised system may exist at depth. NB: a spine of potentially Sn-bearing granite extends from the Renison area, beneath Anomaly 370, and toward Mount Heemskirk. Zonation to depth at Anomaly 370 maybe gradual given that low Sn values are generally located in lithology replacing pervasive silicification and not in high grade (Oonah-stlye) veins, and that significant veining bearing Zn is not present; thus maybe significant Sn could be located well beneath the drilled zone.

Current drilling extends to ~90m RL beneath surface. 3D magnetics inversion modelling during initial drill planning shows that the peak of the magnetics anomaly would be intersected by a -60dip drill hole (Figure below). Thus a significant deeper hole may be required to reach higher grade Sn at depth. Perhaps a steeper 300m drill hole from the current drill pad or at -60dip from a drill collar east of 370DH1.

It'd be worth evaluating if the 20 to 60m 0.2SI zone explains the magnetic response.

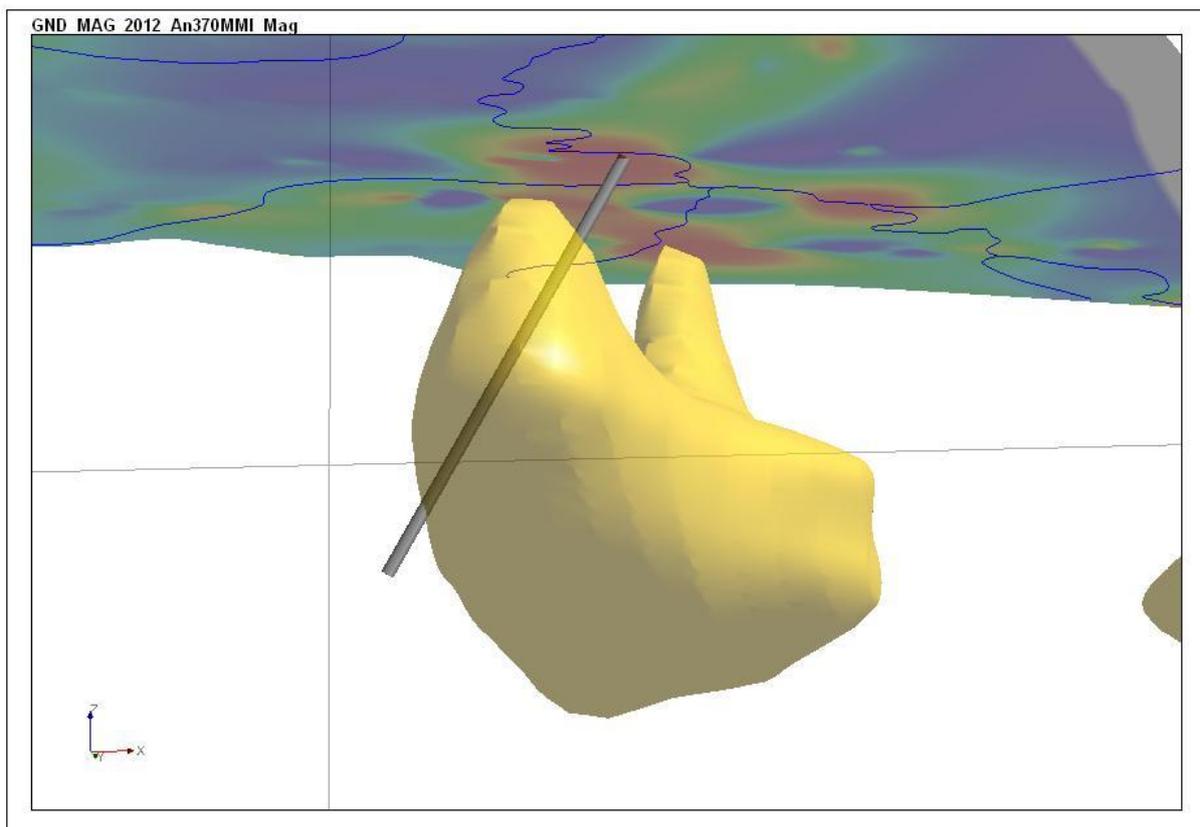


Figure 1: 3D inversion model showing ? isosurface, ground magnetics and a planned 270TN azimuth / -60 dip, EOH ~200m drill hole.

Environmental

Access was via quad bike to Dunkley's Tram, with the remainder being walked, resulting in a total travel time of ~30minutes each way.

All activities were undertaken within the guidelines outlined in the Mineral Resources Tasmania's Mineral Exploration Code of Practice. All equipment was washed down prior to mobilisation to minimise the threat of phytophthora infection.

A sump was dug to contain drill fines. A 30cm rusted bolt and nut was discovered when digging the drill fines sump. Further relicts were discovered under the drill rig upon clean up. These historic relicts are possibly related to a prospect noted to be in the general vicinity.



Photo: Sump for drill fines at completion of drilling.

