

Loyetea EL12/2014

Annual Report

For: Edrill Pty. Ltd.
August 2022

Summary

This Annual Report for Loyetea (EL12/2014) details work completed by Edrill on the licence from July 30, 2021- July 29, 2022. Work included compilation and interpretation of historical data, geological mapping of the contact zone between Mt Read Volcanics sediments and the Husetop Granite, and planning for a drone magnetics survey. Although outcrop was generally poor, mapping work located several outcrops with minor disseminated sulfide within the mapped area of the granite, while historic stream sediment geochemistry suggests elevated Sn and W in the vicinity of this contact zone which has not been tested by subsequent rock sampling programs. Better defining the geology here and in the vicinity of several listed mineral occurrences within the granite which are proximal to elevated to anomalous historic Sn, W, and F stream sediment samples will be a focus of work in the upcoming year.

A drone magnetics survey had been quoted for this area, with the survey intended to be completed in the subsequent anniversary year, with the intention of this survey locating the intrusive contact under cover, as well as define a magnetic feature within the Mt Read Volcanics sediments for possible testing at a later date.

Drill core was planned to be scanned by Hylogger in the current year, but this will now also be completed during the anniversary year.

Other planned work for the upcoming year includes drilling 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.

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Introduction

This report details exploration activities completed on the Loyetea (EL12/2014) property during the period 30/7/2021 to 29/7/2022. 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 83km² to 40km², with a further reduction in size to 22.5km² in September 2021.

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 included geological mapping, interpretation of historical data, and planning of a drone magnetics survey.

Recommendations for future work includes drilling of one diamond drillhole to test geophysical anomalies, completion of drone magnetics over the northern part of the granite contact with sediments, Hylogger analysis of select drill core from previous drill programs, and follow-up mapping and sampling of sediments located within the mapped margins of the Housetop granite and anomalous historic stream sediment samples.

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

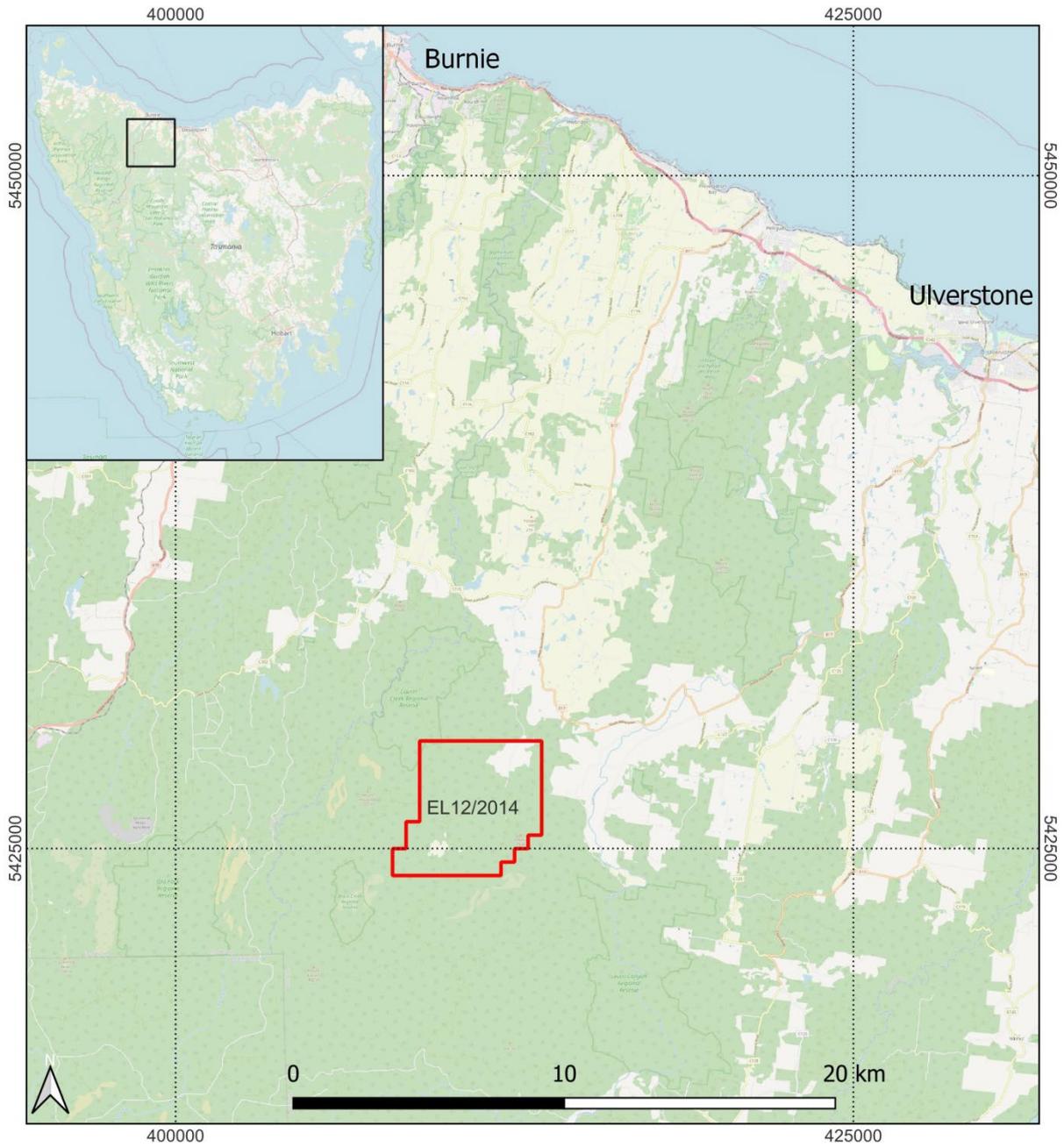


Figure 1: Location of EL12/2014.

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 volcanoclastics 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 volcanoclastics of the Cambrian Lower Owen Conglomerate. These are overlain by Middle Owen Conglomerate marine sediments including siltstone, sandstone and conglomerate. Ordovician sediments overlie the Cambrian rocks, with a siliciclastic pebble conglomerate overlain by pale grey to pink quartz sandstones of the Moina Sandstone. The Ordovician Gordon Group limestone overlies the Moina Sandstone. The Moina Sandstone and Gordon Limestone units appear to be partly intercalated.

The Devonian Husetop Granite, in the western part of the area, has intruded the above rocks, and was emplaced within the Ordovician Moina Sandstone and Gordon Limestone. The Husetop 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-Ordovician rocks. Tertiary sediments mostly underlie basalts, and locally appear to be largely composed of weathered Cambro-Ordovician 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 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-Ordovician 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 Husetop Granite with Ordovician 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-Ordovician, 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 Ordovician sediments. A similar structure is seen in

Cambro-Ordovician 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 Tertiary age 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.

