Loyetea EL12/2014

Annual Report

For: Edrill Pty. Ltd.
July 2021

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Summary

This Annual Report for Loyetea (EL12/2014) details results and interpretation from diamond drilling (2 holes completed for 355.6m) completed during early 2020. Logging of drill core was delayed to the current tenure year due to COVID-related travel restrictions. Results from drilling did not contain highly anomalous Sn or W, but intense exoskarn mineralisation was intersected, and a minor zone of anomalous Au-Mo was encountered in a zone of highly sheared and altered rocks. The significance of this result is currently unknown.

Key exploration targets are granite related Sn-W magnetite skarn, as well as skarn and vein Cu-Pb-Zn mineralisation.

Proposed future work includes an approximately 300m deep drill hole to assess an untested magnetic target to the east of recent drilling. Drilling aims to locate economic (Magnetite-Sn-W &/ or Cu-Pb-Zn) resources, with exploration models to be refined by further defining and improving understanding of sub Tertiary basalt stratigraphy and structure in the Loyetea area. The target represents a potential dextral offset from Redwater Creek magnetite mineralisation.

Other proposed work includes detailed analysis of existing geochemical data and alteration patterns, and assessing the VHMS potential of Cambrian Mount Read Volcanics within the lease through a program of geological mapping, rock chip sampling, and a ground magnetics survey.

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Introduction

This report details exploration activities completed on the Loyetea (EL12/2014) property during the period 30/7/2020 to 29/7/2021. EL12/2014 is located in NW Tasmania, approximately 25km south of Burnie, and was granted to Edrill Pty. Ltd. on 30/7/2014. In 2019, the tenement was reduced in size from 83km^2 to 40km^2.

Exploration targets within the property are: Sn-W mineralisation associated with magnetite skarn, manto style mineralisation, Pb-Zn mineralisation within carbonate rocks, and potential VHMS mineralisation within Mount Read Volcanics in the northern part of the property.

To date, Edrill has completed 6 diamond drillholes on the property, totalling 1709.7m, and a ground magnetics survey. Work during the tenure year identified anomalous Au-Mo mineralisation associated with a minor felsic unit within highly sheared sediments, the significance of which is currently unknown.

Recommendations for future work includes compilation of all existing surface geochemistry, drilling of one diamond drillhole to test geophysical anomalies, and ground magnetics and geological mapping of the Mount Read Volcanics unit located in the northern part of the property.

All coordinates in this report and appendices are located in GDA94, MGA Zone 55.

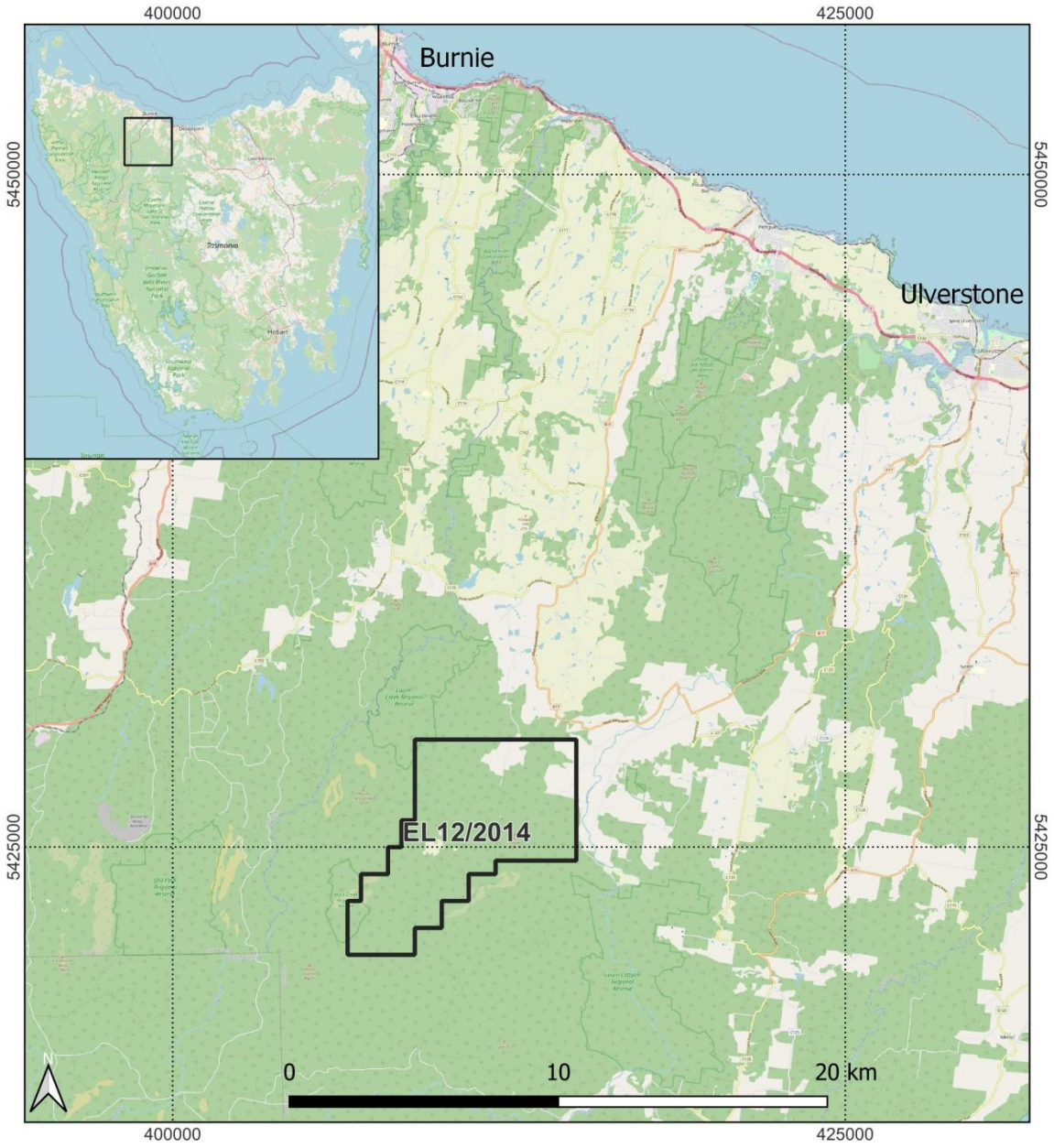


Figure 1: Location of EL12/2014.

Access

EL14/2014 is located approximately 30km to the south-west of Ulverstone, and is best accessed via B17 (Gunns Plains/South Riana Road), and turning west on to Loyetea Road. Access within EL14/2014 is excellent, with Loyetea/Alstergren Road continuing through the centre of the property, and numerous trails branching off these to various parts of the property.

Geology

The geology of the area is generally oriented NE-SW, and youngs to the NW. Predominantly felsic Cambrian Tyndall Group volcaniclastics and volcanics of the Mt Read Volcanics are located near the eastern margin of the property. Cambrian rocks are overlain by a conglomerate with pebbly sandstone, siltstone and volcaniclastics of the Cambrian Lower Owen Conglomerate. These are overlain by Middle Owen Conglomerate marine sediments including siltstone, sandstone and conglomerate. Ordivician sediments overlie the Cambrian rocks, with a siliciclastic pebble conglomerate overlain by pale grey to pink quartz sandstones of the Moina Sandstone. The Ordivician Gordon Group limestone overlies the Moina Sandstone. The Moina Sandstone and Gordon Limestone units appear to be partly intercalated.

The Devonian Housetop Granite, in the western part of the area, has intruded the above rocks, and was emplaced within the Ordivician Moina Sandstone and Gordon Limestone. The Housetop Granite is an I-type medium- to coarse-grained equigranular biotite±hornblende bearing granite of alkali feldspar/syenogranite/monzogranite composition, with minor porphyritic and fine-grained variants.

Tertiary basalt and sediments occupy the central portion of the area, obscuring much of the contact zone between the granite and Cambro-Ordivician rocks. Tertiary sediments mostly underlie basalts, and locally appear to be largely composed of weathered Cambro-Ordivician rocks, granite, and some clasts of magnetite. Vesicular basalt flows are generally poorly magnetic, while zones of massive basalt are occasionally strongly magnetic.

Various Quaternary sediments form extensive cover in the NE part of the tenement, including talus sourced from Owen Group rocks in addition to the Tertiary basalt, older Quaternary stream deposits, and Quaternary alluvium and marsh deposits. Figure 2 shows the geology of EL14/2014.

