Lot #9 $13687 8-72 Ha
Est $131.81

Resource Calculation Below 385 RL and to 4420 N Southern Trenches Main Pit 21-02-01

Data: 8 Probe holes drilled with pit rig under very difficult drilling conditions (4405N to 4420N)
Estimates of grade (Zn) and lithology from holes
A single diamond hole STM003 (4415N skewed to 4420N)

Method: Plot all drilling results on 1:250 Sections (4405 to 4420N)
Project pit mapping to sections below existing floor (385 mRL)

Result: Geology apparently very complex with little correlation between sections
Probable results fron slight complexity and poor drill results.
Areas of lithological/grade homogeneity blocked out on sections and areas determined
Grade determination of blocked area from either the DDH hole, surface mapping estimate or the mid point of the grade estimate from drilling. Ie Interval 8-12 % Zn estimated, attributed 10% Zn

Note: The grade estimates from the probe drilling are likely to be of poor quality for low grade mixed low/high grade areas.

An SG of 3.5 assumed for all grade blocks

Section	Grade Block	Area	Influence	Volume	Tonnage	Estimate % Zn
4420	12	29	5	145	508	12.0
4420	2	7.5	5	37.5	131	2.0
4420	3	33	5	165	578	3.0
4420	15	48	5	240	840	15.0
4420	20	9	5	45	158	20.0
					2,214	**10.8**

Section	Grade Block	Area	Influence	Volume	Tonnage	Estimate % Zn
4415	12	25	5	125	438	12.0
4415	20	13	5	65	228	20.0
4415	8	20	5	100	350	8.0
4415	5	11	5	55	193	5.0
4415	11	11	5	55	193	11.0
4415	18	23	5	115	403	18.0
					1,803	**12.7**

Section	Grade Block	Area	Influence	Volume	Tonnage	Estimate % Zn
4410	9	40	5	200	700	9.0
4410	3	36	5	180	630	3.0
4410	10	3	5	15	53	10.0
4410	20	6	5	30	105	20.0
					1,488	**7.3**

Section	Grade Block	Area	Influence	Volume	Tonnage	Estimate % Zn
4405	6	25	5	125	438	6.0
4405	20	8	5	40	140	20.0
					578	**9.4**

Totals	Tonnage	Estimate % Zn
4420	2,214	10.8
4415	1,803	12.7
4410	1,488	7.3
4405	578	9.4
	6,081	**10.4**

From above and examination of sections, 2% area on 4420 and
6% area on 4405 could be mined seperatly to ore. Therfore remove from estimate

Gives Total of

		Estimate
Totals	**Tonnage**	**% Zn**
4420	2,083	11.3
4415	1,803	12.7
4410	1,488	7.3
4405	140	20.0
	5,513	**10.9**

For the determination of addational elements:

Total Production from Main Pit to the end of Lot 9 =

Tonnes	**Cu %**	**Pb%**	**Zn%**	**Ag g/g**	**Au g/t**
6,600	1.25	7.52	13.38	59	8.2

By proportion against production to give addation elements.
ie Pb = (7.52/13.38) x 10.9 = 6.1

Estimate Tonnage and Grade (Inferred)

Tonnes	**Cu %**	**Pb%**	**Zn%**	**Ag g/g**	**Au g/t**
5,513	1.0	6.1	10.9	48	6.7

Revision 28/2/01

No Eastern Cut back, Northern Cut to 4675
To 375mRL
Eastern Wall extracted Vertical From existing Toe

Tonnes: T %Zn
4420 2214 10.8
4415 1600 11.2
4410 700 9.0
4405 219 6.0
Total 4,500 10.4

Assume 80cf dilution @ 0%
95% Recovery
∴ 4,800t @ 9.4%Zn

No Dilution - 95% Recovery
10, 5.5, 10.4, 6.6, 6.4
↳ $100.45/T

Assumed other Elements.

Cu	Pb	Zn	Ag	Au	
0.9	5.3	9.6	41	5.8	$85.36/T

$424,016

10.2

Revision 28/02/01

Lost Mining

No eastern cutback
Northern cutback to 4425 mN
Depth extent to 375mRL
Eastern wall excavated vertical

Section	Tonnes	Estimated Zn Grade
4420	2214	10.8
4415	1400	11.2
4410	700	9.0
4405	219	6.0
Total	**4500**	**10.4**

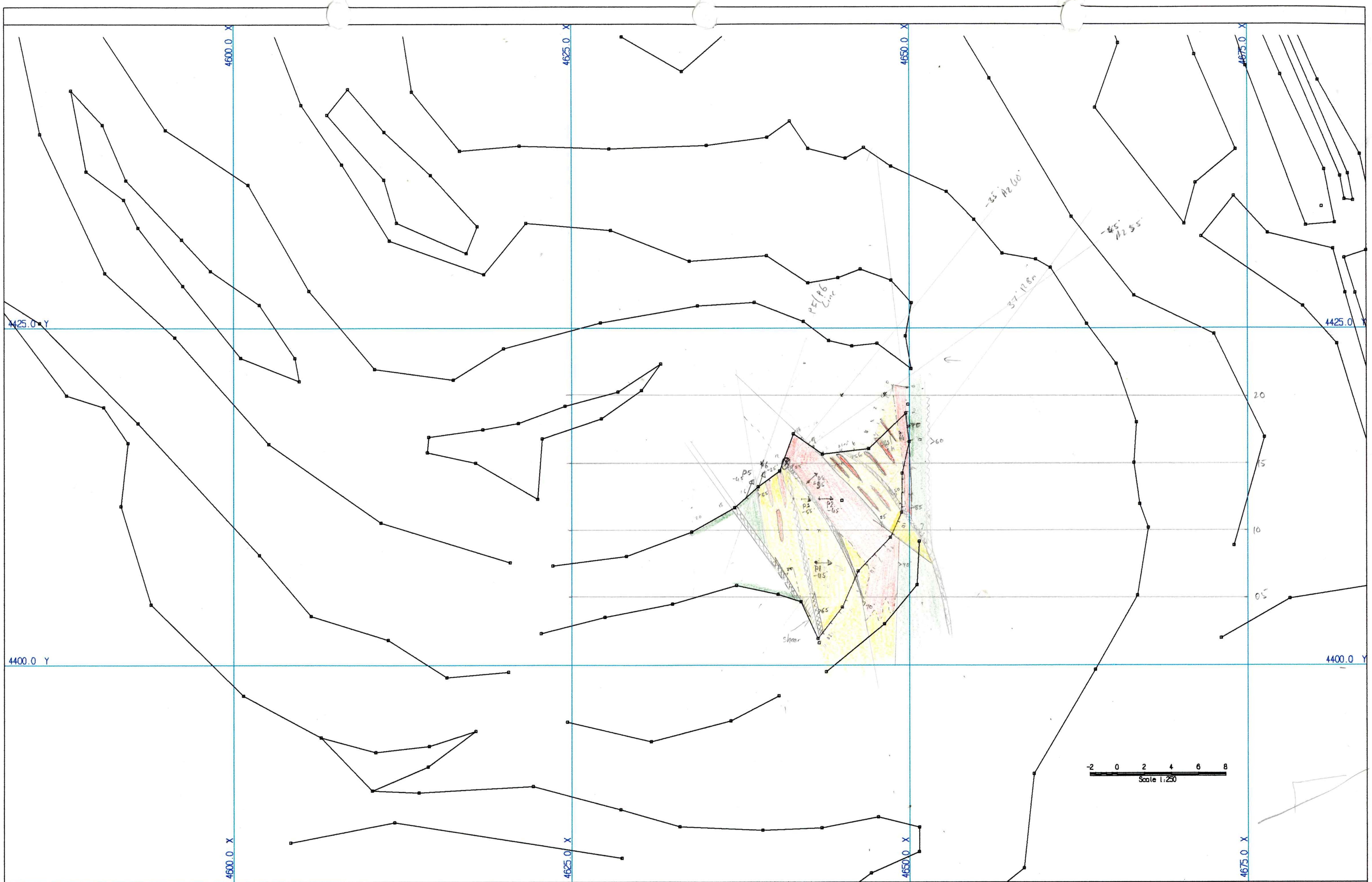
Addational Elements estimate as previous method

