

**SERPENTINE RIDGE PROJECT
TASMANIA
EL5/2018**

ANNUAL REPORT
31ST JANUARY 2021 TO 30TH JANUARY 2022

Tenement Holder/Manager
Monclar Pty Ltd
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Distribution: Mineral Resources Tasmania
Monclar Pty Ltd

Note: All figures and grids are according to the GDA94 datum and MGA94 grid system.

ABSTRACT/EXECUTIVE SUMMARY

The Serpentine Ridge Project (EL5/2018) is located in western Tasmania, 6km north-northwest (NNW) of Renison Bell. The exploration licence covers an area of 15km².

The main focus of Monclar Pty Ltd (“Monclar” or “the Company”) at the Serpentine Ridge Project is lateritic nickel-cobalt. The project area contains known ironstone caprock and there is anomalous nickel (Ni) and cobalt (Co) reported in historical soil sampling results.

No exploration work was completed in the reporting year 2021-2022. The license was subsequently surrendered after a further review did not present any other targets of interest to the license holder.

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Digital files submitted with this report:

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EL052018_202201_01_Report.doc	<i>doc</i>

1 INTRODUCTION

The Serpentine Ridge Project (EL5/2018) is located in western Tasmania, 6km north-northwest (NNW) of Renison Bell. The exploration licence covers an area of 15km² (see figure 1). The Serpentine Ridge tenement can be accessed via the Pieman Road, through the Riley DSO iron ore mine ML, and adjacent 4WD tracks.

The exploration licence covers an area of 15km² and was granted on 31st January 2019 for a period of five years. It is owned 100% by Monclar Pty Ltd and is not subject to any current agreements with other companies. The exploration target was lateritic nickel-cobalt mineralisation.

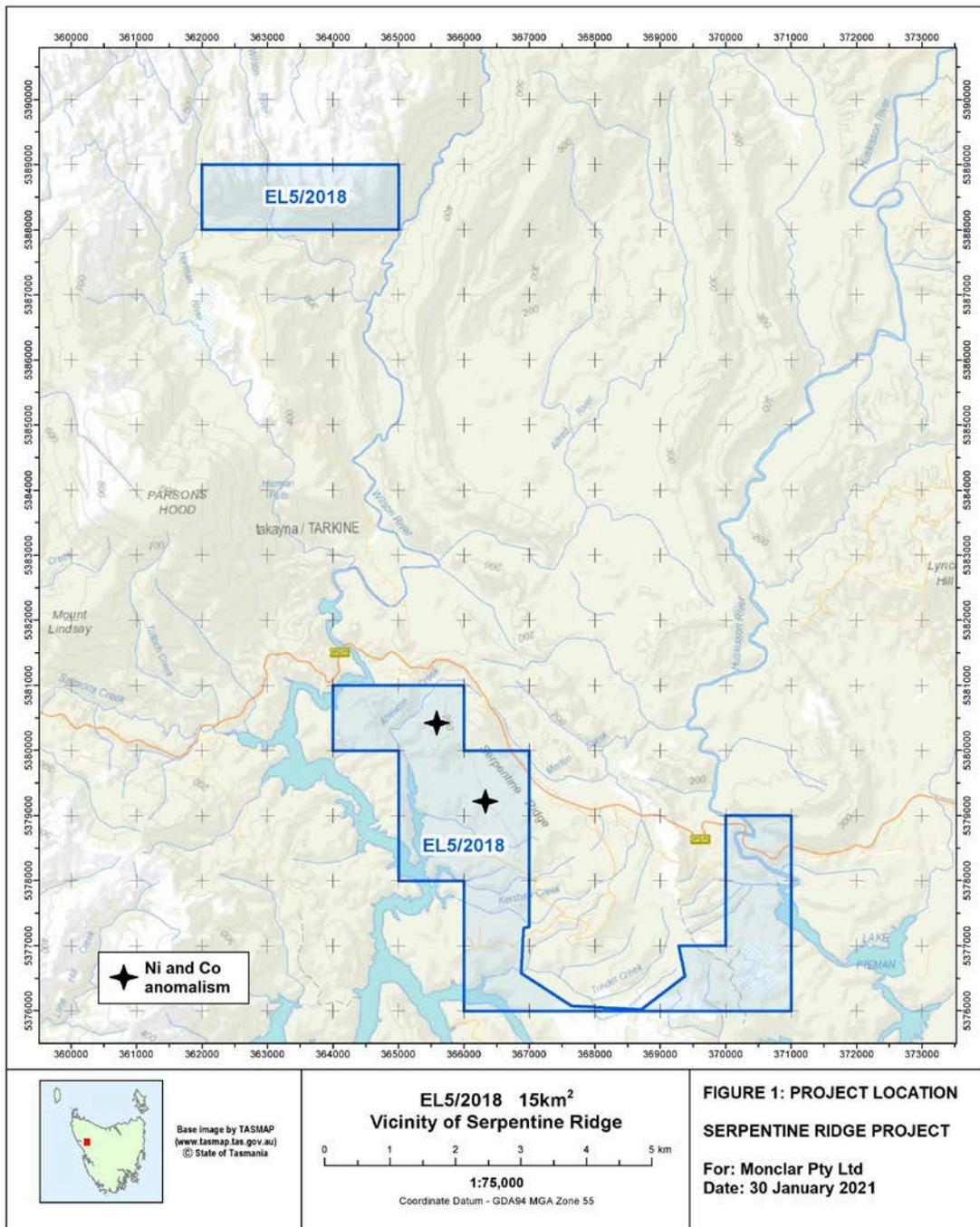


FIGURE 1 SUMMARY ACTIVITY MAP FOR SERPENTINE RIDGE

The land tenure plan shows EL5/2018 is covered by Crown land. The Crown Land is variously classified as Future Potential Production Forest (FPPF), Regional Reserve, and the waterways and Pieman Road are owned by Hydro Tasmania.