Structure

The geology of the licence is structurally complex, and is dominated by a NE-trending lineament controlling the eastern margin of the granite. Bedding within Cambrian and Cambro-Ordivician units is generally oriented NE-SW. At least two generations of folding have affected these rocks (Ruxton, 1984). In the northern part of the property, Cambrian sediments are in contact with the Housetop Granite with Ordivician rocks to the east. These are located to the NE of a major fault zone, and represent the western limb of a NE-dipping synclinal structure largely covered by Tertiary and Quaternary materials.

NE-trending structures are offset by frequent NW trending faults, which appear to have strong control over the northern and southern margins of the granite. These faults are post-Ordivician, producing dextral offset in the southern part of the property. A parallel fault in the northern part of the area may represent a large normal fault with a sinistral component. Downthrow of the NE block reveals a north-dipping synform structure in Cambrian and Ordivician sediments. A similar structure is seen in

Cambro-Ordivician sediments at the contact with the Housetop Granite a short distance to the south. Shortening in a NE-SW direction occurred during the Devonian Tabberabberan Orogeny(?), producing secondary folding on a NW-SE axis.

In the Redwater Creek / Peak Hill area, where the major structures intersect, Reid (2020) interprets a deflection of the NW trending structure towards the NNW, with dextral offsets. He suggests the magnetite mineralisation in the Redwater Creek to Peak Hill area is located at a structural flexure where intersecting NW and NNW faulting coincides with an inferred NE trending lineament along the south eastern Housetop Granite margin, forming a triple point junction. The Lavell Fault identified in the Loyetea Road vicinity may in part represent a linking damage zone within this dextral strike slip fault regime, with some strain taken up on granite margin parallel NE aligned faulting. A basin fold within the Gordon and Owen groups likely developed in response to at least two deformations, predating extensive late stage brittle faulting of likely Tertiaryage which is clearly evident in drill core (Reid, 2020).

Mineralisation and Alteration

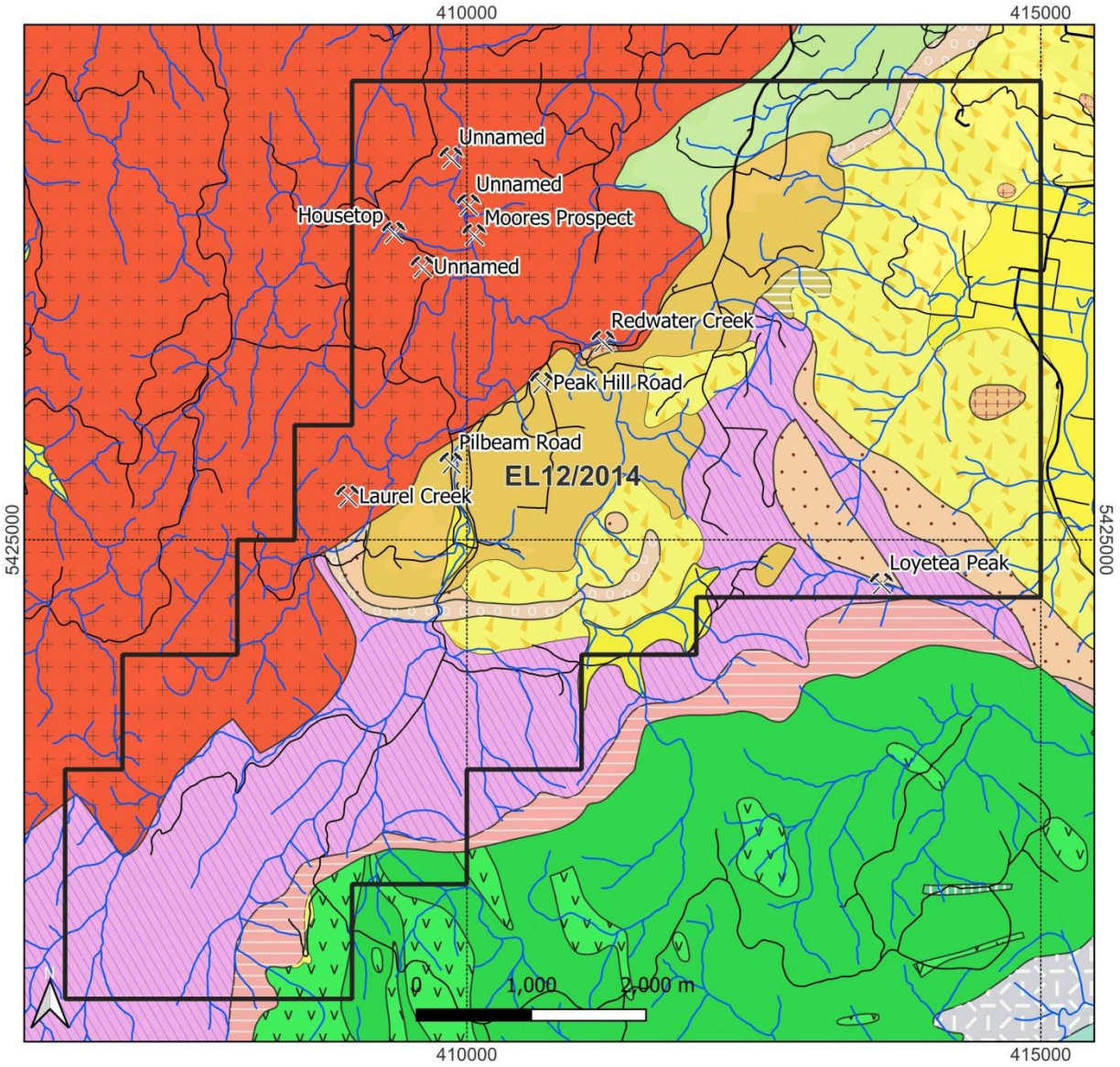
Known mineralisation associated with the Housetop Granite is primarily tin, magnetite and tungsten, occurring either within the granite as vein mineralisation or near the Moina Sandstone/Gordon Limestone interface as part of skarn alteration systems. Within EL12/2014 there are 10 listed mineral occurrences. Nine of these are located within or on the margin of the granite, with a single Zn occurrence noted in the vicinity of Loyetea Peak. This Zn occurrence has been attributed to local high background values and is of no further interest.

Occurrences within the granite are narrow veins, with Sn mineralisation related to quartz-tourmaline veins, and Cu related to quartz-chlorite veins, and of no economic interest. The remaining occurrences are located along the margin of the granite, and are all related to skarn mineralisation proximal to the granite contact.

Observed skarn mineralisation is primarily contact related endoskarn within ‘dirty’ carbonates of the transition zone between the Moina Sandstone and Gordon Limestone. Mineralisation is primarily pyrrhotite and magnetite, with a halo of weakly disseminated pyrite.

Calc-silicate alteration is the most pervasive skarn alteration, with fine garnet, pyroxene and actinolitic skarn proximal to the granite contact, preferentially infiltrating the limestone along some beds. Retrograde epidote alteration occurs in some exoskarn zones, typically coinciding with strong pyrrhotite and/or magnetite mineralisation.

The Housetop Granite is typically K-altered, and commonly features biotite altering to actinolite, with pervasive sericite alteration, minor albite and disseminated magnetite.



Geology

- Quaternary alluvium, swamp and marsh deposits
- Quaternary talus - basalt
- Qpgw
- Quaternary talus
- Qpao
- Tertiary basalt
- Tertiary grey-billy and silcrete
- Devonian Housetop Granite
- Ordivician Gordon Group Limestone with minor siltstone and sandstone
- Ordivician Moina Sandstone. Pale grey to pink, commonly cross-bedded quartz sandstone, coarse and pebbly in places.
- Ordivician siliclastic pebble conglomerate
- Cambrian Owen Group undifferentiated
- Cambrian Middle Owen Group. Marine siltstone, sandstone and conglomerate
- Cambrian Lower Owen Conglomerate. Conglomerate with pebbly sandstone, minor siltstone and volcaniclastics
- Cambrian Lobster Creek Intrusives. Massive plagioclase-hornblende phyric dioritic, andesitic and dacitic intrusives
- Cambrian Gog Range Greywacke. Marine volcano-sedimentary and sedimentary sandstone, siltstone, mudstone, conglomerate and breccia
- Cambrian Tyndall Group. Interbedded siltstone, mudstone and volcaniclastic sandstone
- Cambrian Tyndall Group. Dacitic Lava
- Cambrian Tyndall Group. Interbedded volcaniclastic and volcanic rocks
- Cambrian undifferentiated sediments. Shale, siltstone, lithicwacke, sandstone and conglomerate. Minor volcaniclastics and rare felsic lava.
- EL12/2014 Boundary
- MineralOccurences
- Streams

Roads

- Sealed
- Unsealed

Figure 2: Geology of EL12/2014, showing location of known mineral occurrences. Modified from Mineral Resources Tasmania 1:25,000 digital geology.