		Cu	Pb	Zn	Ag	Au	$/tonne	Revenue
1)	If 500 tonnes dilution assumed If 95% recovery assumed **4,800 tonnes at 9.4% Zn**	**0.9**	**5.3**	**9.4**	**41**	**5.8**	**88.34**	**$424,032**
2)	If no dilution and 95% recovery **4,275 tonnes at 10.4% Zn**	**1.0**	**5.8**	**10.4**	**46**	**6.4**	**100.45**	**$429,424**

Note: $ Estimated using Lot 9 estimated variables

Rape Case: No cutbacks east or north

2,748 tonnes at 10.2 % Zn Note: No dilution and 100% recovery applied	**1.0**	**5.7**	**10.2**	**45**	**6.3**	**98.35**	**$270,266**



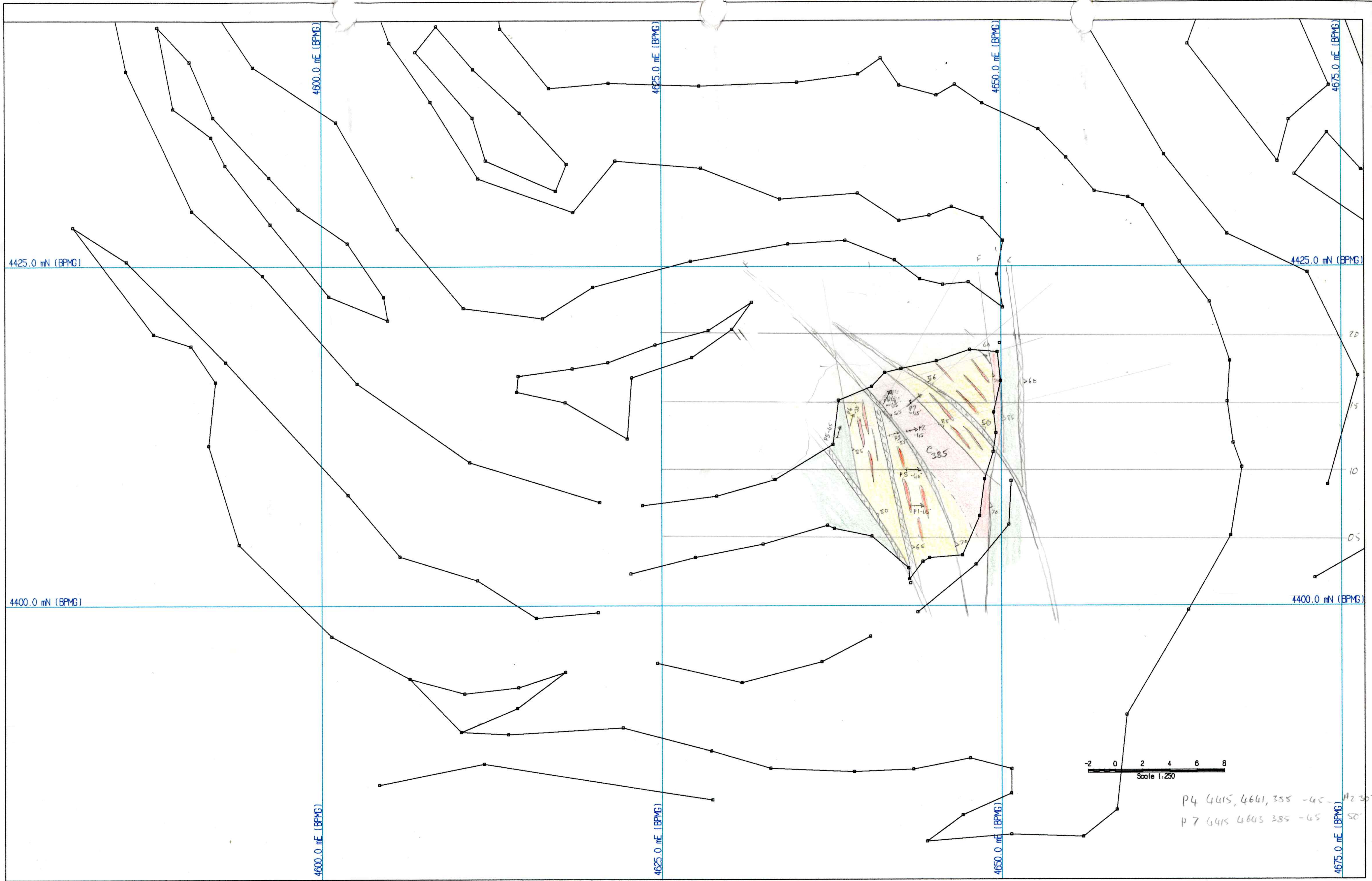
Mancala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 01/02/13 TIME: 08:52:50

