EXPLORATION LICENCE 22/2010

Concert Creek

Dundas, Tasmania

FINAL EXPLORATION REPORT

To 8 November 2021

Yunnan Tin Australia -TDK Resources Pty Ltd

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Co-ordinate system used in maps and diagrams within this report is MGA55 (GDA94), unless otherwise specified.

Abstract

This is the final report for all exploration work conducted by Yunnan Tin Australia between 2011 and 2021, with limited work for last two years of tenure, partially due to travel restriction caused by COVID-19.

Exploration targets in the licence include Devonian Pb-Zn vein style mineralisation similar to the historic South Comet Mine, and Cambrian Rosebery or Hellyer type, Zn-Pb-Cu-Au-rich VHMS mineralisation hosted by the Mount Read Volcanics (MRV).

During the tenure, work completed includes rock chip geochemistry, ground EH4 surveys, VTEM airborne survey and diamond drilling. The drilling is in southern part tenement with a total of 5 holes (2,412.6m).

The Cambrian Rosebery or Hellyer style VHMS mineralization in the northern part has not been drill-tested, although both EH4 and VTEM results have identified some targets in the area. While Devonian Pb-Zn vein style mineralisation in the south has been tested by diamond drilling with some encouraging results. Depth extension of South Comet mineralisation has been confirmed and can be further followed by a deep drilling program. Mineralisation intercepted in CC06 north of Kosminsky has shown both structure-controlled and replacement styles. Future exploration should test the significance of carbonate hosted sulphide mineralization in the area. However, the magnitude of mineralisation confirmed so far does not meet Company's expectation and the licence has been relinquished.

Exploration expenditure during the entire tenure is A$1,484,523 including an expenditure for the final year of A$55,245.

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1. Introduction

EL22/2010, Concert Creek, is located about 8km ENE of Zeehan and 6km SE of Renison Bell Tin Mine, on the west coast of Tasmania (Figure 1). The historic township of Dundas is located outside of the western boundary of the tenement. EL22/2010 is located within the Dundas 1:25,000 map sheet, with an area of 15 sq. km.