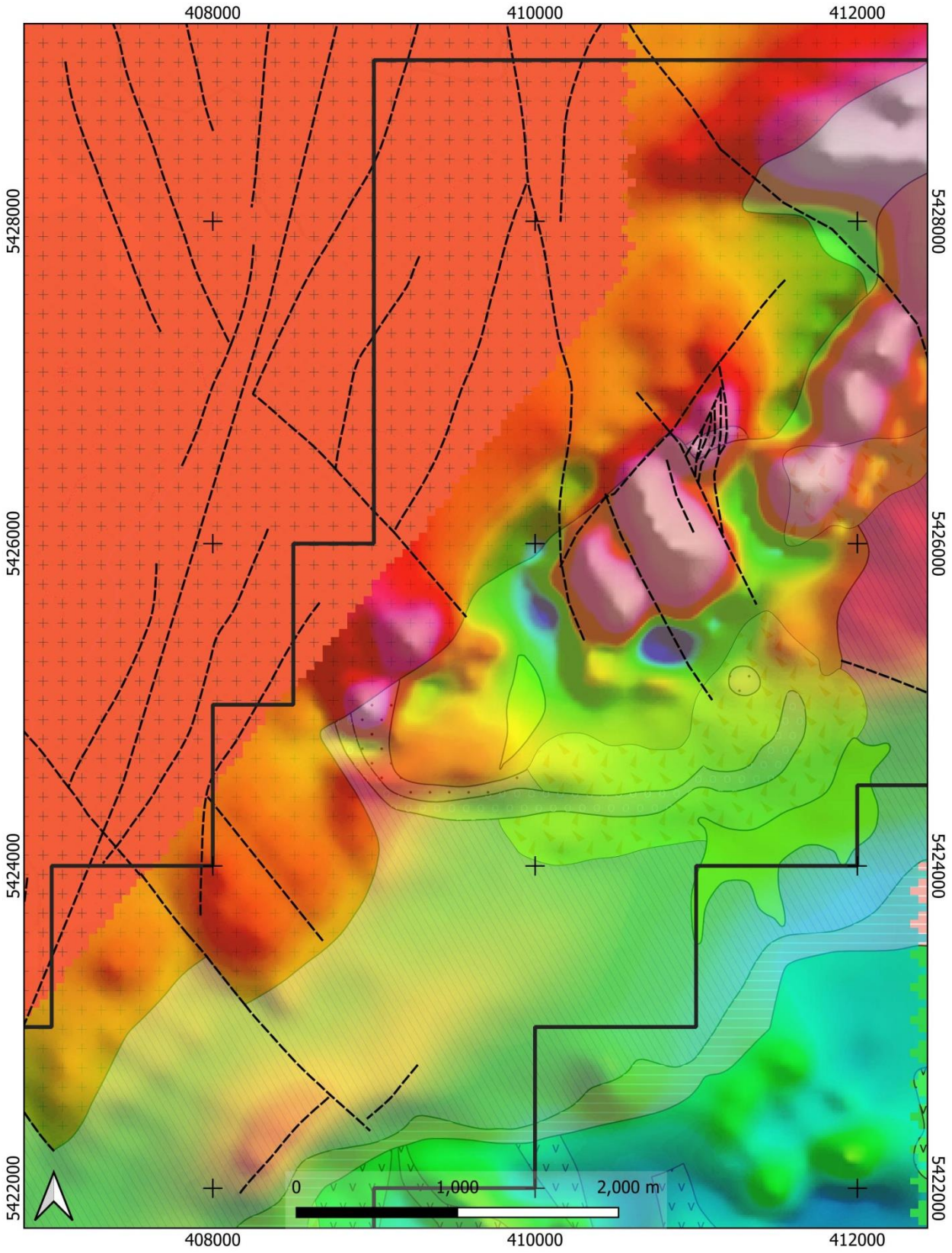


Figure 3: Mapped and interpreted structures within EL12/2014. Detailed interpretation in NE of area by Reid (2020), based on interpretation of drill results.

Previous Work

The following is partly taken from Reid (2020), who summarises and adds to Murphy and Bates (2009) and Hansen (2014).

Significant geophysics of note is the Comalco Redwater Creek IP and Bass Metals commissioned VTEM survey extending across, as well as north and south of the tenement (see Figure 3).

Comalco – Shell 1976 - 1981

Weste (1979) reported rock chip and auger sampling, with Sn to 490ppm and 1500ppm W in the latter. Comalco undertook grid based ground magnetics and IP in the Redwater Creek area.

Comalco drilled five diamond holes at Loyetea (RED1-5; see Figure 4) exploring for F, Sn & W. Comment and results follow:-

In RED1, analysis for Sn reached 150ppm and W reached 55ppm. Zn to 700ppm was returned. No other appreciable results were returned. There was poor core recovery over parts of the drill hole. The upper portion of the hole was logged as Tertiary breccias, whereas reported strained fabrics in clays and magnetite pebbles enables re-interpretation of these rocks correlating with the Puffers Creek / Loyetea Road fault zone.

Analysis in RED2 was more encouraging with Sn reaching 430ppm and W 760ppm. Zinc commonly hovers around 0.1% in most samples. Re-interpretation as largely faulted in the upper portion of the hole is warranted. Closer to the granite at depth is what reads as faulted but possibly near in-situ magnetite then calc-silicate altered skarn. Notably the sediments adjacent to the granite in the Loyetea Road section are missing.

RED3 drilled Tertiary Basalts with basal deep lead deposits, over highly weathered granite. The granite base is faulted and 2m of limestone at the end of hole may be a fault clast(?). Hole terminated in limestone. No sampling was undertaken but subsequent samples reported by Banwell (1982) were very low for Sn, W, Cu, Pb and Zn. Banwell (1982) notes that this hole was terminated early, prior to intersecting the magnetic anomaly on 6100N. RED5 tested the magnetic anomaly missed by RED3.

Banwell (TCR82_1784) reports further investigation of the Redwater Creek and Laurel Creek West prospects. Included further gridding extending south on the Redwater Creek Grid, but no soil sampling was undertaken due to extensive Tertiary basalt cover. RED4 testing an IP chargeability anomaly, was extensively sampled top to bottom of hole and returned nothing anomalous; Sn max 40ppm. No Fe analyses were undertaken. The basal 75m of this 349.6m hole possibly drilled down a fault.

Significant analysis from RED5 include 450ppm Sn, 150ppm W, 450ppm Zn, 0.23pm Au, 230ppm Bi and 31.8% Fe from magnetite skarn (167.8 to 168.2m). Fe values ranged from mostly 5 to 11, peaking at 34.4%. RED5 had a significant swing in azimuth toward holes end (261 to 283), which may

have been magnetite influenced. It's unclear if RED4 & 5 surveys are reported as true or magnetic north; actual drill logs are scantly reported.

Soil geochemistry was undertaken at Laurel Creek and Laurel Creek West with analysis for Cu, Pb & Zn. Ground magnetic at Laurel Creek West revealed a narrow anomaly targeted by drill hole PD1. This work is yet to be assessed.

Placer Exploration Limited 1988-1990

Placer Exploration identified areas of weakly anomalous Au in Laurel Creek and its tributaries through extensive stream sediment sampling, but could not locate the source of mineralisation through geological mapping or rock chip sampling. They concluded the gold may be associated with faulting along the granite/sediment contact, but the level of mineralisation was considered unpromising for nearby economic deposits (Ellis, 1990).

Jervois Mining 1997

Jervois drilled 4 RC holes for 378m with a best return of 20m @ 0.17% Zn from RW4. Drilling was problematic with high water flows, clay zones and cavities. Significant sample contamination was reported. At the Pilbeam Road Prospect, a target below and slightly north of RW3 was suggested to follow up anomalous Zn. RW1 returned little basemetal or Sn and W.

Bass Metals 2005-2009

Bass Metals conducted the most recent exploration on the area, including a 455.8 line km VTEM survey, geological mapping and modelling. Interpretation of VTEM data produced a large VTEM conductor coincident with a magnetic anomaly approximately 600m to the south of the Pilbeam Road mineral occurrence at a depth of approximately 250m. A 350m drillhole was proposed for this target, but it was not drilled prior to relinquishment of the property.