Survey Pick Up 12-02-01
Southern Trenches Open Cut

Burns Peak Project

Software by Gemcom Software International



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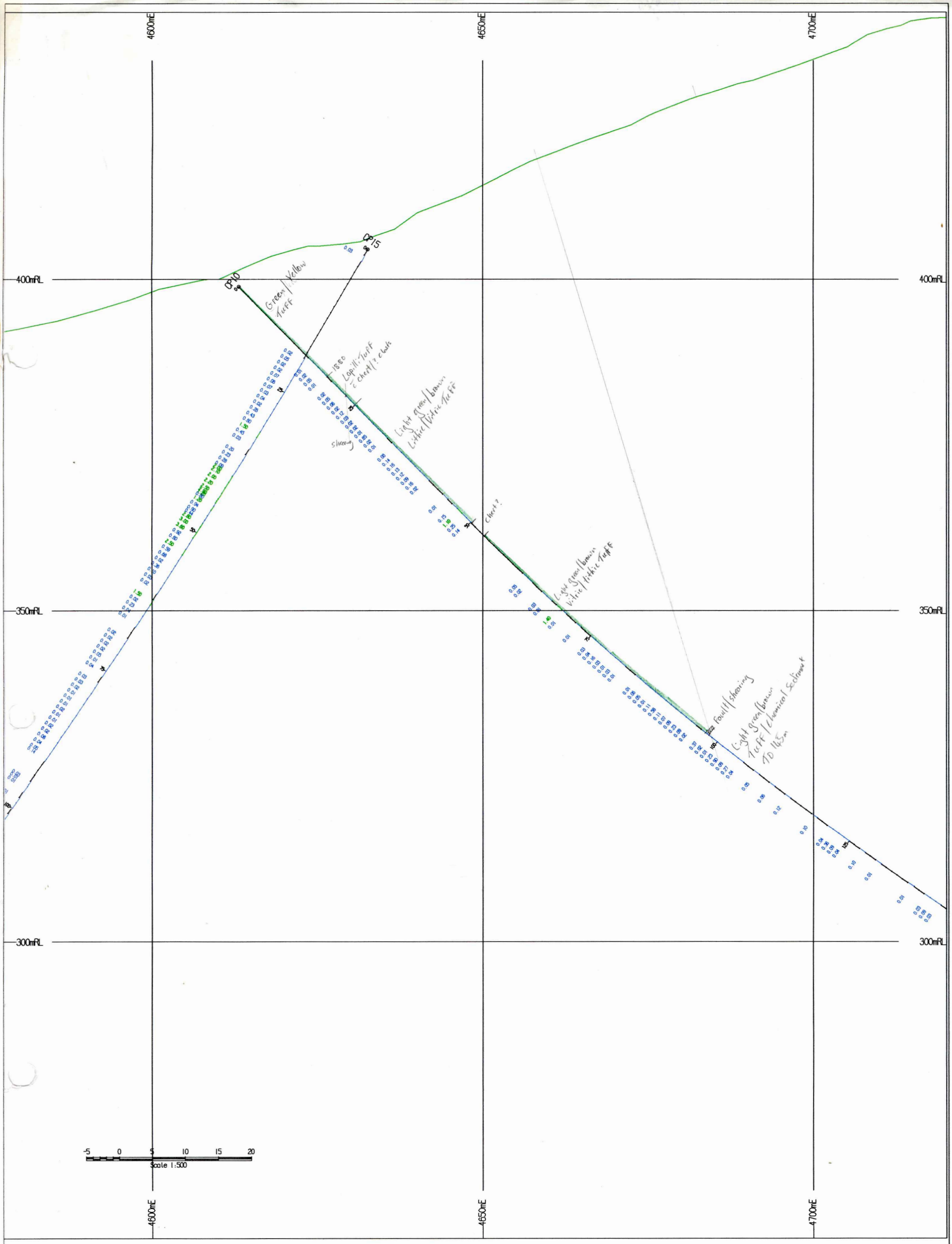
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 01/02/16 TIME: 09:06:43

Pick Up 14/02/01
Southern Trenches Open Cut
Haul Road Cut Back
Burns Peak Project

Software by Gemcom Software International



Moncala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 00/12/20 TIME: 15:13:05

Section = 4225N
+/- 15 m

Burns Peak Project

Software by Gemcom Software International

425mRL

4600mE

4625mE

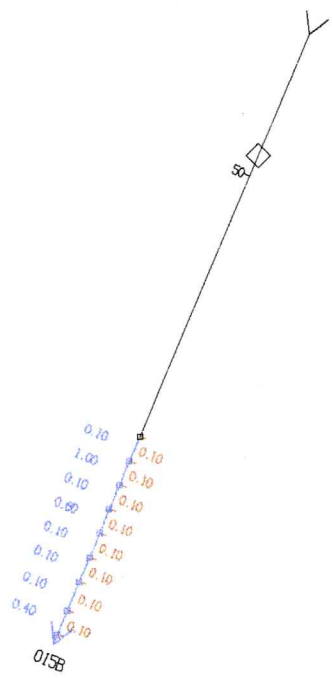
4650mE

425mRL

400mRL

400mRL

375mRL



375mRL

350mRL

350mRL

-2 0 2 4 6
Scale 1:250

4600mE

4625mE

4650mE

Mancala Pty Ltd. Launceston Office P.O. Box 240, 45B Cameron Launceston, Tasmania Australia 7250	Local Section 4385mN (+/- 2.5m) DDH with % Zn and Au ppm
UNITS : METRES DATE: 00/06/05 TIME: 15:00:23	Burns Peak Project Software by Comcom Software International

425mRL

4600mE

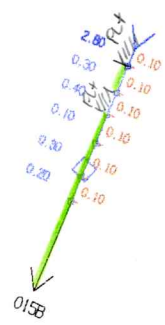
4625mE

4650mE

425mRL

400mRL

p/407/05/01



375mRL

375mRL

350mRL

350mRL

-2 0 2 4 6
Scale 1:250

4600mE

4625mE

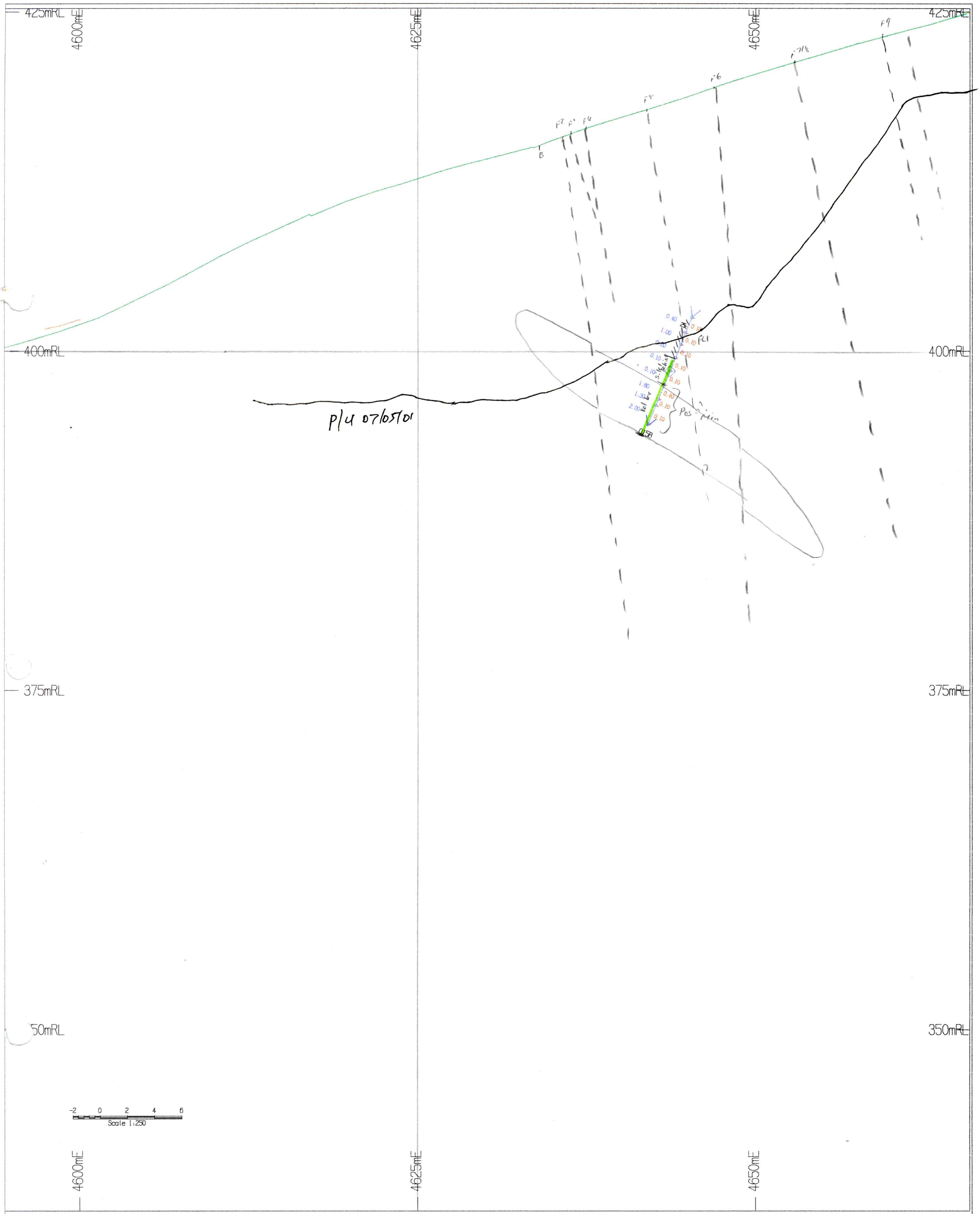
4650mE

Mancala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 00/06/05 TIME: 14:59:52

