

COPPER MINES OF TASMANIA PTY LTD

ANNUAL REPORT: EL13/2016 Sedgwick Bluff (including results inside contiguous MLs)

FOR THE YEAR 3 PERIOD ENDING APRIL 3rd, 2020



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Introduction

Exploration Licence EL 13/2016 was granted to Copper Mines of Tasmania (CMT) on 3rd April, 2017. The 23km² EL is located 5km NNE of the Queenstown township and abuts the northern boundary of CMT's mine lease ML9M/2013 which hosts numerous copper-gold-silver deposits, the largest being the Prince Lyell orebody. The Prince Lyell orebody provided the backbone of sustained copper production for over a century, supporting the township of Queenstown. The mine has been under Care and Maintenance since 2014.

EL13/2016 is considered to be prospective for porphyry copper, VHMS polymetallic mineralisation and Henty style gold mineralisation, with a number of prospective areas identified by geophysical and geochemical methods by previous workers. The geology of the EL shares characteristics similar to numerous deposits (economic or otherwise) hosted within the Middle to Late Cambrian Mount Read Volcanics.

This report details work completed in the exploration licence for the reporting period April 2019 to April 2020. It also includes some results from the Comstock area, inside the northern portions of MLs 9M/2013 and 10M/2013, due to the contiguous corridor of geology extending along strike from the Comstock area, which was the target of the Year 3 program and is on-going. The program consisted of; grid cutting, mapping, soil sampling and interpretation of results in combination with previous geophysical data.

A planned CSAMT survey has been delayed due to a combination of a late start to the Year 3 program, availability of the geophysical contractor and travel restrictions due to public health requirements. At the time of writing a Purchase Order for the contract has been issued and the earliest availability Zonge Engineering have is in July 2020, pending coronavirus issues at that time. An additional report, including the geophysical data and interpretation will be submitted when that part of the program is complete.

Results and discussion related to exploration prior to the current year are taken from previous annual reports by CMT geologists Geoff Cordery (2019) and John Hooper (2018).

Co-ordinate system

Digital data supplied with this report is presented in MGA94 co-ordinates using the GDA94 datum.

Tenure and access

The EL is almost entirely on Crown Land with two small areas inside the northern boundary reserved by the Hydro-Electric Corporation as part of the Lake Margaret power scheme, and an area reserved as part of the Tyndall Regional Reserve on the Tyndall plateau around Mt Sedgwick.

A maintained gravel road used to access the Lyell Comstock and Tasman Crown area within the Comstock valley on CMT's mine lease 9M/2013 gives vehicle access to the southern and eastern portions of the EL, with the Lake Margaret road giving access to the northwestern border area. Vehicle access to areas inside the EL is restricted to one unmaintained gravel road to the Itat Creek

and Beatrice prospects which, starts within mine lease 9M/2013 and zig zags up the northern slopes of the Comstock Valley toward Mt Sedgwick. This road crosses the East Queen River and is currently impassable, except by walking.

List of related digital files

Exploration Work Type	File name	File format
Report	EL132016_01_Report KM-PM	pdf
Surface sample location	EL132016_02042020_02_SL-1_	xlsx
Surface sample geochemistry	EL132016_02042020_03_SG-1	xlsx
File Verification Listing (this file)	EL132016_02042020_04_FileListing	xlsx

Exploration philosophy

The EL contains geology analogous to areas of known mineralisation in the southern Mt Read Volcanics belt. These features are:

- The Great Lyell Fault.
- Cambrian submarine volcanic environment.
- Geological similarities to the Mt Lyell mineral field.
- Target stratigraphy at the top of the Central Volcanic Complex and overlying basal Tyndall Group sediments and andesite.
- Argillic to advanced argillic alteration occurs close to or at the contact at numerous localities within the region.
- Known host to at least two deposit types within Mt Lyell mineral field (high sulphidation Cu-Au and VHMS Zn-Ag-Pb).
- Structural-stratigraphic setting known to host mineralisation at Henty, Basin Lake, Mt Jukes and Mt Darwin.

Primary targets include

- Exhalative and/or epithermal deposits at or near the Tyndall-CVC contact, and proximal to the Great Lyell Fault hanging wall.
- Intrusive related mineralisation, including porphyry style systems believed to be related to the extensive phyllic and advanced argillic alteration zones which host known Mt Lyell Cu-Au-Ag deposits.

Geology

More than half the EL area is covered with Late Cambrian-Early Ordovician Owen Conglomerate and Quaternary glacial and slope talus sediments, but the Cambrian Mt Read Volcanics geology outcrops in two main areas with corresponding prospects which have attracted almost all of the previous exploration (Figure 1).

West Sedgwick

The West Sedgwick area lies in the west of the EL, extending from just west of Cape Horn on the western end of Mt Lyell, northwards through Agglomerate Hill and Zig Zag Hill at the head of the Comstock Valley, then northwest to the EL boundary, terminated at overlying Pleistocene glacial



moraine near the Lake Margaret township. The rock package of interest comprises mainly mixed feldspar+/-hornblende-phyric dacitic volcanics and volcanoclastics of the Mid to Late Cambrian Central Volcanic Complex (CVC).

In the area around Zig Zag Hill rocks identified as Tyndall Group overly the CVC, broadly indicating an east-facing stratigraphy, but with local evidence of folding and overturned bedding close to major faults. The Tyndall Group rocks are contiguous with stratigraphy along strike to the southeast, in the CMT mine lease, where the CVC-Tyndall contact geology hosts the Copper Chert deposit and the massive hydrothermal microcrystalline quartz alteration lithology, after which the deposit is named. Aeromagnetic surveys define the Tyndall stratigraphy, responding to andesite lava and detrital magnetite within some volcanoclastic horizons.

The volcanics are structurally juxtaposed against the Owen Conglomerate by the Great Lyell Fault. Several prospective targets have been identified by previous explorers within the West Sedgwick geology. The Zig Zag Hill anomaly is based on early multiple geophysical and geochemical surveys and has been partially tested by drilling with results somewhat inconclusive. The Agglomerate Hill anomaly is a geochemical and alteration anomaly believed to be at or close to the CVC-Tyndall contact and has seen some drilling completed with muscovite-pyrite alteration intersected with no significant mineralisation. Further to the north, in the immediate hangingwall of the west-dipping Great Lyell Fault, the outcropping Northeast Pyrite Zone has also been drilled, with little encouragement for follow up. The predicted position of more than 2 km strike length of the Great Lyell Fault, from Tasman Crown to the West Sedgwick area, is covered by Quaternary glacial and talus sediment and the western margin of this structural corridor is the target of current CMT exploration.

Beatrice.

The Beatrice area (Figure 1) lies between the southern slopes of Mt Sedgwick and the eastern slopes of Sedgwick Bluff. Mt Sedgwick is capped by a remnant of Jurassic dolerite sill which intruded into Permian tillite and marine sediments. The Permian rocks unconformably overlie folded Owen Group conglomerates and sandstones which form the Tyndall Range.

CVC and Tyndall Group volcanics, volcanoclastics and sediments are exposed on the northern slopes of the Comstock Valley. Lavas, volcanoclastics and black shale, interpreted to be striking north, host a large (partially magnetic) quartz porphyry body that accounts for a large volume of the volcanics within this part of the EL. Minor Tyndall-like rocks have been mapped as slithers between the exposures of CVC and Owen Group rocks on the upper slopes of the Comstock Valley. The volcanics are overlain by a substantial thickness of glacial cover at the base of the valley.

The main prospective area within this part of the EL is the Lake Beatrice/Mount Sedgwick Anomalous Zone where low levels of Pb-Zn-Ag and Au mineralisation are hosted within black shale and tuff horizons exposed at surface and intersected by drilling in the Itat Creek area, east of the quartz-porphry. Other potentially prospective sites have been identified close to the western boundary of the porphyry but have not been advanced by previous exploration.

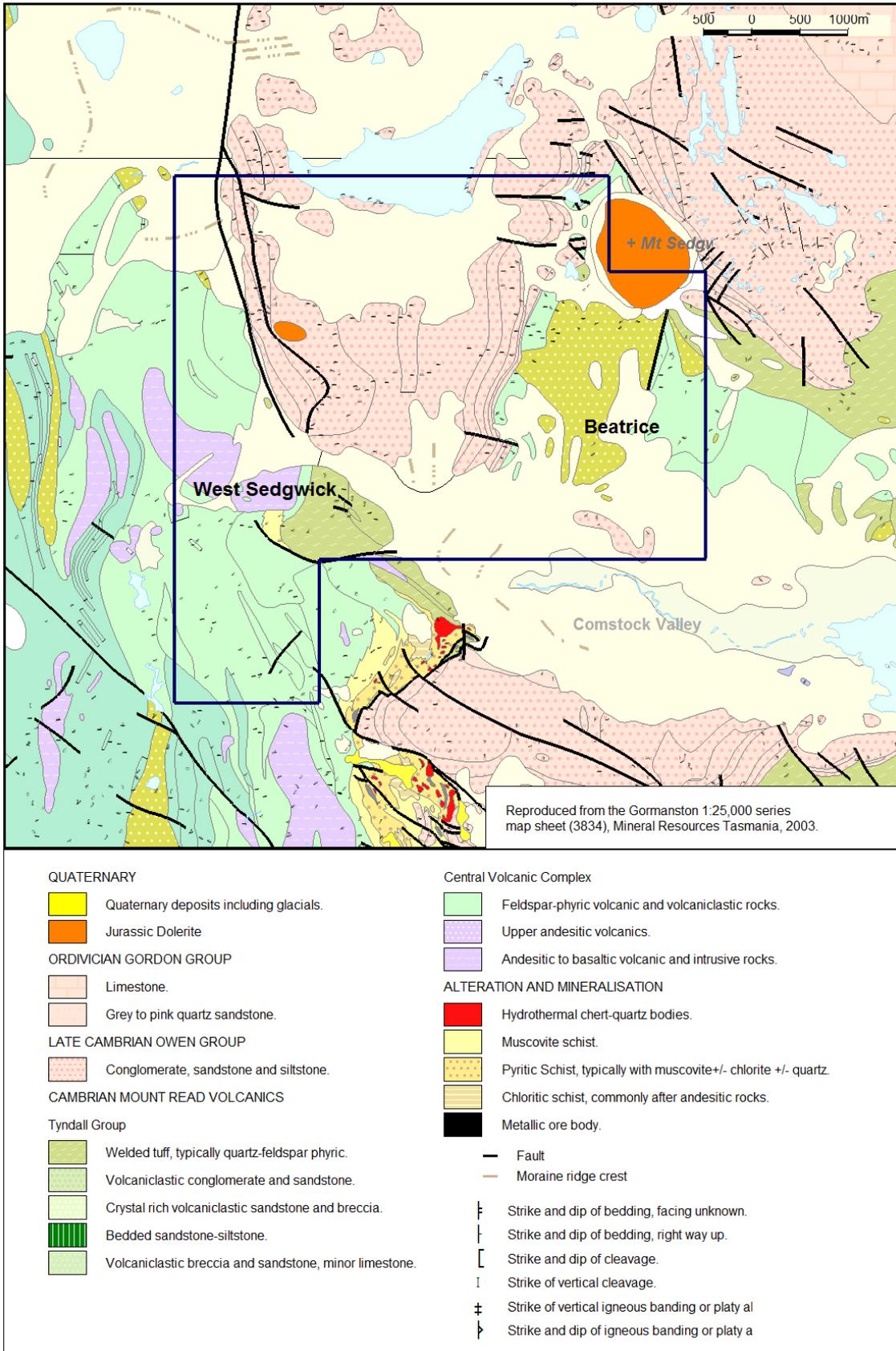


Figure 1. Geology of the Licence area

Previous work

A large body of work has been completed over the ground covered by EL13/2016, by multiple companies under a variety of tenement configurations.

West Sedgwick area

1958-1961 Rio Tinto Australia Exploration Ltd (RTAE)

A ground EM (TURAM) survey was completed detecting a weak 600m long linear WNW trending anomaly in the region 5347000mN, 381700mE referred to as the Zig Zag Hill anomaly. Weak lead in soil (dithizone indicator) was associated with the anomaly. Detailed mapping, stream and soil geochemistry and magnetic/gravity surveys were completed.

1961-1962 Rio Tinto Australia Exploration Ltd (RTAE)

An IP survey was completed over the Zig Zag Hill anomaly with little response.

1965-1971 Pickand Mather and Co International

Stream sediment geochemistry and reconnaissance geology were conducted, eventually focussing on the conglomerate-volcanic contact. A dipole-dipole survey identified an anomaly close to the Zig-Zag Hill anomaly.

