

**BASALT HILL PROJECT
TASMANIA
EL15/2018**

ANNUAL REPORT
27TH JANUARY 2021 TO 26TH JANUARY 2022

Tenement Holder/Manager
Monclar Pty Ltd
8 Amour Avenue Maroubra NSW 2035

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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 Basalt Hill Project (EL15/2018) is located in western Tasmania, 6km northwest of Luina. The exploration licence covers an area of 16km².

The main focuses of Monclar Pty Ltd (“Monclar” or “the Company”) at the Basalt Hill Project are lateritic nickel-cobalt and nickel sulphides.

Work completed in the reporting year 2021-2022 included desktop assessment, including the consideration of whether Osmiridium might be hosted within a mineralised regolith. The study did not suggest this was likely and the identified nickel and cobalt grades were therefore likely to be sub-economic in isolation. Accordingly, no further field work was undertaken and the decision was made to surrender the project.

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Digital files submitted with this report:

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EL152018_202201_01_Report.doc	<i>doc</i>

1 INTRODUCTION

The Basalt Hill license (EL15/2018) is located 6km northwest of Luina in central western Tasmania. The exploration licence covers an area of 16km² (see figure 1). The Basalt Hill tenement can be accessed via the Waratah Road and 4WD tracks.

EL15/2018 covers part of the Heazlewood Ultramafic Complex, including the northern part of the Bald Hill osmiridium field. The license was acquired due to the perceived nickel potential of the large ultramafic complex that both outcrop on and underlies the tenement area.

The exploration licence was granted on 27th January 2020 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 is lateritic nickel-cobalt mineralisation.

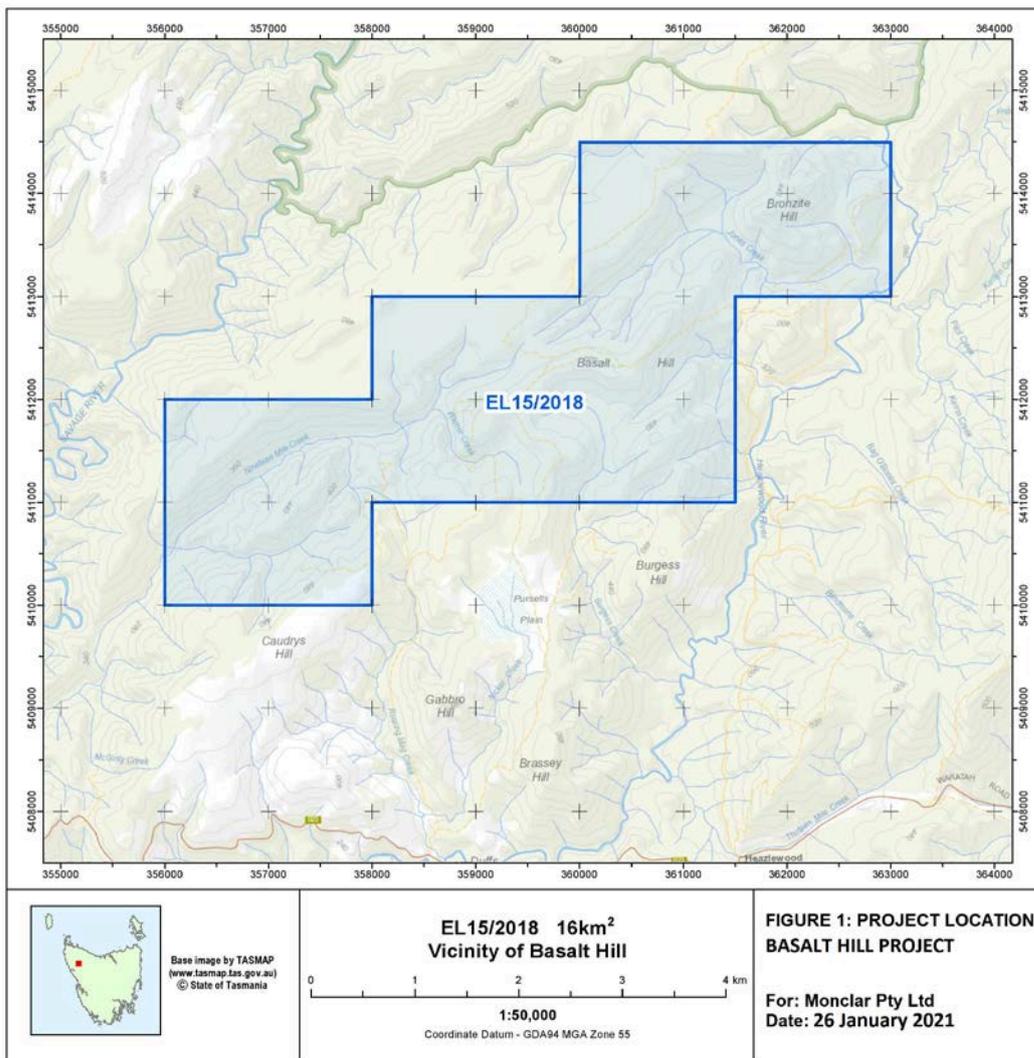


FIGURE 1 SUMMARY ACTIVITY MAP FOR BASALT HILL

The land tenure plan shows EL15/2018 is covered by Crown land. The Crown Land is classified as Future Potential Production Forest (FPPF) and Regional Reserve.

No exploration was undertaken in the period. Only desktop assessment was undertaken. This led to the project being planned for subsequent surrender.

2 REVIEW OF PREVIOUS WORK AND GEOLOGICAL SETTING

The Basalt Hill license (EL15/2018) covers part of the Heazlewood Ultramafic Complex, including the northern part of the Bald Hill osmiridium field. Mineralisation was first discovered in the Basalt Hill area in the late 1800's with the discovery further south, and subsequent working of, the Lord Brassey Ni Mine, the Jasper Hill Cu/Au mineralisation and a number of minor Pb-Zn occurrences as well as extensive Osmiridium workings. The exploration history is reported in the 2021 Annual Report (Richard, 2021).

3 EXPLORATION COMPLETED DURING THE REPORTING PERIOD

No field work was undertaken in the 12 months to 26th January 2022.

4 DISCUSSION OF RESULTS

Assessment of the grades reported in past work and an assessment that these are likely to reflect grades within the regolith (rather than being an indicator of them in topsoil) led to a reassessment of the exploration potential of the tenement. This was judged as not meeting the exploration goals of the license holder and the project was identified for surrender.

This assessment included the consideration of whether Osmiridium might be hosted within a mineralised regolith, adding further potential metal values. The presence of potential source veins of Osmiridium was not considered to be material enough to warrant being included as an exploration aim.

5 CONCLUSIONS

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 Basalt Hill Project on EL15/2018.

7 ENVIRONMENTAL MANAGEMENT

No field work was undertaken and no earthworks were conducted. No threatened species were impacted as a result.

8 EXPENDITURE

Expenditure from 27th January 2021 to 26th January 2022 is summarised below for the Basalt Hill EL15/2018 licence.

TABLE 1 EXPENDITURE 27 JANUARY 2021 TO 26 JANUARY 2022.

1. Geoscience	
2. Drilling and Gridding	
3. Land Access	
4. Rehabilitation	
5. Feasibility Studies	\$8,967.66
6. Other	
7. Administration	
TOTAL - ELIGIBLE	\$8,967.66

9 KEY REFERENCES

Richard, P. (2021) Monclar Pty Ltd, EL15/2018 Annual Report Basalt Hill Project, 27th January 2020 – 26th January 2021.