Local Section 4390mN (+/- 2.5m)
DDH with % Zn and Au ppm

Burns Peak Project



Mancala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 00/06/05 TIME: 14:59:08

Local Section 4395mN (+/- 2.5m)
DDH with % Zn and Au ppm

Burns Peak Project

Software by Gemcom Software International

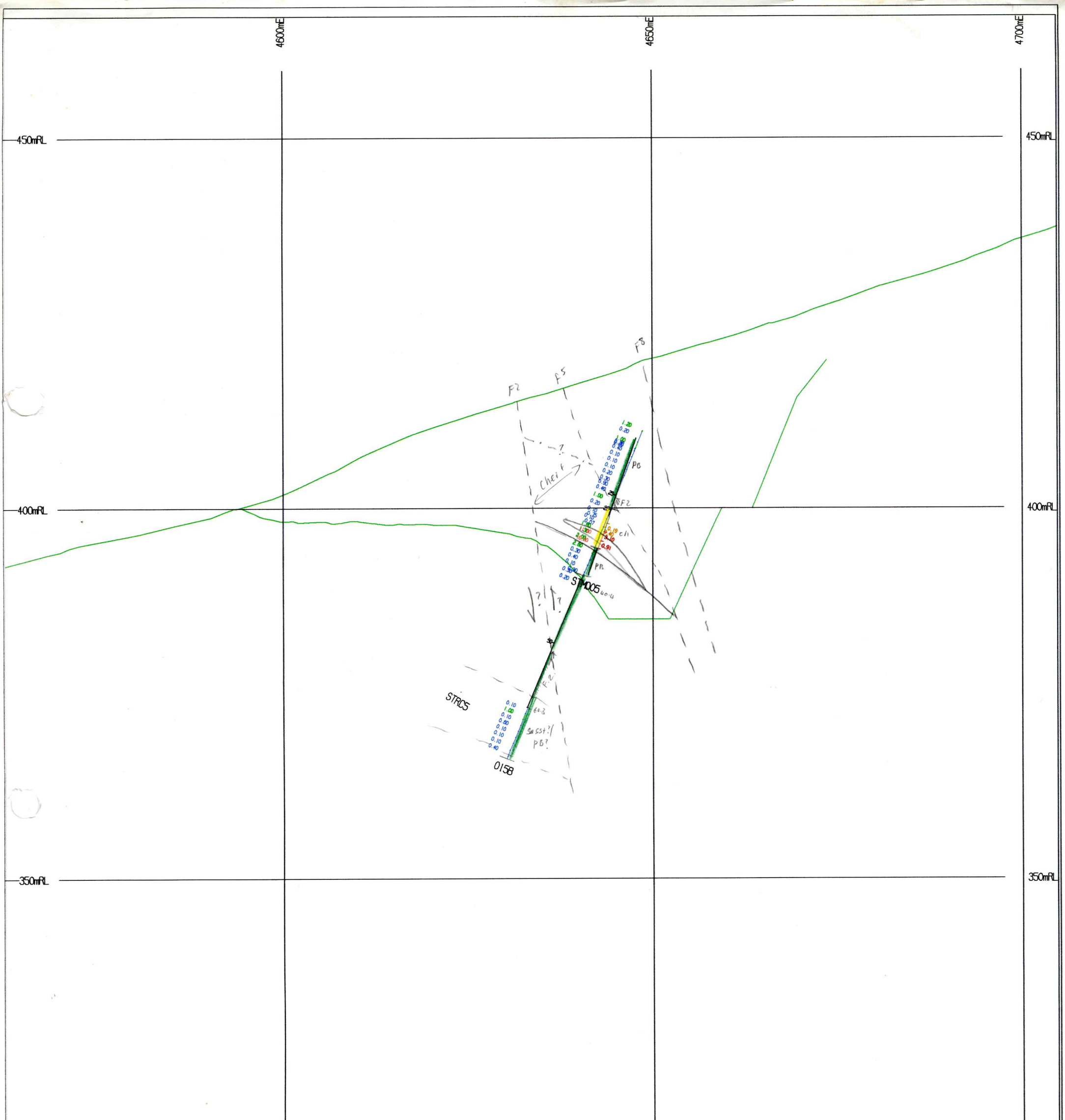
4600mE 4650mE 4700mE

450mRL 450mRL

400mRL 400mRL

350mRL 350mRL

300mRL 300mRL



-5 0 5 10 15 20
Scale 1:500

4600mE 4650mE 4700mE

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Australia 7250

UNITS : METRES DATE: 00/12/20 TIME: 15:20:54

Section = 4400N
+2.5m/- 25 m

Burns Peak Project

Software by Gemcom Software International

4600mE

4625mE

4650mE

425mRL

400mRL

375mRL

Bench Rehab Needed!