1971-1976 EL41/71 Mount Lyell Mining and Railway Company

A large grid was cut extending from the Owen Conglomerate Mt Read Volcanic contact west into the Yolande River sequence. The Lake Margaret Tramway Pyrite Lens was discovered. An IP survey was completed over the grid identifying 38 anomalies. Infill and extended grids were completed identifying a black shale horizon on the flanks of Crown Hill.

1977-1978 EL41/71 Mount Lyell Mining and Railway Company

Three diamond holes were drilled. WS1 (abandoned) and WS2 tested the Lake Margaret Tramway Pyrite Lens intersecting black shale with very low metal values (Cu, Pb, Zn). WS3 located approximately 1km north-east of WS1/2 tested a combined IP/geochemical anomaly intersecting a black shale horizon yielding 420-760ppm Pb and 185-1100ppm Zn. No significant sulphide or alteration zones were intersected.

1980-1981 EL41/71 Mount Lyell Mining and Railway Company

A large grid was cut within the Comstock Valley and an IP survey completed along with systematic soil and minor rock chip geochemistry. The eastern most lines (approximately north south) overlapped with the Zig Zag Hill anomaly. No significant chargeability anomalies were detected in the area however elevated Pb values were obtained over the TURAM anomaly of RTAE.

1985-1986 EL9/66 Goldfields Exploration Pty Ltd

The Zig Zag Hill anomaly originally identified by RTAE was revisited and SIROTEM was completed across the zone on three lines extended from the Comstock Valley Grid. A weak conductive WNW trending anomaly parallel with original EM anomaly was defined and tested by drill hole WS4 (229.8m) which failed to intersect any significant mineralisation.

1989-1991 EL102/87 BHP Minerals Ltd

A review and compilation of geophysics was completed by Bishop (1987) which provides a good reference to all pre-1987 geophysical surveys of the areas. BHP completed a UTEM survey with no significant anomalies identified.

1991-1993 EL102/87 RGC/BHP Minerals Ltd Joint Venture

The focus returned to the Agglomerate and Zig-Zag Hill areas. Grid mapping, rock chip and soil sampling was completed. 1:1000 mapping refined the geology at Agglomerate Hill. Drill holes WS5 and WS6 (380.8m) were drilled to further test the Zig Zag Hill anomaly previously tested by WS4. WS6 drilled through andesite and intersected several major faults (Sedgwick Fault). Beyond the last fault Lower Tyndall group rocks were intersected. The hole terminated within the Great Lyell fault assumed to be demarcated by Owen Group rocks. No significant assay results were obtained.

1993-1995 EL102/87 RGC/BHP Minerals Ltd Joint Venture

A silica-sericite-pyrite zone was identified below Tyndall group sediments at Agglomerate Hill. Drill holes WS7 (499m) and WS8 (652.1m) were drilled to test this zone with WS7 intersecting zones of strong pyrite before intersecting the CVC-Tyndall contact. No base metal sulphides were present. Stable S-O isotope analysis showed that alteration was formed at low temperatures insufficient for transport of base metals. DHEM was completed in WS6 and WS7 with no significant off-hole conductors identified. WS8 failed to intersect sulphides or the CVC-Tyndall contact. No further work was completed and the area was relinquished in 1997.

1998-1999 EL6/98 Pasminco Exploration

Re-logging of previous holes was again completed. A Partial Leach soil geochemistry program was proposed.

1999-2000 EL6/98 Pasminco Exploration

A Partial Leach soil program was completed and did not resolve any anomalies.

Beatrice area**1975-1976 EL10/69 Mount Lyell Mining and Railway Company**

Stream sediment sampling (SS43- 1100ppm Pb and 1130ppm Zn, S44- 906ppm Pb and 780ppm Zn) led to follow up mapping and sampling in the Itat Creek area.

1976-1977 EL10/69 Mount Lyell Mining and Railway Company/ Getty Oil Development Company Ltd

An access road was cut and the Beatrice Grid was established (43.5km). Mapping, C-Horizon soils and reconnaissance gradient array IP (38 line km) was completed. The IP survey identified six characteristic zones and 8 anomalies some of which were determined to be related to mapped black shale horizon(s). A porphyritic lava and siliceous tuffs contained pyrite.

1977-1978 EL10/69 Mount Lyell Mining and Railway Company/ Getty Oil Development Company Ltd

The Beatrice Grid was extended. Further C-Horizon soil sampling was completed (-80#) and assayed for Cu, Pb, Zn, Ag and Mn by AAS. A major geochemical anomaly was detected in the Itat Creek valley. Values ranged up to 510ppm Cu, 1.1% Pb and 1900ppm Zn associated with a black shale

horizon within volcanics. A smaller geochemical anomaly was detected toward the SW corner of the grid.

1978-1979 EL9/66 Mount Lyell Mining and Railway Company/ Getty Oil Development Company Ltd

Access tracks were excavated to the Itat Creek valley to what was then referred to as the Mt Sedgwick Anomaly Zone (MSAZ) on the Beatrice Grid. Mineralisation was recognised in the road excavations. An 80m section of the "western track" assayed 0.34% Zn, 0.22% Pb, 65ppm Cu, and 3.7ppm Ag. Rock chip sampling was conducted to refine the anomaly. Soil sampling was extended to the western part of the grid. Three diamond drill holes were completed to test the MSAZ, intersecting Pb, Zn, Ag mineralisation. Scintrex completed a number of geophysical surveys: EIP Gradient array, downhole three array, Schlumberge array, dipole-dipole and pole-dipole surveys.

1979-1980 EL9/66 Mount Lyell Mining and Railway Company/ Getty Oil Development Company Ltd

Two further drill holes were completed. MS4 tested northerly extensions to MS1, largely drilling down bedding. MS5 tested a chargeability anomaly, intersecting black shales. 1065 C-Horizon soil samples were collected (-80#) at 30m centres. Further geophysical surveys were completed.

1983-1987 EL9/66 Goldfields Exploration Ltd (RGC/MLMRC)

In 1983 the MSAZ was reviewed, concluding that mineralisation was similar to Red Hills and that drilling did not satisfactorily test the anomaly. The area was relinquished.

1987-1991 EL103/87 BHP Minerals Ltd

During 1989 BHP re-logged drill core and remapped the area and then completed a four loop UTEM survey. No significant conductors associated with the MSAZ mineralisation were identified. RGC joint ventured with BHP in 1991

1991-1997 EL103/87 RGC/BHP Minerals Ltd Joint Venture

During 1994 the area was again remapped and drill core re-logged. It was again determined that the MSAZ mineralisation was overwhelmingly hosted within black shales, indicative of seafloor sulphide deposition at the stratigraphic horizon. In 1996 MS6 was drilled 500m south of existing drilling, with no significant mineralisation indicated. Sulphur isotope values were obtained from sulphides in MS1 showing values within the upper range of values from the Rosebery deposit.

1998-1999 EL20/98 Pasminco Exploration

Detailed 1:1000 mapping, re-logging of MS1-MS6 and a 580 sample Partial Leach program were completed. More geophysical surveys were conducted, including a 4 line, 8.8km pole-dipole IP survey and a 2 line 4km orientation CSAMT survey. Drill holes MS7-MS10 were drilled targeting further mineralisation in the MSAZ with DHEM completed on the four drill holes. A western anomaly was identified in Partial Leach soil geochemistry which also conclusively defined mineralisation within Itat Creek.

1999-2000 EL20/98 Pasminco Exploration

An Honours Thesis completed by M. Hope (2000) on the MSAZ suggested that mineralisation at Beatrice was not conclusively exhalative style VMS, but showed mineralisation to be pre-Devonian



with Sulphur Isotopes supporting a reduced sea water source of sulphur. Drill holes MS11 and MS13 were completed targeting the MSAZ. MS 12 was drilled to test the western geochemical (Partial Leach) anomaly. It was concluded that no further exploration was warranted at the MSAZ although the western geochemical anomaly remained largely unexplained.

Combined West Sedgwick and Beatrice areas

2001-2002 EL6/98 AurionGold Exploration Pty Ltd

Minimal work was completed. Re-logging of drill holes from Beatrice and West Sedgwick was completed. Insights into correlations of the stratigraphy with other areas of the Mount Read Volcanics are provided including correlations with the Red Hills and Henty stratigraphy. Tyndall Group rocks of the West Sedgwick area were correlated with the Henty area and were deemed to be inadequately explored. The EL was relinquished in 2003.

2004-2005 EL35/2004 Copper Strike Limited

It was determined that the Comstock Valley and several pyritic alteration zones in the north of the EL, close to the Lake Margaret pipe line, were inadequately explored. These zones are the Upper Haulage pyrite zone and the North East Pyrite Zone identified in historic IP and geochemistry surveys. A geophysical review was completed on helicopter electromagnetic (HEM) survey data completed as part of the Western Tasmanian Regional Minerals Program. 42 conductive responses were analysed with most rejected as representing overburden, transported cover from a range of lithologies. One anomaly was identified as being prospective but is located on CMTs mine lease and likely cultural.

2005-2006 EL35/2004 Copper Strike Limited

A modified pole-dipole 3DIP survey over a 1x1km grid for 5 lines (200m spacing) was completed over the area located around the NE pyrite zone. A wide zone of chargeability was identified immediately west of the Great Lyell Fault. LMD01A (242.3m) was drilled through unaltered and altered volcanics, through the Great Lyell Fault and terminated in Owen Group sediments. It was deduced that the chargeability anomaly was likely due to 1-2% pyrite in some units. No significant mineralisation was intersected.

2006-2009 EL35/2004 Copper Strike Limited

Little further work was completed and the EL was relinquished.

2010-2015 EL28/2009 Bass Metals Ltd

The ground was held by Bass Metals however work focussed on the Basin Lake prospect north of EL13/2016. Litho-geochemistry and SWIR alteration studies were completed on WS and MS series drill holes in addition to the Basin Lake drill holes. The most significant outcome for EL13/2016 was the determination that LMD01A had the most anomalous Bi-Te-Se pathfinder geochemistry and alteration intensity signature within the complete combined Basin Lake, West Sedgwick and Lake Beatrice dataset. It was recommended that more drilling be completed around LMD01A.

2017-2018 EL13/2016 Copper Mines of Tasmania

Work completed included the acquisition and processing of a helicopter airborne electromagnetic survey (AEM) and aeromagnetics. The survey was flown by CGG Aviation Australia's HeliTEM-35C



system (4ms/25Hz) and flown in conjunction with a survey completed on CMT's mine lease 9M/2013. A total of 378.9 line kilometres of the survey was flown over EL13/2016. Lines were spaced at 75m and flown at 055 (MGA) orientation. Results of the geophysical surveys have been modelled and interpreted by CMT and external consultants and reported earlier.

Work completed during the current reporting period

The Year 3 program was aimed at extending grid-based exploration from the Comstock area at the northern margin of ML 9M/2013, in a northwesterly direction along the predicted trend of the Great Lyell Fault, which is masked at the surface by Quaternary glacial and talus sediment cover.

Due to difficulties with exploration budget and a lack of exploration staff, field exploration did not commence until October 2019, mid way through the licence year, but a program of gridding, mapping, soil geochemistry and ground geophysics is currently underway and on-going. Drill target generation work including data from previous soil, aeromagnetic and CSAMT surveys on EL 13/2016 the northern parts of MLs 9/2013 and 10/2013 is also underway.

