

Cresswells Transport Pty Ltd

EL 9/2020 – Donalds Road

Year 2 Annual Report



Ken Morrison
24 January 2023

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Table 1 Donalds Road Drill Hole Register

Table 2 Donalds Road Resource Drilling Results

Appendix A Digital Files-sent to MRT separately

Summary

No exploration was conducted in Year 2, due to the company's focus on permitting for quarry development based on the results of Year 1 exploration results. The remainder of this report is a repeat of the Year 1 Annual Report, as required by MRT statutory regulations.

A program of pattern drilling 20 vertical rotary air blast percussion holes was completed over an area of approximately 18,000 m² at a site approved by the landowner and considered logistically and environmentally ideal for quarry development, if the rock quality proved to be high grade for the target product of agricultural soil conditioning magnesium limestone.

The results delineate a subcropping resource of dolomitic carbonate rock with an inferred footprint area of approximately 150 x 150 metres and a mean thickness of approximately 15 metres. The deposit is open at depth and surface exposures indicate it is open to the north and east of current drilling.

Estimated grade of the product, based on fusion XRF assays of 82 entire rod samples ranges from 94.6% to 98.6% combined MgCO₃+CaCO₃. Sufficient resource in terms of rock chemistry has been defined to justify progressing to the next stage of bulk sampling and crushing to evaluate the material handling characteristics and farmer acceptance of the product.

Year 2 exploration will involve up to 1,000 tonnes of rock excavated from the area drilled in the current year. The broken rock will be transported to Cresswells Deloraine depot for crushing and spreading trials to gauge agricultural performance and market acceptance of the final product. In anticipation of positive results, the process of Mining Lease application and related landowner and Circular Head Council permitting is underway.

Year 1 expenditure was \$21,500.

Introduction and Tenement Information

EL 9/2020 is a 13 km² Category 3 (Construction Materials) EL located in the Donalds Road area southwest of Roger River (Figure 1). An all-weather 2WD vehicle access via the sealed Roger River Road heading south from Smithton and Donalds Road, a good quality gravel road heading west from Roger River Road, connect to the eastern boundary of the EL (Figure 1).

The EL was granted to Cresswells Transport Pty Ltd for a 5 year term ending on December 3rd 2025. Cresswells own 100 per cent of the title and are the sole operators of exploration activities.

Land tenure (Figure 2) comprises freehold pasture in the east, Montague Regional Reserve land to the west and smaller blocks of State Forest preserved for potential timber production in the northeast and northwest. The most prospective portion of the EL, in terms of known geology, environmental and logistical considerations, is the private farmland in the east, in particular the largest paddock area extending furthest to the west (Figure 3).