F8

F2

F5

Plu 08/12/00

23/01/01 Plu

Chert zone

CV

CV

VN

SI

FT

BD

OSB

F5

F

4397.5

STM005

2.6m @ 1.84, 7.2, 11.0, 316, 209

20 m²

Plu 02/02/01

Plu 12/02/01

Plu 07/05/01

385 Mapping Proj from North

Max Mining Extent 385 RL

Prop. Hole

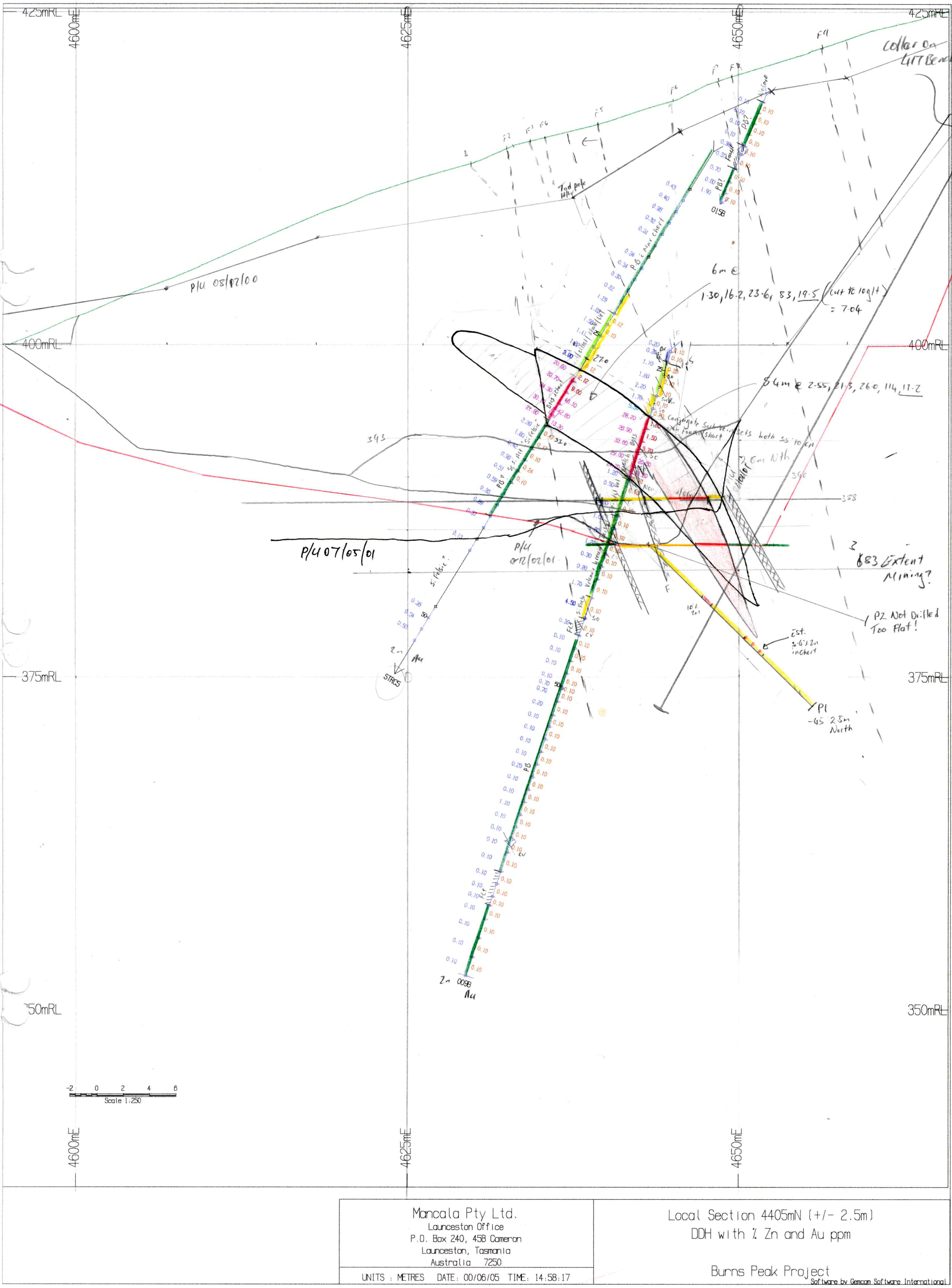
F2

STRC5

2 0 2 4 6

Scale 1:250

Mancala Pty Ltd. Launceston Office P.O. Box 240, 45B Cameron Launceston, Tasmania Australia 7250	Local Section 4400 mN (+/- 2.5m) DDH with % Zn and Au ppm Burns Peak Project
UNITS : METRES DATE: 00/08/16 TIME: 15:22:43	Software by Gemcom Software International


425mRL
400mRL
375mRL
350mRL
4600mE
4625mE
4650mE
collar on UIT Bench.
P/U 08/02/00
P/U 07/05/01
P/U 02/02/01
6m @
1.30, 16.2, 23.6, 83, 19.5 (cut to 10g/t) = 7.04
84m @ 2.55, 21.3, 26.0, 114, 17.2
Conjugate Sul. veins sets both 35 to CA
2.0m Nth
383 Extent Mining?
P2 Not Drilled Too Flat!
Est. 5-6% Zn in chert
P1 -45 2.5m North
STRC5
015B
009B
Scale 1:250
Mancala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250
UNITS : METRES DATE: 00/06/05 TIME: 14:58:17
Local Section 4405mN (+/- 2.5m)
DDH with % Zn and Au ppm
Burns Peak Project
Software by Gemcom Software International

Superseded

4625mE

4650mE

425mRL

400mRL

375mRL

350mRL

Current 14-02-01

Cut Back Design

Original Design

P/U 07/05/01

HAUL ROAD

STM005

STM015

0098

P1
-45°
25m North

-2 0 2 4 6 8
Scale 1:250

Mancala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 01/02/16 TIME: 10:14:14

Section = 4405CN
Southern Trenches Open Cut
Depth and Eastern Extensions
Burns Peak Project

Software by Gemcom Software International

4625mE

4650mE

425mRL

400mRL

375mRL

350mRL

Current 14-02-01

Original Design

Cut Back Design

3
683 Max Extent
Mining

P/4
07/05/01

See Superseded
Sheet For
Probe holes Off Section.

