

**Annual Report
to 12 June 2019**

**EL20/2016
(Middleton Creek)
& 25M/2003
(Corinna Mine)**

Tasmanian Advanced Minerals Pty Ltd

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ABSTRACT

- This report covers the first year of exploration, during which 2 auger holes were drilled on one ridge crossing the 341760E border of the Corinna lease and the Middleton Creek licence.
- On-site inspections revealed unsuitable ground for silica flour occurrence west of the 2018 exploration.
- North of the 2018 exploration work was prevented because of the presence of European heritage (gold workings).
- A desktop review of geological mapping and past exploration was undertaken to assess gold and base metal potential in the area.

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List of Digital Files

EL202016-2019_Filelisting

EL202016-2019-01-SL_1

EL202016-2019-02-DL_1

Appendix

Assessment of Primary Gold and Base Metal Potential on Tasmania Advanced Minerals Tenements EL20/2016, 25M/2003 and their immediate vicinity Western Tasmania

1. INTRODUCTION

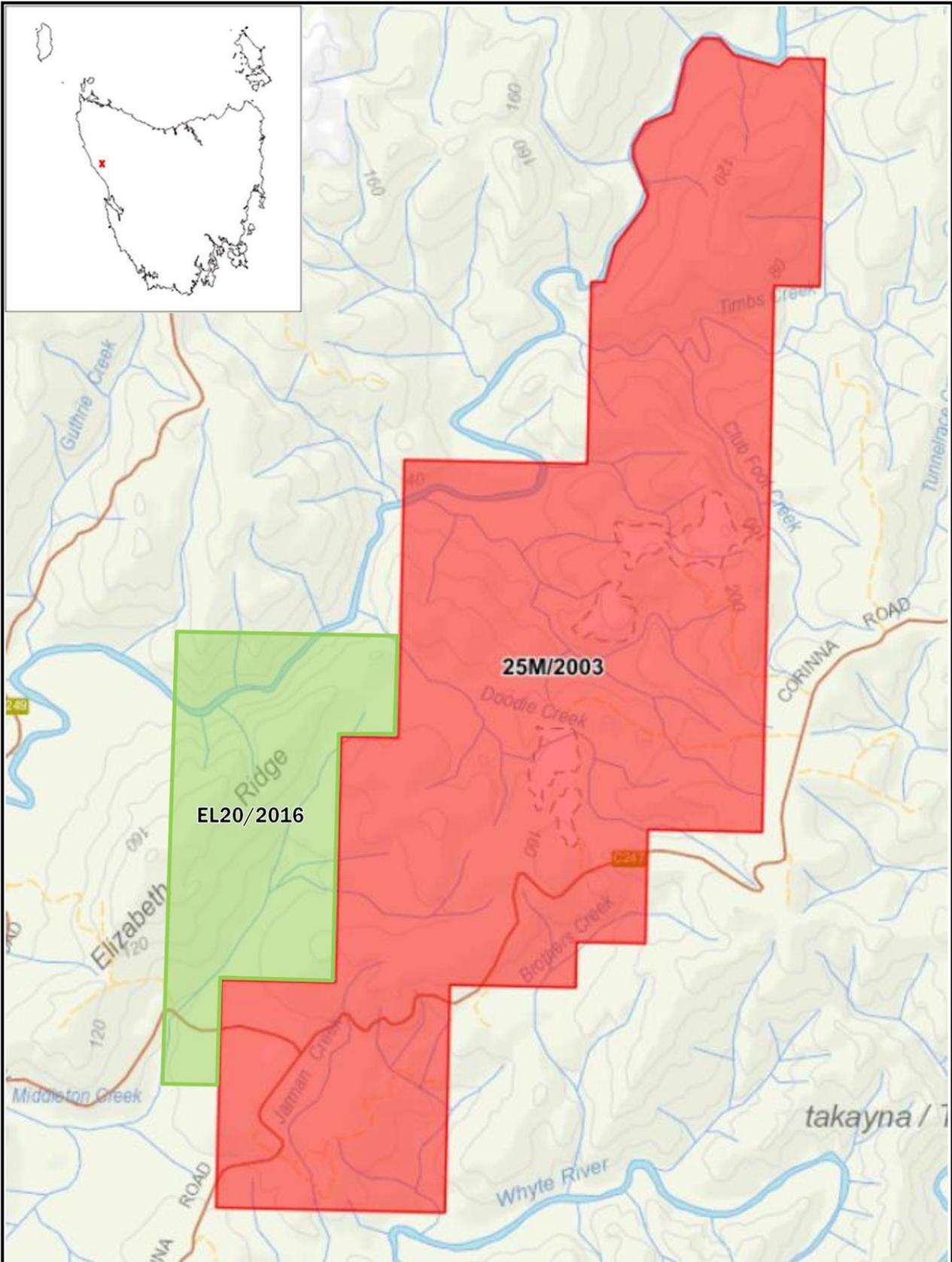
EL 20/2016 is held by Tasmanian Advanced Minerals Pty Ltd (TAM) and is located adjacent to TAM's Corinna mine (25M/2003) near the junction of Norfolk and Corinna Roads, approximately 3km north-east of Corinna (ref. Figure 1). The licence was granted on 12 June 2017. This is the second annual report for the period up to 12 June 2018.