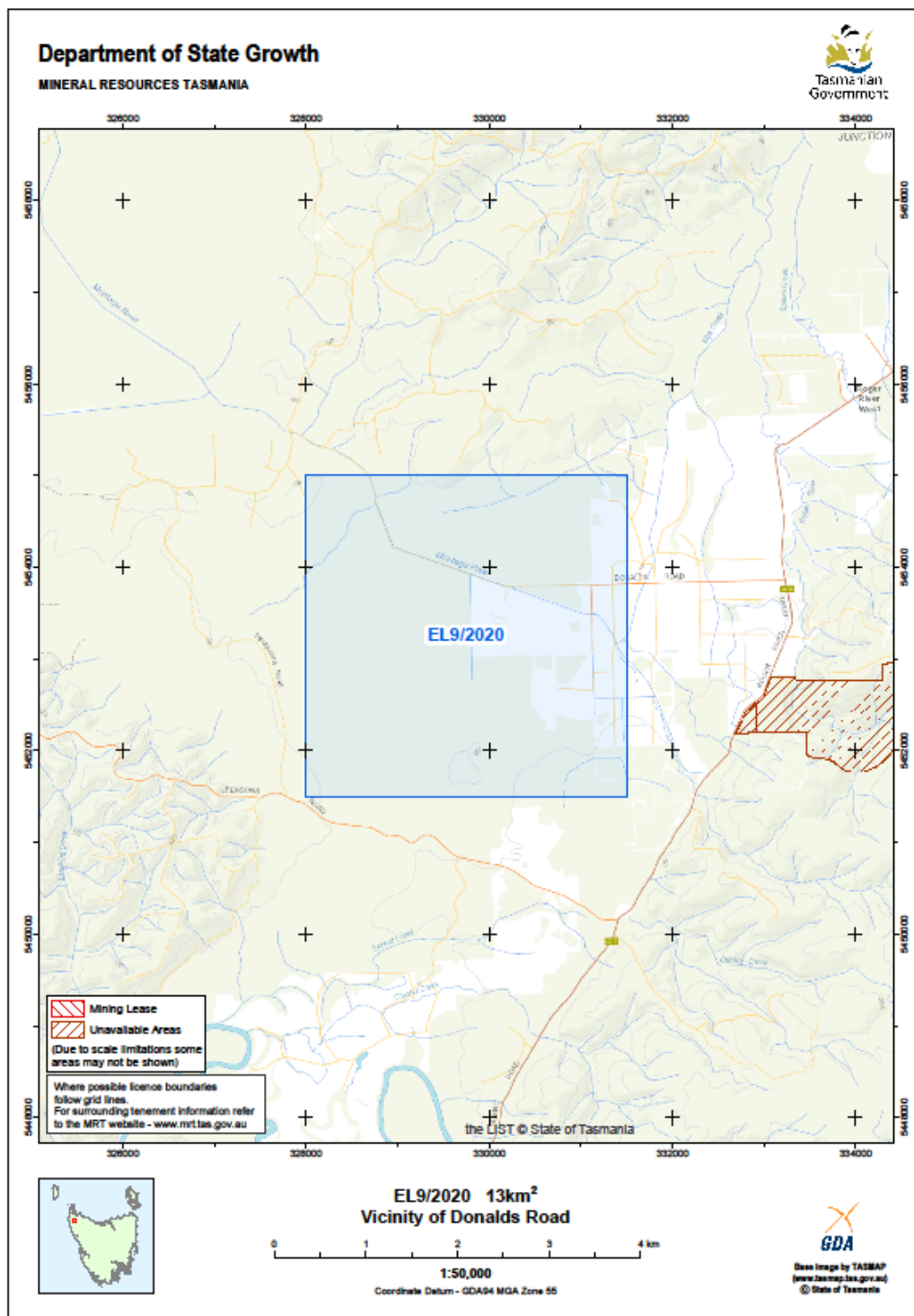


Figure 1. EL 9/2020 Location Map.

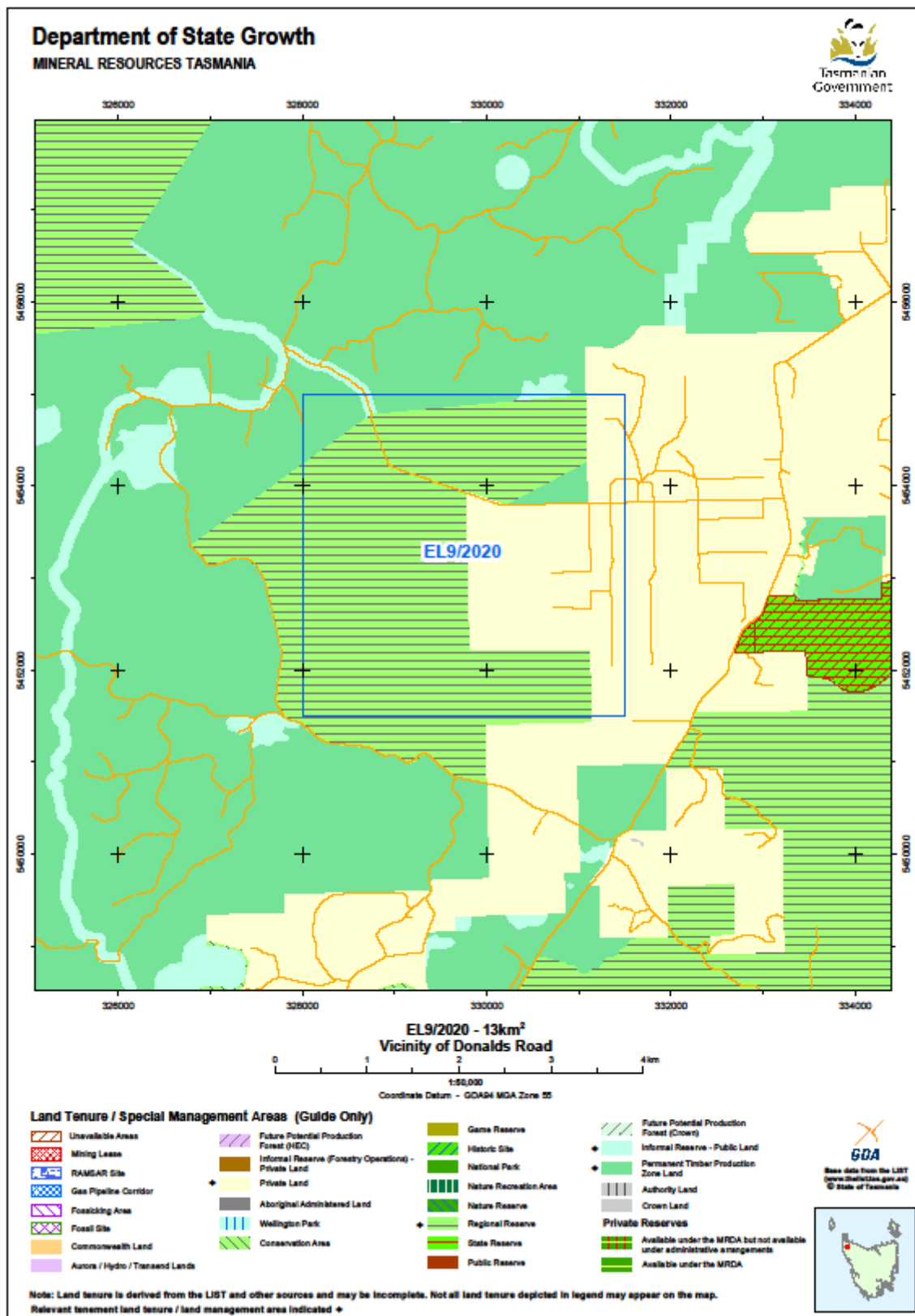


Figure 2. EL 9/2020 Land Tenure Map.