Results to date

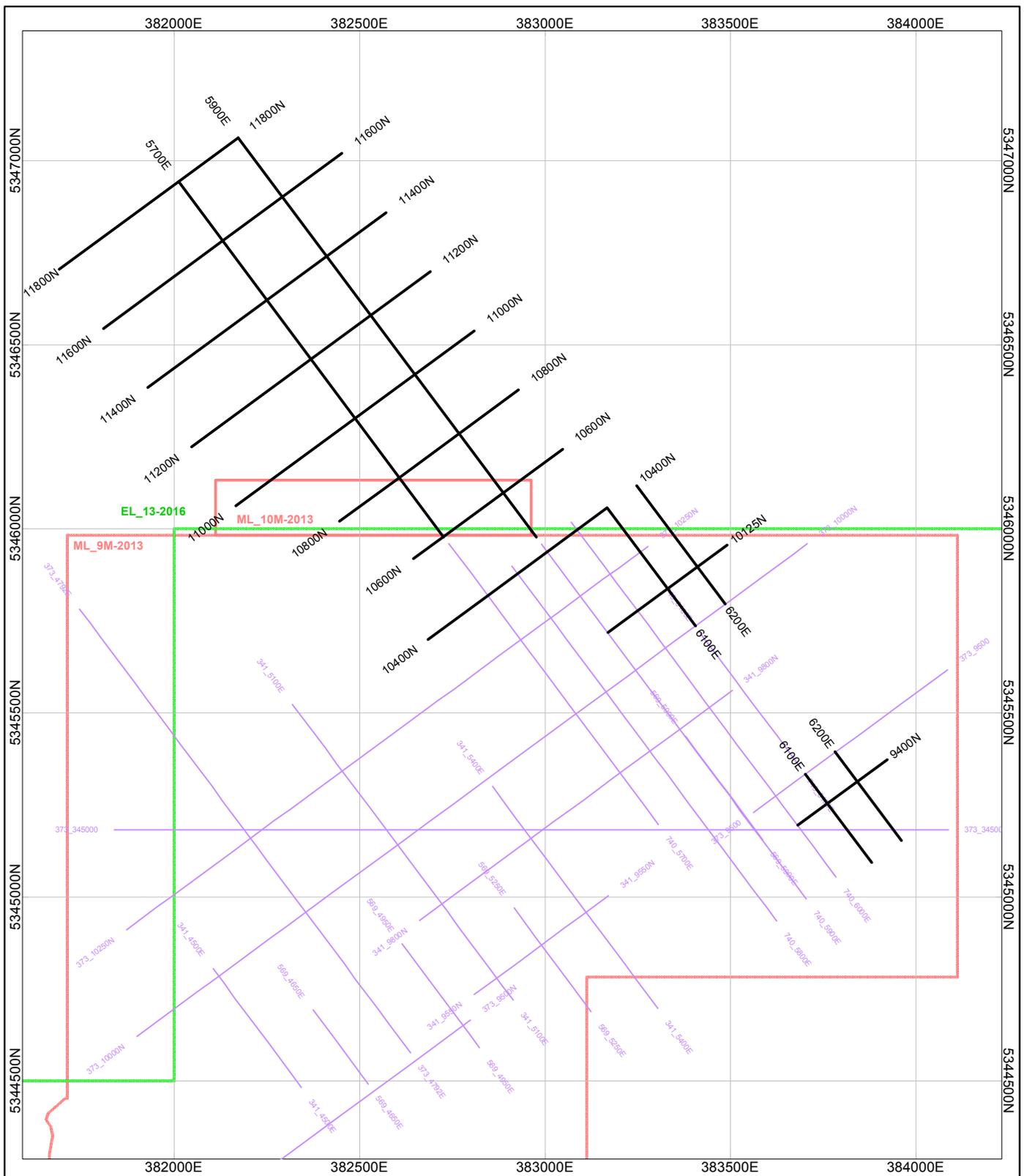
Gridding

10.2 line km of grid were cut by Rogers Exploration Services Pty Ltd, mostly on the EL to extend existing mine lease coverage along strike, but also including some infill and extension coverage to enable better CSAMT resolution of unexplained anomalies generated by previous surveys in the West Comstock and Tasman Crown areas inside the mine lease. All new grid lines conform to the orientation of previous grids, ie base lines at 324-144 MGA, cross lines at 054-234 MGA (Figures 2 and 3).

Mapping

Figures 4 and 5 show fact mapping and solid geology interpretation on the EL grid. The geology consists entirely of Cambrian Tyndall Group lithologies, partly overlain on the eastern side of the grid by Pleistocene glacial sediment, in turn partly overlain by younger Quaternary Owen Conglomerate boulder talus shed from high wall slope of Sedgwick Bluff to the north.

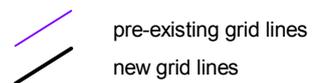
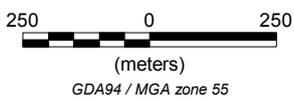
The morphology of the valley between Sedgwick Bluff and Zig Zag Hill-Agglomerate Hill suggests that glaciation (perhaps one of the earlier Pleistocene advances) may have covered the entire area of the grid and further upslope to the saddle area separating Comstock Valley from the Lake Margaret area glacial terrain. A single Jurassic dolerite erratic (Figure 6) was noted at 420m RL (Figure 4) and a lag of polymict siliceous cobbles interpreted to be glacial sediment observed at 520m RL.

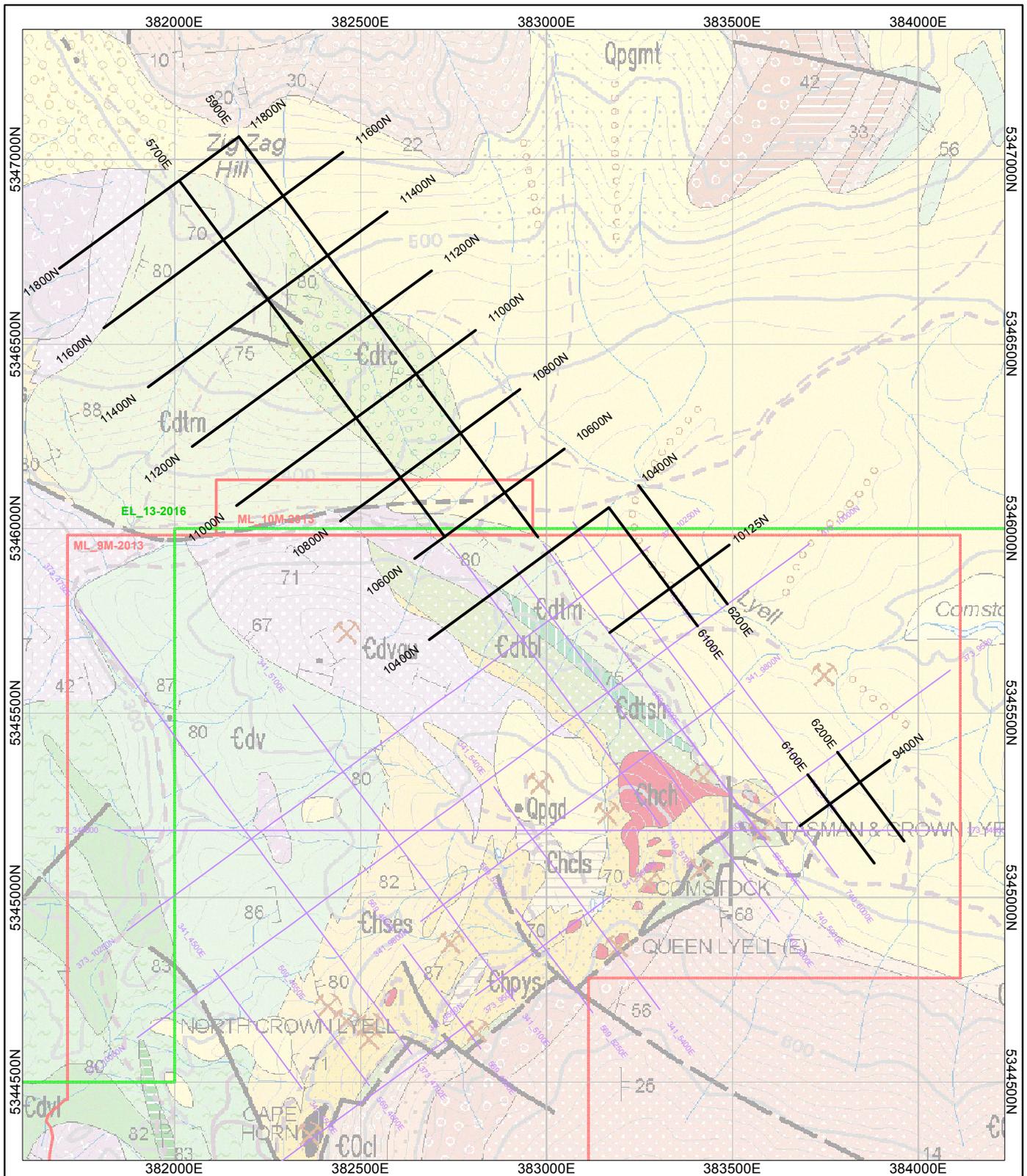


Exploration Grid Lines
Feb 2020

Figure 2

1:15,000 when printed to scale (A4)





Exploration Grid Lines
Feb 2020

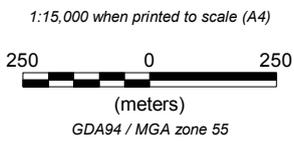
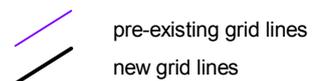
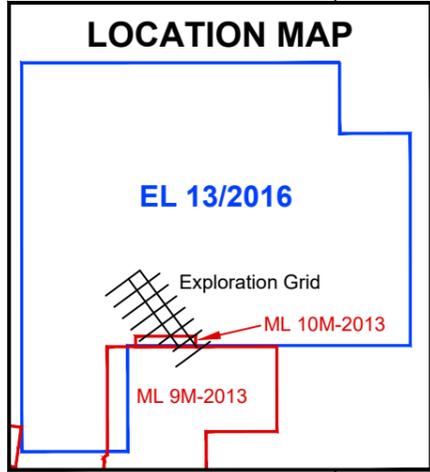
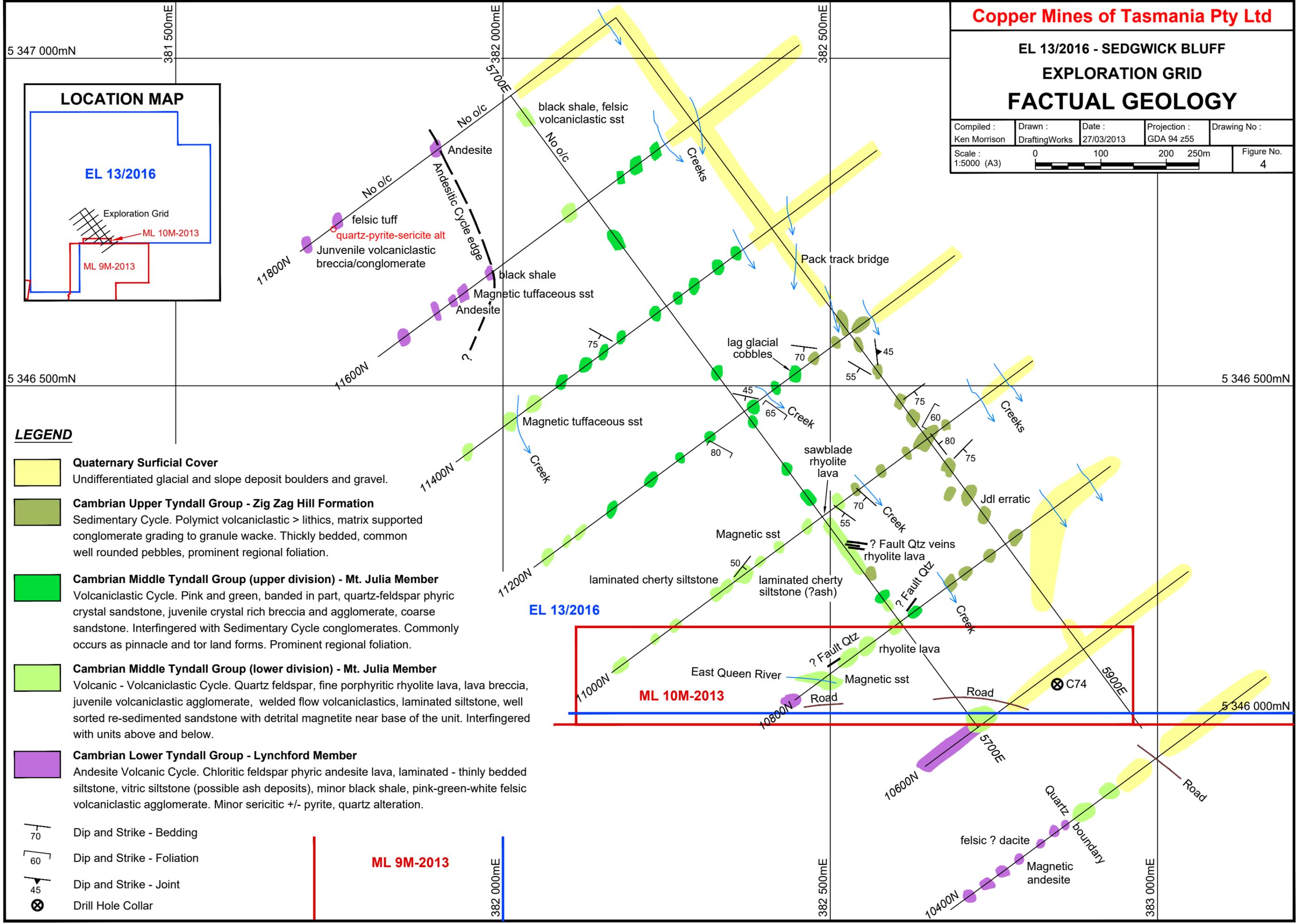