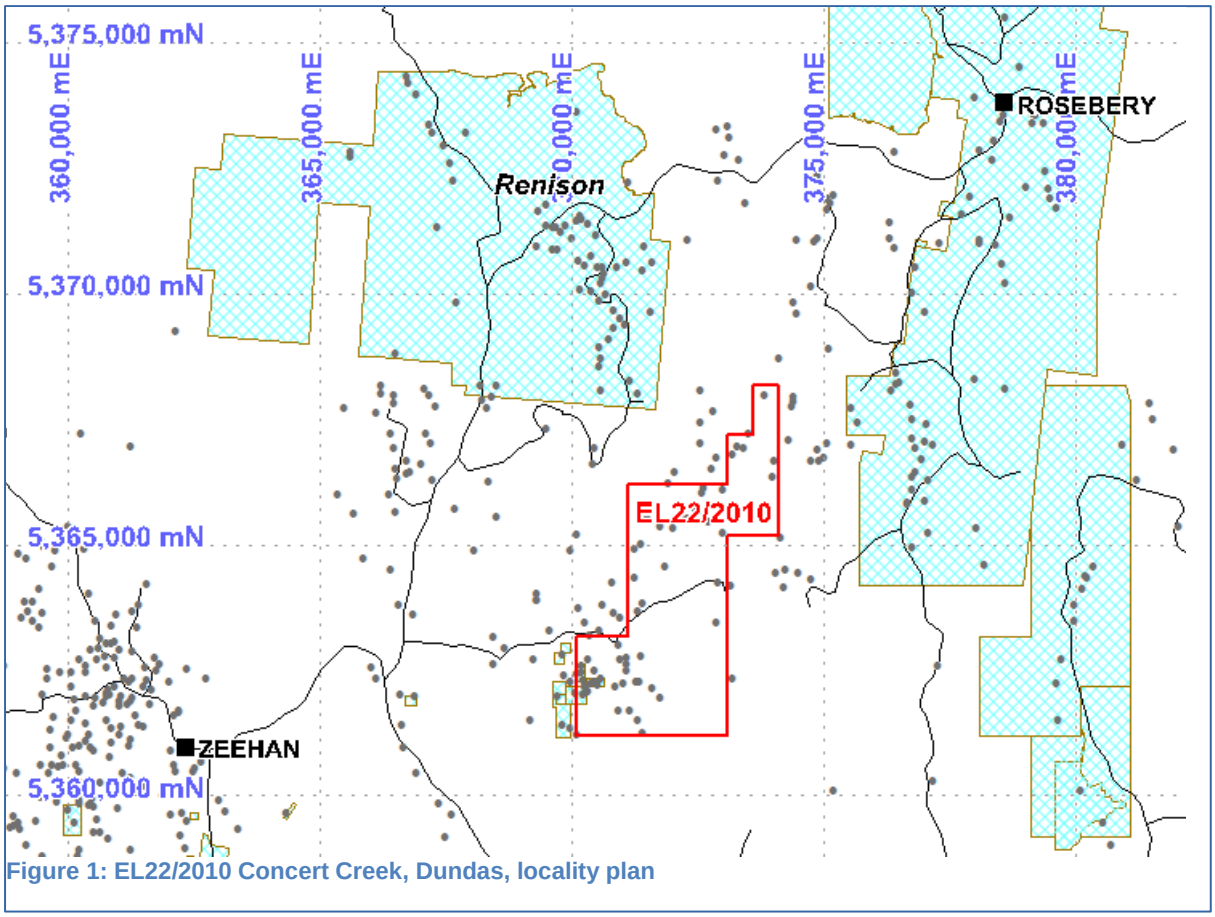

Figure 1: EL22/2010 Concert Creek, Dundas, locality plan

Yunnan Tin Australia's main targets in EL22/2010 are Devonian Pb-Zn vein style mineralisation similar to the South Comet Mine, and Cambrian Rosebery or Hellyer type, Zn-Pb-Cu-Au-rich VHMS mineralisation hosted by the Mount Read Volcanics (MRV).

1.1. Access

The southern region of the tenement area is accessed via the Dundas Road, off the Murchison Highway. The Dundas Road is an all-weather unsealed road providing access to

areas including the historic South Comet mine, near the southern boundary of the tenement (Figure 2). Old exploration tracks branching off the Dundas Road provide easy foot access to a few locations, but they require clearing in order to allow vehicle access.

Access to the northern region of the tenement is more limited, with a few forestry tracks that are accessible from Williamsford (via the Murchison Highway near Rosebery).

The land within EL 22/2010 is predominantly steep hilly country with a variation in altitude of between 250m above sea level in the western part of the tenement, to about 1,100m in the south-eastern corner towards Mt. Dundas.

1.2. Land Use

The majority of the land in the Concert Creek area is classified as either Forestry Reserve or Regional Reserve, and is set aside for logging (Figure 3). A small slice of private land is located in the south-west corner, but only a small portion is cleared (Curnow, 2008).

The area also encompasses a number of small mining leases based on the historic mines located in the southern part of EL 22/2010 (Figure 3).

2. Tenement Details

Exploration Release Area (ERA) 816 was offered for tender by Mineral Resources Tasmania following the relinquishment of EL51/2007 held by Central West Gold NL.

The licence was granted as EL22/2010 on 9th November 2010 to Yunnan Tin Australia – TDK Resources Pty Ltd for a period of five years.