The magnetic high coincides with Tertiary basalts in the area. Although the upper basalts appear to be poorly magnetic, lower basalts are typically weak to moderately magnetic. Basalts are commonly underlain by Tertiary sediments, which have been noted in current drilling to contain rich magnetite clasts of up to cobble size.

The most likely source of magnetite clasts within Tertiary sediments is considered to be skarn altered calcareous Cambrian to Ordivician sediments, which may have been exposed during the Tertiary and subsequently eroded. The magnetic high reported as coincident with the VTEM high continues below Tertiary materials to the NE in what is thought to be a paleochannel. However, the magnetic feature does not continue to the SW, suggesting the identified VTEM anomaly may be the source of magnetite within Tertiary sediments. This would be considerably shallower than modelled, resulting in a smaller mineralised body. In the northern part of the property, Cambrian and Cambro-Ordivician sediments to the NW and SE of the Tertiary basalts are also highly magnetic, but these appear to be stratigraphic features.

Edrill Pty. Ltd. 2015-2020

Prior to this report, Edrill completed 6 diamond drill holes (totalling 1716.5m) on EL12/2014, and a ground magnetics survey of approximately 23 line km. The following from Reid (2020) describes activities to July 2019:

Edrill have drilled 4 diamond drill holes (totalling 1360.9m) and undertaken ground magnetics over the area totalling ~23line km, prior to the 2020 annual reporting year. Historic drilling data was digitised and incorporated with available GIS data to assist with further prospect and regional interpretation. Only cursory field geology was undertaken.

Drill hole LOY15-001 (EOH 500m) targeted a ~250m deep VTEM conductor, identified by Bass Metals (Murphy and Bates, 2009) as a potential copper rich skarn. No significant mineralisation was encountered (No. Analytical Samples = 6), however weak skarnification and calc–silicate alteration was evident immediately beneath the targeted 250m deep zone (~265 to 290m) at the down dip end of the modelled conductor.

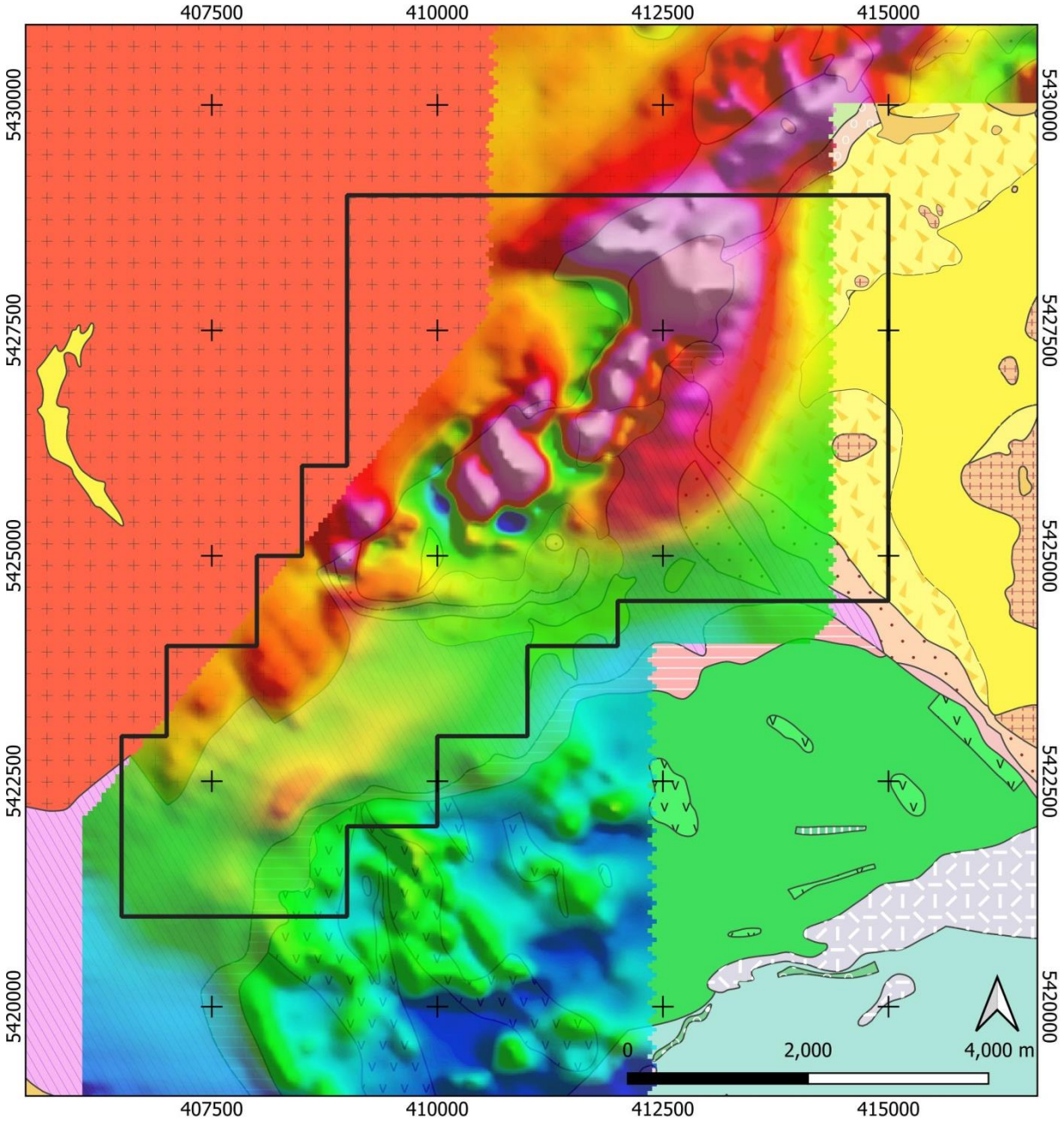


Figure 4: Bass Metals TMI data overlying MRT 1:25,000 digital geology. Magnetic highs generally appear related to specific geological units, including consistent pronounced and discrete highs associated with basaltic units and more continuous highs within Cambrian sediments and overlying Cambro-Ordivician sediments. The margin of the Housetop Granite shows as strongly magnetic, with interior zones moderately magnetic.

Drill hole LOY16-002 (EOH 169.6m) targeted a chargeability anomaly, ground magnetic high and rock chip of >50% Fe, including minor Sn (97ppm) and Zn (909ppm). Minor disseminated pyrrhotite (locally 2%) associated with weak pervasive silicification corresponded roughly with the IP chargeability anomaly at surface. No significant analyses were returned.

Drill hole LOY18-003 (EOH 353.3m) targeted a magnetic high and VTEM anomaly with no significant mineralisation intersected, although carbonate segregations and vein alteration was increasing towards end of hole. No significant analyses were returned from 3 samples.

Drill hole LOY19-004 (EOH 338m) targeting magnetite, Sn, W and base metal mineralisation was completed at Redwater Creek on 25/2/2019 utilising EDGI grant government co funding. LOY19-004 returned a significant granite contact magnetite-bearing skarn interval of 12m @ 22.76% Fe, 436ppm Zn & 166ppm Sn from 115.2m, including 7m @ 29.9% Fe & 631ppm Zn. The peak Fe analysis was 44.6%.

Table 1: Significant intervals in drill holes to 2020 with 500ppm Zn cut off. Note Edrill's LOY15-001 and LOY16-002 were only partially sampled.