Figure 3



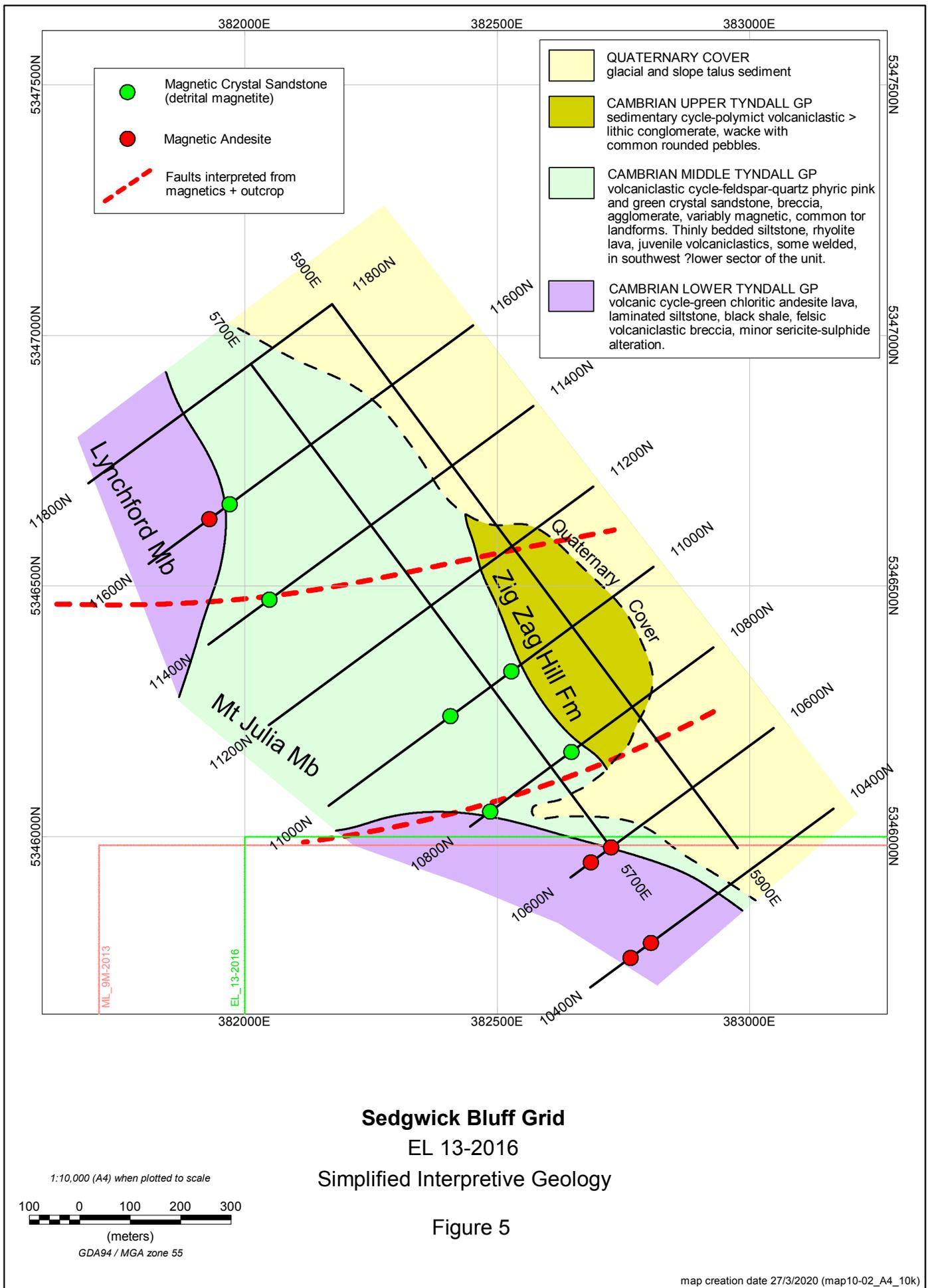
EL 13/2016 - SEDGWICK BLUFF
EXPLORATION GRID
FACTUAL GEOLOGY

Compiled : Ken Morrison	Drawn : DraftingWorks	Date : 27/03/2013	Projection : GDA 94 z55	Drawing No :
Scale : 1:5000 (A3)			Figure No. 4	



LEGEND

- Quaternary Surficial Cover**
Undifferentiated glacial and slope deposit boulders and gravel.
 - Cambrian Upper Tyndall Group - Zig Zag Hill Formation**
Sedimentary Cycle. Polymict volcanoclastic > lithics, matrix supported conglomerate grading to granule wacke. Thickly bedded, common well rounded pebbles, prominent regional foliation.
 - Cambrian Middle Tyndall Group (upper division) - Mt. Julia Member**
Volcanoclastic Cycle. Pink and green, banded in part, quartz-feldspar phyrlic crystal sandstone, juvenile crystal rich breccia and agglomerate, coarse sandstone. Interfingered with Sedimentary Cycle conglomerates. Commonly occurs as pinnacle and tor land forms. Prominent regional foliation.
 - Cambrian Middle Tyndall Group (lower division) - Mt. Julia Member**
Volcanic - Volcanoclastic Cycle. Quartz feldspar, fine porphyritic rhyolite lava, lava breccia, juvenile volcanoclastic agglomerate, welded flow volcanoclastics, laminated siltstone, well sorted re-sedimented sandstone with detrital magnetite near base of the unit. Interfingered with units above and below.
 - Cambrian Lower Tyndall Group - Lynchford Member**
Andesite Volcanic Cycle. Chloritic feldspar phyrlic andesite lava, laminated - thinly bedded siltstone, vitric siltstone (possible ash deposits), minor black shale, pink-green-white felsic volcanoclastic agglomerate. Minor sericitic +/- pyrite, quartz alteration.
- Dip and Strike - Bedding
 Dip and Strike - Foliation
 Dip and Strike - Joint
 Drill Hole Collar



- Magnetic Crystal Sandstone (detrital magnetite)
- Magnetic Andesite
- - - Faults interpreted from magnetics + outcrop

- QUATERNARY COVER
glacial and slope talus sediment
- CAMBRIAN UPPER TYNDALL GP
sedimentary cycle-polymict volcaniclastic > lithic conglomerate, wacke with common rounded pebbles.
- CAMBRIAN MIDDLE TYNDALL GP
volcaniclastic cycle-feldspar-quartz phyrlic pink and green crystal sandstone, breccia, agglomerate, variably magnetic, common for landforms. Thinly bedded siltstone, rhyolite lava, juvenile volcaniclastics, some welded, in southwest ?lower sector of the unit.
- CAMBRIAN LOWER TYNDALL GP
volcanic cycle-green chloritic andesite lava, laminated siltstone, black shale, felsic volcaniclastic breccia, minor sericite-sulphide alteration.

1:10,000 (A4) when plotted to scale

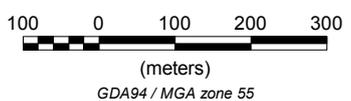
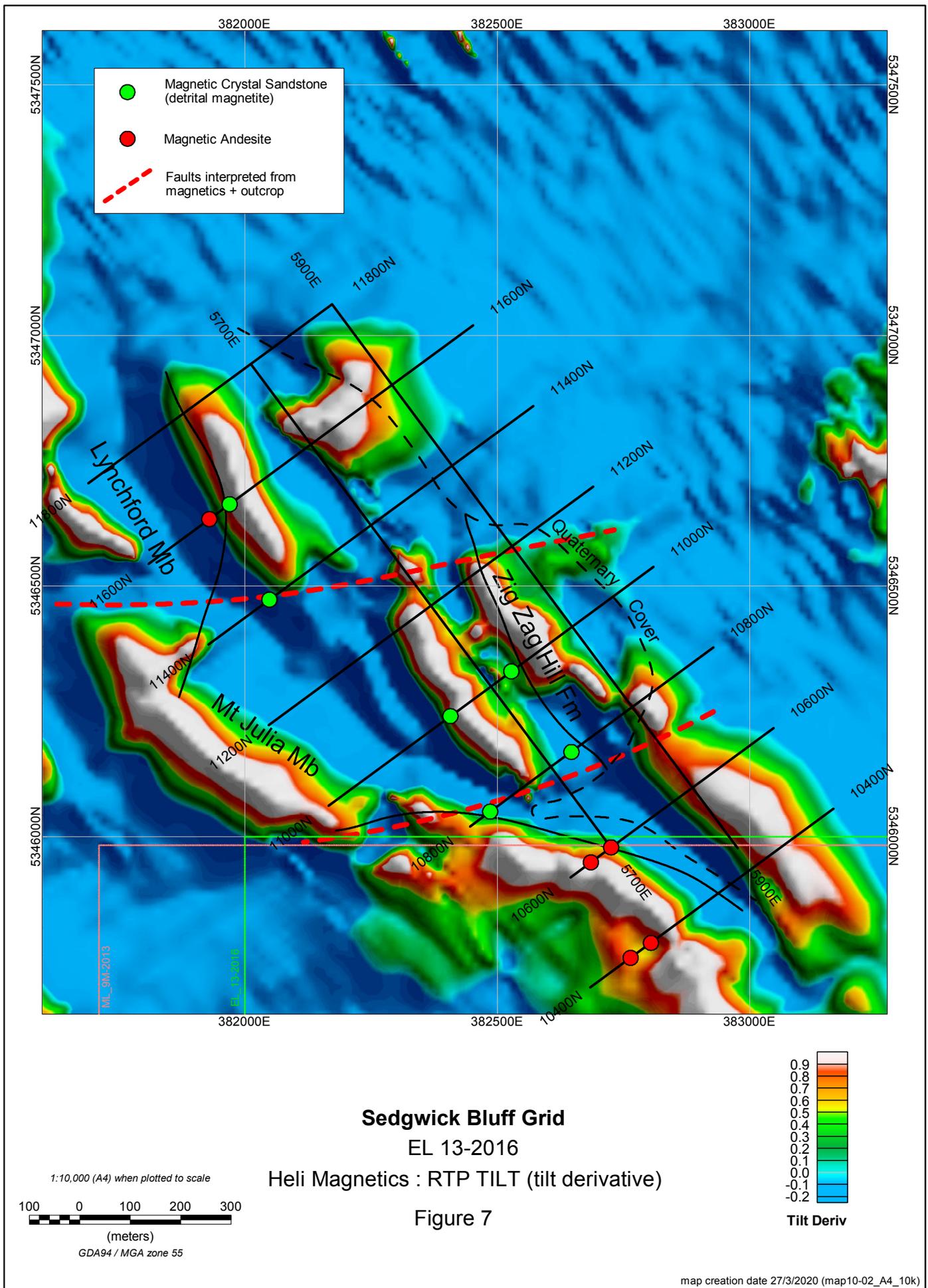




Figure 6. Jurassic dolerite erratic overlying Zig Zag Hill Formation conglomerate sub crop (382719E, 5346293N).

The Tyndall Group stratigraphy broadly youngs to the east, consistent with existing regional MRT and exploration company mapping, however the outcrop evidence of faulting and a spread of dip directions (reliable bedding exposures are uncommon, with foliation and jointing often better developed), combined with interpretation of CMT aeromagnetic data, suggest structural complexities which could include folding close to the Great Lyell Fault. The most recent and deepest Copper Chert exploration drill hole (CCD025) appears to show repetition of Lower Tyndall limestone before intersecting the Great Lyell Fault, suggesting possible tight folding in close to the thrust, as was demonstrated against the Cobblestone Creek thrust hanging wall, at Beaconsfield (Beaconsfield Gold-EL 7/2000).

Magnetics, especially the RTP tilt derivative image, has proven very helpful in interpreting the grid geology. Figure 7 shows stratiform sub parallel belts of magnetic highs, closely conforming to the mapped geology. Two east-west trending structures offset and deform the strike and continuity of the magnetic highs and are interpreted as major faults. Localised intense quartz veining (eg Figure8) with a strike and style similar to the North Lyell Fault in Linda Valley, suggest Devonian cross cutting deformation.



The magnetics also sees through the cover along the eastern margin of the grid. No magnetic response was achieved on Zig Zag Hill Formation conglomerate outcrop but the aeromagnetics suggests the possibility of a sub surface stratiform unit within the conglomerate (Figure 7). The close fit between the location of the grid and the group of magnetic highs is coincidental, as the grid was designed entirely to cover the predicted position of the rocks in the immediate hanging wall to the Great Lyell Fault and was established prior to re-modelling the magnetics. It is possible that the northeastern edge of the magnetic highs on Figure 7 is the Great Lyell Fault position under talus cover. The planned CSAMT survey should resolve that uncertainty.



Figure 8. WNW striking sheeted quartz veining in Mt Julia Member coherent and brecciated rhyolite (382526E, 5346253N).

Four associations of Tyndall Group rocks are recognised (Figure 4) and they grade from reworked sedimentary volcanoclastics in the northeast through juvenile quartz rich volcanoclastics and rhyolitic lava and lava-like welded volcanoclastics, to an andesite-siltstone-black shale sea floor association in the southwest part of the grid. Contacts between the sedimentary and volcanoclastic associations are transitional and inter fingered but the andesite-quartz phyric rock boundary is more abrupt.