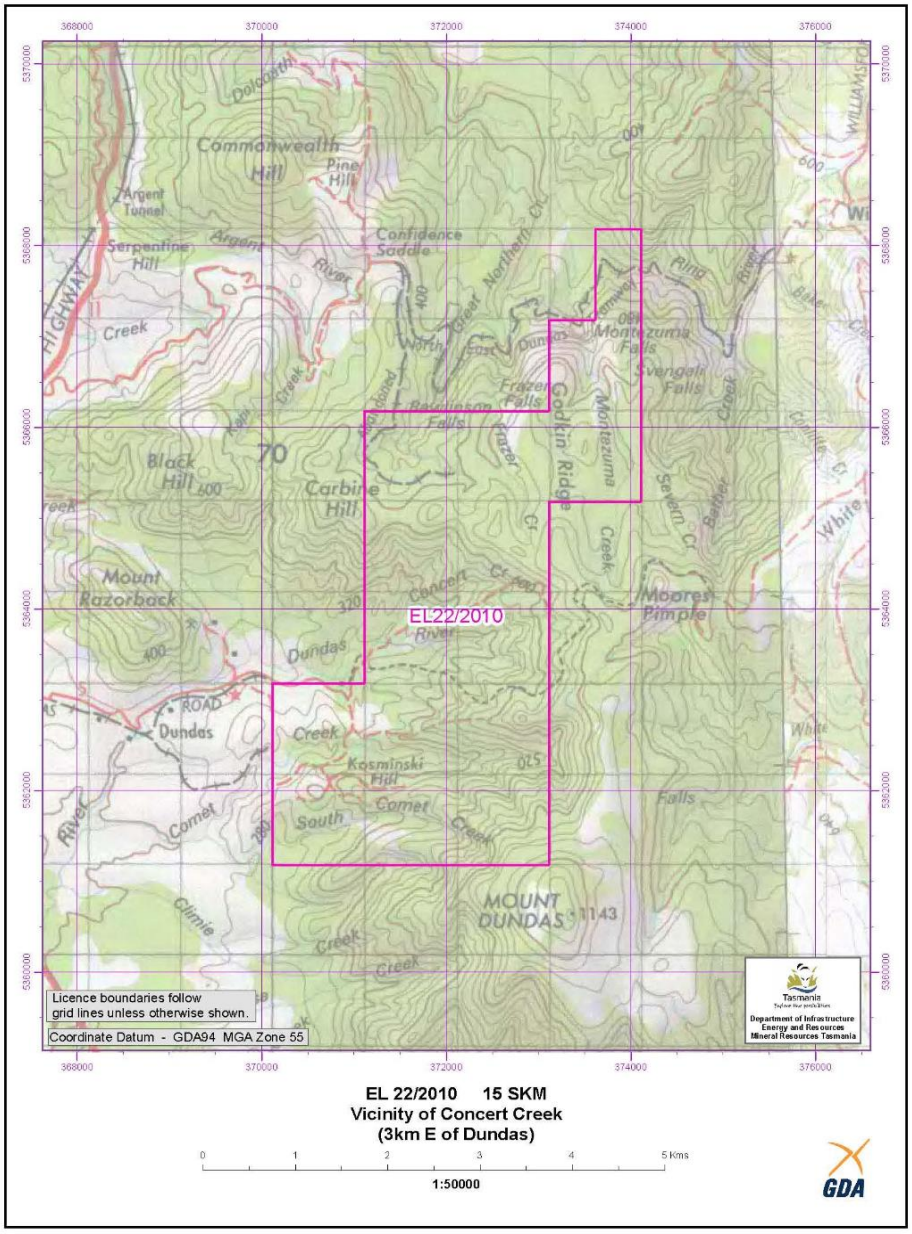

Figure 2: Location of EL22/2010

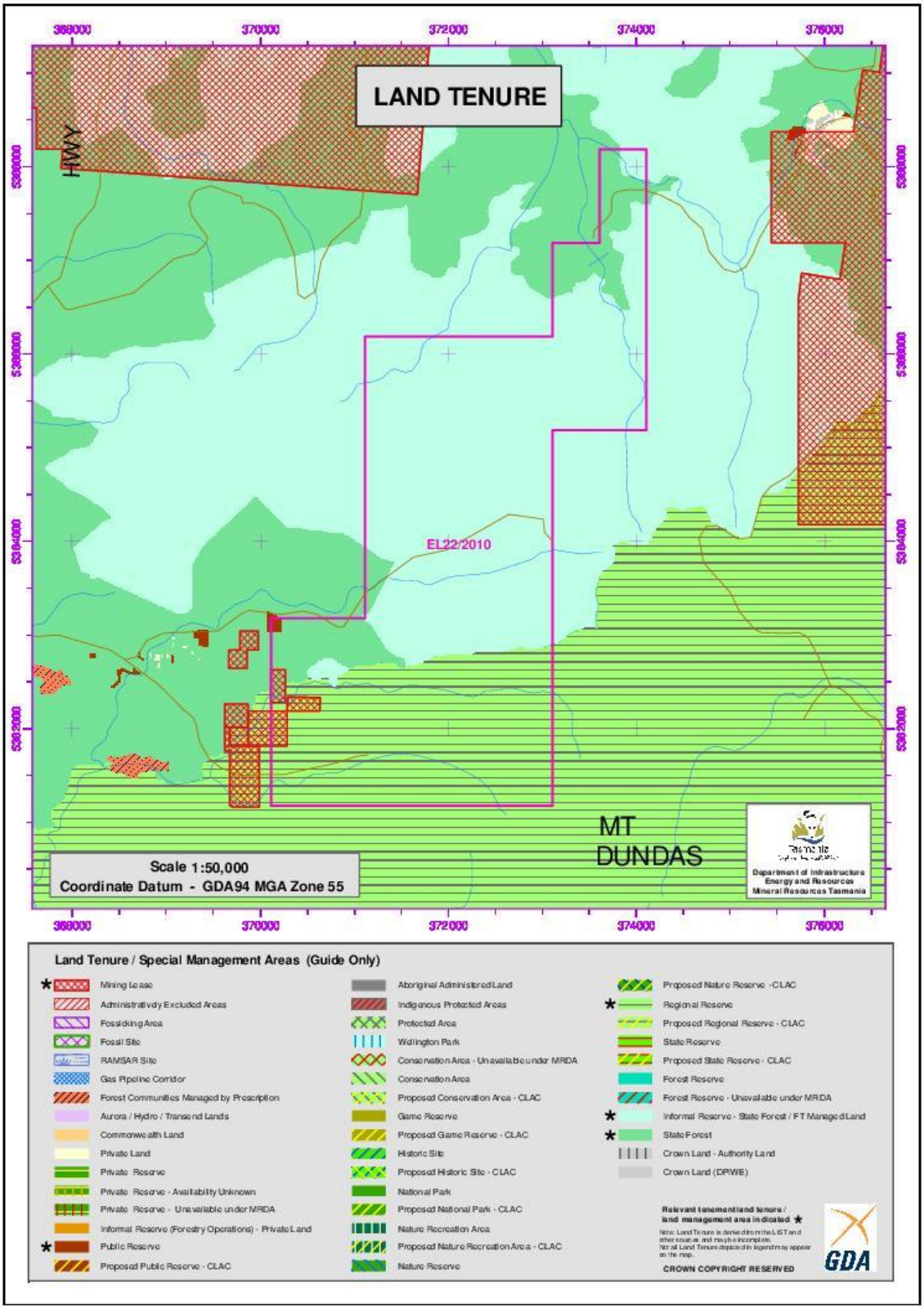

Figure 3: Land Tenure EL22/2010

3. Geology

3.1. Regional Geology

EL22/2010 is located within the Dundas Trough in western Tasmania, within western volcano-sedimentary sequence of the mid- to late-Cambrian Mt Read Volcanics. Mt Read Volcanic Formation which is mostly comprised of marine, sulphide rich, faulted sequences of altered conglomeritic sandstone, acid volcanics, tuff and shale.

In the Concert Creek area, two sections of the Mt Read Volcanic Formation are separated by the Dundas Trough, a sequence of Late Cambrian marine sediments dominated by the Owen Group and is bounded by the Marionoak and Rosebery fault zones (Curnow, 2009).

In the south of EL 22/2010 lies an inlier of Pre-Cambrian meta-sediments that have been mapped as part of the Oonah Formation, a suite of basal mafic rocks that are fault bounded and are in most part overlain by the Mt Read Volcanics and the Dundas trough (Parfrey & Simpson, 1999).

3.2. Local Geology

The geology in the southern half of the tenement area is dominated by the Pre-Cambrian inlier which has been called the “Comet inlier” and is comprised mostly of low grade pelites, basic volcanics, manganiferous slates and quartzites.(Figure 4) The inlier is dominated by a unit of mica phyllite with subordinate micaceous quartzite and is known as the Concert Schist (Curnow, 2009).