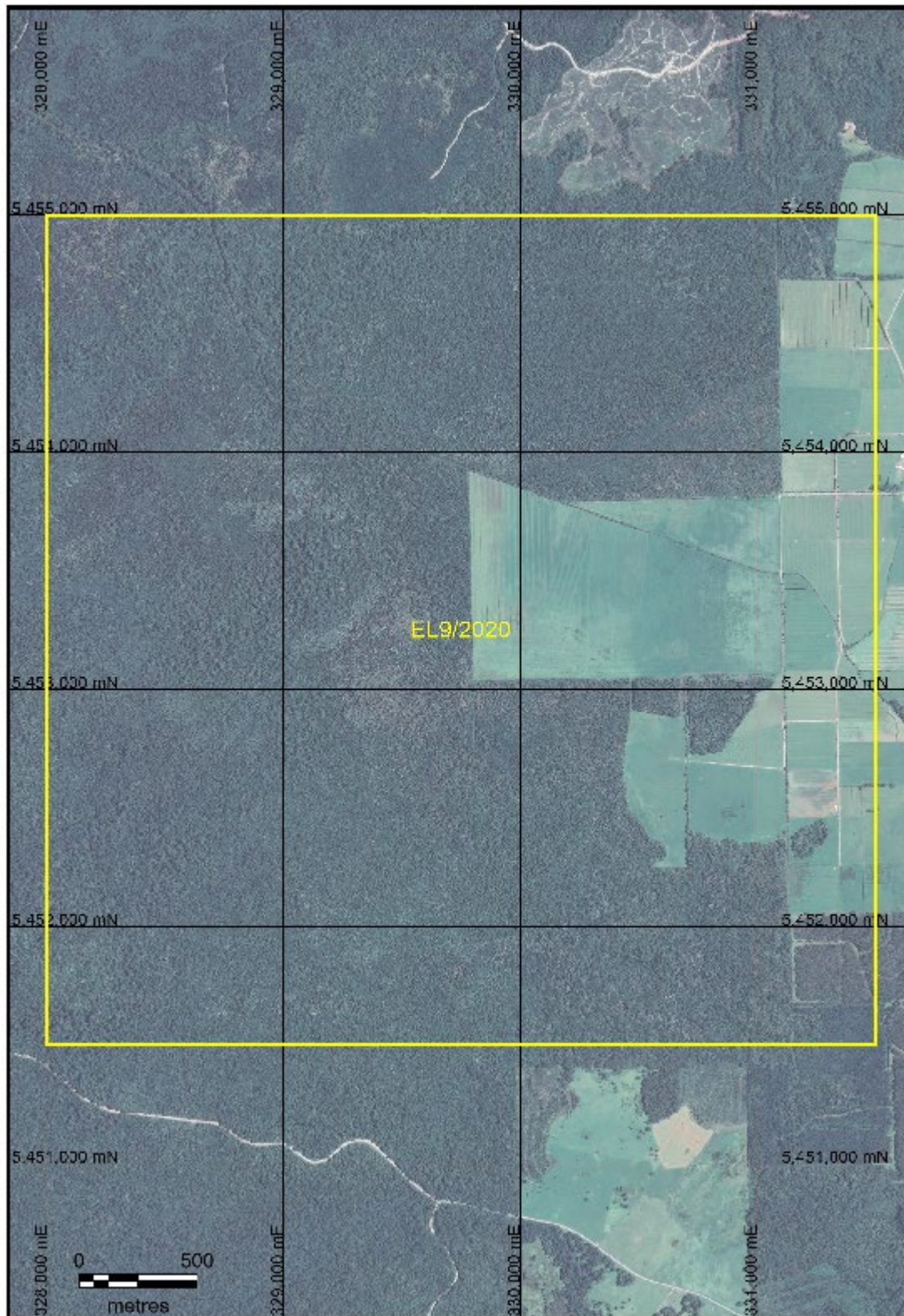


Figure 3. EL 9/2020 Airphoto.

List of Digital Files (sent to MRT separately)

	Filename	File format
Report	EL92020_2021_12_01_Annual Report_1	pdf
Drilling data template	EL92020_2021_12_02_SL_1	xls
Geochemistry data template	EL92020_2021_12_03_DG_1	xls
Additional drilling and geochemistry data files	RR Drill register Feb 21	xls
	Drilling Results Feb 2021	xls
	Grade table for sections	xls
	BU21027566	xls
	A4COA_BU21027566_92578-68733483	pdf
	A4QC_BU21027566_92578-68733487	pdf
File Verification Listing	EL92020_2021_12_05_Filelisting	xls

Map Coordinates Datum

GDA94 MGA Zone 55.

All point coordinates in this report were taken by hand held GPS

Geology and Exploration Rationale

The MRT Digital Geological Atlas 1:25,000 Roger Sheet (McClenaghan, et al, 2015) indicates that at the regional scale the EL is entirely covered by a thin layer of Quaternary regolith overlying Smithton Dolomite, a widespread unit in the Smithton Synclinorium, stratigraphically near the top of the Neoproterozoic Togari Group. At the prospect scale numerous small outcrop exposures of apparently high grade dolomitic limestone are exposed in the flat paddock country comprising the eastern portion of the EL.

Cresswells aim to compete in, and contribute to an expansion of, the agricultural dolomite market in Tasmania. The exploration aim is simply to define a resource of high grade stone in an environmentally benign location with access and quarrying factors favourable to support an economic project. The exploration involves scout prospecting, close spaced drilling and bulk sampling, to determine the bulk rock chemistry and crushing and handling characteristics of run of mine product.

Review of Previous Exploration

No record of mineral exploration and none specifically for dolomite, dolostone or limestone in the area covered by EL 9/2020 has been found. Given that the prospective part of the EL is flat pasture country entirely underlain by dolostone outcrop and subcrop it is unlikely that documented company exploration for metallic commodities has occurred.