Grid mapping to date has essentially repeated the existing MRT regional mapping and is largely consistent with early RGC Exploration mapping and the established Tyndall Group stratigraphy. The main questions potentially affecting prospectivity arising from current work are;

- Is there folding and local flattening of dip which could bring the andesite-sea floor sediment cycle of rocks closer to the surface, under cover and close to the Great Lyell Fault, to the northeast.
- Are the andesite lavas in the Comstock-Sedgwick Bluff area an extrusive equivalent of the Prince Lyell (and Garfield, south of Queenstown) andesitic host rocks, which appear to have a more intrusive style. If so, is there continuous andesitic magmatic activity across the CVC-Tyndall boundary. At the Copper Chert deposit andesite lava is clearly interstratified with Lower Tyndall sediments including the characteristic Tyndall Group fossiliferous limestone.

Sedimentary Cycle (Zig Zag Hill Formation)

Mottled brown, polymict volcanoclastic > lithics, matrix supported conglomerate grading to pebbly wacke. Thickly bedded with regional foliation more prominent than bedding surfaces (Figure 9). Common well rounded water worn pebbles and cobbles. No magnetic response encountered on outcrop but possible magnetic units indicated by aeromagnetics.



Figure 9. Typical outcrop of Zig Zag Hill Formation polymict volcanoclastic conglomerate.

Volcanoclastic Cycle (Comstock Formation –Mt Julia Member northeastern ?upper sub division)

Pink and green, partly banded, quartz-feldspar crystal rich, coarse volcanoclastic sandstone, breccia, agglomerate, trending more juvenile with decreasing rounded pebbles towards the southwest. Characteristic tor and pinnacle like outcrop landforms (Figure 10). Mainly non magnetic but occasionally weakly to moderately magnetic in outcrop.



Figure 10. Typical tor-like outcrop of Mt Julia Member crystal sandstone on grid line.

Volcaniclastic-Rhyolite Volcanic Cycle (Comstock Formation –Mt Julia Member southwestern ?lower sub division)

A complex association of pink and green juvenile, pebble free volcaniclastic crystal sandstone and breccias, grey thinly bedded siliceous siltstone (possibly ash fall sediment), well sorted polymict sedimentary volcaniclastic sandstone with characteristic detrital magnetite and strong magnetic response, and quartz-feldspar phyric rhyolitic lava and probable welded ignimbrite.

The rhyolite has a grey microcrystalline ground mass and a uniform fine grained porphyritic texture with pink feldspars and glassy volcanic quartz crystals. It grades from coherent to an auto brecciated texture in places and exhibits probable flow structures and brittle deformation behaviour with sheeted vein structures (Figure 8). It is an unusual Tyndall Group rock type, which has been mapped and determined to be an ignimbrite by previous geologists, including specialist volcanologists, so clearly there is supporting evidence. With the exception of occasional possible flattened pumice fragments, exposures observed to date on the grid have very lava-like textures, with a uniform distribution of fine grained crystal. No lithic or glass fragments have been noted, but the ground mass does have a welded appearance. Thin section petrography is needed to learn more about the

origin of this rock, but regardless of the correct name it does demonstrate rhyolitic, possibly subaerial, volcanism in the lower Mt Julia Member.

Andesite–Sea Floor Sediment Volcanic Cycle

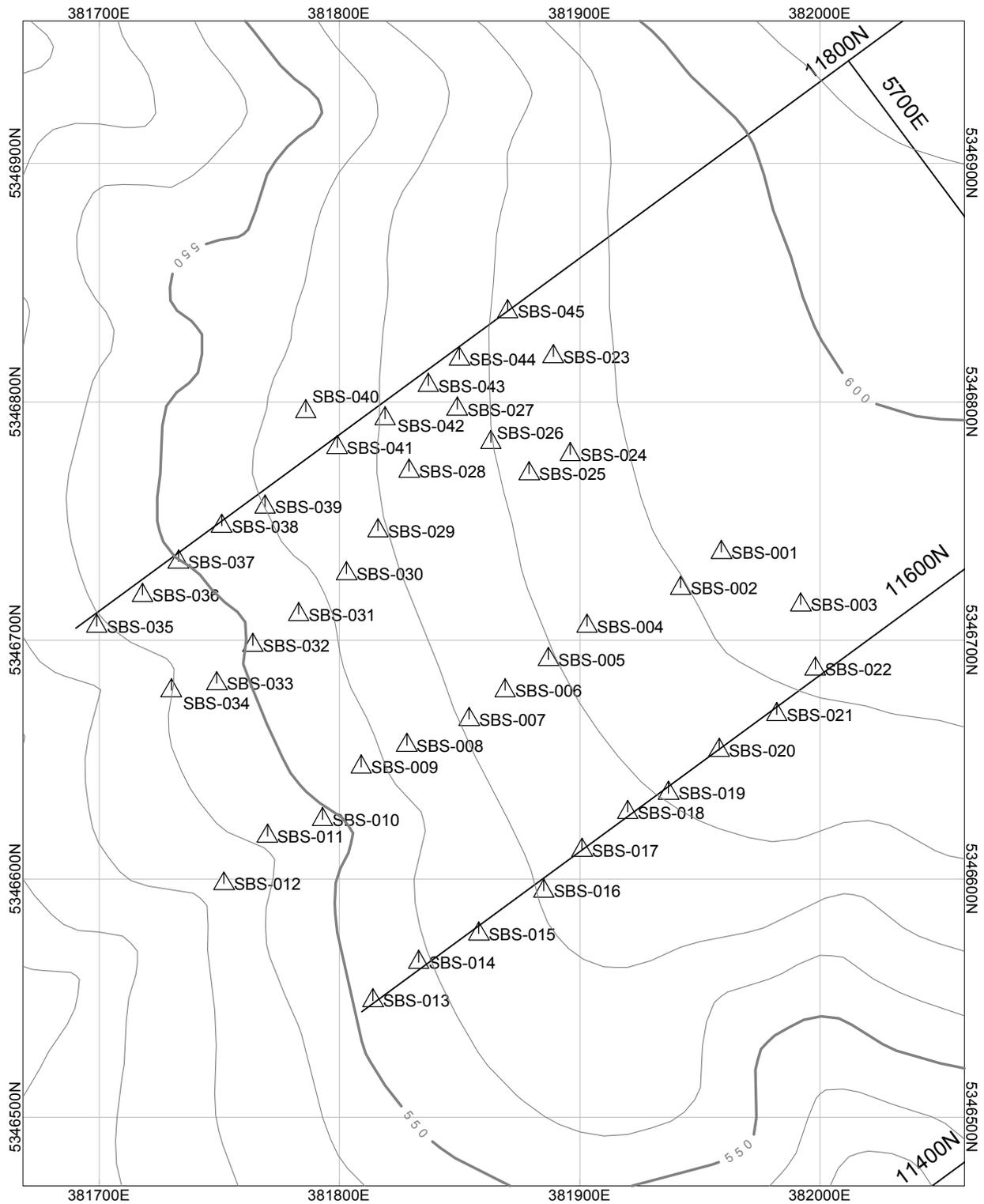
Green, chloritic, partly fine grained porphyritic andesite lava and derived andesitic volcanoclastics with fissile fabric, laminated and thinly bedded siltstone interbedded with minor black shale and pink-green-white felsic volcanoclastic breccia. Localised occurrences of pyrite-sericite quartz alteration occur in northwest corner of grid (Figure 4) and patchy sericite alteration across a wider area of the northwest corner. The andesitic rocks are poorly exposed on the grid but are overlain by a characteristic orange-brown clayey semi krasnozem style soil. Remnant fine grained feldspars weathered to clay are common but primary mafic minerals have been difficult to confirm.

The contact between the andesitic and quartz phyric-rhyolitic volcanic cycles is relatively abrupt compared to contacts between the younger Tyndall Group units, and it coincides with the presence of a siltstone-black shale association indicating a low energy sea floor setting marking the boundary between two volcanic events of different composition. This is the optimum stratigraphic position for the known VHMS deposits in the Mt Read Volcanics.

Soil Surveys

A small C-horizon survey was completed on the northwest corner of the grid (SBS001-045, Figure 11), where mapping confirmed the Lower Tyndall Group andesitic volcanic cycle association of sea floor sediments and lava outcrops. Minor sulphide and sericite alteration exists in that area, which is also closer to the predicted position of the Great Lyell Fault than previous exploration drilling on the West Sedgwick anomaly, west of the grid.

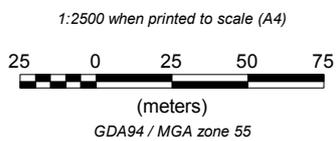
A 13 sample traverse of C-horizon soil samples was also taken to infill and validate the impressive lead and zinc soil anomalies generated from the previous West Comstock soil survey (WCS0113 0125, Figure 12). Sample details are shown on Tables 1 and 2.