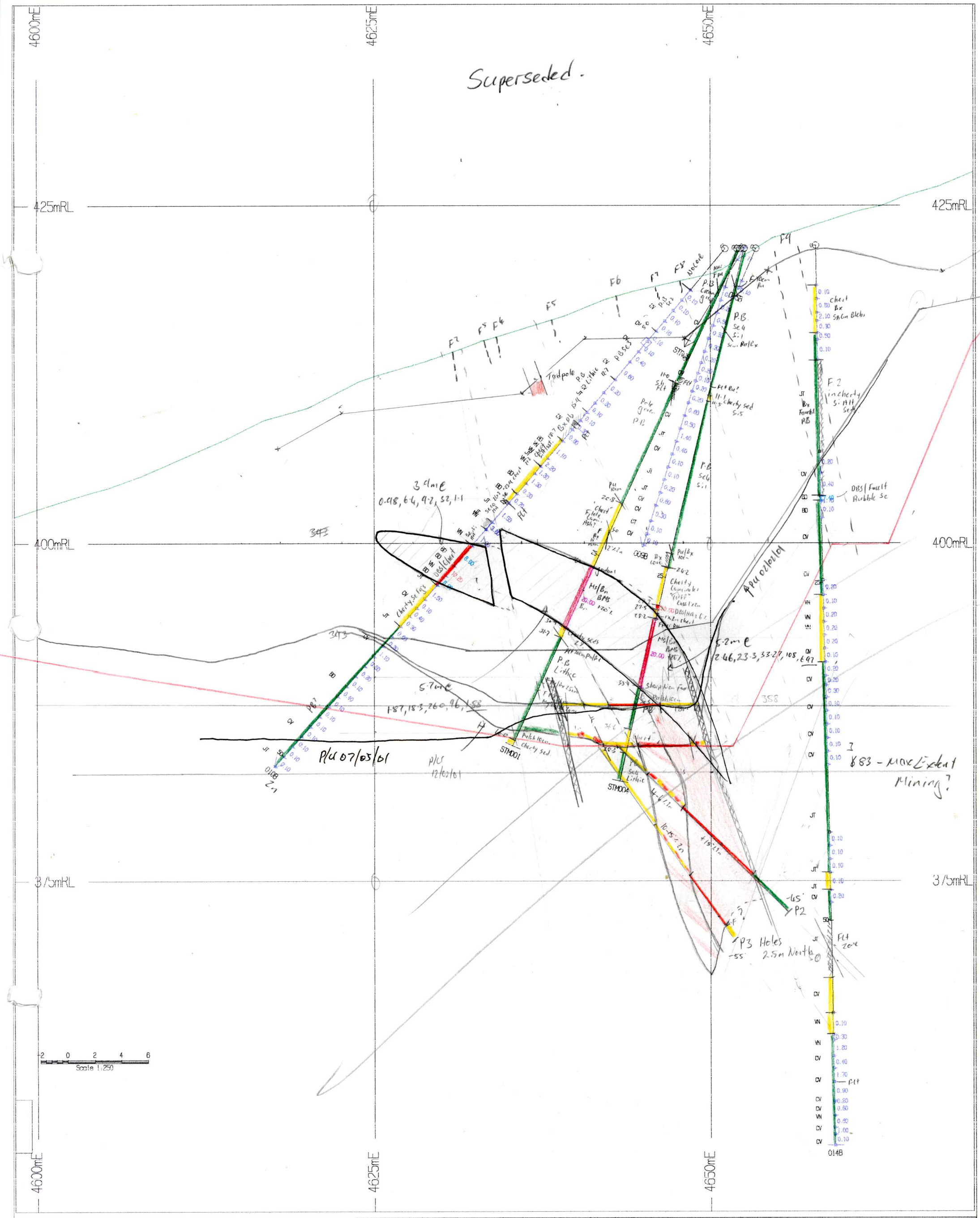
Prop. Hole

P8
-45° on section

Scale 1:250

	Mancala Pty Ltd. Launceston Office P.O. Box 240, 45B Cameron Launceston, Tasmania Australia 7250 UNITS : METRES DATE: 01/02/16 TIME: 10:14:52	Section = 4410CN Southern Trenches Open Cut Depth and Eastern Extensions Burns Peak Project Software by Gemcom Software International

Superseded.



Mancala Pty Ltd. Launceston Office P.O. Box 240, 45B Cameron Launceston, Tasmania Australia 7250	Local Section 4410 mN (+/- 2.5m) DDH with % Zn and Au ppm Burns Peak Project
UNITS : METRES DATE: 00/08/16 TIME: 11:20:58	Software by Gemcom Software International

4625mE

4650mE

425mRL

425mRL

Current (14-02-01)

Original Design

Cut Back Design

400mRL

400mRL

STM002

P/U 07/03/01

STM003

P3

P2

P4

383 - Max Mining Extent

F/W Zone
STM003
12-22m

Hole steeper than 45°?

Note Hole Has Passed down F/W of Fault.

375mRL

375mRL

Prop Hole.