Hole_ID	From (m)	To (m)	Interval (m)	Sn_ppm	Zn_ppm
LOY15-001	399.8	400.8	1	0	547
LOY16-002	7.6	8.6	1	26	1220
LOY19-004			12	166	436
RED1	58.29	60.7	2.41	108	664
RED2	2	6	4	110	500
RED2	25.7	38.8	13.1	216	1152
RW-1	68	72	4	8	674
RW-1	118	120	2	0	784
RW-2	75	76	1	18	1320
RW-3	16	20	4	25	538
RW-3	24	28	4	10	762
RW-3	52	72	20	14	1702
RW-4	26	38	12	24	962
RW-4	46	54	8	12	924

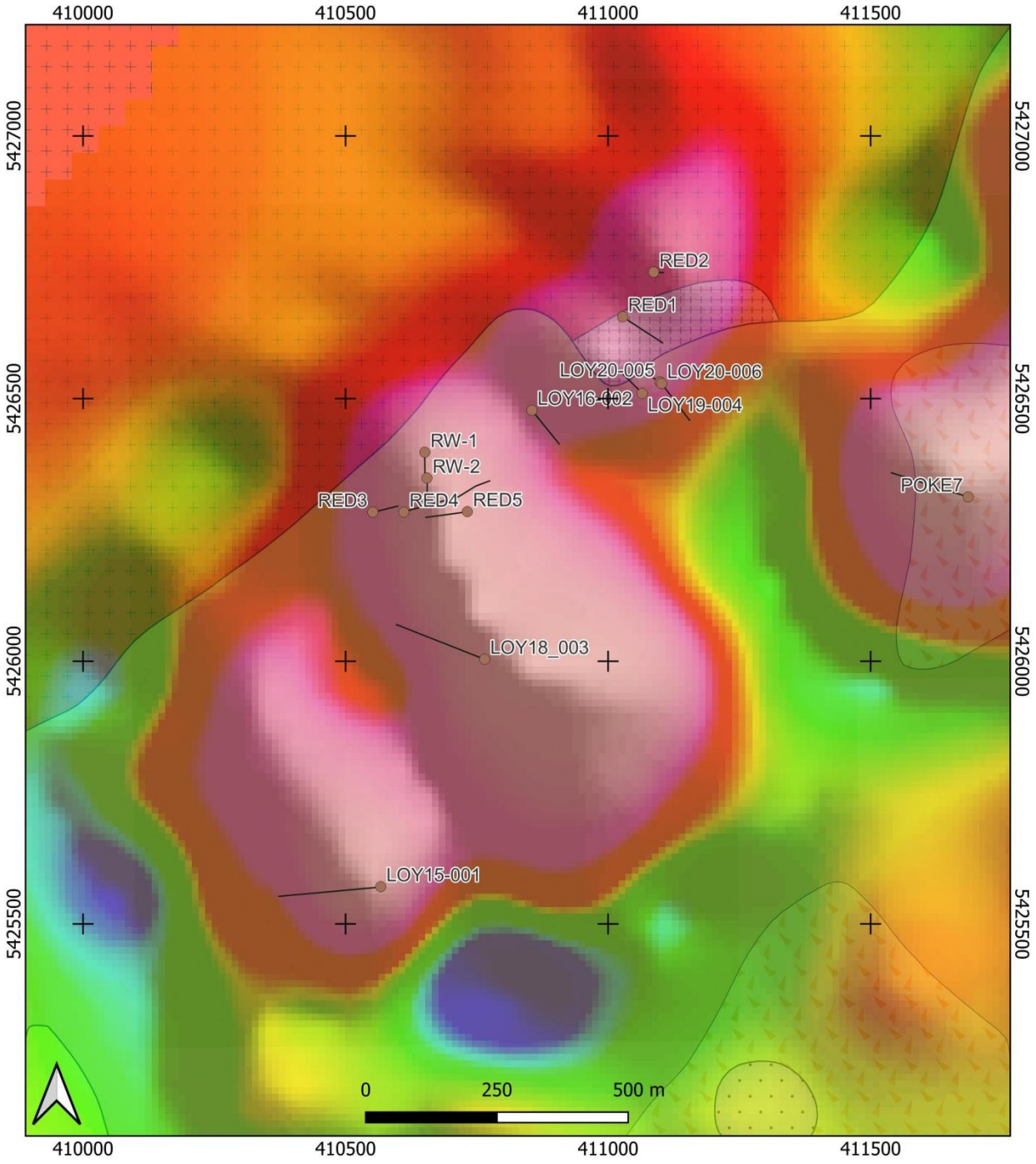


Figure 5: Location of drill holes within EL12/2014, with Bass Metals TMI data overlying MRT 1:25,000 digital geology.

Cursory drill core logging (also including RED1 to 3), was undertaken. The apparent basin folded pattern interpretation was further substantiated with orientated drill core structure measurements from LOY19-004. Interpretation highlights exploration potential for granite proximal fold axial skarn targets, possibly located within the Transition Beds between the Gordon Group limestone and Moina Sandstone equivalents.

From August 2019 to July 2020, Edrill completed diamond drillholes LOY20-005 and LOY20-006, for a total of 355.6m. The drilling was completed in April-May, but was not logged until after the

conclusion of the tenure year due to COVID related travel restrictions, and are subsequently described in the "Work Completed" section below. The drill holes are summarised in Table 2, with locations shown in Figure 2. During this year, part of the tenement was relinquished, reducing the area from 83km^2 to 40km^2, with the new tenement boundary as shown in Figure 1.

No surface sampling was undertaken during 2019-2020.

Table 2: 2020 diamond drillhole details.

Hole ID	E GDA94	N GDA94	RL	Azimuth	Dip	Depth	Commenced	Completed
LOY20-005	411099	5426532	403.8	309.7	-81.69	173.8	30/04/2020	8/05/2020
LOY20-006	411102	5426529	403.8	144.66	-59.99	181.8	11/05/2020	21/05/2020

Work Conducted

Work by Edrill in the period July 30, 2020 to July 29, 2021 consisted of geological logging and RQD measurements of LOY20-005 and LOY20-006. Although the holes were completed during the 2019-2020 tenure year, COVID-related travel restrictions prevented logging of drill core during that year.

A brief summary and interpretation of the drillholes is provided below, with a more detailed report provided in digital appendix 2. Figure 6 shows an interpretive section of drillholes LOY20-005 and LOY20-006.

Holes were selectively sampled, with a total of 25 samples selected from both holes (11 from LOY20-005 and 14 from LOY20-006), with sample intervals honoring lithological boundaries ranging from 0.35 to 2.8m in length. Significant results are shown in Table 3. Drill logs and assay results are provided in appendixes 5 and 7 respectively.

No surface sampling was undertaken during the tenure year.

LOY20-005

LOY20-005 was collared on April 30th and completed on May 8th at a depth of 173.8m. The hole was positioned to test for skarn mineralisation in calcareous sediments on the margin of the Housetop Granite.

Tertiary basalt and sediments containing magnetite gravel to cobbles composed the upper 31m of the hole, followed by grey to dark grey Gordon Limestone with minor disseminated sulfide. Occasional weak garnet and pyroxene skarn alteration occur parallel to low angle bedding. A large fault hosting limestone, skarned limestone and granite from 79-90m is followed by weakly chlorite-sericite-potassium altered granite with chilled margins and trace disseminated pyrite to 104.6m, followed by a continuation of limestone with occasional weak marbling and garnet skarn. A zone of intense magnetite-pyroxene-epidote skarn alteration overlies a weakly magnetic granite with a chilled upper margin at 113.2m. The granite has a faulted base as 122m, followed by poorly altered grey limestone to a faulted contact with coarse equigranular granite at 156m, which continues to the end of hole at 173.8m.

LOY20-006

LOY20-006 was collared on 8th May and completed on 21st May from the same drill pad as LOY20-005, at an azimuth of 145^{0}, and dip of -60^{0}, and was drilled to test an interpreted major fault zone in the area.

Tertiary basalt and sediments containing magnetite gravel to cobbles composed the upper 27m of the hole, followed by strongly altered, sheared and oxidised clays with rare mylonitic textures to 62m. Textures within the clays suggest this zone is composed of a mix of altered granite and sediment, with zones containing frequent quartz grains interpreted as intensely altered granite, and other zones containing relict textures of intrusive or extrusive rocks. Within this zone, a strongly sericite-illite altered unit bounded by pyrophyllite hosted disseminated molybdenite (316ppm), and anomalous Au (0.109ppm).

The shear zone is underlain by moderate to strongly silicified sandstone to fine conglomerate with patchy weak garnet alteration. Calc-silicate, garnet and minor pyroxene skarn alteration increase downhole, accompanied by an increase in pyrrhotite and a general increase in clast size. Quartz-

tourmaline veins within the conglomerate are typically accompanied by minor magnetite and pyrrhotite.

A minor interval of chilled granite with a faulted base from 145.8-146m is thought to be a faulted offset from the main granite, intersected at 147.7m. The granite has a chilled margin, becoming porphyritic away from the contact zone, and contains zones of variable sericite alteration. An aplitic zone with weak banding of very fine biotite occurs from 155-158m. Granite continues to the end of hole at 181.8m.

Table 3: Significant intervals from DDH LOY20-005 and LOY20-006.