APPENDIX 4 - EL 63/2004 Rehabilitation Report 2016

By: Robert Reid (BSc Hons, MSc Econ Geol)
Consultant Geologist
Email: robreid@bigpond.com

13/11/2016

For: TNT Mines Limited

Scope

Rehabilitation works were undertaken at the Oonah and Montana Mines near Zeehan (EL63/2004) on the 9th and 10th November, as per the emailed directives of MRT (4/5/16 - David Gatehouse, Environmental Officer Mineral Resources) re-iterated below:-

Inspections of the some of the more intrusive works (completed throughout the term of the licence) have been undertaken in order to determine the status of these sites. This is in relation to a component of the assessment for the release of the security deposit. These were areas where drilling occurred, namely near the old Oonah Mine site , Anomaly 370 and at the old Montana Silver Lead Mine site.

Oonah Mine area: *Two diamond drill holes (TNT01 and TNT02) completed in 2011, east of the old Stannite Load workings.*

Background; The drill site was accessed via an open earthen diversion drain which was flattened and the narrow access beside it was cleared of regrowth. The open diversion drain was part of a Rehabilitation Mining Lands Trust Fund project aimed at addressing some of the AMD issues in the area. The access track and pad are still open. Drill holes were temporarily capped with PVC collars-which are still in place. There is evidence of minor wood hooking occurring here.

There are some requirements here:

- PVC collars will need to be removed (or cut off) and the holes permanently plugged below ground level. Cut off the steel anchor at ground level.*
- The diversion drain will need to be reinstated, as per its original intended design.*
- The compacted area of the drill pad and access track will need to be scarified (toothed excavator bucket) to promote the natural re-colonisation of native vegetation.*
- A barrier (mound with a subsequent excavated trench) to traffic will need to be established at the entrance to drill access route.*

In general, the practice of permanently marking the location of cored holes has been inconsistent (and can be problematic in some settings). Steel casing was not cemented in at the time of completion of these holes. If it was they could have been left at this location, but the PVC collars are not to remain.

A smaller sized excavator will be capable of undertaking the earthworks required.

Anomaly 370 : Helicopter supported diamond drill hole. Site prepared in 2012, hole subsequently drilled in 2014.

Background; Daily access was largely via older mining tramway formations, i.e. 4WD vehicle for the first 200-300mtrs from the Heemskirk Road, quad bike along the Montana line then on foot along a section of Dunkleys tramway and then via a cut walking track to the drill site. A clearing of approximately 25m x 25m, was cut by chainsaw for the drill site. Mainly a tall ti- tree dominated vegetation community, with a few (3-4) 15m tall eucalyptus fallen as well. The position was on small rise west of Parting Creek and was considered a good location.

No requirements here:

- No issue with the current state of any component of the access, although an excess of flagging tape marking some of the foot route was removed during a recent inspection.*
- No issue with the current state of the drill pad. Regrowth is largely dominated by bracken fern and sag grasses. The steel casing cemented in the top of the hole on completion of the drilling can remain as is, at this location.*

Montana Silver Lead Mine: Four costeans excavated and a ten hole RC drilling program (MO1-MO10) completed in 2008/2009.

Background; Site accessed via good existing gravelled tracks. Costeans excavated were approx. 40m long and reasonably shallow. Largely through previously disturbed areas but one in open button grass. Some of the subsequent drilling occurred on the backfilled costeans, other sites required short access tracks and pads to be established east of the workings. Some of the prepared drill sites were not used. Rehabilitation works were completed in 2010, along with the removal of the PVC collars and the burial of drill cuttings.

One requirement here:

- Fertiliser (N:P:K 6:5:5 mix at a rate of approx.. 250kg per hectare) will need to be spread (small scale hand tool based) on the broader exposed areas of disturbance.*

Some opinion is that the use of fertiliser in these naturally occurring low nutrient conditions may have an adverse effect on selected vegetation. However there would be benefit in a belated application of fertiliser on sites where the disturbance remains largely as an expanse of exposed gravels, currently devoid of much regrowth.

Work Undertaken

Oonah Mine rehabilitation

Oonah Mine rehabilitation was undertaken on 10/11/2016, utilizing a five tonne excavator sourced from Zeehan Hardware. MRT representatives David Gatehouse and Lachlan Brown visited site at work commencement to advise on requirements detailed in email correspondence.

The two side by side drill collars (TNT01 & 2) were excavated and backfilled, with PVC collar pipe and steel anchor rod being removed from site. Both collars were in fill, TNT01 having a subsurface blow out of 40 cm diameter to approximately 2.5m depth. A plastic plug was placed in hole TNT02 prior to back filling of both holes.

The drain was reinstated along the west side of the drill pad area, re-diverting the creek down the access way. All form work was flattened down. The remainder of the drill pad area was scarified, with more vegetated parts left little disturbed (Photo 1 & 2).

Much of the access track drain remains clearly formed and required little work/rehabilitation. Minor works re-contoured the drain from the pad to near the track junction drainage divide (Photo 3).

About 30m of new drain was dug extending from the track junction drainage divide. This established a significant bund wall to prevent vehicle access and reinstated the drainage (Figure 1 and Photo 4).