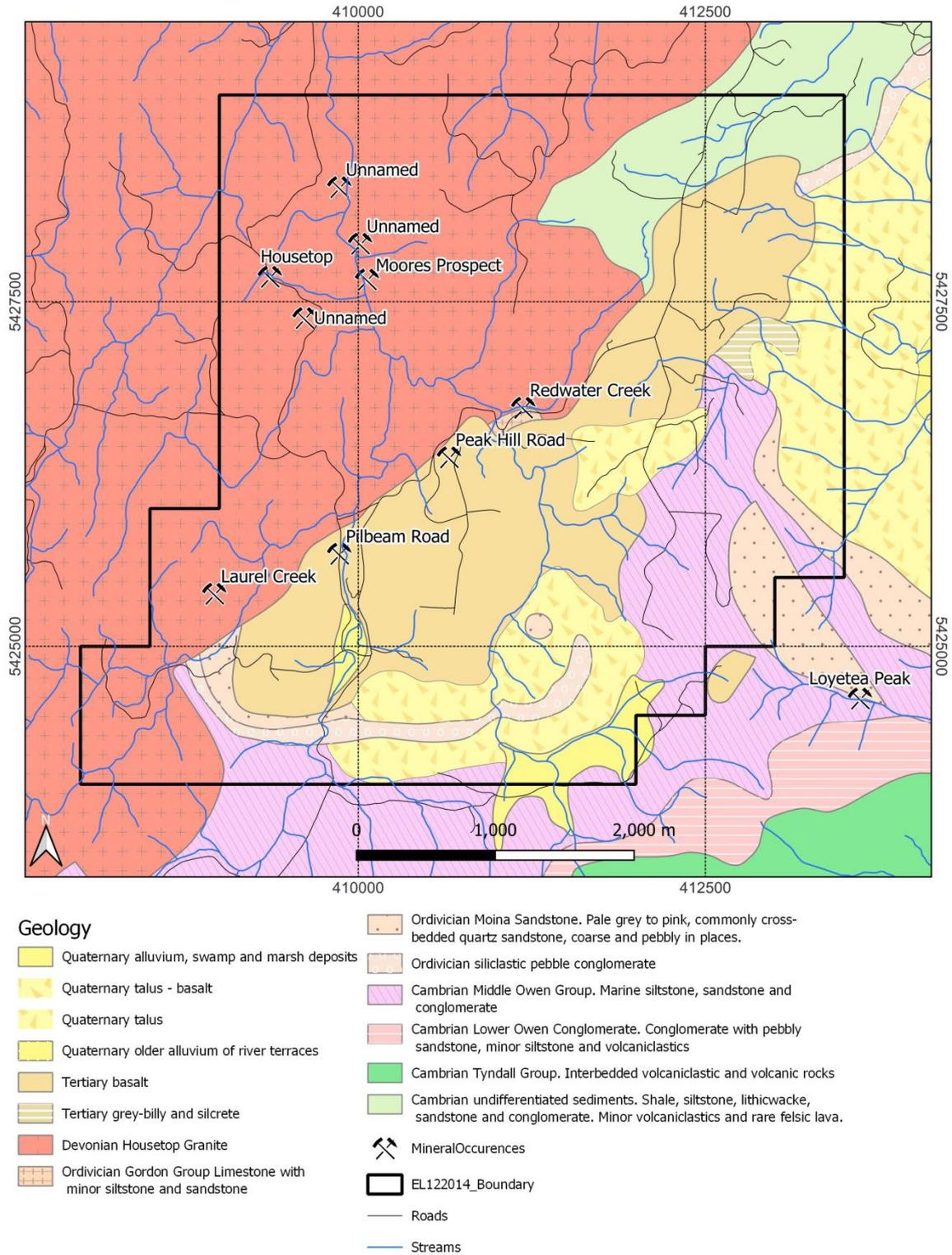


Figure 2: Geology of EL12/2014, showing location of known mineral occurrences. Modified from Mineral Resources Tasmania 1:25,000 digital geology.

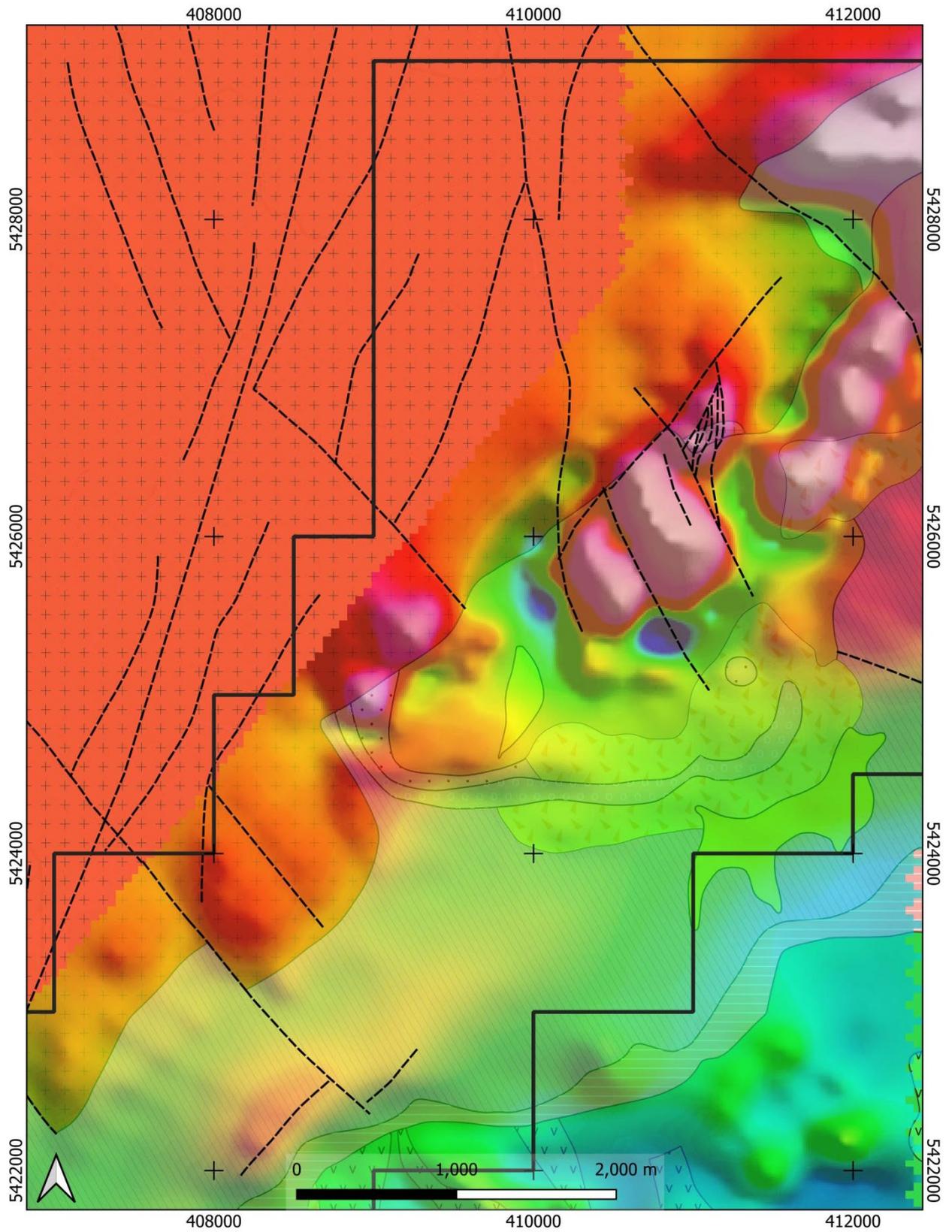


Figure 3: Mapped and interpreted structures within EL12/2014. Detailed interpretation in NE of area by Reid (2020), based on interpretation of drill results.

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 scantily 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 Ordovician 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-Ordovician 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:

Drill 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.