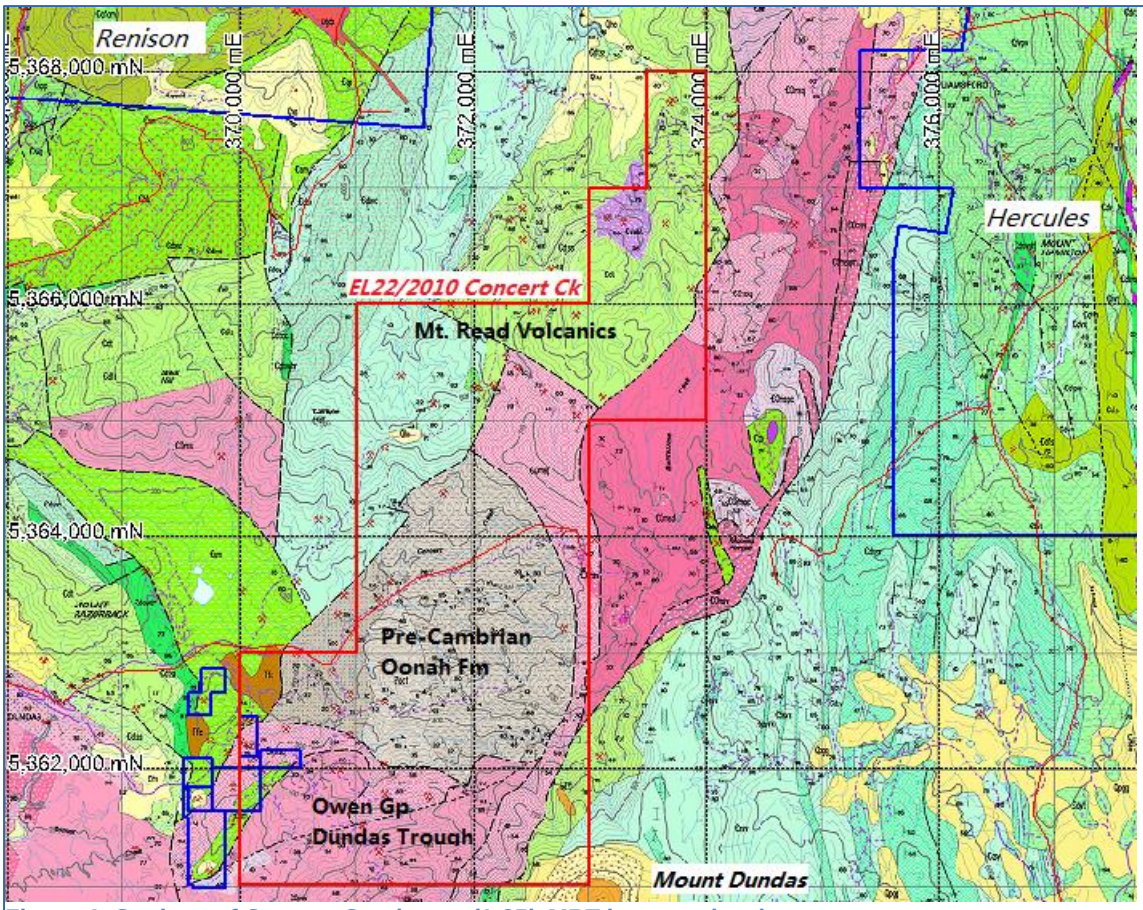

Figure 4: Geology of Concert Creek area (1:25k MRT base geology)

The rest of the southern half of the licence area is predominantly made up by the Dundas Trough, a series of epiclastic and volcaniclastic sediments of the Owen Group, dominated by a marine volcano_sedimentary sequence of turbidites, conglomerates and siltstones, as well as felsic volcaniclastic sediments (Curnow, 2009).

The northern half of the tenement is underlain by Mt. Read Volcanics, with western volcano-sedimentary sequence lithology in the west and Tyndall Group in the north (Figure 4).

The licence area is structurally complex, making the determination of age relationships between the various stratigraphic units difficult, with most of the geological units appearing to have faulted contacts. Shearing and faulting is often preferentially taken up by the more mafic and shale dominated units, thereby complicating stratigraphic relationships. The main folds generated during the Devonian include the Huskisson Syncline, north west of the Dundas licence. The Renison Anticline lies to the west of the licence, and the Dundas Anticline is located to the north-west of Mount Dundas where it folds the Oonah Formation (McNeill, 2003).

Faulting appears to be closely associated with most of the mineralised systems. Generally, there are two prominent groups of faults, a NNW trending steeply dipping set with limited dip slip to oblique slip movement and a steeply dipping NE trending set with more significant displacement. A true estimate of the amount of displacement along these NE trending structures is difficult to quantify mainly due to a lack of recognisable marker beds. The NE faults often occur along margins of the mafic – ultramafic complexes, whereas the NNW faults are more generally confined. These faults and the Cambrian thrusts (including the Rosebery Fault) also acted as zones of structural weakness during the Devonian, which resulted in further mineralisation and partial remobilisation of Cambrian ore (McNeill, 2003).