Year 1 Exploration

Drilling

In February 2021 Cresswells drilled a portion of the Donalds Road prospect on flat pasture in a paddock with scattered outcropping dolostone which visually and from acid

testing appeared to be of uniformly good quality. Twenty vertical rotary percussion holes were drilled in a box-style close spaced pattern using an Atlas Copco Powerroc blast hole percussion rig (Figures 4 & 5), which drilled 90mm diameter open holes using 3.6m rods racked in a carousel, requiring no manual handling during rod changes. The holes ranged from 7.2 – 18 metres depth for a total of 295.2 m (Table 1). Soil/regolith cover ranged from a few cm to approximately 1.5m, with no significant karst surface encountered by any drill hole. Apart from minor discarding of soil and regolith material drilled by the first rod, coherent rock sampling occurred from near the surface. The drilling depth to a maximum of 14.4m or 18m (4 or 5 rods) was intentional and deemed sufficient for the initial resource estimate. Holes RR3, 5, 6 and 16 were terminated at shallower depth due to ground water producing sticky wet samples but overall there was no evidence of rock quality decreasing with depth.

Composite samples of combined chips and dust were collected into bins at the collar, during each rod change, then manually mixed and sub sampled into approximately 2kg calico bag samples, with a total of 82 samples sent to the ALS laboratory, Wivenhoe. Prepped pulps were assayed in Brisbane by the XRF fused bead Whole Rock method (see Digital Files).



Figure 4. Cresswells Blast Hole Percussion Rig Drilling Donalds Road Dolomite

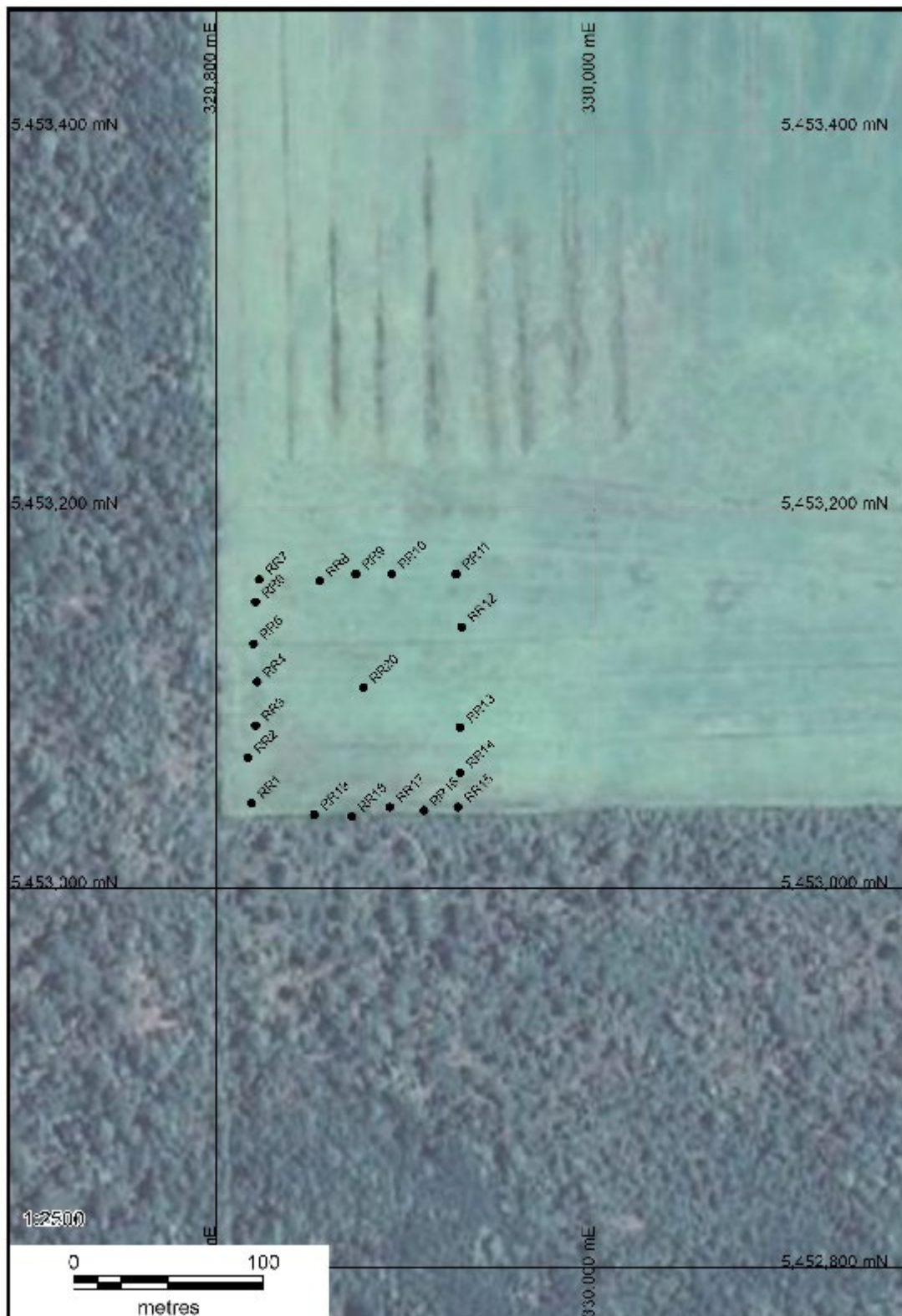


Figure 5. Drill hole locations in the SW corner of the main paddock.