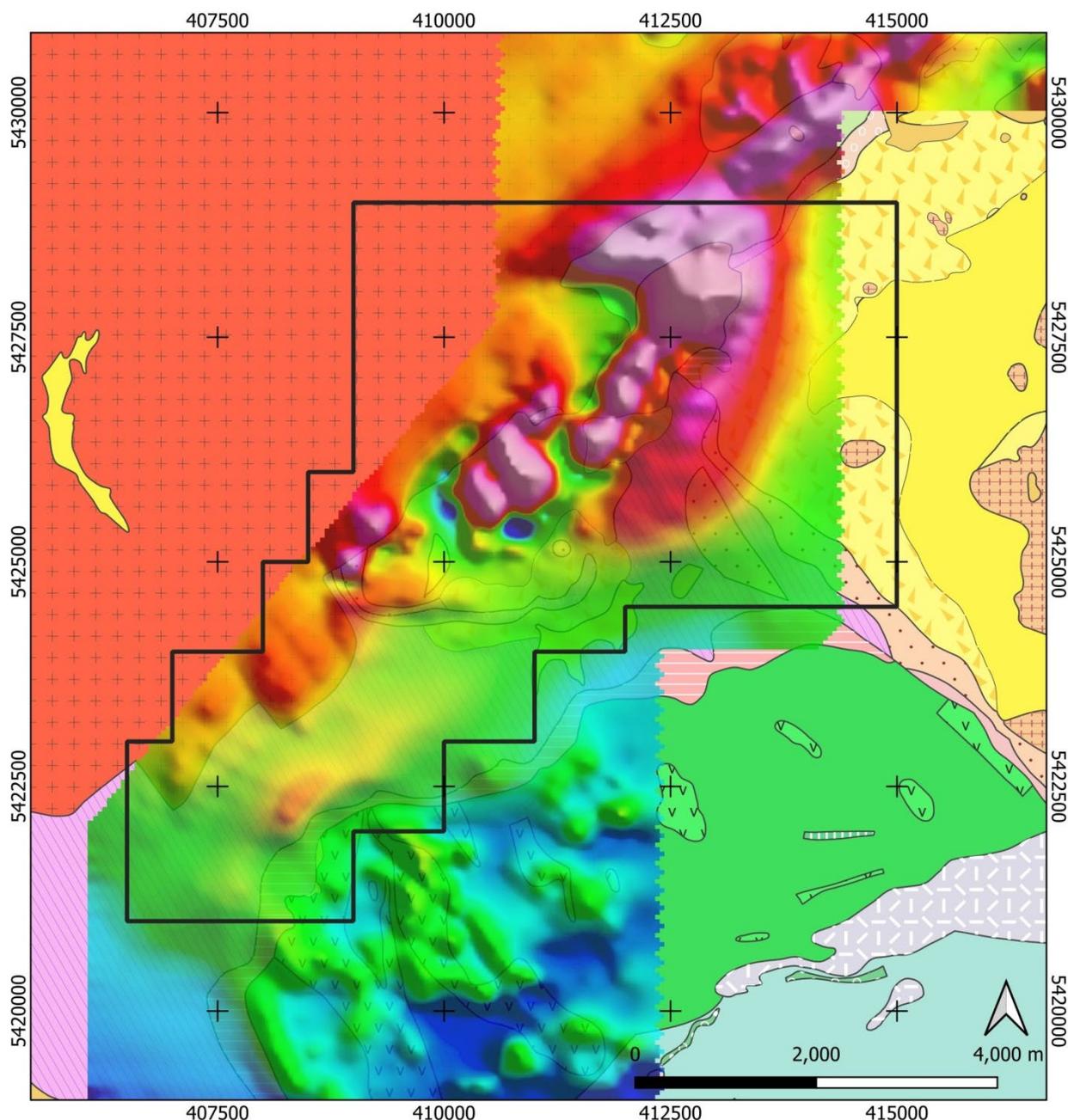


Figure 4: Bass Metals TMI data overlying MRT 1:25,000 digital geology. Magnetic highs generally appear related to specific geological units, including consistent pronounced and discrete highs associated with basaltic units and more continuous highs within Cambrian sediments and overlying Cambro-Ordovician 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 2021 with 500ppm Zn cut off. Note Edrill's LOY15-001, LOY16-002, LOY20-005 & LOY20-006 were only partially sampled.

Hole_ID	From (m)	To (m)	Interval (m)	Sn_ppm	Zn_ppm	Mo_ppm
LOY15-001	399.8	400.8	1	0	547	
LOY16-002	7.6	8.6	1	26	1220	
LOY19-004			12	166	436	
LOY20-005	77.9	79	1.1	6.4	1280	0.3
LOY20-005	122.15	122.5	0.35	197	209	1.3
LOY20-006	47.2	49	1.8	28.8	574	316
LOY20-006	49	50	1	8.6	1250	5.7
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	

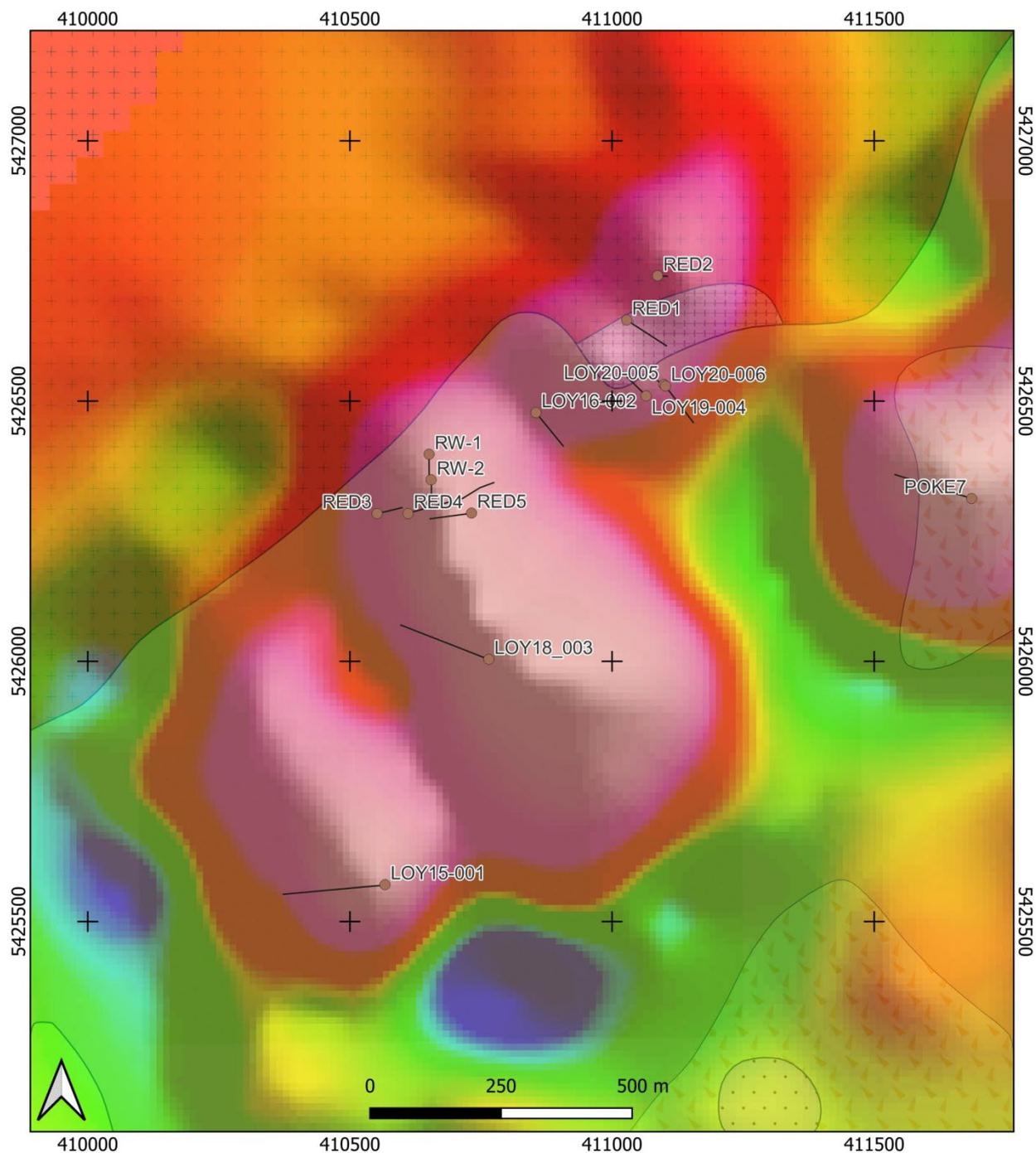


Figure 5: Location of drill holes within EL12/2014, with Bass Metals TMI data overlying MRT 1:25,000 digital geology.

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.

In 2020, Edrill completed diamond drillholes LOY20-005 and LOY20-006, for a total of 355.6m, with locations and previous holes shown in Figure 2. Part of the tenement was relinquished in 2020, reducing the area from 83km² to 40km². Drillholes were unable to be logged during 2020 due to COVID, with logging and sampling undertaken the following year.