Hole	From (m)	To (m)	Interval (m)	Au_ppm	As_ppm	Bi_ppm	Fe_%	Mo_ppm	Sn_ppm	Zn_ppm
Loy20-005	77.9	79	1.1	0.003	23.7	1.08	7.45	0.32	6.4	1280
Loy20-005	112.3	113.2	0.9	0.002	25.2	0.61	42	16.35	49.8	887
Loy20-005	122.15	122.5	0.35	0.001	35.7	2.88	17.2	1.3	197	209
Loy20-006	47.2	49	1.8	0.109	107	91.2	3.57	316	28.8	574
Loy20-006	49	50	1	0.014	18.4	26.9	7.82	5.66	8.6	1250

Interpretation

Holes LOY20-005 and LOY20-006 appear to have been collared immediately west of a paleochannel developed over relatively easily weathered highly sheared sediments, now occupied by Tertiary sediments and basalts. LOY20-006 drilled through this zone, revealing mylonitic textures suggestive of substantial movement. Orientation of drill core was not possible in this zone, but the zone is suggested to trend NE-SE and dip steeply to the NW. To the east of this structure lies siliceous Ordivician sandstone, grading into conglomerate with depth. These sediments have been weakly skarned by a minor granitic body which may intrude along the base of the conglomerate unit, immediately above Cambro-Ordivician sediments. Bathymetry data suggests the depth to granite increases rapidly to the south-east, and hence a large intrusive unit is thought unlikely.

To the north-west of the lineament lies Ordivician limestone, featuring normal faulting possibly associated with intrusion of the granite and variable skarn mineralisation associated with minor granitic sills and dykes. Skarn mineralisation occurs preferentially, as evidenced by weak garnet alteration along individual bedding planes, but does not appear to form strong distal skarn within the limestone, instead forming magnetite-rich exoskarn and moderate endoskarn at the intrusive contact.

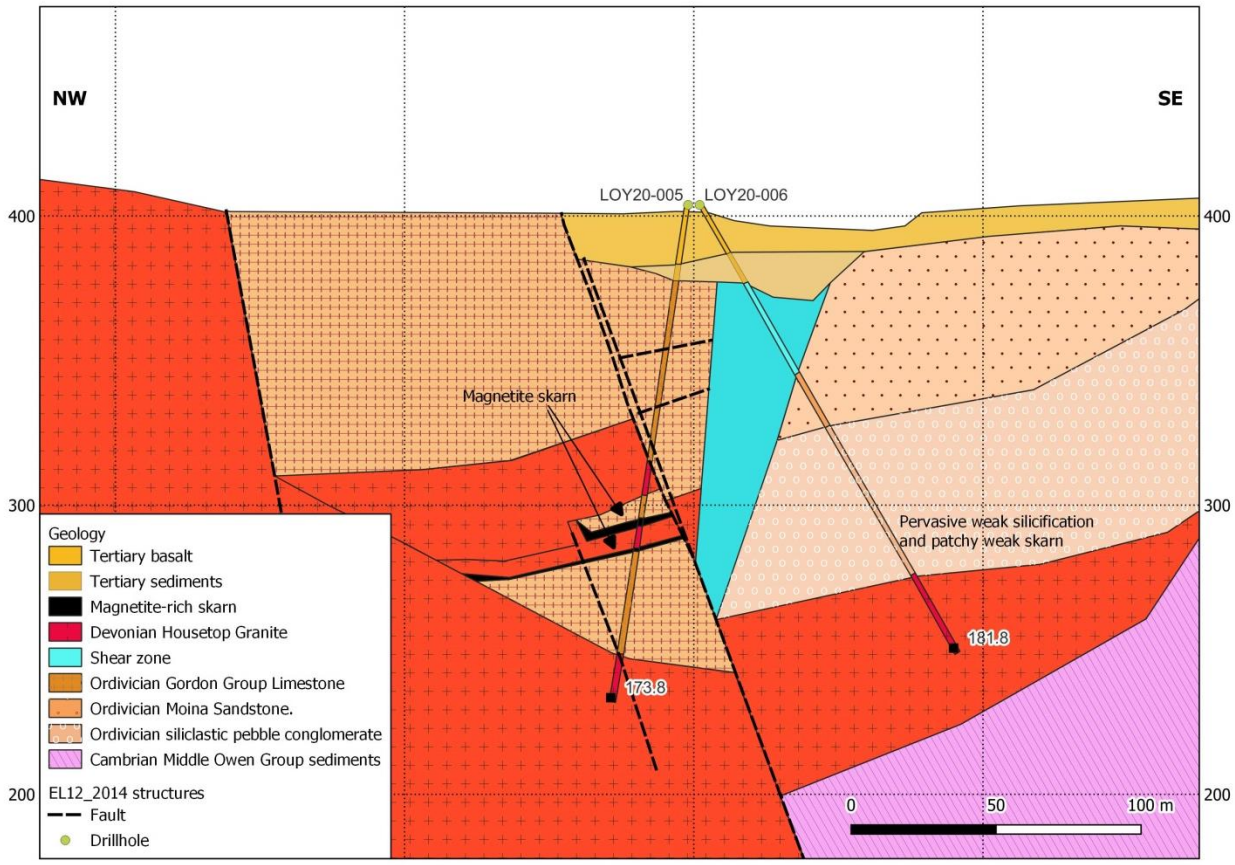


Figure 6: Interpretive geological section of LOY20-005 and LOY20-006, completed in 2020.

Proposed Exploration

Proposed future work for EL12/2014 includes:

- Compilation and analysis of all historic geochemical and geological data
- Geological mapping and ground magnetics of Cambrian sediments in the north of the property
- Drilling of two diamond drillholes

Data compilation:

To better assess whether VHMS or manto style mineralisation may be possible within the property, historic surface geochemistry and geological mapping data over the entire should be analysed to help locate any possible areas of interest for future attention.

Geochemistry is vital to prioritise specific areas of focus for potential VHMS mineralisation.

Tertiary and Quaternary cover create significant difficulties in exploration for manto/chimney style mineralisation. However, zones of deformity within the limestone coincident with elevated base metal geochemistry are potential areas of interest, particularly in the presence of distal skarn alteration minerals (i.e. wollastonite, diopside) and 'dirty' limestones. Chalcopyrite mineralisation is noted at mineral occurrences within the Housetop Granite, with elevated zinc observed within several drillholes on the margin of the granite. Manto-style zones of massive sulfides within the Gordon Limestone. The geophysical signal of such mineralisation would be difficult to distinguish given the presence of abundant magnetite and overlying magnetic basalts.

Hylogger:

Compilation work could be complimented by a detailed examination of rock alterations, in particular by utilising the MRT Hylogger over drill core. Subtle alterations not visible to the eye may be present in limestones, indicating the proximity of intrusive bodies or mineralisation, and could greatly assist with future planning of drillholes.

Geological mapping and ground or drone magnetics:

The magnetic signature of Cambrian sediments adjacent to the Housetop Granite in the northern part of the property is highly elevated. To date, this area has not been adequately investigated by Edrill. Mapping traverses complimented by approximately 20 line km of ground magnetics and rock chip sampling are proposed, as shown in Figure 7.