Table 1. EL 9/2020 Donalds Road Drill Hole Register-Feb 2021

Hole ID	GDA Easting	Northing	Depth (m)	Samples
RR1	329819	5453045	18	5
RR2	329817	5453069	18	5
RR3	329821	5453086	10.8	3
RR4	329822	5453109	18	5
RR5	329820	5453129	10.8	3
RR6	329821	5453151	7.2	2
RR7	329823	5453163	18	5
RR8	329855	5453162	14.4	4
RR9	329874	5453166	10.8	3
RR10	329893	5453166	18	5
RR11	329927	5453166	14.4	4
RR12	329930	5453138	14.4	4
RR13	329929	5453085	14.4	4
RR14	329929	5453061	14.4	4
RR15	329928	5453043	18	5
RR16	329910	5453041	10.8	3
RR17	329892	5453043	18	5
RR18	329872	5453038	14.4	4
RR19	329852	5453039	14.4	4
RR20	329878	5453106	<u>18</u>	<u>5</u>
			295.2	82

Results

Assay results and certificates are submitted separately as digital files. For the 82 samples CaO results range from 28.7-31.5%, MgO from 19.9-21.3% and LOI from 44.9-47.8%. To evaluate rock quality in carbonates the proportions of loss on ignition attributed to water and carbon dioxide is the major consideration. Very little clay and almost no iron hydroxide group minerals were observed and the interpretation is supported by the low Al, K, Na and Fe concentrations shown on Table 2. A subjective value of 2% has been assigned to cover water LOI. On that basis total carbonates range from 94.6-98.6%, with only one sample (RR602) scoring <95% (Table 2).

Drill sections looking North and West with grade results for all holes are shown on Figures 6 & 7. In the southeast corner of the prospect holes RR14, 16 and 17 intersected moderately lower grade material but still high enough in total carbonate to be considered “ore”.

Table 2 EL 9/2020 Donalds Road Prospect Resource Drilling Results -February 2021

Hole ID	Sample No	SiO2%	Al2O3%	Fe2O3%	Na2O%	K2O%	SO3%	CaO%	MgO%	LOI%	Estimated CaMg CO3%*
RR1	RR101 1-1	0.74	0.16	0.36	0.05	0.05	0.06	31.3	20.2	47	97.6
RR1	RR102 1-2	0.78	0.12	0.17	0.04	0.04	0.06	31.8	19.9	47	97.8
RR1	RR103 1-3	0.48	0.09	0.15	0.04	0.04	0.06	31.9	19.95	47.2	98.1
RR1	RR104 1-4	1.57	0.05	0.12	0.04	0.03	0.05	31.1	20.3	46.3	96.8
RR1	RR105 1-5	1.66	0.24	0.17	0.04	0.06	0.06	30.6	20.2	46.8	96.7
RR2	RR201 2-1	0.39	0.13	0.34	0.04	0.05	0.06	30.8	20.9	47.5	98.3
RR2	RR202 2-2	0.57	0.17	0.33	0.04	0.06	0.07	30.7	20.8	47.4	98
RR2	RR203 2-3	0.4	0.15	0.3	0.04	0.04	0.06	31.1	20.8	47.5	98.5
RR2	RR204 2-4	0.32	0.05	0.24	0.04	0.04	0.05	30.8	21	47.7	98.5
RR2	RR205 2-5	0.56	0.02	0.14	0.04	0.03	0.06	30.7	20.9	47.5	98.2
RR3	RR301 3-1	0.59	0.2	0.21	0.04	0.04	0.06	31.3	20.2	47.4	98
RR3	RR302 3-2	0.37	0.12	0.27	0.03	0.05	0.06	30.9	21	47.3	98.3
RR3	RR303 3-3	0.42	0.09	0.2	0.03	0.04	0.05	30.8	20.8	47.5	98.2
RR4	RR401 4-1	0.38	0.09	0.36	0.04	0.03	0.06	30.5	21	47.6	98.1
RR4	RR402 4-2	0.39	0.13	0.49	0.03	0.04	0.07	30.7	20.9	47.5	98.1
RR4	RR403 4-3	0.38	0.1	0.8	0.03	0.04	0.07	31	20.4	47.4	97.8
RR4	RR404 4-4	0.33	0.07	0.35	0.04	0.03	0.06	31.1	20.9	47.5	98.6
RR4	RR405 4-5	1.03	0.1	0.34	0.04	0.03	0.06	30.3	20.8	47.3	97.4
RR5	RR501 5-1	0.81	0.18	0.24	0.03	0.03	0.06	30.3	21.1	47.6	98
RR5	RR502 5-2	1.47	0.11	0.42	0.03	0.03	0.07	30.3	20.7	47	97.1
RR5	RR503 5-3	0.4	0.1	0.5	0.04	0.04	0.07	31	20.4	47.4	97.9
RR6	RR601 6-1	3.38	0.68	0.21	0.04	0.05	0.1	29.1	20.3	46.2	94.6
RR6	RR602 6-2	1.67	0.45	0.37	0.03	0.04	0.13	29.8	20.7	46.9	96.4
RR7	RR701 7-1	2.08	0.59	0.19	0.03	0.05	0.08	29.5	20.6	46.7	95.8
RR7	RR702 7-2	0.68	0.22	0.45	0.03	0.03	0.11	30.3	20.9	47.4	97.6
RR7	RR703 7-3	0.37	0.09	0.44	0.03	0.03	0.12	30.4	20.9	47.5	97.9
RR7	RR704 7-4	0.82	0.24	0.34	0.03	0.04	0.17	30.4	20.6	47.2	97.3
RR7	RR705 7-5	0.51	0.21	0.26	0.03	0.03	0.12	30.6	21.1	47.4	98.2
RR8	RR801 8-1	0.56	0.19	0.37	0.03	0.03	0.13	30.2	21	47.5	97.7
RR8	RR802 8-2	0.32	0.11	0.99	0.04	0.03	0.09	30.5	20.7	47.4	97.6
RR8	RR803 8-3	0.24	0.04	0.54	0.04	0.02	0.08	30.6	21	47.6	98.2
RR8	RR804 8-4	0.32	0.12	0.72	0.04	0.04	0.1	30.8	20.8	47.4	98
RR9	RR901 9-1	0.47	0.14	0.25	0.03	0.03	0.07	30.5	21.2	47.6	98.4
RR9	RR902 9-2	0.22	0.07	0.26	0.03	0.03	0.12	30.6	21.2	47.7	98.5
RR9	RR903 9-3	0.3	0.12	0.3	0.03	0.03	0.18	30.7	21.2	47.6	98.5
RR10	RR1001 10-1	0.47	0.12	0.22	0.03	0.02	0.06	30.5	21	47.7	98.2
RR10	RR1002 10-2	0.28	0.11	0.66	0.03	0.03	0.08	30.8	20.7	47.5	98.1
RR10	RR1003 10-3	0.19	0.02	0.23	0.03	0.03	0.06	30.6	21.2	47.7	98.6
RR10	RR1004 10-4	0.3	0.09	0.27	0.03	0.03	0.07	30.8	20.9	47.6	98.3
RR10	RR1005 10-5	0.36	0.11	0.21	0.03	0.03	0.07	30.6	20.9	47.6	98.1