LOY20-005 tested for skarn mineralisation in calcareous sediments on the margin of the Husetop Granite, intersecting approximately 100m of variably recrystallised and skarn altered limestone and calcareous sediments with intervals of granite faulted in. A highly sheared zone at 78m showed elevated Zn (0.13%), while an intrusive granite-related pyroxene exoskarn of limestone assayed at 197ppm Sn. LOY20-006 tested a major fault one, with highly sheared and altered sediments and decomposed granites to 62m, including a possible felsic volcanic unit with strong sericite-illite alteration hosting disseminated molybdenite (316ppm) and minor Au (0.109ppm). Silicified Moina Group correlates underlie the fault zone, with skarn mineralisation increasing downhole accompanied by patchy magnetite and pyrrhotite before intersecting porphyritic granite with minor aplitic dykes from about 148m. Although orientation was not possible, the large structural zone intersected in LOY20-006 matches well with structures interpreted in previous reports by Reid, with the assumption of a steeply dipping NE-SW strike, with mylonitic structures suggestive of significant movement or shear.

Work Completed July 30, 2021-July 29, 2022

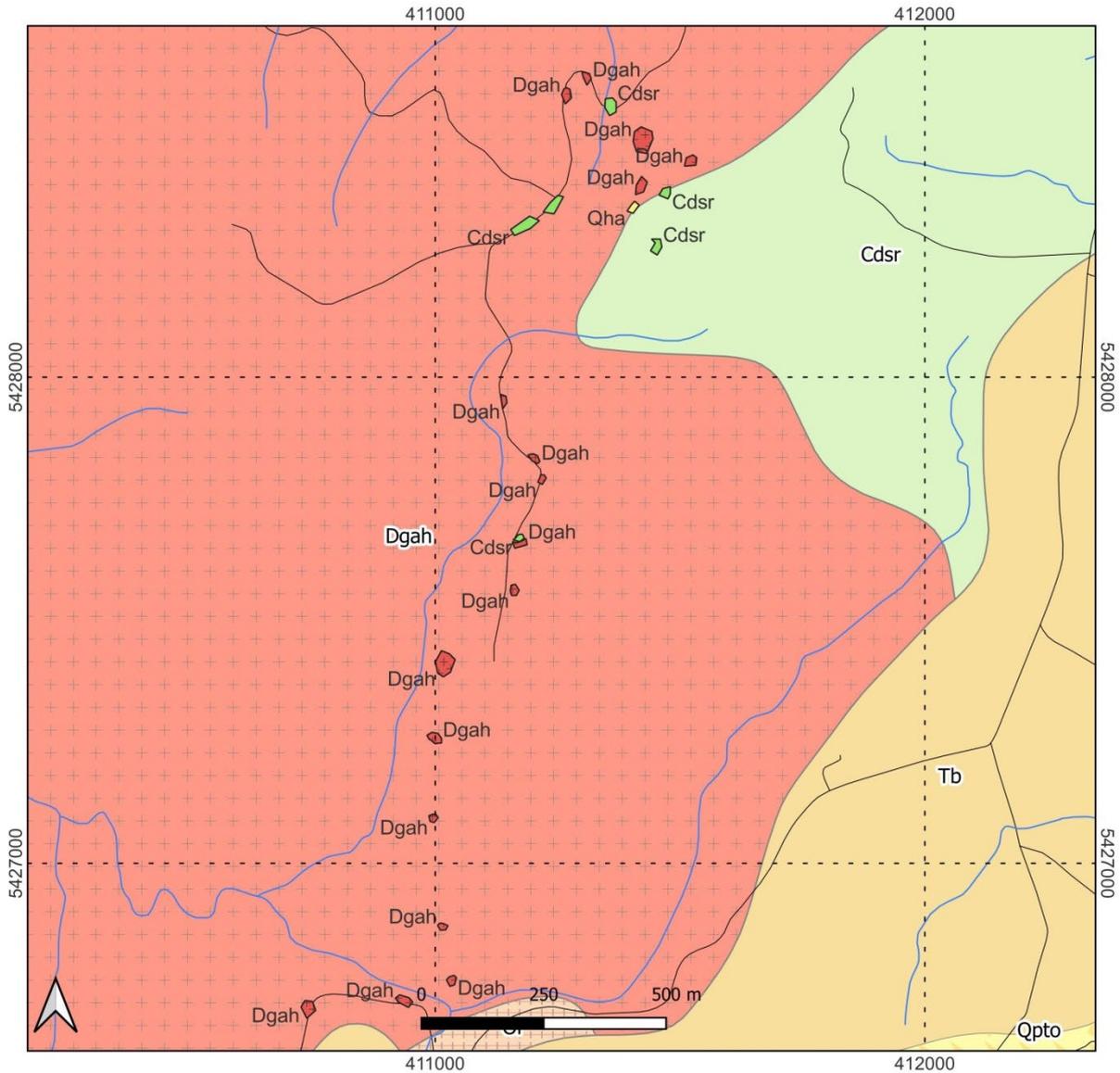
Work completed in the current period consisted of a minor amount of geological mapping, planning of a drone magnetics survey, and a detailed review of historic geochemical and geophysical data over the property. As a result of the historic data review and consideration of geology, the licence was further reduced in size to 23km².

Mapping

Geological mapping had been planned for the area mapped as Mt Read Volcanics sediments to better guide a subsequent magnetics survey, but it was realised this area mostly consisted of farmland with no outcrop. Instead, two days of reconnaissance mapping were spent looking for signs of the contact zone between these sediments and the intrusive to define the nature of the contact, and in the southern part of the retained area to investigate the surface expression of the Moina Group correlates and other Wurawina Supergroup sediments.

While geology observed in the southern part of the licence is consistent with existing 1:25,000 mapping, significant corrections are required for the contact between Mt Read volcanic sediments and the Husetop Granite. Outcrop in this area is poor and no reports located to date refer to geological mapping of this area, so it is assumed this boundary has largely been interpreted from geophysical data. Mapping results are shown in Figure 6, and show the Mt Read Volcanic sediments outcropping well within the previously mapped margin of the granite. These sediments are dominated by angular fine- to medium-grained quartz and feldspar, with pervasive weak chlorite and variable argillic alteration and weak shear textures in finer-grained units. Coarser intervals of these sediments also typically contain minor fine disseminated pyrite, with hairline quartz veins also hosting disseminated pyrite in the southernmost sediment outcrop. Although the sediments were presumably intruded by the Devonian granite, it is difficult to distinguish any alterations due to this apart from a weakly hornfelsed appearance and minor hematitic alteration concentrated on joint planes in the southernmost sediment outcrop. Re-interpretation of geological boundaries has not been completed here due to insufficient knowledge, and will be presented in the subsequent annual report after additional mapping and magnetic surveying.

Cursory mapping of the southern part of the licence is not presented in the report due to the little data obtained all agreeing with current MRT 1:25,000 geological maps.



Geology

- Quaternary talus
- Tertiary basalt
- Devonian Husetop Granite
- Ordovician Gordon Group Limestone with minor siltstone and sandstone
- Cambrian undifferentiated sediments. Shale, siltstone, lithicwacke, sandstone and conglomerate. Minor volcanoclastics and rare felsic lava.
- EL122014_Boundary
- Roads
- Streams

Figure 6: Outcrops mapped in the northern part of EL12/2014, showing Cambrian sediments outcropping well within the previously mapped margin of the Husetop Granite. Outcrop sizes exaggerated for display.

Historical Data Review

A compilation and analysis of historic exploration (pre-Edrill) revealed a total of 198 stream sediment samples and 258 rock samples, including 20 whole-rock analyses.

Sediments show elevated As in the vicinity of the limestone and Moina Sandstone correlate that have been the focus of the majority of drilling.

F, Sn and W values within the granite are approximately double those within sediments (including 0.22% F in one sample), while base metals are elevated within sediments average approximately 150% those within granite. Of most interest, Sn and F values are elevated in the NW part of the property, with W also highly elevated in the vicinity of the Husetop mineral occurrence. Sn, W, and F stream sediment results are shown in Figures 7, 8, & 9 respectively. No significant values for precious metals were obtained over the area. Averages, maximum values and anomalous values for select elements are shown below in Table 2.

Table 2: Stream sediment samples statistics for select elements within EL12/2014.