Sedgwick Bluff Soil Survey

Feb 2020

Figure 11



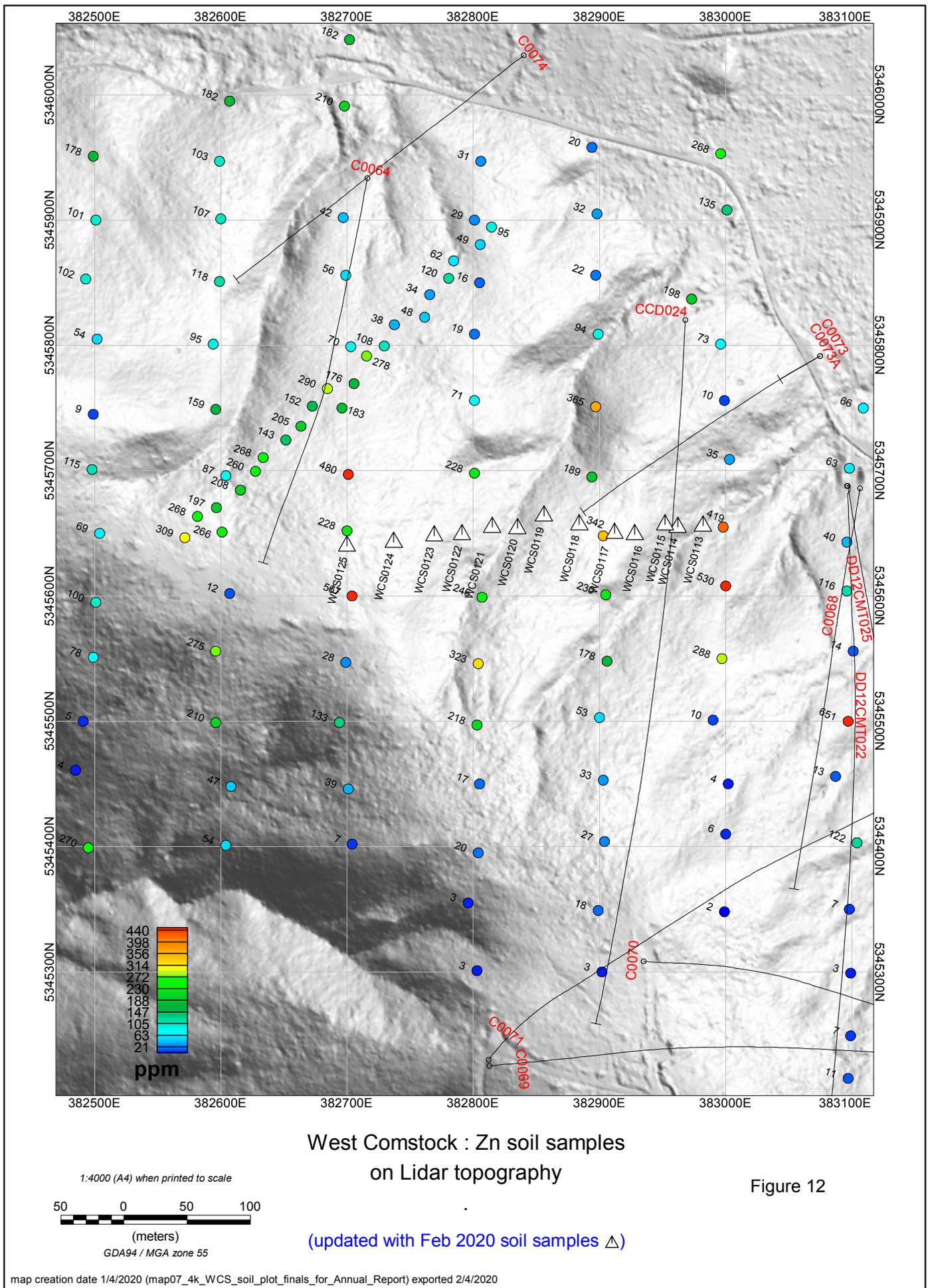


Table 1

Sedgwick Bluff Soil Survey-Feb 2020-EL 13/2016					
Sample ID	GDA East	North	Depth (m)	Description	Comment
SBS-001	381959	5346737	1.1 C-horizon	Grn-Gry volc bedrock chips	
SBS-002	381942	5346722	0.6 C-horizon	Org-Brn volc bedrock chips	
SBS-003	381992	5346715	0.7 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-004	381903	5346706	0.6 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-005	381887	5346692	0.7 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-006	381869	5346679	0.8 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-007	381854	5346667	0.9 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-008	381828	5346656	0.7 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-009	381809	5346647	1.2 C-horizon	Org-Brn clay,volc bedrock chips	full extent of auger above bec
SBS-010	381793	5346625	0.7 C-horizon	Org-Brn clay,volc bedrock chips	extra clay
SBS-011	381770	5346618	0.8 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-012	381752	5346598	0.6 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-013	381814	5346549	1.1 C-horizon	Org-Brn clay,volc bedrock chips	full extent of auger above bec
SBS-014	381833	5346565	0.7 C-horizon	Org-Brn clay,volc bedrock chips	extra clay
SBS-015	381858	5346577	0.4 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-016	381885	5346595	0.5 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-017	381901	5346612	0.8 C-horizon	Brn- Gry soil, silt-shale rock chips	
SBS-018	381920	5346628	0.5 C-horizon	Org-Brn silty soil, silt-shale rock chips	
SBS-019	381937	5346636	0.4 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-020	381958	5346654	0.5 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-021	381982	5346669	0.8 C-horizon	Gry silty soil, sed brdrock chips	
SBS-022	381998	5346688	0.7 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-023	381889	5346819	0.85 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-024	381896	5346778	0.4 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-025	381879	5346770	0.5 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-026	381863	5346783	0.5 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-027	381849	5346797	0.5 C-horizon	Org-Brn clay,volc bedrock chips	50% clay
SBS-028	381829	5346771	0.7 C-horizon	Grn-Brn clay soil,volc bedrock chips	
SBS-029	381816	5346746	0.6 C-horizon	Gry-Brn clay soil,volc bedrock chips	
SBS-030	381803	5346728	0.3 C-horizon	Org clay soil, volc bedrock chips	next to creek
SBS-031	381783	5346711	0.8 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-032	381764	5346698	0.4 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-033	381749	5346682	0.5 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-034	381730	5346679	07 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-035	381699	5346706	0.4 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-036	381718	5346719	0.5 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-037	381733	5346733	0.5 C-horizon	Org soil, ?volc bedrock chips	very little clay
SBS-038	381751	5346748	0.25 C-horizon	Org-Brn clay,volc bedrock chips	muddy sample
SBS-039	381769	5346756	0.4 C-horizon	Brn clay soil	no rock chips
SBS-040	381786	5346796	0.4 C-horizon	Gry-Brn soil, volc bedrock chips	minor clay
SBS-041	381799	5346781	0.5 C-horizon	Grn-Brn clay soil,volc bedrock chips	30% vegetation matter
SBS-042	381819	5346793	07 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-043	381837	5346807	0.5 C-horizon	Org-Brn clay,volc bedrock chips	
SBS-044	381850	5346818	0.6 C-horizon	Org-Brn clay, volc rock chips at bedrock	
SBS-045	381870	5346838	0.2 C-horizon	Org-Brn clay, volc rock chips at bedrock	

Table 2

West Comstock Soil Sampling -Infill Lead Anomaly					
28/02/2020					
Sample ID	GDA East	North	Depth (m)	Description	Comment
WCS0113	382982	5345656	0.3 C-horizon	yell-brn, clayey, volc rock chips	
WCS0114	382962	5345655	0.3 C-horizon	yell-brn, clayey, volc rock chips	
WCS0115	382952	5345657	0.25 C-horizon	brn, clayey, volc rock chips	
WCS0116	382928	5345649	0.3 C-horizon	brn, clayey, volc rock chips	
WCS0117	382912	5345650	0.25 C-horizon	yell-brn, clayey, volc rock chips	
WCS0118	382884	5345657	0.25 C-horizon	yell-brn, clayey, volc, v qtz rock chips	prospect diggings nearby
WCS0119	382856	5345664	0.25 C-horizon	org-brn,clayey, volc, v qtz rock chips	
WCS0120	382835	5345654	0.3 C-horizon	yell-brn, clayey, volc rock chips	
WCS0121	382815	5345655	0.3 C-horizon	yell-brn, clayey, volc, v qtz rock chips	
WCS0122	382791	5345649	0.25 C-horizon	yell-brn, clayey, volc, v qtz rock chips	
WCS0123	382769	5345648	0.3 C-horizon	yell-brn, clayey, volc, v qtz rock chips	
WCS0124	382737	5345643	0.3 C-horizon	yell-brn, clayey, volc, v qtz rock chips	water just below surface
WCS0125	382700	5345640	0.3 C-horizon	yell-brn, clayey, volc, v qtz rock chips	

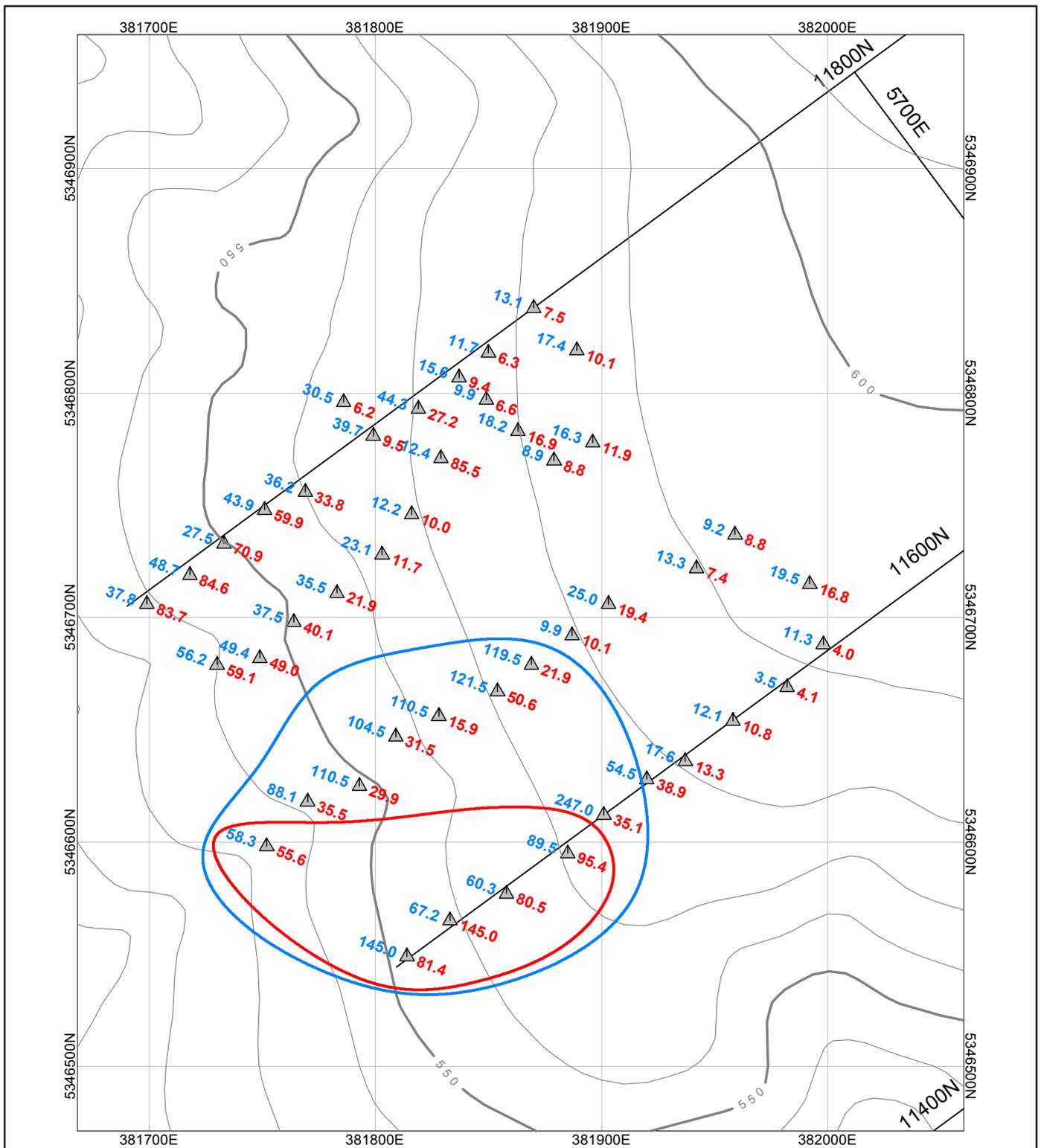
All samples were assayed by ALS using a program of; pulverising to -75 microns and assaying for Pb, Zn, Cu and Ag (plus many other elements in the package) by ICP-MS (MS 41) and Au by aqua regia leach with ICP-MS finish (TL 43). Results for the 5 main target metals are shown in Table 3 and complete results and lab certificates have been forwarded to MRT separately for digital file compilation.

Table 3

SAMPLE DESCRIPTION	PUL-QC	ME-MS41	ME-MS41	ME-MS41	ME-MS41	Au-TL43
	Pass75um %	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Au ppm
WCS0113	99.1	1.3	121.5	964	472	0.003
WCS0114		0.54	82.4	523	154	0.002
WCS0115		1.71	108	864	237	0.002
WCS0116		1.69	93.1	1480	239	0.002
WCS0117		2.62	118	2020	271	0.003
WCS0118		3.45	115	2130	263	0.004
WCS0119		1.55	150.5	2490	416	0.002
WCS0120		4.09	57	1890	349	0.005
WCS0121		1.1	69.8	2460	246	0.001
WCS0122		0.98	74.4	1200	263	0.002
WCS0123		0.56	60.6	436	97	0.003
WCS0124		0.69	93.8	425	149	0.004
WCS0125		0.83	120	395	208	0.005
SBS001		0.04	8.8	9.2	106	0.001
SBS002		0.05	7.4	13.3	70	0.001
SBS003		0.08	16.8	19.5	50	0.001
SBS004		0.06	19.4	25	48	0.001
SBS005		0.05	10.1	9.9	25	<0.001
SBS006		0.06	21.9	119.5	66	0.001
SBS007		0.04	50.6	121.5	59	0.001

SBS008		0.05	15.9	110.5	59	0.001
SBS009		0.05	31.5	104.5	74	0.001
SBS010		0.08	29.9	110.5	61	0.001
SBS011		0.07	35.5	88.1	59	0.001
SBS012		0.09	55.6	58.3	83	0.001
SBS013		0.13	81.4	145	49	0.002
SBS014		0.07	145	67.2	77	0.005
SBS015		0.03	80.5	60.3	47	0.004
SBS016		0.05	95.4	89.5	33	0.003
SBS017		0.21	35.1	247	46	0.001
SBS018		0.03	38.9	54.5	33	0.002
SBS019		0.06	13.3	17.6	44	0.001
SBS020		0.04	10.8	12.1	139	0.001
SBS021		0.02	4.1	3.5	78	0.001
SBS022		0.02	4	11.3	47	<0.001
SBS023		0.07	10.1	17.4	61	0.001
SBS024		0.03	11.9	16.3	41	0.001
SBS025		0.09	8.8	8.9	39	<0.001
SBS026		0.19	16.9	18.2	40	0.001
SBS027		0.03	6.6	9.9	22	<0.001
SBS028		0.02	85.5	12.4	64	0.001
SBS029		0.03	10	12.2	42	0.001
SBS030		0.04	11.7	23.1	30	0.001
SBS031		0.35	21.9	35.5	35	0.001
SBS032		0.04	40.1	37.5	61	0.001
SBS033		0.04	49	49.4	66	0.001
SBS034		0.07	59.1	56.2	73	0.001
SBS035		0.07	83.7	37.8	59	0.002
SBS036		0.03	84.6	48.7	78	0.001
SBS037		0.13	70.9	27.5	31	0.002
SBS038	98.6	0.04	59.9	43.9	65	0.002
SBS039		0.09	33.8	36.2	29	0.001
SBS040		0.05	6.2	30.5	11	<0.001
SBS041		0.26	9.5	39.7	12	0.001
SBS042		0.08	27.2	44.3	31	0.001
SBS043		0.31	9.4	15.6	18	<0.001
SBS044		0.1	6.3	11.7	35	<0.001
SBS045		0.05	7.5	13.1	45	<0.001

Table 3 shows the contrast between the anomalous results at West Comstock and the fairly flat data from the initial small survey on the Sedgwick Bluff Grid, especially for lead, zinc and silver. An interval of moderately elevated concentrations occurs on the grid; for lead-samples SBS006-017 and copper-SBS012-016 (Figure 13). These results add support for the minor outcropping alteration mapped in that part of the grid and requires follow-up grid extension to the northwest and west. Gold numbers are consistently flat, with 5 ppb being the highest value in each survey and most samples scoring close to level of detection at 1 ppb.