RR11	RR1101 11-1	0.25	0.07	0.23	0.03	0.03	0.05	30.4	21.2	47.7	98.3
RR11	RR1102 11-2	0.37	0.06	0.28	0.04	0.03	0.08	30.6	21.2	47.6	98.5
RR11	RR1103 11-3	0.24	0.07	0.55	0.03	0.03	0.08	30.6	20.9	47.6	98.1
RR11	RR1104 11-4	0.18	0.04	0.34	0.04	0.02	0.06	30.8	21.2	47.6	98.6
RR12	RR1201 12-1	0.6	0.18	0.43	0.04	0.03	0.09	30.3	20.9	47.4	97.7
RR12	RR1202 12-2	0.78	0.16	0.38	0.04	0.03	0.09	30.4	20.8	47.3	97.6
RR12	RR1203 12-3	0.39	0.15	0.46	0.04	0.04	0.19	30.7	20.9	47.4	98.1
RR12	RR1204 12-4	0.38	0.09	0.41	0.04	0.03	0.13	30.6	20.9	47.5	98.1
RR13	RR1301 13-1	0.66	0.21	0.19	0.03	0.04	0.12	30.5	21	47.5	98
RR13	RR1302 13-2	0.39	0.18	0.45	0.03	0.05	0.09	30.6	20.7	47.5	97.8
RR13	RR1303 13-3	0.35	0.13	0.46	0.04	0.05	0.09	30.9	20.8	47.5	98.2
RR13	RR1304 13-4	0.21	0.06	0.27	0.04	0.03	0.07	30.6	21.1	47.7	98.4
RR14	RR1401 14-1	0.51	0.22	0.51	0.03	0.05	0.06	31.1	20.3	47.4	97.8
RR14	RR1402 14-2	0.5	0.13	0.4	0.03	0.04	0.07	30.8	20.6	47.5	97.9
RR14	RR1403 14-3	1.06	0.04	0.17	0.03	0.03	0.06	30.4	21	47.4	97.8
RR14	RR1404 14-4	6.55	0.04	0.12	0.03	0.02	0.06	28.7	19.9	44.7	92.4
RR15	RR1501 15-1	0.46	0.11	0.3	0.03	0.04	0.06	30.8	20.7	47.5	98
RR15	RR1502 15-2	0.51	0.09	0.23	0.03	0.03	0.06	30.7	21	47.5	98.3
RR15	RR1503 15-3	1.68	0.02	0.13	0.05	0.03	0.06	30.1	20.9	47.1	97.1
RR15	RR1504 15-4	1.27	0.24	0.24	0.03	0.06	0.06	30.5	20.7	47.1	97.3
RR15	RR1505 15-5	0.56	0.08	0.13	0.04	0.03	0.05	30.9	20.8	47.6	98.3
RR16	RR1601 16-1	0.78	0.13	0.23	0.04	0.04	0.06	30.9	20.6	47.5	98
RR16	RR1602 16-2	1.39	0.05	0.13	0.03	0.03	0.06	30.5	21	47.2	97.7
RR16	RR1603 16-3	7.35	0.12	0.16	0.04	0.04	0.06	28.7	19.6	44.2	91.6
RR17	RR1701 17-1	0.51	0.14	0.2	0.03	0.04	0.06	30.7	21.1	47.6	98.4
RR17	RR1702 17-2	1.41	0.07	0.19	0.03	0.03	0.06	30.3	21	47.2	97.5
RR17	RR1703 17-3	1.65	0.05	0.14	0.04	0.03	0.06	30.2	21	47.1	97.4
RR17	RR1704 17-4	5.13	0.1	0.18	0.04	0.04	0.06	29.4	20.2	45.3	94
RR17	RR1705 17-5	0.48	0.06	0.16	0.04	0.03	0.06	30.9	21.1	47.6	98.6
RR18	RR1801 18-1	0.36	0.12	0.2	0.04	0.04	0.05	30.8	21.1	47.6	98.6
RR18	RR1802 18-2	0.57	0.11	0.23	0.03	0.04	0.06	30.7	21.1	47.5	98.4
RR18	RR1803 18-3	0.36	0.08	0.2	0.04	0.03	0.06	30.8	21.3	47.7	98.9
RR18	RR1804 18-4	0.17	0.07	0.18	0.03	0.02	0.06	30.6	21.3	47.8	98.7
RR19	RR1901 19-1	0.56	0.23	0.24	0.04	0.05	0.05	30.7	20.7	47.5	97.9
RR19	RR1902 19-2	0.85	0.15	0.5	0.04	0.05	0.07	30.7	20.7	47.3	97.7
RR19	RR1903 19-3	0.38	0.08	0.37	0.03	0.03	0.06	30.9	20.9	47.6	98.5
RR19	RR1904 19-4	0.89	0.06	0.29	0.04	0.03	0.06	30.5	21	47.3	97.9
RR20	RR2001 20-1	1.07	0.35	0.39	0.04	0.04	0.09	30.2	20.6	47.3	97.1
RR20	RR2002 20-2	0.67	0.26	0.58	0.04	0.04	0.1	30.6	20.8	47.4	97.9
RR20	RR2003 20-3	0.64	0.19	0.7	0.04	0.05	0.12	30.8	20.6	47.3	97.8
RR20	RR2004 20-4	0.51	0.15	0.28	0.04	0.04	0.08	31.5	20.3	47.4	98.2
RR20	RR2005 20-5	1.02	0.07	0.17	0.03	0.03	0.06	30.8	20.9	47.3	98.1