4. Review of Previous Exploration

The area of EL22/2010 has had a prolonged exploration history for base metals, tin and more recently gold. It is estimated that as many as 100 drill holes have been collared on the EL aimed at a variety of geological, geochemical and/or geophysical targets. Modern exploration commenced in the 1930's and, comprehensive summaries of previous exploration have been provided by many authors, including Ellis (1983), Crossing and Halley (1990), Weber & Murphy (1997) and Hicks (2007).

Within EL22/2010 and in the immediate surrounding areas, there are numerous historical workings dating back to the turn of the last century, with many more prospects developed in the Dundas mineral field over time (Figure 5). Mineralisation styles range from Devonian Pb-Zn-Ag veins (Comet, Kosminsky), Devonian Sn-Cu-As veins (Greens, Frazer), Late Devonian replacement zones of Sn-Cu-As-W (Clifton, Colebrook Hill Skarn) to Quaternary placer Au-Sn (Laffer's Workings, Cornish Workings) (Hicks, 2007).

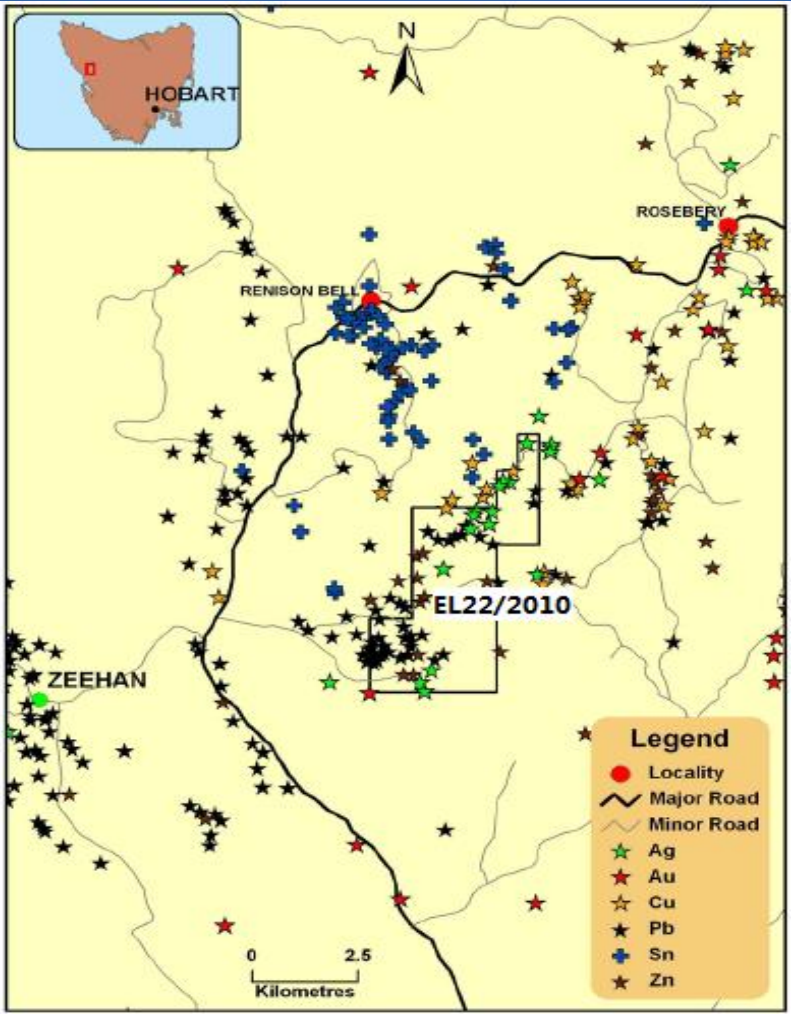

Figure 5: Mineral occurrences in the region (after Curnow 2008)

The principal mineralising event in the Dundas area was associated with the hydrothermal fluids that accompanied the Devonian granite intrusions. Mineralisation in the Dundas field is patchy and low grade. The occasional ore shoots are erratically distributed within the controlling structural features are small and alternate with low grade or barren sections. Despite intensive exploration since the 1930's, only small deposits have been located. The largest of these were the Kosminsky – South Comet mines which contained up to 60,000t @ 8.4% Pb, 7.4% Zn and 248 g/t Ag. The mineralisation at South Comet comprises a series of lenses within a well-defined shear zone, with true widths ranging from 0.75 – 2.5m thickness (Hicks, 2007).

Curnow (2008) has summarised past exploration with the Concert Creek tenement in a chronological order, which is included below for reference.