	Ag (ppm)	As (ppm)	Cu (ppm)	F (ppm)	Pb (ppm)	Sn (ppm)	W (ppm)	Zn (ppm)
	12	11	159	109	158	104	125	142
Average	0.015	5.545	5.711	135.872	15.449	9.279	17.752	23.761
Max	0.1	14	30	700	43	46	90	100
Anomalous Threshold	0.07	13.92	16.09	382.23	28.51	23.36	39.17	61.96
# Anomalous Samples	1	1	6	3	1	6	5	9

The majority of rocks samples are from previous drillholes, with very few samples from within the granite, particularly in the vicinity of anomalous and elevated Sn, W, and F stream sediment samples. Whole-rock data shows there is relatively little variation in the composition of the granites, with 73-78% silica, and major element contents typical for granite, although with slightly elevated K of up to 6.4%. Aluminosity values suggest the granite is not overly evolved, with values ranging from 0.84-1.00. Only four granitic rocks were assayed for F, returning values of 0.16-0.22%, and do not coincide with drainages returning anomalous stream sediment samples.

Trace element data over the entire licence area show weak to moderately elevated base metals (up to 0.5% Zn) in several samples, and a single elevated Au result of 0.23ppm which coincides with a weakly elevated result for As.

Table 3: Rock sample statistics for select elements within EL12/2014. Sn and Zn correlate moderately well with Mn, but not W. Cu correlates very well with Sb, moderately with Au, and weakly with As. No other strong correlations are apparent.

	Ag (ppm)	As (ppm)	Au (ppm)	Cu (ppm)	Mn (ppm)	Mo (ppm)	Pb (ppm)	Sb (ppm)	Sn (ppm)	W (ppm)	Zn (ppm)
# of Samples	64	50	87	240	124	78	253	26	155	124	225
Average	0.44	71.17	0.03	21.90	1390.07	7.35	52.40	4.01	66.70	33.57	317.27
Max	2	330	0.23	240	12100	133.5	723	22.3	450	760	5000
Anomalous Threshold	1.4	218.2	0.1	91.3	6267.2	45.8	223.2	12.2	256.7	204.2	1370.3
# Anomalous Samples	1	1	1	10	9	2	14	1	9	2	5
Cu Corr. Coeff.	0.276	0.513	0.6645	1	0.01502	-0.002	-0.014	0.8579	0.2836	0.0499	0.2855
Pb Corr. Coeff.	0.4422	0.5625	0.1051	-0.014	-0.1169	0.1903	1	-0.055	-0.126	-0.069	0.4044
Sn Corr. Coeff.	-0.091	0.1052	0.3653	0.2836	0.65517	0.1328	-0.126	-0.188	1	0.257	0.2706
Zn Corr. Coeff.	0.0624	0.181	0.0825	0.2855	0.69642	-0.025	0.4044	-0.117	0.2706	-0.023	1

Results for Sn and W surprisingly showed little correlation within individual samples, but appear to have a loose spatial relationship. Maximum values for these are 450ppm and 760ppm respectively, both of which are located within the granite. Rock sample results for several elements are summarised below in Table 3.

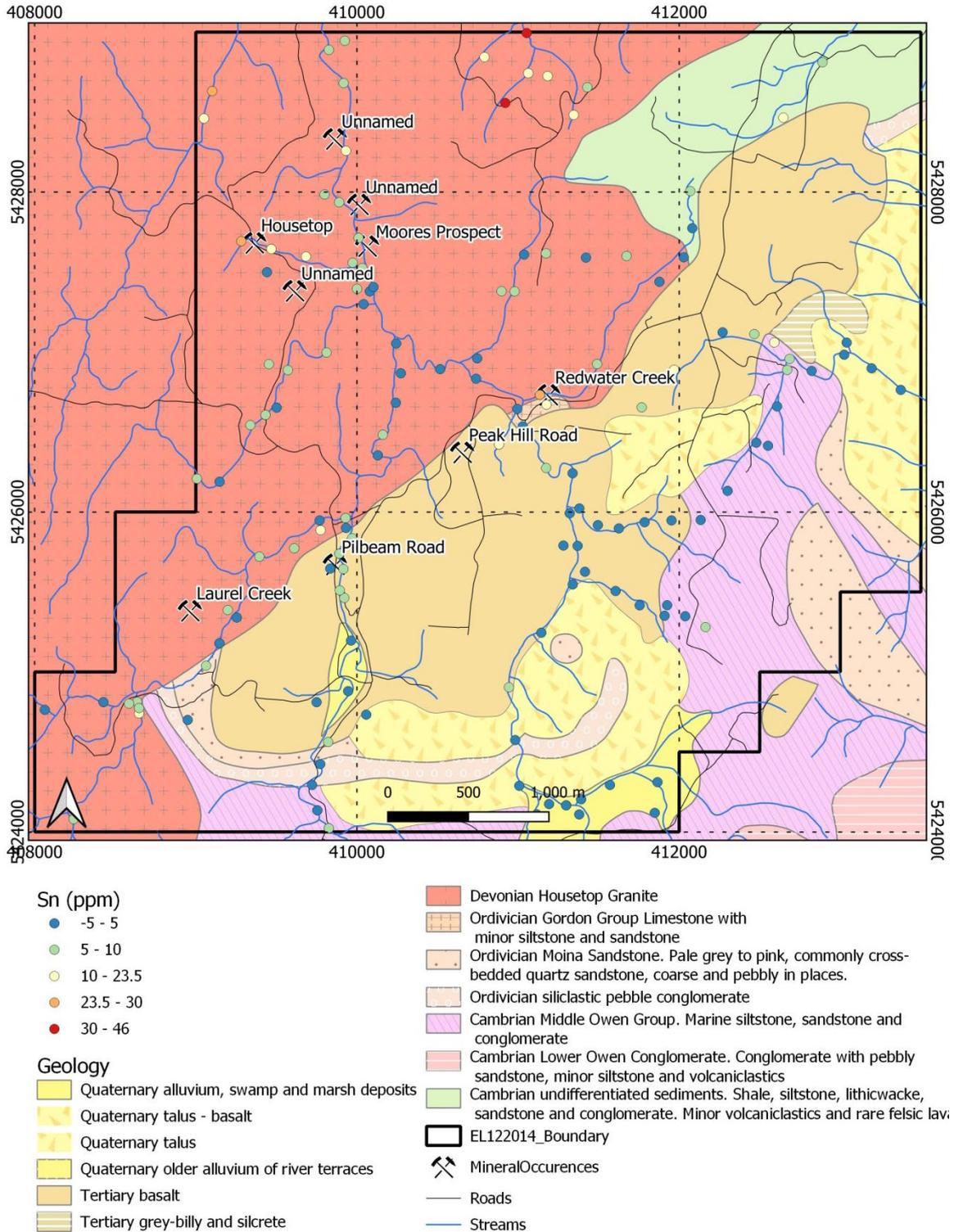


Figure 7: Stream sediment values for Sn over EL12/2014, showing elevated values within the granite. Orange and red samples represent anomalous and highly anomalous samples.

Reports of scheelite located within Laurel Creek near the southern margin of the licence have not been confirmed and are suspected to be part of transported materials from showings from outside the property boundary, although this has not been confirmed, and stream sediment results in particular highlight a need for further investigation in the vicinity of prospects in the NW of the licence area.