Fertiliser (NPak 555), as per Montana RC drill pad rehabilitation, was spread over disturbed areas.

Minor earthworks works were undertaken on the main access track to establish two drainage improving water grips. The center line in the big ford was also scraped / lowered.



Photo 1: Drill pad before rehabilitation (top) with the TNT01 collar located middle left and after rehabilitation (bottom), showing scarified pad area and scattered fertilizer (brown); view to west.



Photo 2: TNT01 & 02 drill site during (left) and after (right) rehabilitation; view to east looking down from mullock dump.



Photo 3: minor drain reinstating works



Photo 4: Reinstated creek diversion from bank (top) and track junction area(bottom).

Montana Silver-Lead Mine Rehabilitation 9/11/16

The recommended fertiliser was NPK 6:5:5, spread at a rate of approx. 250kg per hectare. MRT supplied polygons equated to 0.4hectares theoretically required 100kg of fertilizer. A 5:5:5 fertiliser mix was achieved by mixing 12.5 kg batches of blood and bone (5 5 0), with 1.5 kg KSO₄ (0 0 5). Approximately 90kg of fertiliser was distributed over the drilling disturbed area. This included disturbed and tea tree slash covered areas, but left more historic area of long past disturbance.

GPS tracks were recorded to compare to MRT defined polygons (see Figure 1). GPS located photographs recording the current grow status for each area are appended.

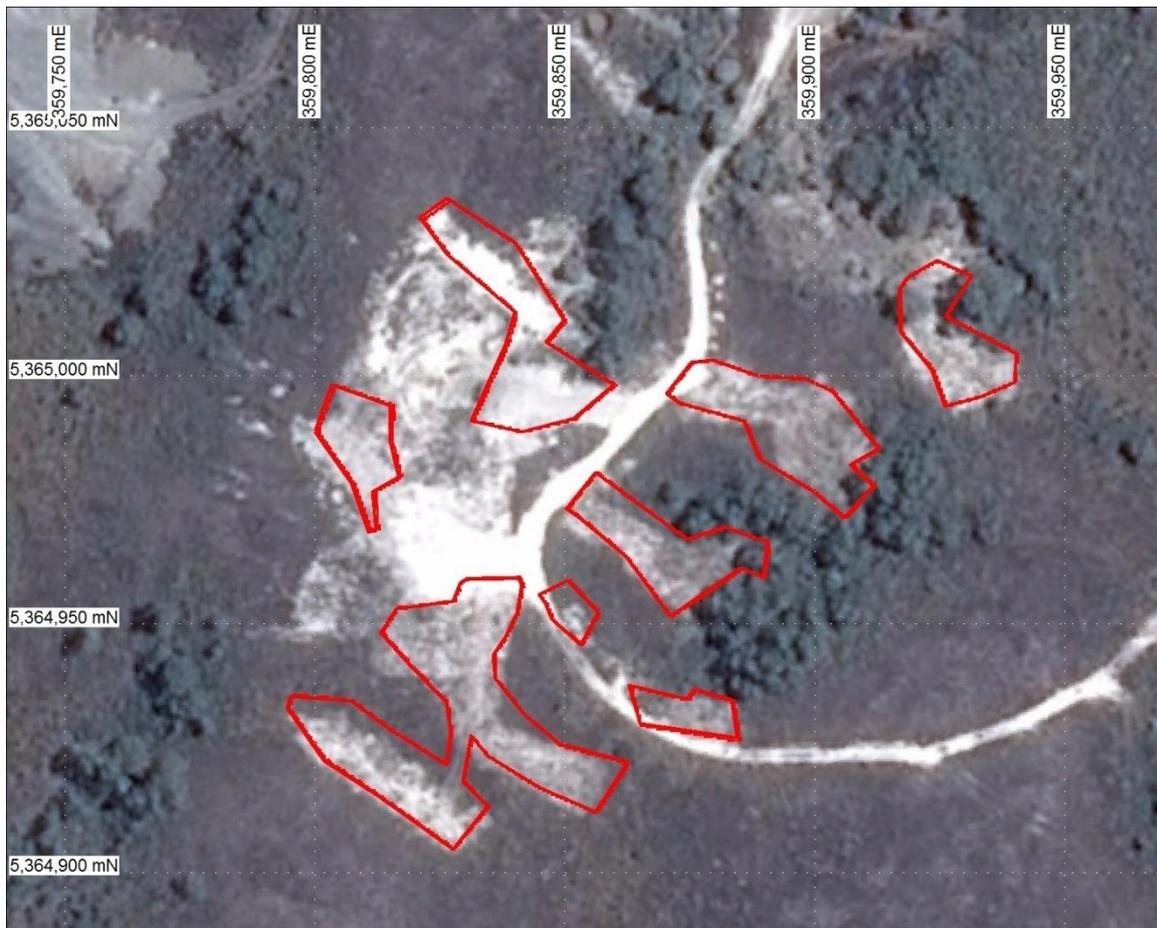


Figure 1: Plan of rehabilitated areas at the Montana Mine.

Photos following provide views of the fertilized areas.