P2 -45°

P3

Skewed Holes collared 2.5m South @ 075° Az

-2 0 2 4 6 8
Scale 1:250

350mRL

4625mE

4650mE

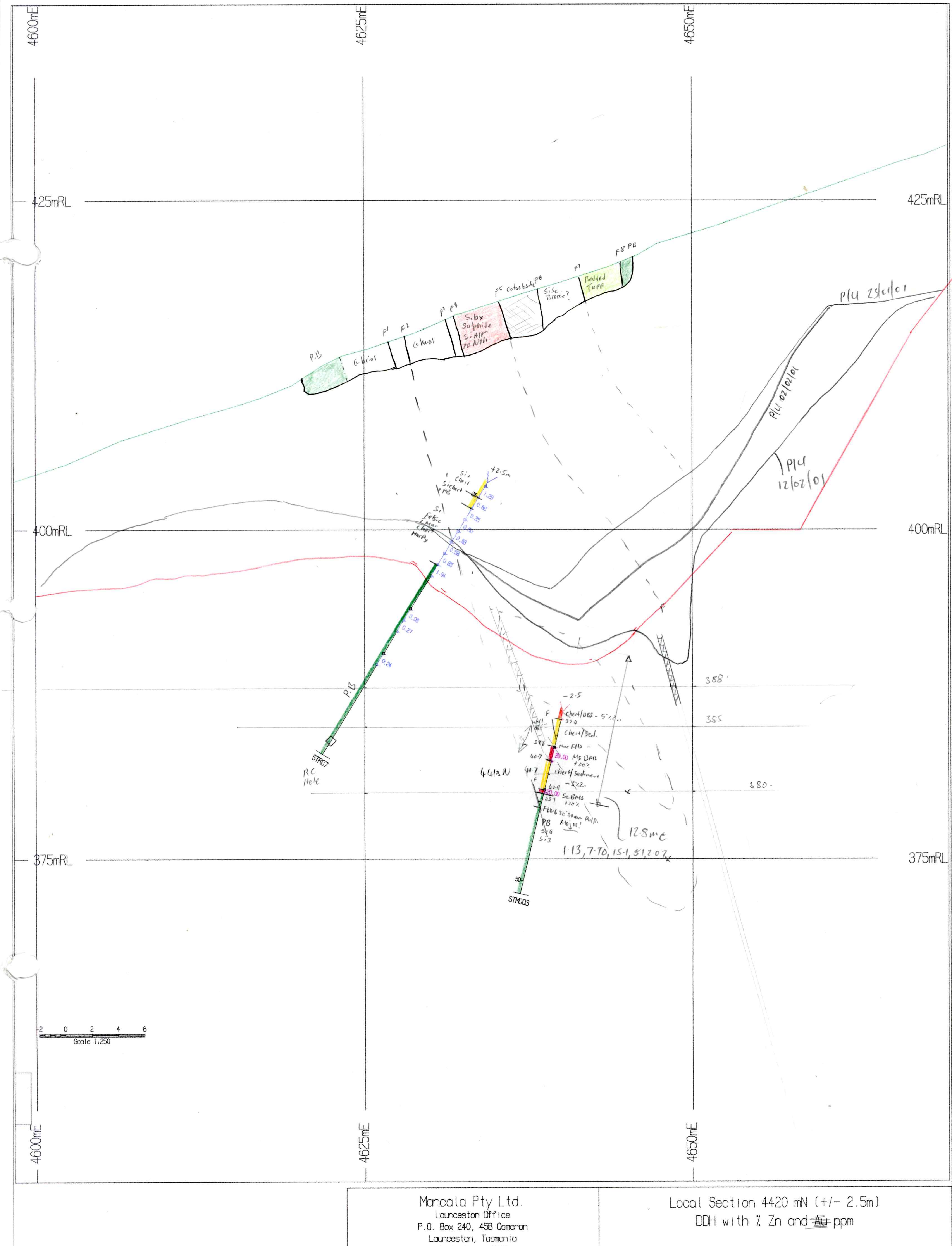
350mRL

Mancala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

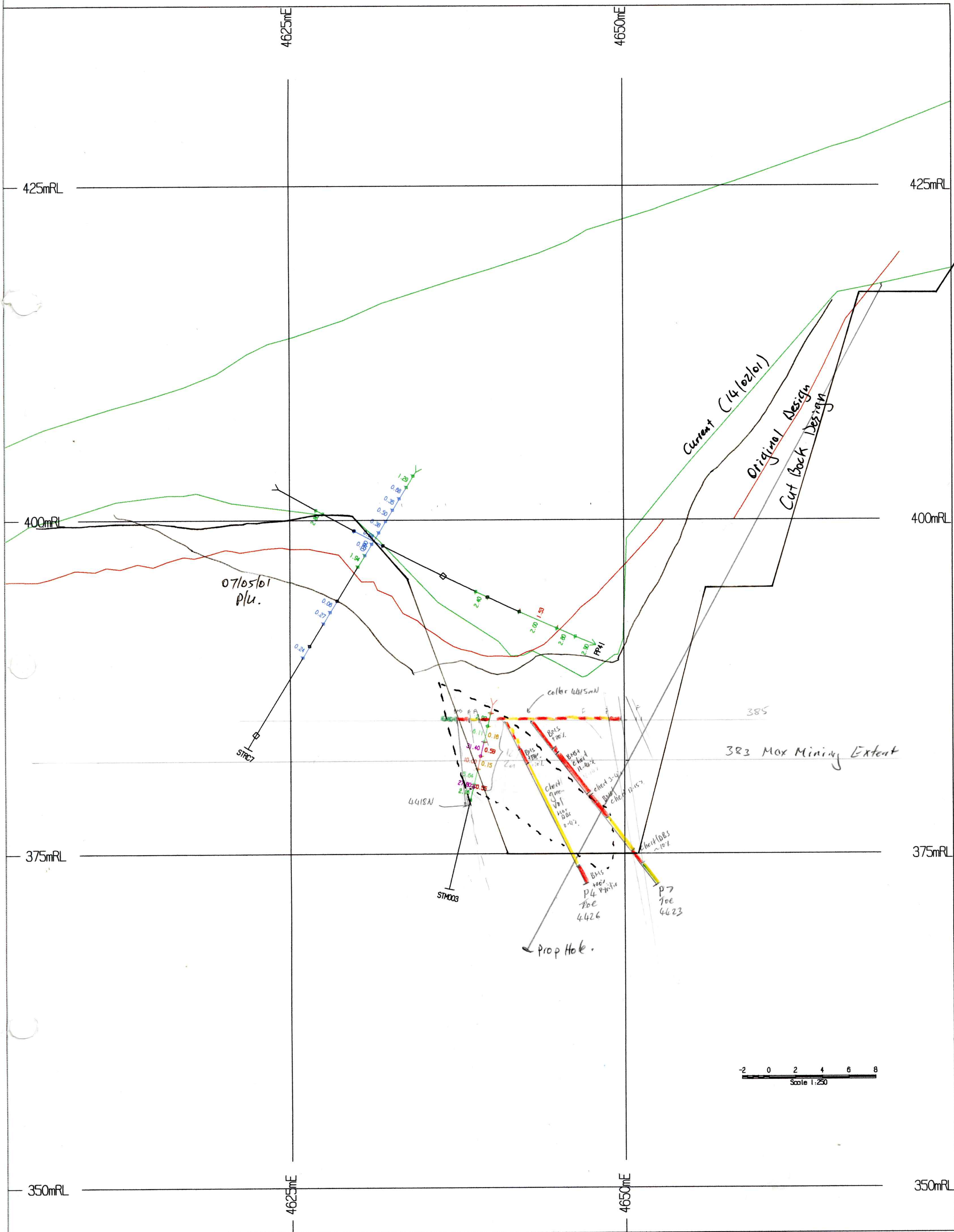
UNITS : METRES DATE: 01/02/16 TIME: 10:15:27

Section = 4415CN
Southern Trenches Open Cut
Depth and Eastern Extensions
Burns Peak Project

Software by Geocom Software International



Mancala Pty Ltd. Launceston Office P.O. Box 240, 45B Cameron Launceston, Tasmania Australia 7250	Local Section 4420 mN (+/- 2.5m) DDH with % Zn and ~~Au~~ ppm Burns Peak Project
UNITS : METRES DATE: 00/08/16 TIME: 11:14:03	Software by Gemcom Software International



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Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 01/02/16 TIME: 10:16:12

Section = 44200N
Southern Trenches Open Cut
Depth and Eastern Extensions
Burns Peak Project

Software by Gemcom Software International

4625mE

4650mE

425mRL

425mRL

0.05
0.54
2.18
0.28
1.48
0.21
0.89
0.12
0.39
0.25
0.98
5.03
1.25
3.87
1.38
0.24
1.44
0.32
1.24
0.76
1.23
0.24
1.28
0.28
1.38
7.12
0.15
4.77
STRC7

PP41

Current 14-02-01

Original Design

Cut Back Design

400mRL

400mRL

07/05/01
PLN.

375mRL

375mRL

-2 0 2 4 6 8
Scale 1:250

350mRL

4625mE

4650mE

350mRL

Mancala Pty Ltd.
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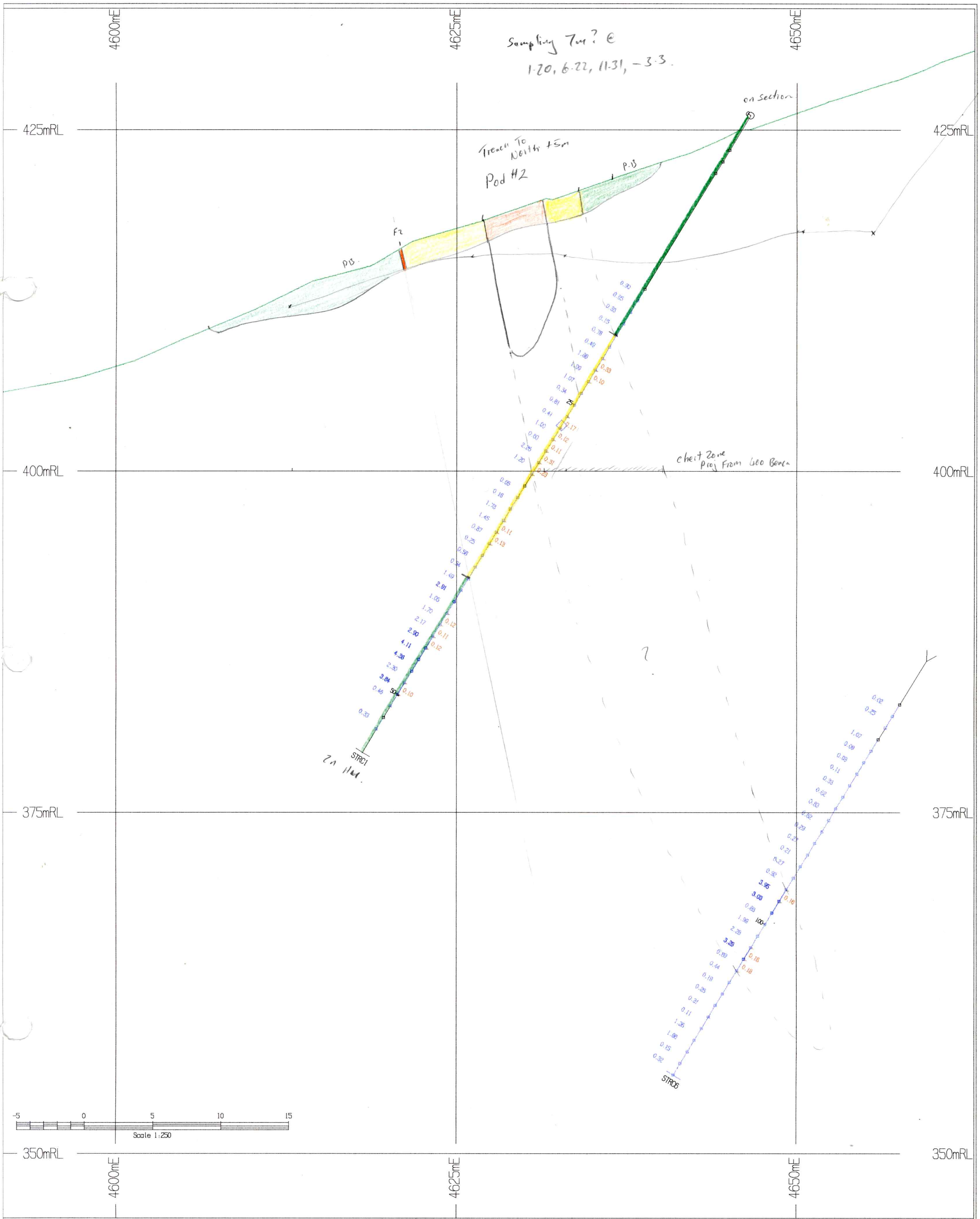
Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 01/02/16 TIME: 10:16:41