Sedgwick Bluff Soil Survey

Feb 2020

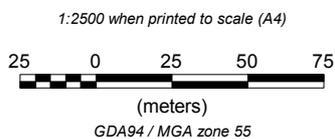
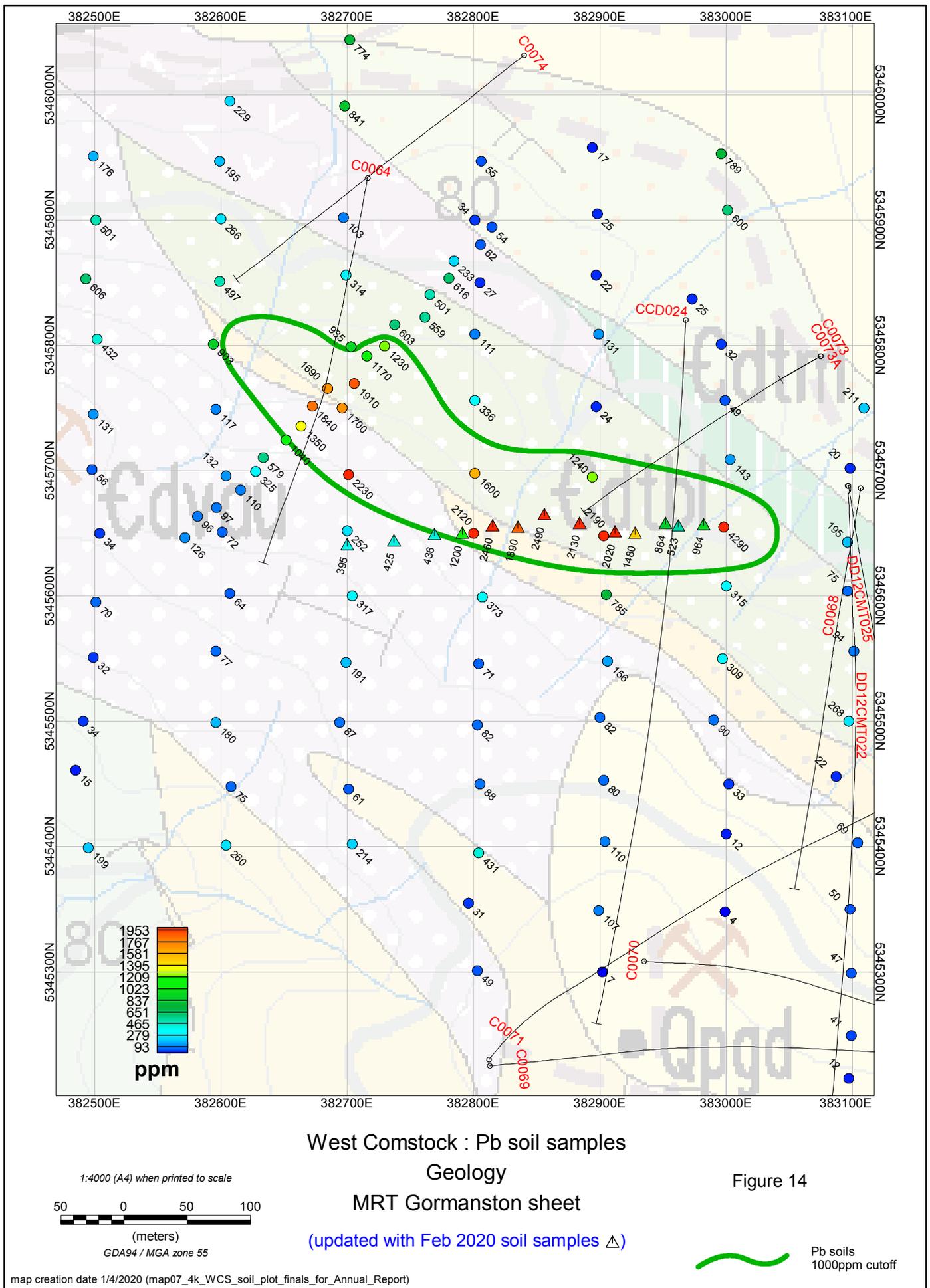


Figure 13

88.1 35.5
 Pb Cu
 Assay values (ppm)



The strongest soil response is within the stratiform and apparently stratabound lead-zinc/polymetallic anomaly at West Comstock. The infill sampling at 20 metre spacing along the southern edge of the original anomaly confirms the shape and size of the Pb cutoff boundary (Figure 14) and its potential as a drill target, as discussed below.

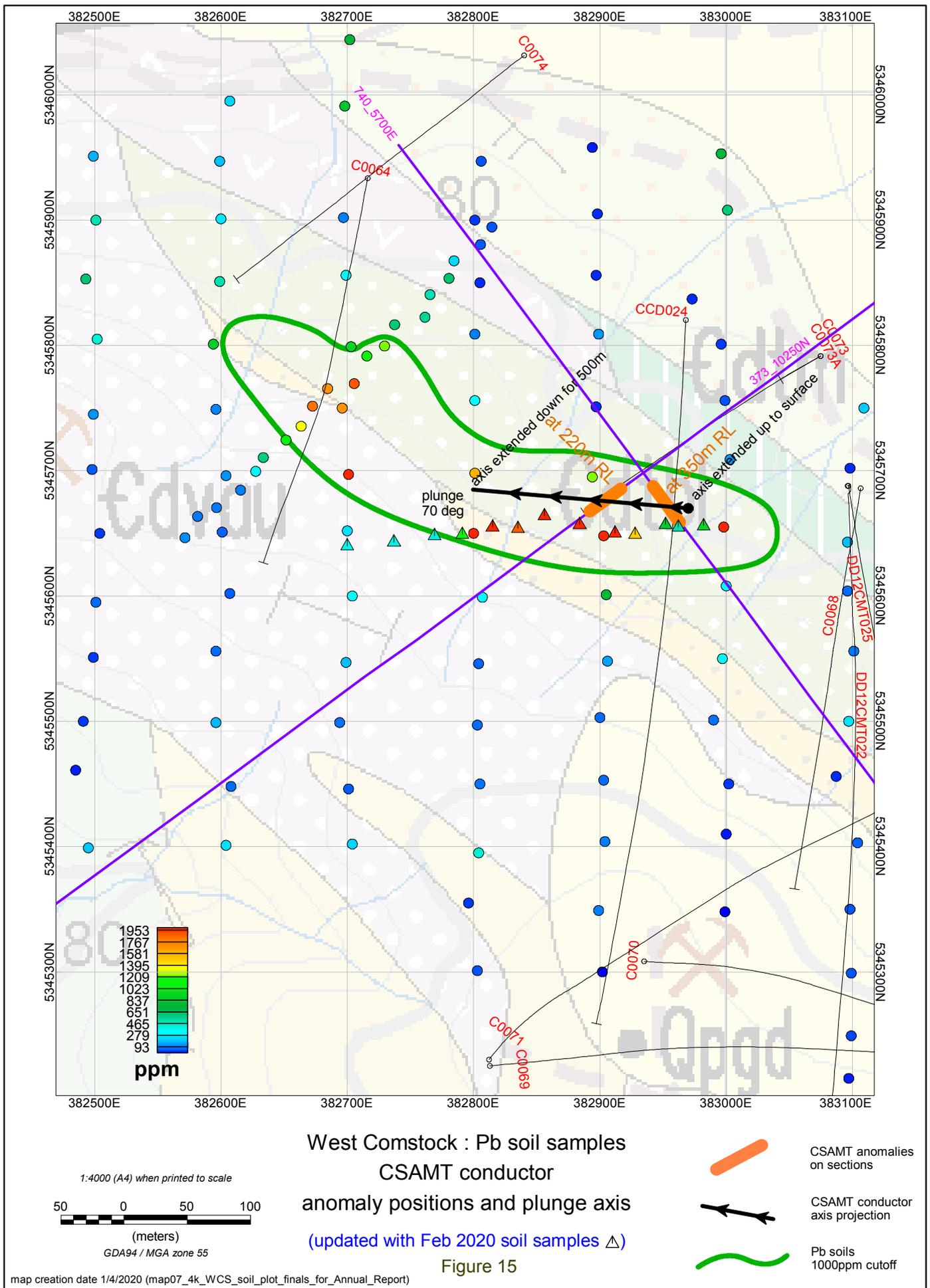
A full analysis of the additional elements assayed has not yet been carried out to determine whether useful non-ore pathfinders and alteration indicators can be identified. However, if the West Comstock soil chemistry is considered an example of a signature over alteration associated with mineralisation, then some general patterns are apparent in comparison with the Sedgwick Bluff data. As, Ba, Sb, Rb, Te, Tl and the rare earth elements Ce and La are consistently enriched in West Comstock soils relative to Sedgwick Bluff, however, Ni, Co, Mg and Li are depleted relative to Sedgwick Bluff. This may indicate alteration fluids stripping some siderophile and mobile elements from the host rock, or it could indicate a less mafic parent source rock at West Comstock. The Fe content is fairly constant between the two areas and Li is not especially associated with mafic rocks, so the enrichment/depletion profile in West Comstock soils seems more likely to be due to more pervasive alteration fluid reactions with host rocks.

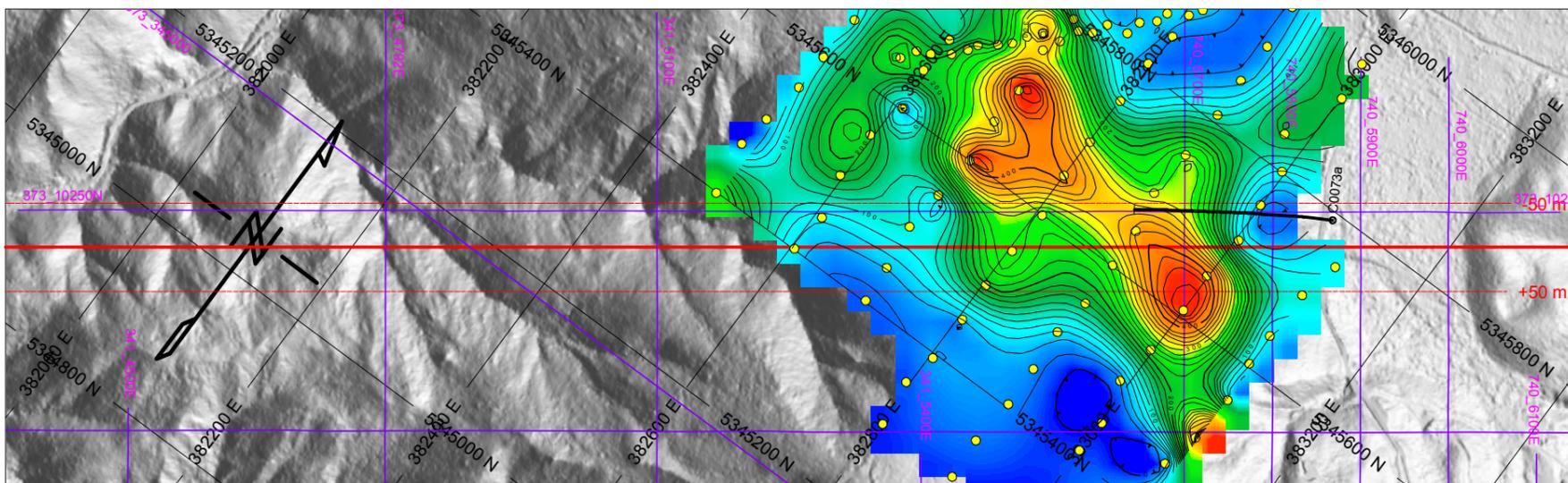
Drill Target Generation

Until the CSAMT survey is completed the only site currently considered a worthy drill target is the West Comstock combined soil/CSAMT conductor target. West Comstock sits within ML 9M/2013 but is included in the current exploration program aimed at testing the basal Tyndall Group andesite-sea floor sediment cycle along the trend of the Great Lyell Fault between Tasman Crown and the northern border of EL 13/2016.