TAM is actively mining high purity silica from three locations in Tasmania, from the Corinna mine, and from two leases near the Arthur River in northwest Tasmania, Blackwater (6M/2016) and Hawkes Creek (27M/2009). TAM also holds other exploration licences in the vicinity of the Hawkes Creek and Blackwater mines. This is the only licence held by TAM in the vicinity of the Corinna mine.

Exploration is being undertaken to increase the resource quantity and the diversity of resource quality (particularly impurity profile) available for processing at TAM's Wynyard factory.

Datum used in this report is GDA94.

Figure 1: Location Map
Corinna Mining Lease and Middleton Creek Exploration Licence



Base map from theLIST (www.thelist.tas.gov.au), © State of Tasmania

2. REVIEW OF PREVIOUS WORK

EL36/2010 was granted to Ron Gregory Prospecting in 2010. EL36/2010 was reduced in size over its life until its surrender in 2016. EL20/2016 lies in part of the final area of EL36/2010. Annual reports for that licence included magnetic and radiometric (K/Th) surveys of the area. However no on-site sampling (eg drilling, test-pitting) appear to have been conducted during the life of that licence. No drilling or pitting records were found in MRT data (The LISTmap Borehole Points of Tasmania).

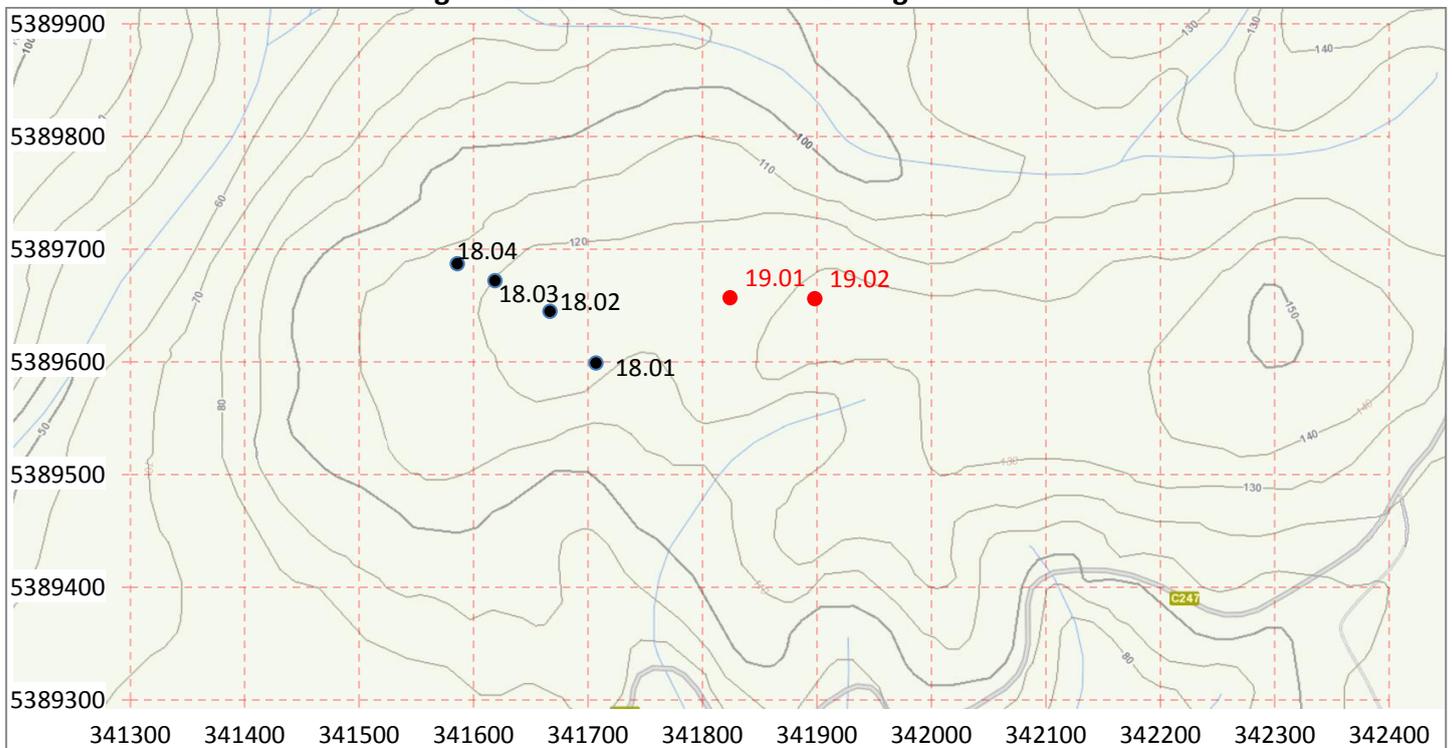
TAM's 2018 exploration consisted of four test pits and were reported in the 2018 annual report. Silica flour was not found.