2 REVIEW OF PREVIOUS WORK AND GEOLOGICAL SETTING

A detailed review of past exploration is reported in the Serpentine Ridge Project (EL5/2018) Annual Report 31st January 2019 to 30th January 2020. This is updated in the 2021 Annual Report (Richard, 2021). Here a short summary is presented.

Historical exploration at Serpentine Ridge suggests the potential to host lateritic nickel mineralisation. In particular, the soil sample lines of Adamus Resources Limited on EL18/2002 suggest attractive prospectivity in the tenement area. However, field review over past years has suggested only weak laterite development. Accordingly, an economic assessment suggested that the tenement should be surrendered without further exploration.

The Access Database "ADU_TASsoils" (2007) for EL18/2002 held by MRT contains the Adamus soils data. Adamus did three sets of soils on the Serpentine Ridge area, those at "Wilson" and "Huskisson" (2007) and the earlier "Serpentine Ridge" lines (2005). The map below in Figure 2 presents the Ni and Co results for the relevant Adamus lines. This shows anomalous (>300ppm Ni) and mineralisation level (>3,000ppm Ni) nickel. Similar results are presented for cobalt with anomalous (>20ppm Co) and mineralisation level (>200ppm Co) cobalt reported.

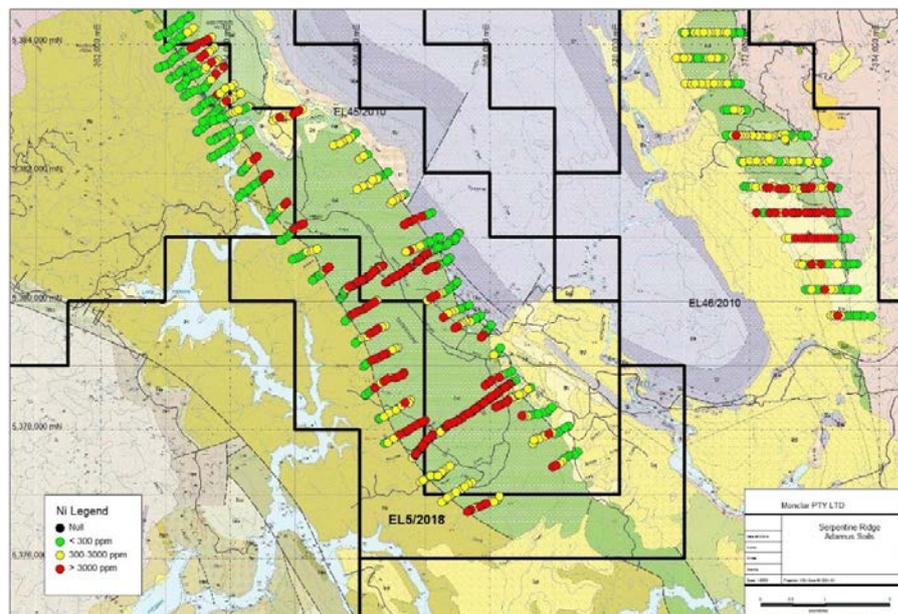


FIGURE 2 NI REPORTED IN ADAMUS SOILS ON EL18/2002 (2007)

3 EXPLORATION COMPLETED DURING THE REPORTING PERIOD

No field exploration was undertaken in the 12 months to 30th January 2022. The narrowed set of 7 selected drill holes (from 14 initial chosen by a desktop study that identified promising Ni-Co indications from the Adamus soils data) were revisited and the nickel mineralisation present judged not sufficiently thick to present a potentially economically extractable target. This was based on a market assessment and preliminary modelling of the grades of mineralisation identified to date.

4 DISCUSSION OF RESULTS

The previously considered Direct Shipping Ore (DSO) operation has been determined to be unlikely to be economic given the potential grades based on previous sample results and analogous lateritic nickel deposits in Tasmania and across Australia more generally. On that basis further exploration of the laterite material was not considered to be justified.

5 CONCLUSIONS

The investigation of potentially mineralised laterite at Serpentine Ridge has been disappointing. Despite highly anomalous grades of Ni and Co in historical soils, it seems that the regolith is thinly developed and is sub-economic.

No further work is planned and the exploration license is to be surrendered.

6 PROPOSED EXPLORATION

No further activities are proposed to be undertaken at the Serpentine Ridge Project on EL5/2018.

7 ENVIRONMENTAL MANAGEMENT

The 2021-2022 work was low impact, being field and environmental assessment. No track cutting or earthworks were conducted, and no threatened species were impacted as a result.

8 EXPENDITURE

Expenditure from 31st January 2021 to 30th January 2022 is summarised below for the Serpentine Ridge EL5/2018 licence.

TABLE 1 EXPENDITURE 31 JANUARY 2021 TO 30 JANUARY 2022.

1. Geoscience	
2. Drilling and Gridding	
3. Land Access	
4. Rehabilitation	
5. Feasibility Studies	\$9,031.33
6. Other	
7. Administration	
TOTAL - ELIGIBLE	\$9,031.33

9 KEY REFERENCES

Richard, P. (2021) Monclar Pty Ltd, EL5/2018 Annual Report Serpentine Ridge Project, 31st January 2020 – 30th January 2021.