Galena was first discovered at Dundas in 1887 and a number of mines were established in the area. By 1913 most mines had ceased production and a production of 25,050 tons of lead, 629.5 tons of zinc and 1.82 million ounces of silver was recorded (Crossing & Halley 1990).

Little work was done in the area between 1913 to 1960 except for 3 diamond holes being drilled at the West Comet workings by the Mines Department in the 1930's.

Modern exploration in the Dundas region began in 1959 when BHP explored the region using geophysical techniques but found their results to be inconclusive except for areas over known mineralisation. This led to BHP withdrawing from the area without carrying out further exploration.

Placer explored the area between 1964 and 1966 and carried out mapping, sampling, geophysics, diamond drilling and the driving of adits though most of this work was not on ground covered by EL22/2010.

Between 1966 and 1971 New Consolidated Gold Fields of Australia explored the North Dundas region (EL61/1971) and carried out mapping, soil geochemistry and ground magnetics. A coincident Sn-As-Cu soil anomaly was outlined along the Montezuma Fault and it was costeaned. The costean exposed stanniferous sulphides associated with a shear zone but was not considered anomalous enough to be drilled.

In 1968 Geophoto Resources were granted EL7/68 at Dundas and they completed airborne EM, detailed mapping, soil and rock-chip sampling, ground geophysics and drilled 79 diamond holes.Geophoto also undertook underground sampling at the Great South Comet mine and the Kosminski Hill workings and outlined a resource of 60,000t @ 8% Pb, 7.4% Zn

and 8oz Ag with the potential of an extra 300,000t of ore.An evaluation by RTZ found that the resource overstated the actual figure and downgraded it.

CSR Ltd were granted EL15/76 in 1976 and preceded to carry out a regional stream sediment survey which was followed up with airborne and ground geophysics, soil geochemistry and 7 diamond holes.

In 1982 Getty Oil and EZ went into a JV with CSR over the North Dundas area and another 4 diamond holes were drilled including MZP261 which included Pb Zn mineralisation from 60 to 110 metres and included grades up to 1.33%Pb, 5.10%Zn, 0.33%Sn & 51 g/t Ag. Hole MZP261 is located inside EL22/2010.

Between 1979 and 1984 Minops Pty Ltd held a tenement that partly covered the northern edge of EL22/2010 and explored for tin. Work included 6 diamond holes and resulted in an inferred resource of 300,000t @ 0.9% Sn though the resource lies outside EL22/2010.

RGC Exploration Pty Ltd were granted a number of EL's in the Dundas region and carried out rock-chip sampling which highlighted a number of anomalous areas. From this work it was decided to map and sample all the old workings in the two licence areas and RGC came up with the following conclusions:

- All areas of mineralisation were of a narrow steeply dipping vein style with NNW or NNE orientations.
- Had 4 mineral assemblages.
- Qtz-pyrite-arsenopyrite infill breccia
- Vuggy milky white qtz with arsenopyrite+/- cassiterite
- Massive siderite veins with pyrite, chalcopyrite, galena, sphalerite and tetrahedrite mineralisation
- Veins of jamesonite
- Most deposits polyphase and polymetallic.
- Silver, lead and zinc are widely distributed.
- Evidence that Sn & Au+/- Bi are clustered in a NNW corridor near the Montezuma fault near Greens Prospect (and adjacent to EL 22/2010).
- A number of base metal prospects occur as replacement bodies in siderite lodes along the margins of altered serpentinite bodies.

Pasminco held the area covered by EL22/2010 (and later Zinifex) who were granted tenure to EL 21/1996, and held the licence until 2001. In 2001 Pasminco applied for, and was

granted EL 11/2002 which covers part of the area of former EL 21/1996, and held this ground until 2007.

Pasminco's work was broken up into stages and included:

- Historical data collection, reconnaissance mapping and GIS compilation.
- Airborne EM survey & target generation.
- Detailed interpretation of EM survey & drill testing.
- Soil sampling of a number of anomalies (both in & outside of EL22/2010).
- Gridding & ground EM survey of priority targets.
- Diamond drilling

Zinifex concluded that they would be unlikely to find a "Pasminco" sized deposit (10 Mt @ 20% Pb+Zn) and relinquished the ground.

The most recent company exploring the area was Central West Gold NL, under EL51/2007, from 2007 to 2009. Only very limited work was carried out during the tenure, including 9 rock chip samples.