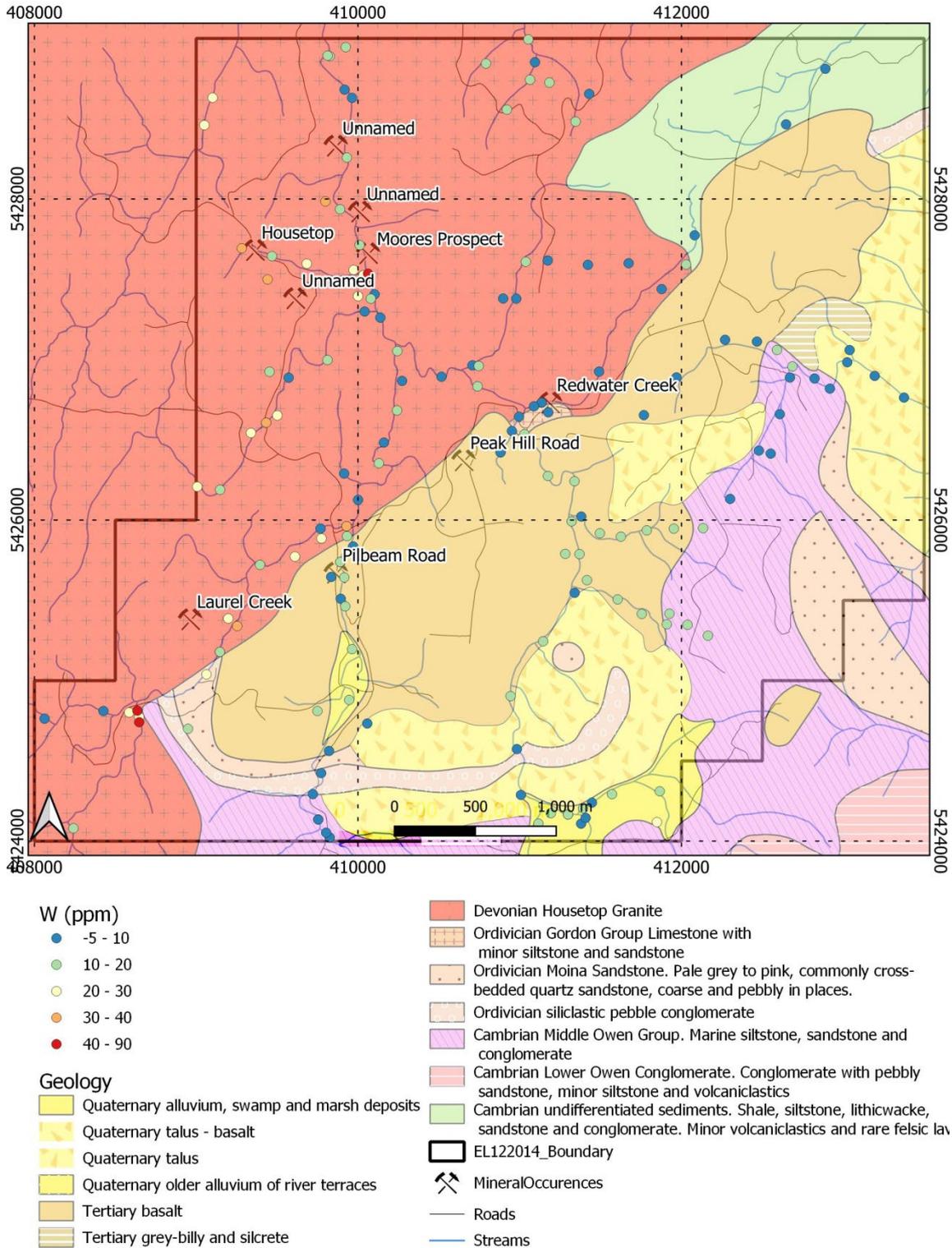


Figure 8: Stream sediment values for W over EL12/2014, showing elevated values within the granite. Orange and red samples represent anomalous and highly anomalous samples.

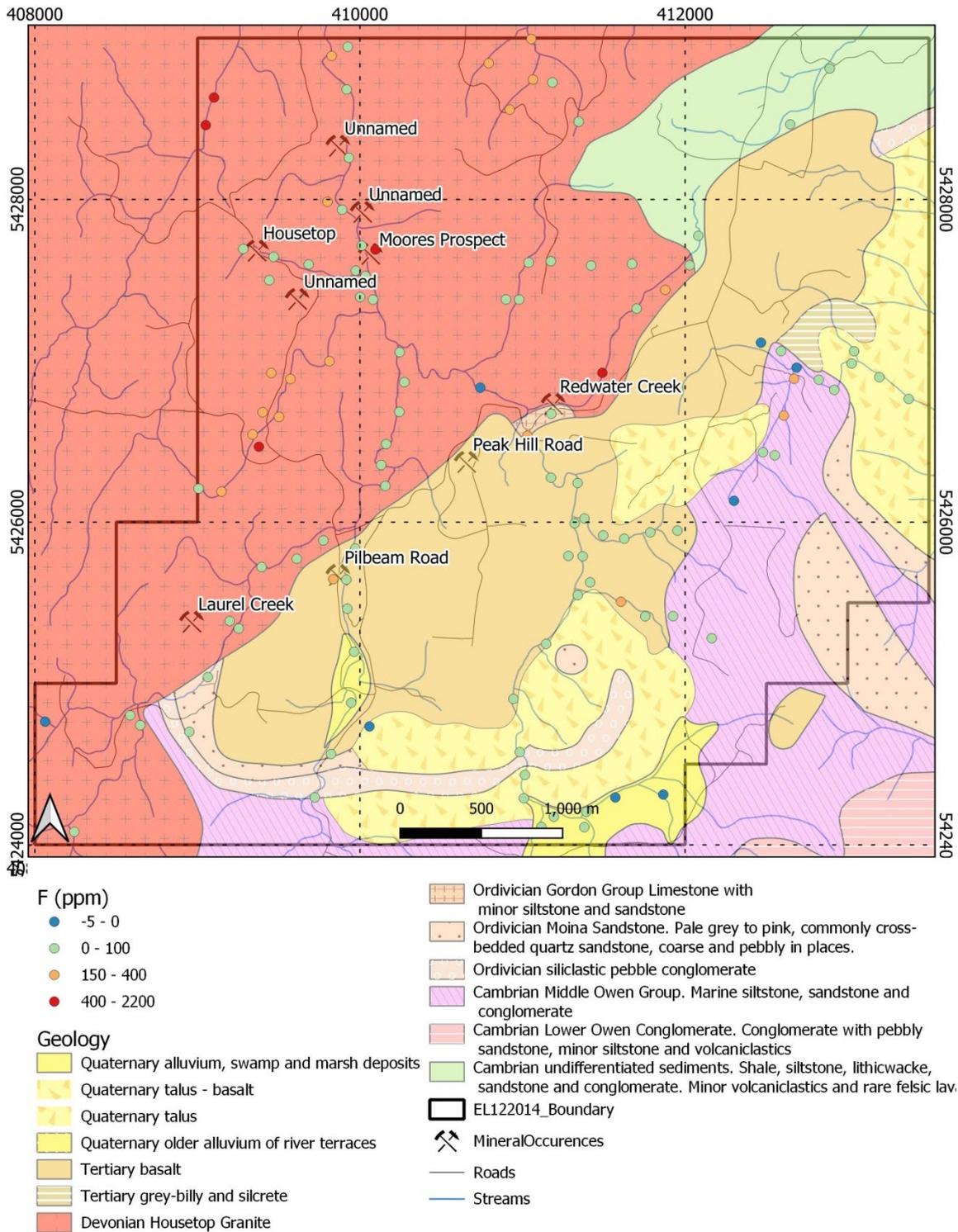


Figure 9: Stream sediment values for F over EL12/2014, showing elevated values within the granite. Orange and red samples represent anomalous and highly anomalous samples.

Magnetics

A quote has been obtained for completing a drone magnetics survey over the area mapped as Mt Read Volcanics sediments from UAV Magnetics. The survey consists of approximately 40 line kilometres with a line spacing of 25m. The intended survey area is shown in Figure 10 and has been shifted a short distance to the SW of the original planned survey grid to capture more of the contact zone between

the granite and sediments. The survey may be extended further to the NE depending on results. This work is planned for spring 2022.