*assumes 2% LOI = Water, the rest
CO2
based on Al, K, Na, Fe results

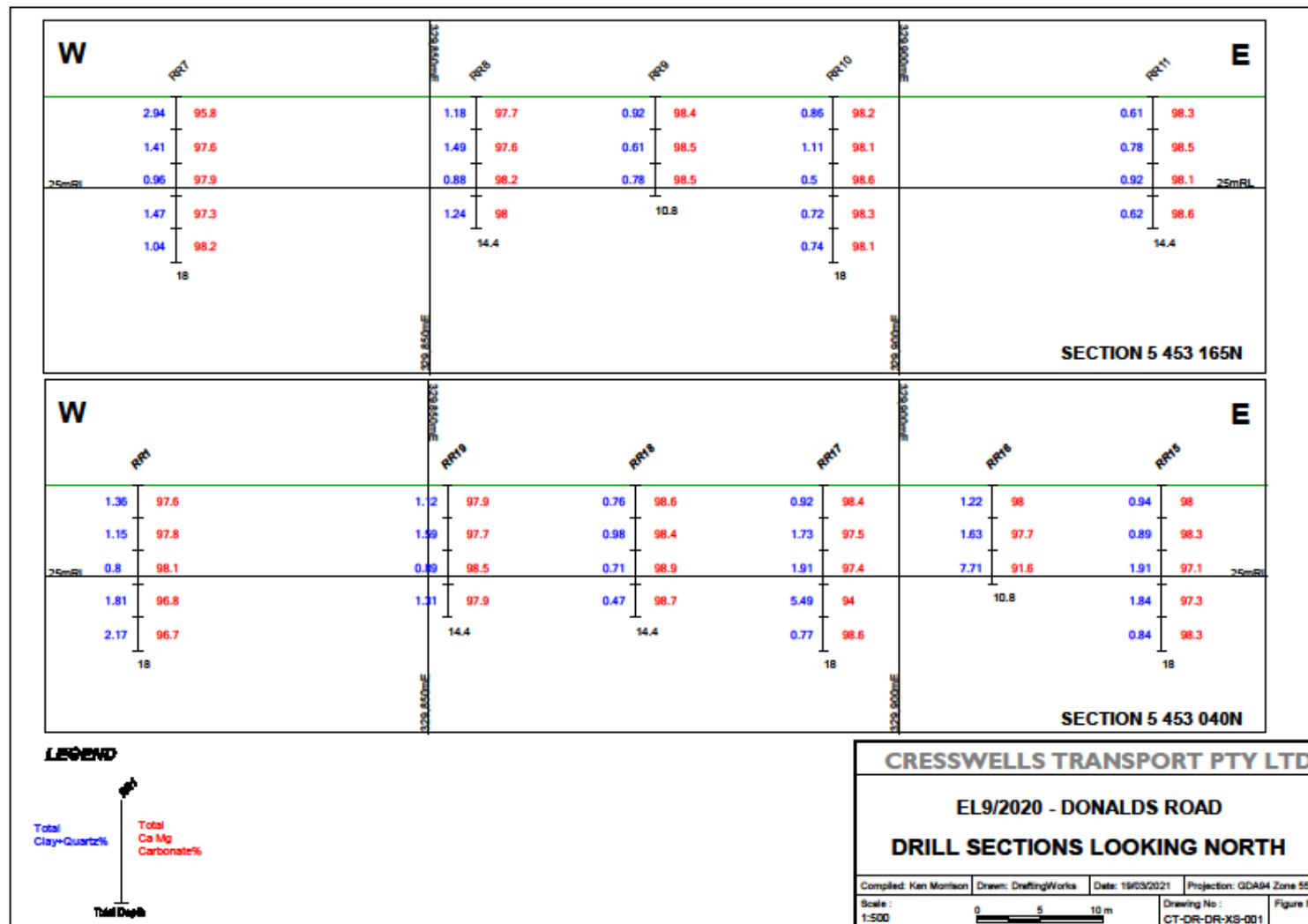


Figure 6.