5. Summary of Exploration Work Completed During Tenure

During the tenure, work completed includes historical data compilation, field excursions, limited rock chip geochemistry, ground EH4 surveys, VTEM airborne survey and diamond drilling over southern part tenement area of 5 holes totalling 2,412.6m.

The table below gives a chronological summary of exploration work conducted and major outcomes.

Table 1: Summary of exploration work conducted during the tenure

Year	Work Conducted	Results
2011	rock chip sampling and ground EM geophysics (EH4) survey.	Work carried out suggested that northern half of the tenement area is prospective for VMS Cu-Pb-Zn mineralisation, while in southern area exploration targets should be epithermal Cu-Pb-Zn deposits. EH4 survey at southern part of tenement suggests that there some conductors in the area,
2012	Drilling program permitting and access track access construction.	
2013	VTEM airborne geophysical survey and a diamond drilling program were completed	Preliminary interpretation of VETM data over EL22/2010 has identified a number of conductors. Diamond drilling has included two diamond holes (CC0_5 and CC0_3) in Great South Comet to Kosminsky mine area, for a total of 1,335 meters. A number of sulphide veins were intersected throughout the Hole CC0_5. Best intersections include: • 1m @ 9.1% Pb， 9.6% Zn; （93-94m） • 1m@ 1.7% Pb, 0.5% Zn; (100-101m) • 5m @ 1.6% Pb， 2.1% Zn; （438-443m）
2014 & 1015	A VTEM airborne geophysical survey interpretation report was compiled, and recently a fauna and flora survey was carried out at a proposed drill site at Kosminski Hill.	Four Maxwell plate modelling target zones (MX1 – MX4) were defined.
17	Drill hole CC-06 was targeted on interpreted VTEM plate L4600_MX1_T2 and was completed in July 2017 to a downhole depth of 272.2m.	No significant mineralisation was intersected
2018	Drilling planning.	
2019	Two drill holes, SCD001 and SCD002 were drilled for a total of 805.4m to test for depth extensions beneath the South Comet mine workings.	Two main sulphidic zones were encountered in SCD001, a siderite-altered weakly sphalerite and galena mineralised shear/breccia zone from 163 – 166m yielding 3m @ 2.0% Pb, 2.45% Zn and 84ppm Ag; and a coarse-grained galena veined siderite zone from 249 – 251m yielding 2m @24.1% Pb, 1.48% Zn and 650ppm Ag.The most significant mineralised intersection in SCD002 was from 247-251m in a siderite breccia vein containing coarse-grained galena and sphalerite yielding 4m @ 5.5% Pb, 2.52% Zn and 67ppm Ag.
2020 & 2021	Limited work was conducted due to COVID-19.	

6. Discussion and conclusion

The Cambrian Rosebery or Hellyer style VHMS mineralization in the northern part has not been drill-tested, although both EH4 and VTEM results have identified some targets in the area. While Devonian Pb-Zn vein style mineralisation in the south has been tested by diamond drilling with some encouraging results. Depth extension of South Comet mineralisation has been confirmed and can be further followed by a deep drilling program. Mineralisation intercepted in CC06 north of Kosminsky has shown both structure-controlled and replacement styles. Future exploration should test the significance of carbonate hosted sulphide mineralization in the area.

However, the magnitude of mineralisation confirmed so far does not meet Company's expectation and the licence has been relinquished.

7. Environment

Yunnan Tin Australia TDK Resource Pty Ltd has environmental policies in place to always ensure minimisation of the impact that exploration activities have on the environment. All exploration activities have followed guidelines by authority.

Most surface disturbances by exploration activities have been rehabilitated as required, with only the drill pads of SCD001 and SCD002 near South Comet mine to be rehabilitated. At the time of writing, rehabilitation work for those two drill pads has been scheduled for late February or early March 2022.

8. Expenditure Statement

Expenditure for the final year to 8/11/2021:

Expenditure	$
Geology	49300
Geochemistry	
Geophysics	
Remote Sensing	
Gridding	
Drilling	
Land Access Costs	
Rehabilitation Costs	
Feasibility Study Cost	
Other Cost	932
Administration Cost	5,023
TOTAL	**$55,245**

***Table 2**: EL22/2010 Expenditure for the final year of tenure*

Exploration expenditure during the entire tenure is A$1,484,523 including an expenditure for the final year of A$55,245 above.

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