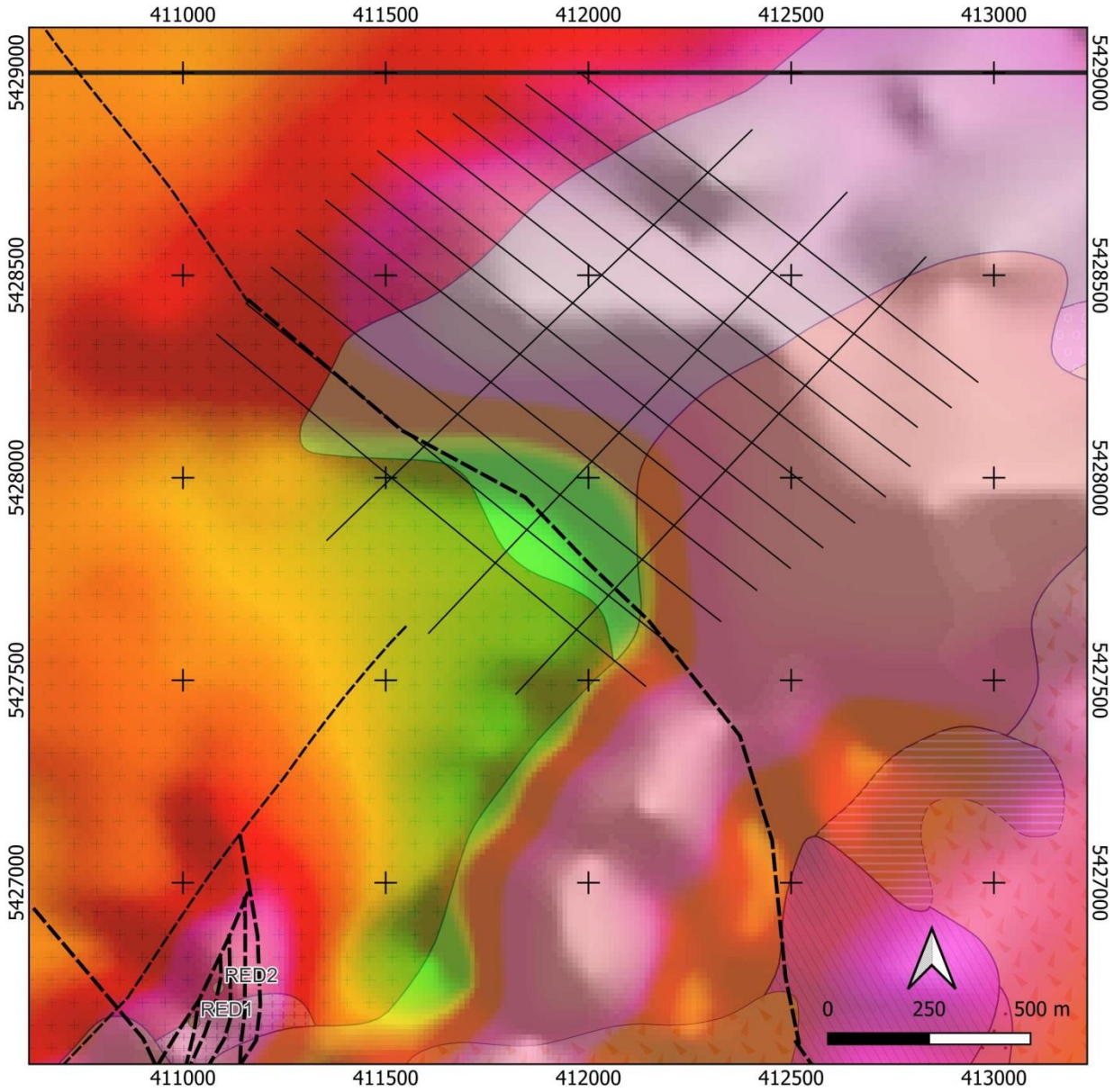


Figure 7: Proposed magnetics survey and geological mapping grid over Cambrian sediments adjacent to the Housetop Granite in the north of EL12/2014. NW-SE lines separated by approximately 100m, with three perpendicular lines to discern any NW-SE structures.

Drilling:

One diamond drillhole is proposed, as designed by Reid (2020):

Edrill propose an approximately 300m deep drill hole to assess an untested magnetic target to the east of recent drilling. The target represents a potential dextral offset from Redwater Creek magnetite mineralisation (Figure 3 & 4). The proposed drill hole plans to test the width of a magnetic high and coincident elevated VTEM anomaly (Figure 5), whilst projecting towards an inferred fault (Figure 6); the later possibly projecting more NW from Redwater Creek, rather than as shown. Significant advances in structural understanding of the south eastern Housetop Granite margin are an expected outcome.

Salient features also summarised in Figure 7 include:-

- *Peak of TMI, RTP and 1VD aeromagnetic anomaly and ground magnetic high*
- *Coincident VTEM conductors; moderate VTEM low frequency SF10 and weak SF15, as well as high frequency 34k anomalies.*
- *Resistivity low (/conductivity high) adjacent to target at IP survey eastern margin*

A Tertiary basalt origin for the magnetic anomaly is a possible outcome; however cursory mapping in the area reveals Ordovician sediments of significant extent. MRT 1:250,000 geological mapping is supporting, indicating that quartz sandstone and conglomerate talus derived from Owen Group correlates overlies much of the immediate target area (Figure 4). Whilst, Tertiary basalt is mapped rimming the area, suggesting that the magnetic target is pre – Tertiary aged.

The drill collar area will be accessed via existing forestry tracks in this recently logged area (Figure 7). A UDR200D truck mounted rig will be utilized, with triple tube drilling planned to provide the best recovery through potentially faulted and broken ground. Drilling is expected to start before November 2021, when drill crew and time are available.

Table 4: Planned drillhole details.

Hole ID	E GDA94 Zone 55	N GDA94 Zone 55	RL (m)	Azimuth	Dip	EOH
POKE7	411685	5426315	470	298	-60	300

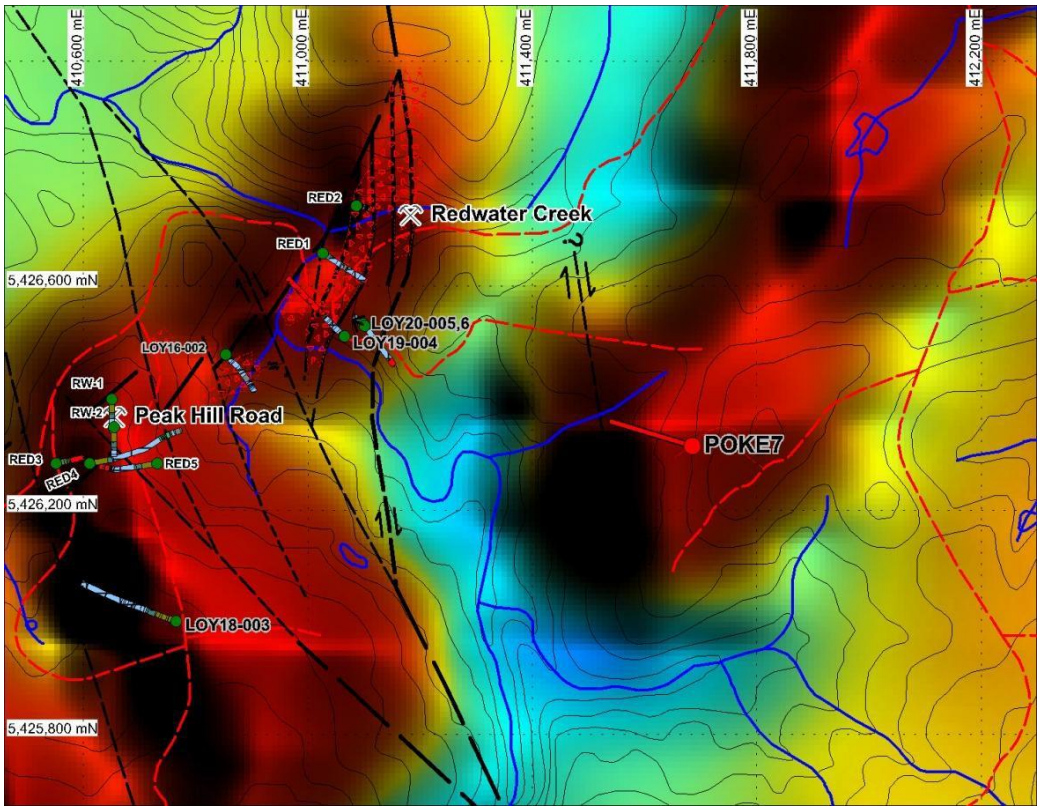


Figure 8: Planned drill hole POKE7 with known magnetite distribution (brown triangles) and interpreted structure over aeromagnetic TMI grid.