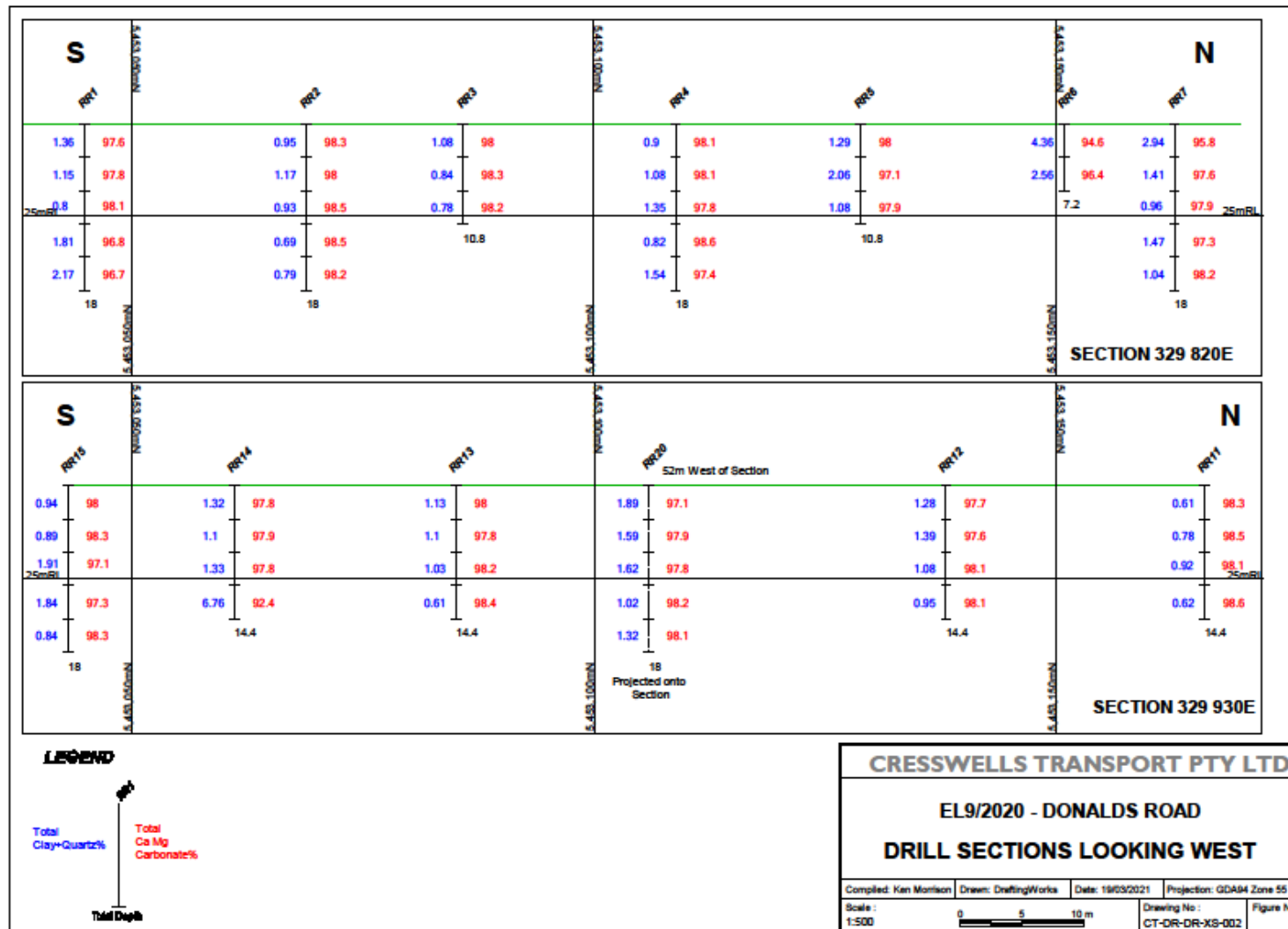


Figure 7.

Environmental Issues

No environmental problems were encountered. Ground conditions at the site were surprisingly dry and only minor ground water was encountered, with no holes producing artesian flow. Given the general flat, high water table nature of the region it is likely that managing surface water drainage will be required during average winter/spring conditions.

No hydrocarbon leaks occurred and no litter or sample bags were left in the paddock. Excess drill sample was spread over the surface and no significant surface indentation was caused by the tracked rig or the low loader which transported the rig. The landowner is satisfied with the condition in which the site was left.

Expenditure

Expenditure in the 12 month period ending December 3rd, 2021 was \$21,500, in the following categories:

Geology	\$3,000
Land Access negotiations, correspondence	\$2,500
Assays-ALS	\$7,000
Drilling	\$8,500
Tenement and office costs	\$500
TOTAL	\$21,500

Future Exploration

Sufficient prospecting and drilling have been completed to be confident that a suitable dolomitic limestone resource exists in a location which is economically and environmentally favorable for a viable long term quarry. Future work will concentrate on bulk sampling from the area drilled in the current year, to evaluate the blast fragmentation, crushing, cartage and spreading properties of the bulk material. A Work Program for bulk sampling of up to 1,000 tonnes of the target rocks has been approved by MRT.

References

McClenaghan, M. P., Seymour, D. B., Green, D. C. and Brown, A. V. (compilers) 2015. Digital Geological Atlas 1:25000 Scale Series. Sheet 3245 Roger. Mineral Resources Tasmania.

APPENDIX A
Drilling Results & Lab Certificates
(Digital Files- submitted to MRT separately)