3. EXPLORATION COMPLETED DURING THE REPORTING PERIOD

The 2019 exploration continued to follow the An Exploration Works Program (ref. WPA17/23) was approved on August 31 2017. The work focussed on a ridge running east-west at approximately 5389650m North (see Figure 2). The existing track off the Corinna Road was used and two auger holes were drilled on the track. The location of the holes, and 2018 test pits are shown in Figure 2.

The holes only intercepted gravel and sand over clay. No indications of silica flour were found. There drill log details accompany the electronic version of this report in the digital files. Silica flour was not intercepted, so no analyses were conducted.

Figure 2: 2018 Test Pits and 2019 Auger Holes



Base Map ©The List, State of Tasmania

19.01 indicates 2019 Auger hole number 1

18.01 indicates 2018 Test pit number 1

Along the ridge track between 341700m East, 5389615m North and 341430m East, 5389360m North, the ground was inspected for indications the presence of silica flour. The inspection revealed that the setting is not appropriate for silica flour, with only gravel over clay, or clay alone being present.

North of 5389700m North, a water race that skirts the northern side of the ridge was found. This effectively sterilises exploration work in the area due to the site specific condition of the works program approval "*Any sites of cultural heritage significance (European or Aboriginal) must not be disturbed*".

A desktop review of geological mapping and past exploration was undertaken to assess gold and base metal potential in the area. The review is attached as an appendix to this report.

The review made the following conclusions:

- All previous exploration data indicates that a large hydrothermal system was active in the Corinna Goldfield with gold-arsenic- bearing fluids penetrating along the contacts between dolomite and mafic volcanics. However, evidence to date indicates very low grade hard-rock gold at the few sites that have been tested.
- Potential exists for an economic gold deposit developed on one of the dolomite-volcanic contacts especially associated with an anticlinal position or a shear zone. However there is greater than 30 km of contacts to assess.
- Four targets have been identified for follow-up on or close to the contact.
 - 1 The Eastside prospect, developed over a regional shear zone separating Corinna Dolomite and Tunnelrace Volcanics. A coincident EM anomaly and As soil anomaly is the target.
 - 2 A deep anticline target about 400 m east of Brookside. The target lies at about 250-500m depth; contact between Savage Dolomite and Benefai Volcanics may carry gold mineralization in the peak of the anticline. High risk target.
 - 3 A strong zinc, copper, lead, arsenic soil anomaly and associated K-U anomaly 600m south of Brookside which indicates a broad zone of alteration and mineralization adjacent to a NW trending fault
 - 4 A strong stream copper anomaly (Doodie), 2 km south from the Eastside prospect, and on the same high priority fault target.
- An alternative, longer term strategy is to explore the full length of the eastern dolomite contact with the Tunnelrace Volcanics. This is a more thorough approach but more expensive and time consuming.

4. DISCUSSION OF RESULTS

Silica flour was not present in the areas explored. The lack of silica is not encouraging for further work in these areas.

The desktop review itself does not provide results.

5. CONCLUSIONS

There appears to be little potential for silica flour on the ridge that was explored, at least within the Middleton Creek EL end of the ridge.

Consideration of the desktop review recommendations is on-going.

6. ENVIRONMENT

The drill holes were covered. Vegetation has not yet been pulled back on the ridge track. There are no other outstanding rehabilitation issues.

EXPENDITURE

Expenditure for this reporting period is listed below:

Geochemistry	\$0
Mapping & Plotting	\$50
Drilling & Pitting	\$1,500
Feasibility Studies	\$22,000
Other	\$600
Administration	<u>\$2,400</u>
Total Costs	\$26,550

REFERENCES

nil