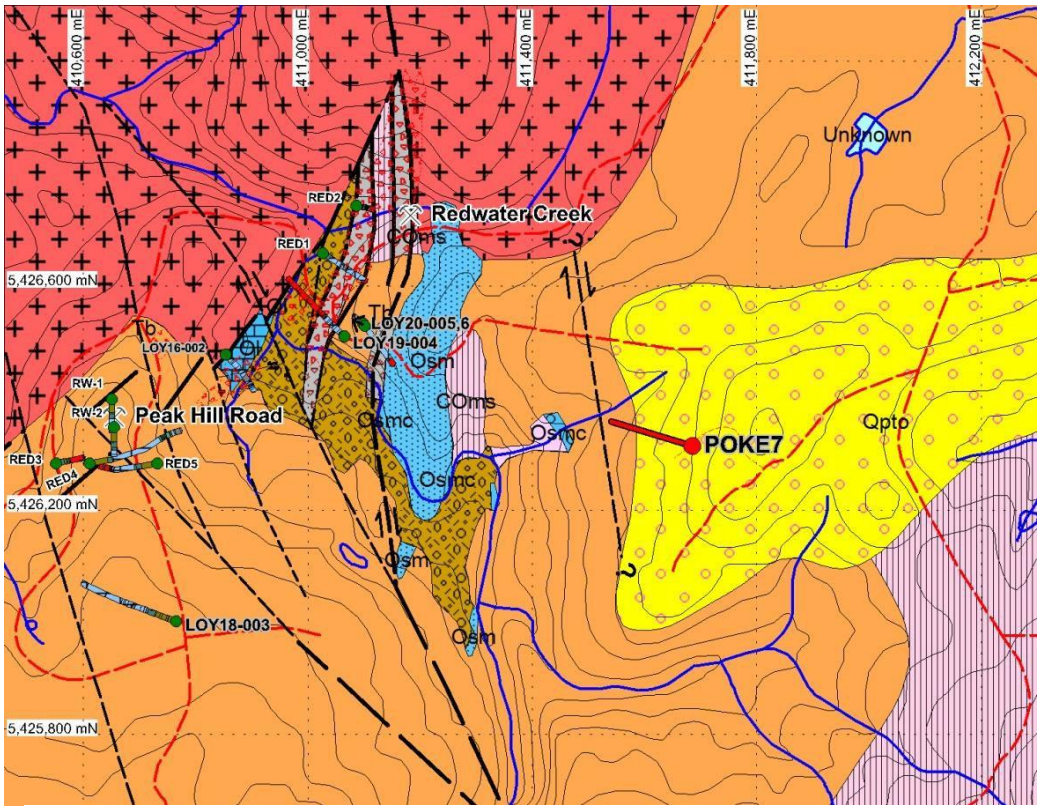


Figure 9: Planned drill hole POKE7 with modified MRT and in progress interpreted geology, known magnetite distribution (brown triangles) and interpreted structure. NB: highlights Qpto - quartz sandstone and conglomerate talus distribution in anomaly area.

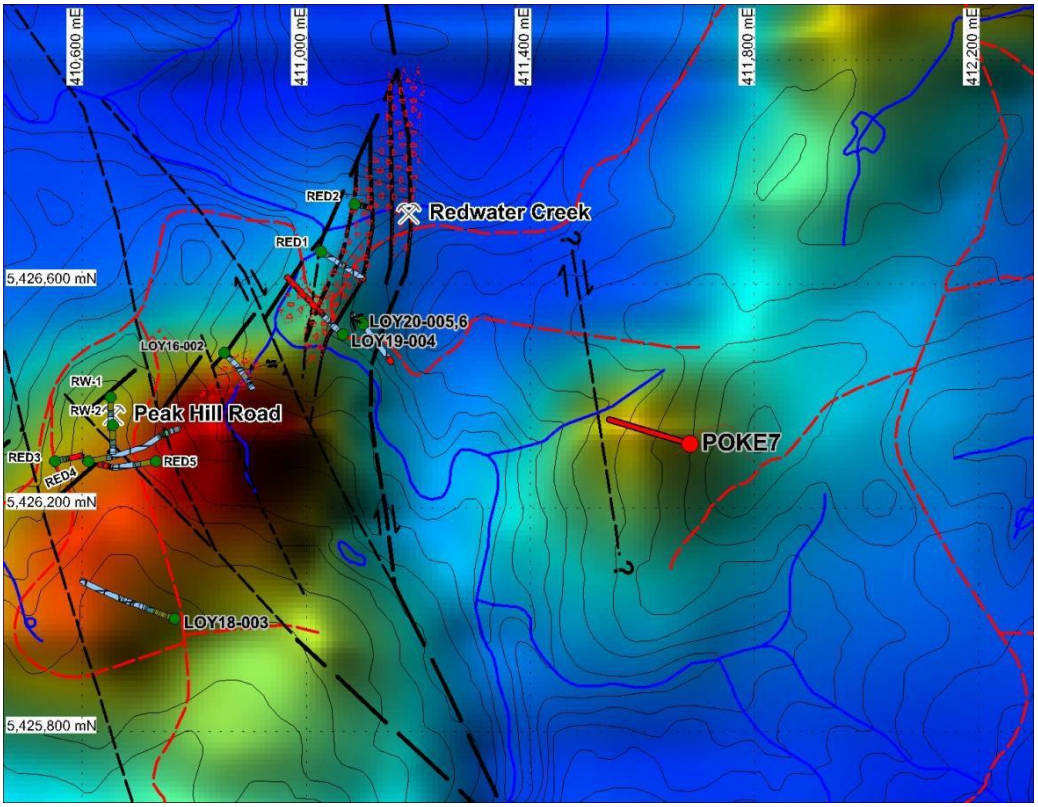


Figure 10: Planned drill hole POKE7 with known magnetite distribution (brown triangles) and interpreted structure over VTEM sf10 grid.

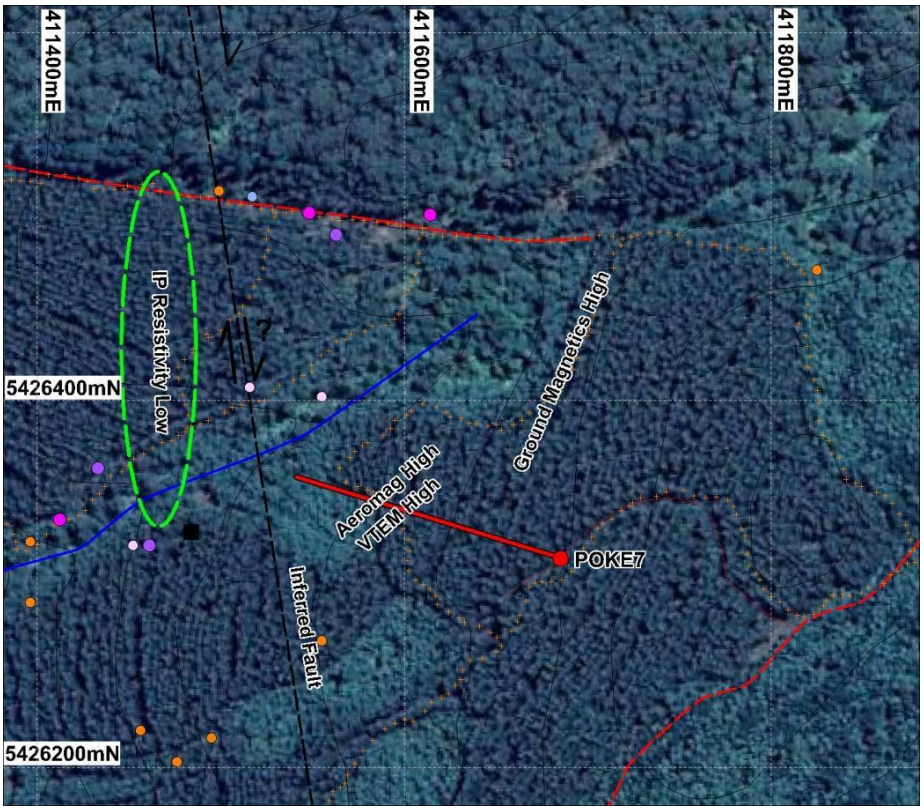


Figure 11: Proposed POKE7 drill hole with summary features over Google Earth image. Orange crosses highlight ground magnetic and forestry track distribution. Circles highlight known rock float and outcrop; pink = Ordovician & orange = Tertiary Basalt.

Environment

No work was completed on site in the period

Expenditure

Expenditure for the tenure period totalled $9,167.23, with details shown in the table below.

Table 5: EL12/2014 expenditure for the period 30/7/2020 to 29/7/2021.

Expense Type	Cost
1. Geoscience	
Geology	$ 4,856.00
Geochemistry	$ 2,155.23
Geophysics	
Remote Sensing	
2. Drilling and Gridding	
Gridding	
Drilling	
3. Land Access	
4. Rehabilitation	
5. Feasibility Studies	
6. Other	$ 2,156.00
7. Administration	
8. Total Exploration Costs	$ 9,167.23

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List of Digital Appendices:

Exploration Work Type	Filename	File format
Report	EL122014_202107_01_Report.pdf	*pdf*
Drilling	EL122014_202107_02 Drilling Report LOY20-005, LOY20_006.pdf EL122014_202107_03_SL_1.xls EL122014_202107_04_DS_1.xls EL122014_202107_05_DL_1.xls EL122014_202107_06_Lithologycodes.xls EL122014_202107_07_DG_1.xls EL122014_202107_08_A4COA_BU20297809_-9999-67511099.pdf EL122014_202107_09_RQD.xls	.pdf xls xls xls xls xls .pdf xls
File Verification Listing	EL122014_202107_10_FILELISTING.xls	xls