Section = 44250N
Southern Trenches Open Cut
Depth and Eastern Extensions
Burns Peak Project

Software by Gemcom Software International



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Launceston, Tasmania
Australia 7250

UNITS : METRES DATE: 00/06/07 TIME: 17:37:04

Local Section at 4445mN (+/-10m)
DDH with % Zn and Au ppm

Burns Peak Project

Software by Gemcom Software International

4600mE 4625mE 4650mE

425mRL 425mRL

PIU 08/12/00.

410mRL

① 3·2 m @ 1·0, 6·9, 13·9, 5·2, 2·4

② 4·3 m @ 0·4, 1·7, 3·8, 1·8, 0

③ 7·5 m @ 0·66, 3·91, 8·09, 3·2, 9·10

④ 6 m @ 1·0, 8·3, 11·0, 6·4, 4·9

Say total Block Average of Assays

= 0·83, 6·11, 9·55, 2·5, 7·0

400mRL 400mRL

375mRL 375mRL

-5 0 5 10 15

Scale 1:250

350mRL 350mRL

4600mE 4625mE 4650mE

Mancala Pty Ltd. Launceston Office P.O. Box 240, 45B Cameron Launceston, Tasmania Australia 7250	Local Section at 4465mN (+/-10m) DDH with % Zn and Au ppm
UNITS : METRES DATE: 00/06/07 TIME: 17:37:24	Burns Peak Project

Software by Gemcom Software International

4600mE
4625mE
4650mE
425mRL
400mRL
375mRL
350mRL
STR02
PP94
-5
0
5
10
15
Scale 1:250

Mancala Pty Ltd.
Launceston Office
P.O. Box 240, 45B Cameron
Launceston, Tasmania
Australia 7250

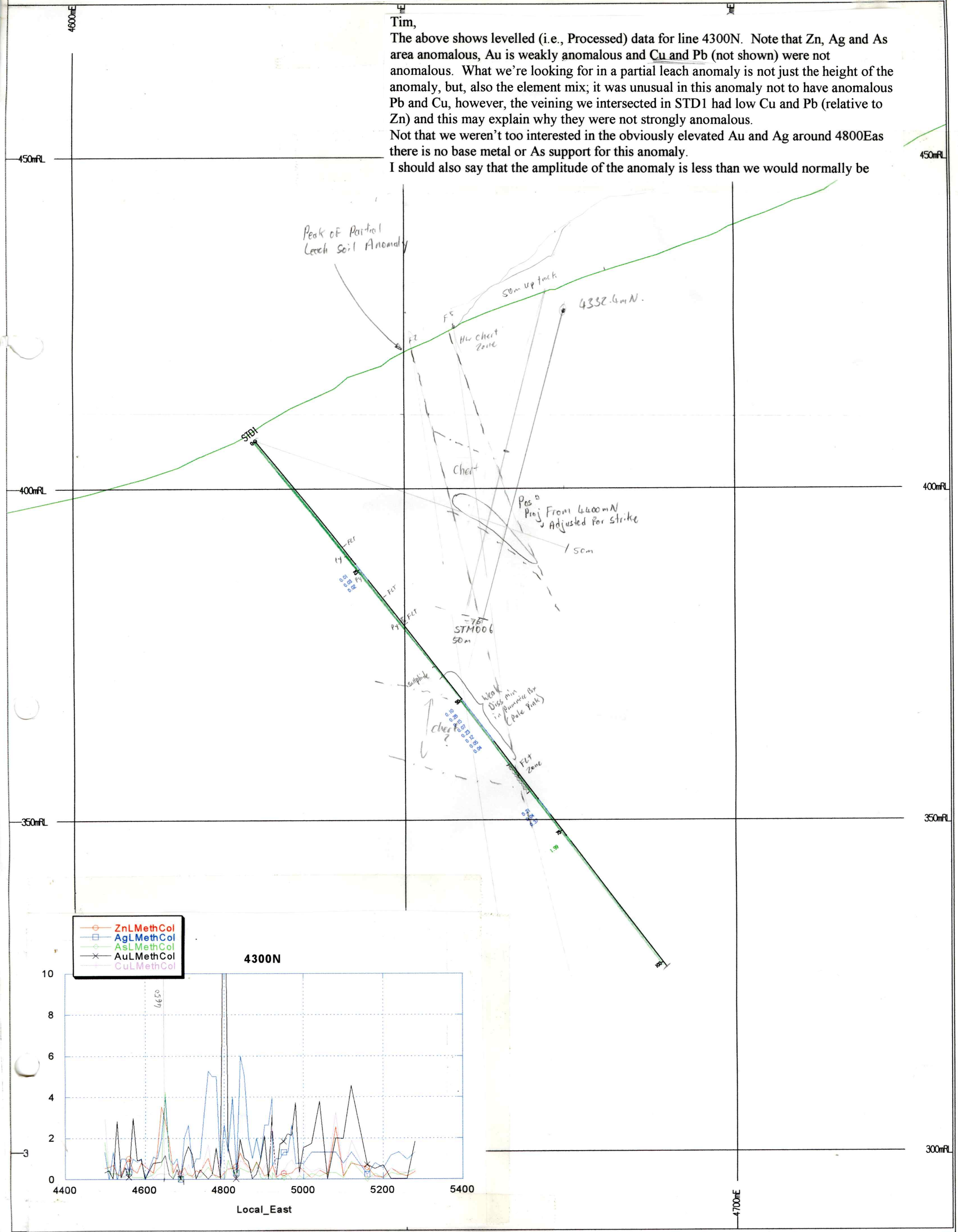
UNITS : METRES DATE: 00/06/07 TIME: 17:37:43

Local Section at 4485mN (+/-10m)
DDH with % Zn and Au ppm

Burns Peak Project

Software by Gemcom Software International

Tim,
The above shows levelled (i.e., Processed) data for line 4300N. Note that Zn, Ag and As area anomalous, Au is weakly anomalous and Cu and Pb (not shown) were not anomalous. What we're looking for in a partial leach anomaly is not just the height of the anomaly, but, also the element mix; it was unusual in this anomaly not to have anomalous Pb and Cu, however, the veining we intersected in STD1 had low Cu and Pb (relative to Zn) and this may explain why they were not strongly anomalous.
Not that we weren't too interested in the obviously elevated Au and Ag around 4800Eas there is no base metal or As support for this anomaly.
I should also say that the amplitude of the anomaly is less than we would normally be



Mancala Pty Ltd. Launceston Office P.O. Box 240, 45B Cameron Launceston, Tasmania Australia 7250	Section = 4325N +/- 20 m
UNITS : METRES DATE: 00/12/20 TIME: 15:15:16	Burns Peak Project Software by Gemcom Software International