

EL25/2008 Jericho Annual Report 2018

EL 25/2008 (Jericho)

September 2017 – September 2018

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 2017 – 2018 licence period due to continued delays in accessing capital in what was still a dysfunctional capital market for junior explorers, particularly private companies such as Midland Energy that don't have the ability to raise money through the stock exchange.

Despite working with many potential and qualified investors through the year, none were willing to commit despite serious talks continuing. Their reluctance or delay in investing was due to many factors such as; renewable leaning national energy policy, militant opposition to the Adani coal mine in QLD, landholder interactions, the Tasmanian state election in March of this year as well as the rezoning issue in Southern Midlands shire.

However, many of these above mentioned obstacles are now either resolved or improving. This coupled with more certainty regarding the long term demand for Australian coal in the Asian market reflected in appreciating prices (plus overall \$AUD weakness) has enabled us to just recently secure the necessary capital to fund continued exploration works. The company is expecting to lodge works programs for exploration commencing late spring/early summer with MRT in the coming months.

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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 2017 – 17th September 2018

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 2017 - 2018

3.2 Regional Exploration Activities

No regional exploration was conducted in 2017 - 2018

3.3 Prospect-based Exploration Activities

No prospect-based exploration was conducted in 2017 - 2018

3.3.2 Geology

No Geochemistry was conducted in 2017 – 2018

3.3.3 Geochemistry

No Geochemistry was conducted in 2017 – 2018

3.3.4 Geophysics

No Geophysics were conducted in 2017– 2018

3.3.5 Remote Sensing

No Remote Sensing was conducted in 2017 - 2018

3.3.6 Drilling

No Drilling was conducted in 2017 - 2018

3.3.7 Ore Reserves and Resources

No Reserve or Resource calculations were conducted in 2017 - 2018

3.3.8 3D Modelling

No 3D modelling was conducted in 2017 - 2018

4. Results

No Results were recorded for the 2017 - 2018 licence period

5. Conclusions

5.1 Conclusions

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

5.2 Recommendations

As per the last annual report, 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. As previously planned, management intends to conduct a 2D seismic survey campaign in the coming months in an

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

A substantial investment into the company has only just been secured after various delays. This will fund exploration at Jericho for the coming two years with an increasing intensity of exploration. The company intends to quickly catch up on works initially planned for the year just ended plus extra.

6. Environment

No environmental disturbance was created during the 2017 - 2018 period. To the company's best knowledge, all previous disturbances have being rehabilitated

7. Expenditure

Expenditure for the 2018 exploration year has been calculated at \$11,137.

This is made up of \$10,125 in direct marketing costs to secure offtake investors from Australia, Asia and the Middle East.

An additional \$1,012 or 10% is added in admin costs

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