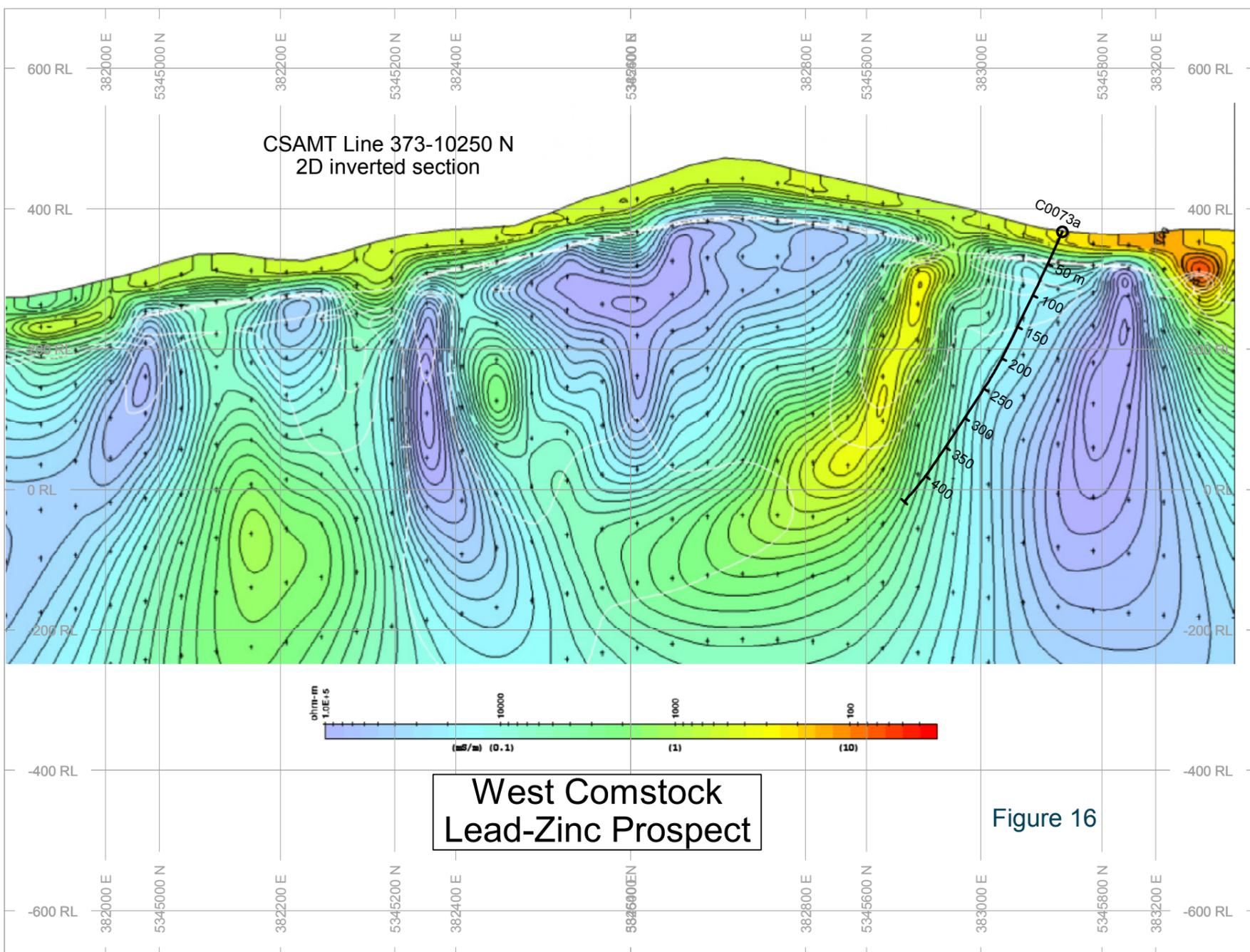
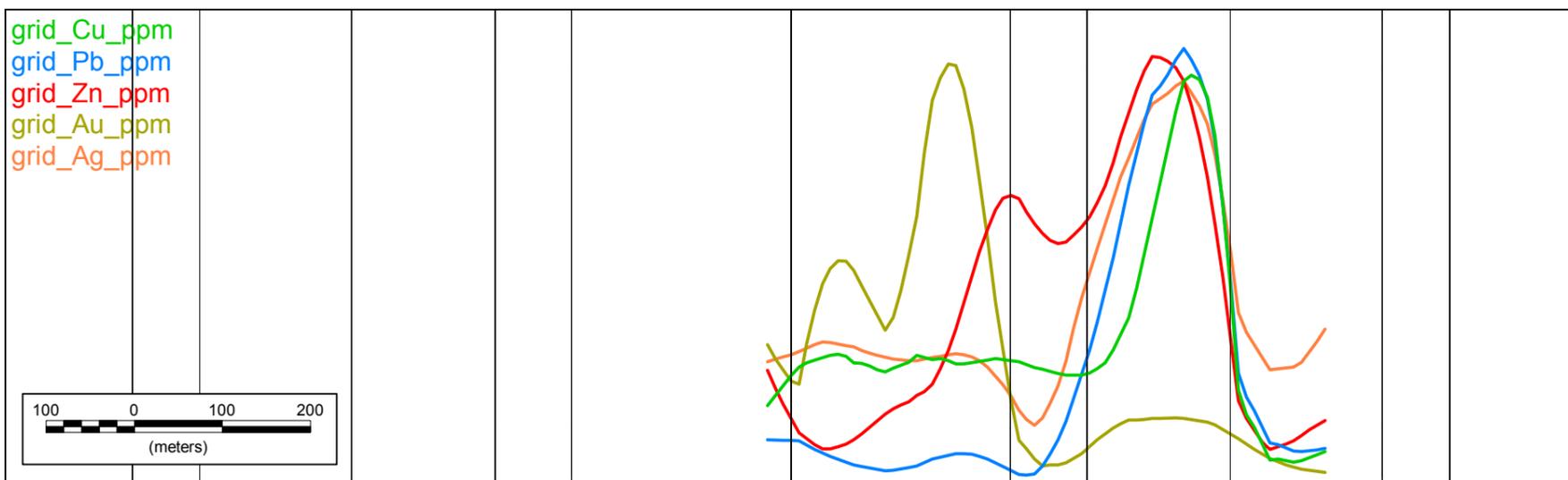
The original West Comstock soil survey was conducted in 2018, supplemented by some infill sampling in the current licence year. The impressive lead anomaly exists over a strike length of about 300 metres, and with an orientation conformable with the trend of the underlying bedrock Lower Tyndall Group andesite-sea floor sediment contact (Cambrian dtbl-dvau contact on the Gormanston MRT geology sheet – see Figure 15). The anomaly is closed in all directions. It is strongest and most coherent for lead but anomalous highs were also encountered in the same general area for zinc, copper, silver and gold, with gold offset to the north relative to the base metals and silver (Figure 16). A coincident modest strength CSAMT conductor also occurs on lines 373-10250N and 740-5700E. The plunge direction of the conductor supports a source heading towards the Great Lyell Fault. Nearest drill holes (C0073A, C0064 and CCD024—Figures 14 and 15) did not encounter mineralisation near the anomaly, although CCD024 did achieve an intersection of 45m @ 183 ppm silver from 724 metres down hole and distal from the conductor. It appears likely that C0073A and CCD024 drilled under the conductor and C0064 was too far west. These three holes were drilled prior to the original soil survey and were conceptual/stratigraphic step-out holes rather than testing a specific anomaly.

A possible positive explanation for the relatively weak conductive response is that the target represents a low pyrite high sphalerite body of mineralisation. Road access to a potential drill pad site already exists and the target is expected to be drilled in 2020, ideally together with more targets once the new CSAMT results are available.





coloured image: Zinc in Soil anomaly



West Comstock
Lead-Zinc Prospect

Figure 16

Environmental Issues

All off-road work to date has involved only pedestrian traffic and hand tools. Field work personnel used Phytoclean disinfectant on boots and tools. No large trees were cut during gridding and no native pine trees of any size were observed. Auger and trenching tool holes were backfilled during the soil sampling process and the same procedure will be applied to the CSAMT electrode sites, in addition to removing all geophysical wiring from the grid. At present no other rehabilitation action has been required.

Two noteworthy observations were made during work at the northern end of the Sedgwick Bluff grid, in the more elevated area of the saddle separating Comstock Valley from the Lake Margaret basin and moraine country. There has been extensive King Billy Pine logging in the past and an abundance of remnant stumps, off cuts, low grade logs and general debris (Figure 17), all with bushfire burn scars, exist across the saddle area but not a single young live King Billy was seen.



Figure 17 Remains of a crosscut saw and bleached King Billy Pine pieces-Sedgwick Bluff grid.

In the same area, which is above the limit of the mixed forest regrowth, patchy but widespread dieback occurs, presumably due to *Phytophthora* infection. It is unclear as to the transport mechanism responsible for introducing dieback to this fairly remote area.

Expenditure

Activity	Expenditure
Geology, including some soil sampling	\$30,972
Gridding, including some soil sampling	\$41,200
Geophysics-survey design, re-interp previous surveys	\$11,475
Geochemistry- assay costs	\$3,700
Administration-management time, office and vehicle costs	\$9,319
TOTAL EXPENDITURE	\$96,666

A Purchase Order for a contract of \$124,200 with Zonge Engineering has been issued for a CSAMT survey on the new grid lines. As mentioned previously in this report, the earliest availability is July 2020, with the caveat that quarantine requirements have been lifted by then. At the time of writing this report that is looking less likely but still possible. Weather and ground conditions at Sedgwick Bluff will also need to be considered from a crew safety and productivity perspective, if a winter survey becomes an option.

Year 4 Exploration Plans & Expenditure

- Extension of gridding, mapping and soil sampling to the northwest along strike and further coverage of the Lower Tyndall andesite association to the west of existing coverage.
- Completion of CSAMT survey as planned and interpretation of results.
- Drilling the West Comstock anomaly and any additional drill targets pending worthy conductors resulting from new CSAMT interpretation.
- Reconnaissance of Northeast Pyrite Zone and other Lake Margaret area historic prospects (Figure 18).

Estimated on-ground expenditure assuming a minimum of one x400 metre DDH = **\$324,000**

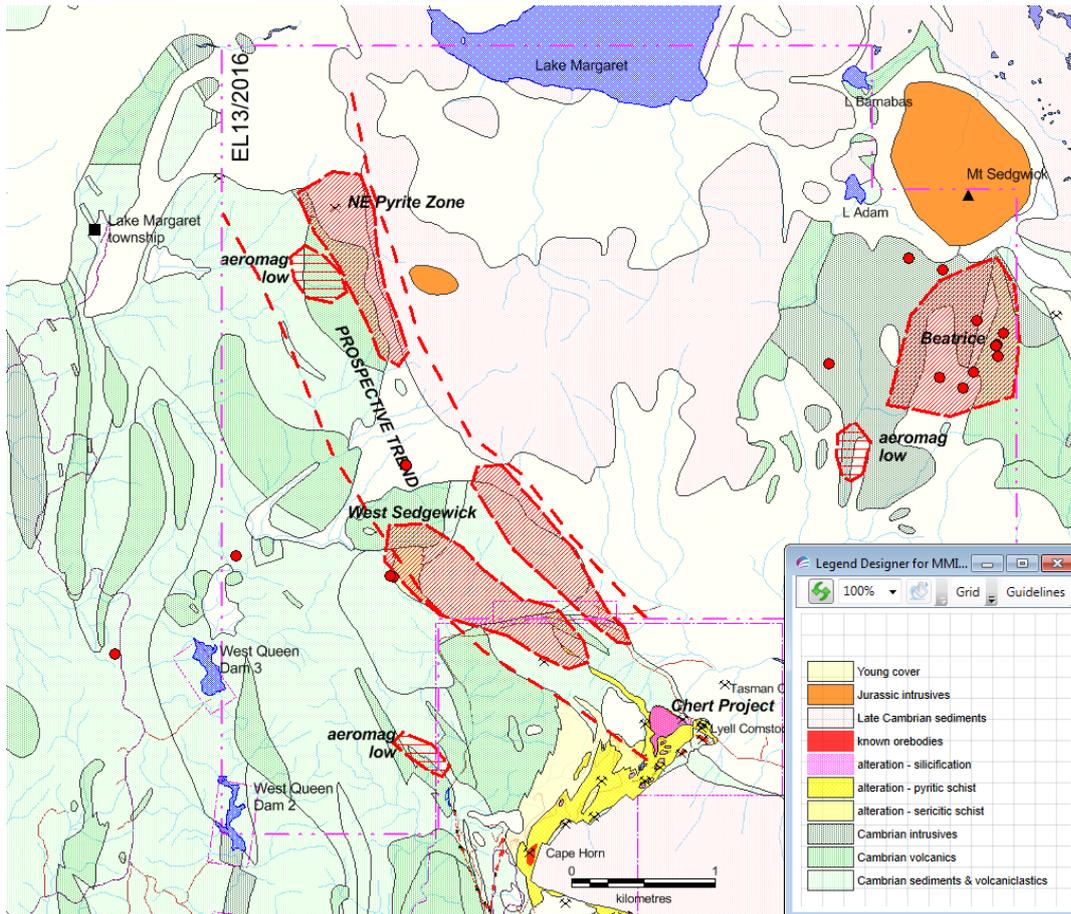


Figure 18 Exploration target areas on simplified geology.