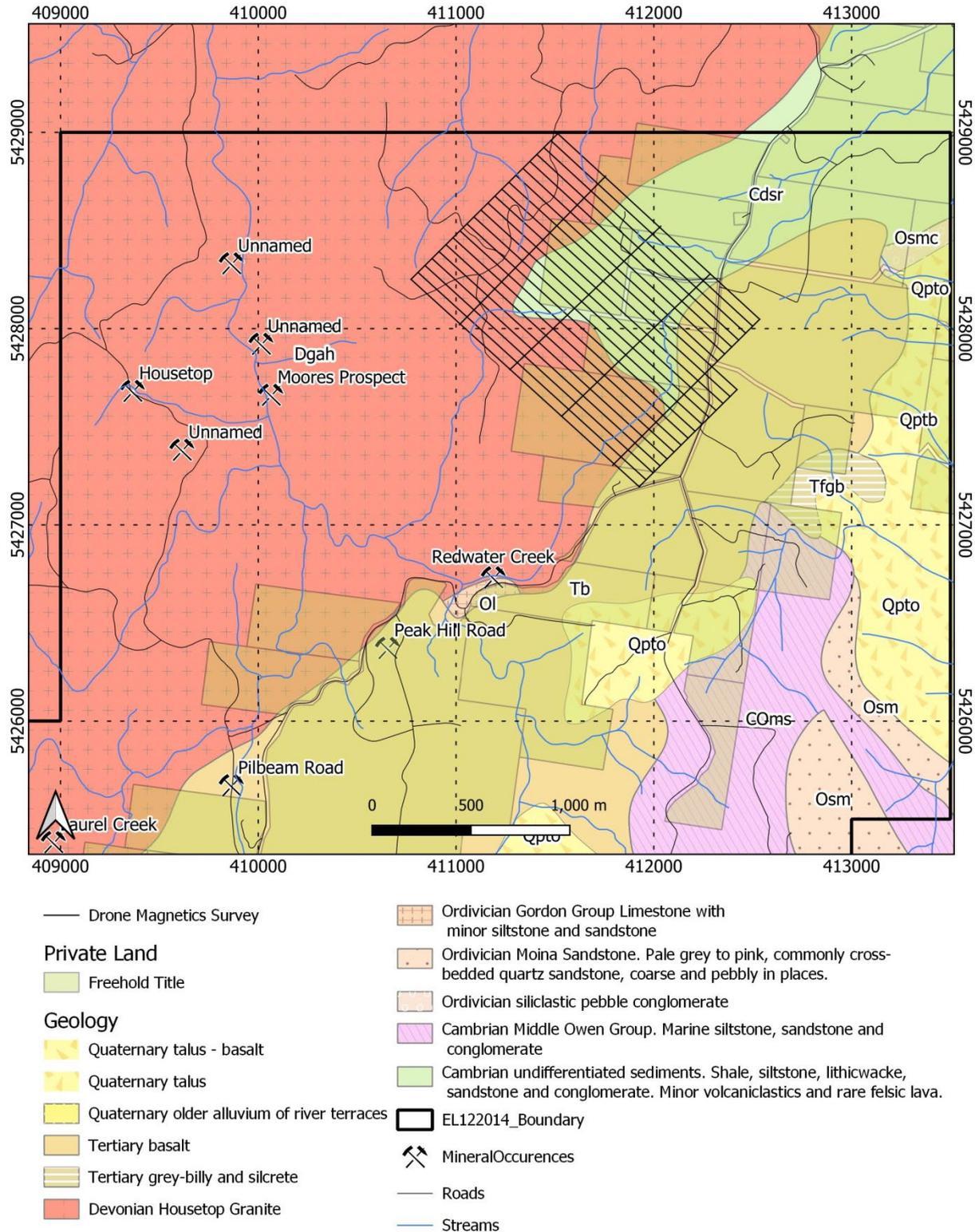


Figure 10: Planned drone magnetics survey. Approximately 40 line km over Cambrian Mt Read sediments and the contact with the Housetop granite. Survey shifted to SW of original survey plan due to multiple outcrops of Cambrian sediments located within areas previously mapped as Devonian granite.

Proposed Exploration

Proposed future work for EL12/2014 for the anniversary year includes:

- Hylogger scanning of select drillcore
- Drone magnetics of Cambrian sediments in the north of the property
- Follow-up mapping/prospecting of anomalous Sn and W stream sediment results within the granite, and any features revealed by magnetics survey.
- Drilling of one diamond drillhole

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.

This had been planned for the previous year, but was delayed by confusion over storage location of drillholes. Core is due to be transported to MRT in August 2022 for scanning and storage.

Drone magnetics:

The magnetic signature of Cambrian sediments adjacent to the Husetop Granite in the northern part of the property is highly elevated. To date, this area has not been adequately investigated by EDrill. As described in the previous section, there is little outcrop in this area, and the nature of the contact with the granite is unclear. It is hoped a magnetics survey will better define these features, and determine whether follow-up work such as additional mapping or soil sampling may be warranted.

Drilling:

One diamond drillhole is proposed, as designed by Reid (2020). If magnetics or mapping work within the granite locates a more appealing drill target, an alternative location may be considered:

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 Husetop 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

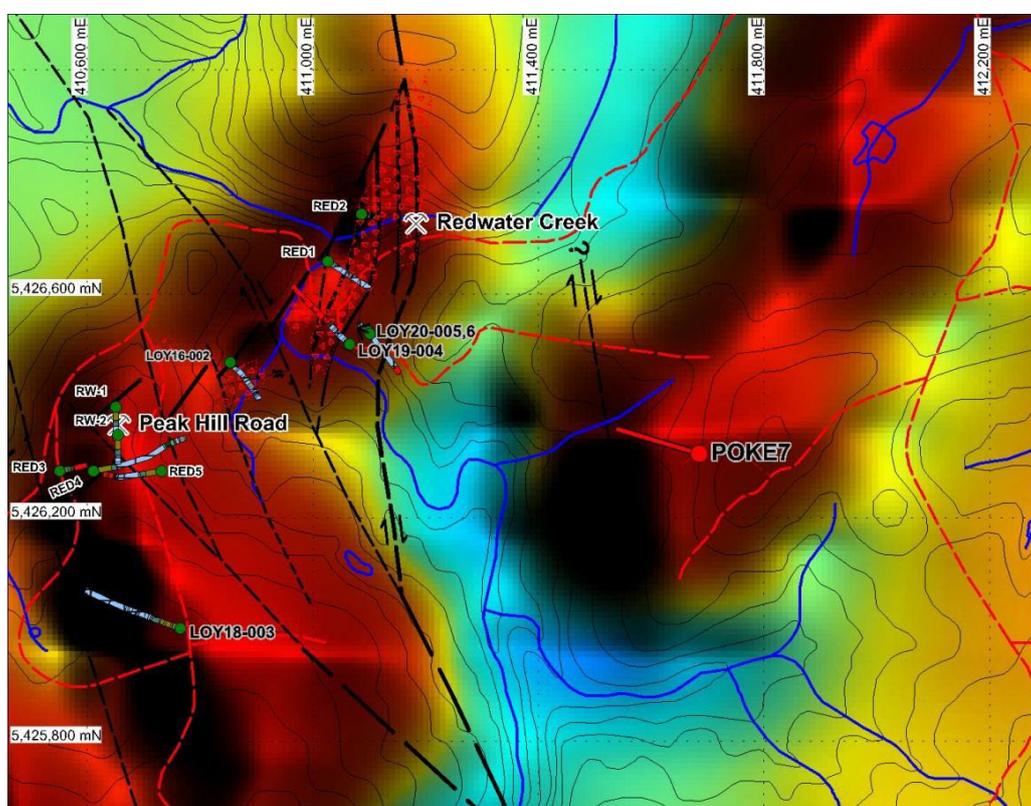


Figure 11: Planned drill hole POKE7 with known magnetite distribution (brown triangles) and interpreted structure over aeromagnetic TMI grid.

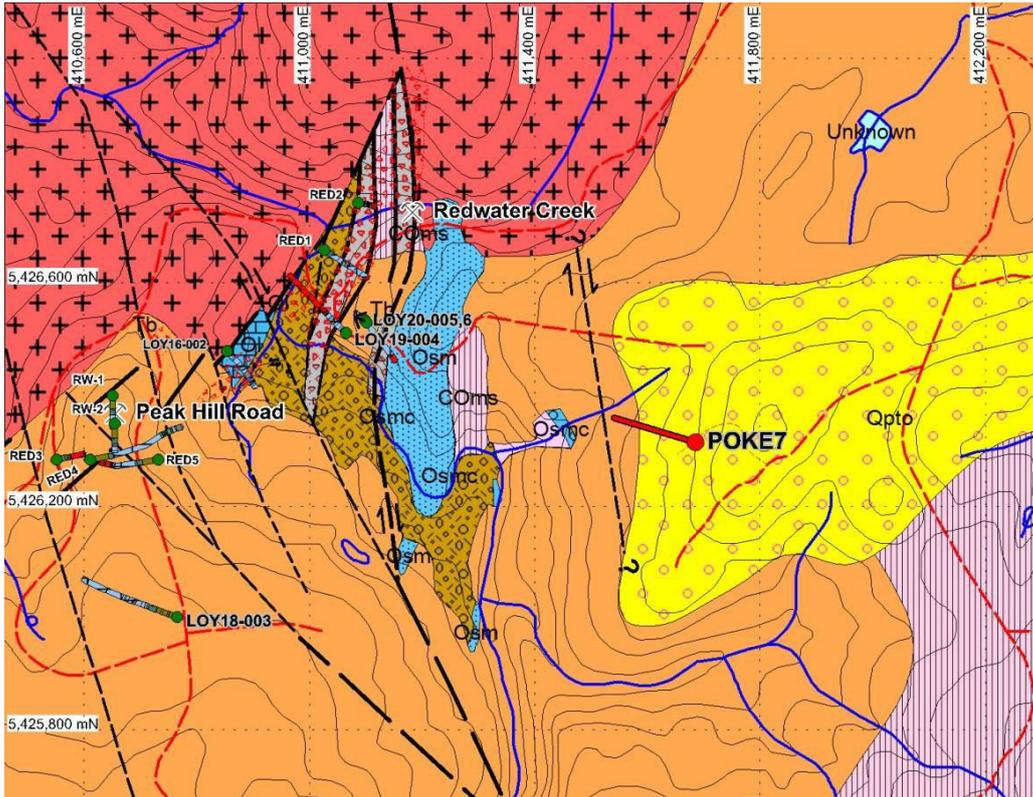


Figure 12: Planned drill hole POKE7 with modified MRT and in progress interpreted geology, known magnetite distribution (brown triangles) and interpreted structure. NB: highlights Qpto - quartz sandstone and conglomerate talus distribution in anomaly area.

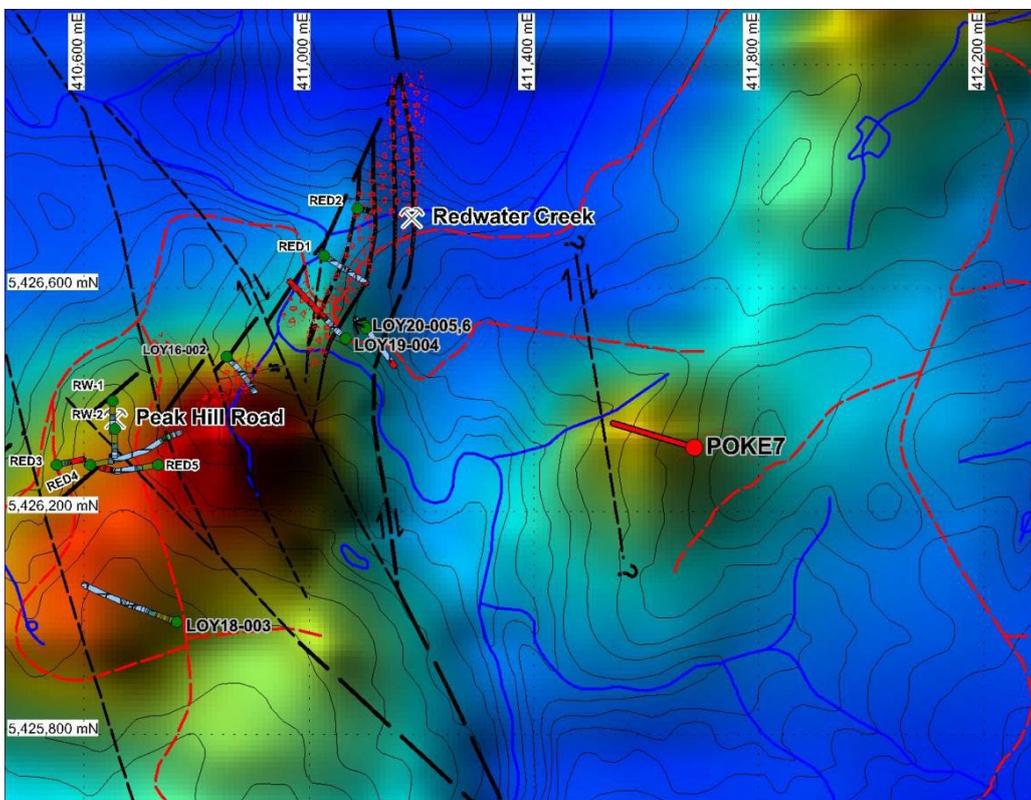
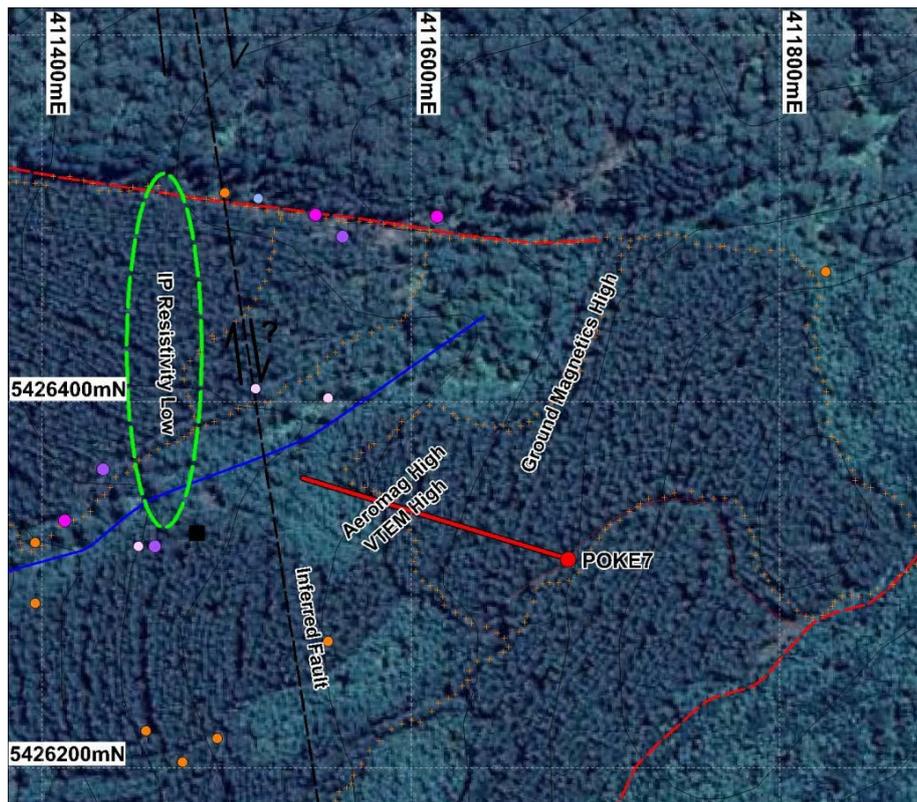


Figure 13: Planned drill hole POKE7 with known magnetite distribution (brown triangles) and interpreted structure over VTEM sf10 grid.



Environment

No work was completed on site in the period

Expenditure

Expenditure for the tenure period totalled \$11,319.33, with details shown in the table below.

Table 5: EL12/2014 expenditure for the period 30/7/2021 to 29/7/2022.

Expense Type	Cost
1. Geoscience	
Geology	\$ 9,000.00
Geochemistry	
Geophysics	\$ 900.00
Remote Sensing	
2. Drilling and Gridding	
Gridding	
Drilling	
3. Land Access	
4. Rehabilitation	
5. Feasibility Studies	
6. Other	\$ 1,419.33
7. Administration	
8. Total Exploration Costs	\$ 11,319.33

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List of Digital Appendices:

Exploration Work Type	Filename	File format
<i>Report</i>	EL122014_202207_01_Report.pdf	<i>pdf</i>
File Verification Listing	EL122014_202207_02_FILELISTING.xls	xls