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For information only, the whole of the shares having been underwritten.

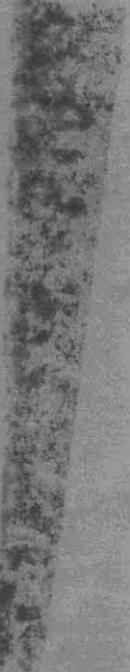


PROSPECTUS

of

Mount Rex Tin No Liability

(Incorporated under the No Liability Provisions of Part II. of the Companies Act 1928)



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450 COLLINS STREET
MELBOURNE
1934

*Mount Rex Tin No Liability Prospectus
by
W.E. Hurchcock
30/6/34*

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For information only, the whole of the shares having been underwritten.

PROSPECTUS
OF
MOUNT REX TIN NO LIABILITY

(To be incorporated under the No Liability Provisions of Part II. of the Companies Act 1928)

NOMINAL CAPITAL—£75,000 divided into 75,000 shares of £1 each.

50,000 shares are now offered for subscription at 2/- per share on application, 2/- per share on allotment and the balance in calls of 1/- per share at intervals of not less than one month.

25,000 shares each credited as fully paid up to be allotted to the Vendor hereinafter named or its nominees as consideration for the transfer of the property and plant hereinafter mentioned.

75,000

Provisional Directors:

JOSEPH DARLING, Claremont, Tasmania.
HENRY G. GRAY, Elizabeth Street, Hobart, Tasmania.
HANS HENRY HECHT, 450 Collins Street, Melbourne.
JAMES REID, 127 North Road, Gardenvale.
ALEXANDER DONALDSON SPIERS, 450 Collins Street, Melbourne

Consulting Engineer and Mine Superintendent:

WILLIAM ERNEST HITCHCOCK, M.Aust.I.M.M., Tatana, West Tamar, Tasmania.

Bankers:

ENGLISH, SCOTTISH & AUSTRALIAN BANK LTD., 388 Collins Street, Melbourne.

Brokers:

WALLACE H. SMITH & COMPANY, 361 Collins Street, Melbourne.

Solicitors:

ARTHUR PHILLIPS & JUST, Equity Chambers, 472 Bourke Street, Melbourne.

Manager:

ALFRED RAYMOND BRUHN, Chartered Accountant (Aust.)
(John Brandon & Company), 450 Collins Street, Melbourne.

Registered Office:

450 COLLINS STREET, MELBOURNE.

OBJECTS OF THE COMPANY.

The Company is being formed for the purpose, amongst other things, of carrying on the business of mining in all its branches and to acquire and take over from the Mount Rex Tin Mining Company No Liability—

(1) Mineral Lease No. 10988 containing 5 acres of land situate in the vicinity of Mount M

Rex County of Cornwall in Tasmania.

(2) Mineral Lease No. 11178 containing 78 acres of land situate in the vicinity of Mount M

Rex aforesaid.

(3) Water Licence No. 2913 of water, water race and dam site containing 40 acres of W

land situate in the vicinity of Ben Lomond County aforesaid; and all the buildings, plant, machinery, loose tools and other mining equipment of and belonging to the Vendor and being or situate on the said land.

The leases to be acquired by the present Company embrace the workings of the Rex Hill Tin Mining Company Ltd. and the Mount Rex Tin Mining Company N.L. near Avoca, Tasmania.

These Companies, operating intermittently between 1899 and 1905, produced, according to figures in the appended report by Mr. P. B. Nye, Tasmanian Government Geologist, over 1,000 tons of tin concentrates.

The average price of tin during the period of working was only some £120 to £130 per ton, as compared with to-day's price of approximately £230 sterling.

During the whole period of working there were experienced treatment and other difficulties which eventually, coupled with the low price of tin, resulted in cessation of operations in 1905, although tributors continued spasmodically thereafter until 1913. These difficulties are stressed by Mr. J. B. Scott, Tasmanian Secretary of Mines and formerly Tasmanian Government Mining Engineer, in his report included hereafter.

The vendor Company has expended a large sum of money in unwatering the mine, repairing the shaft, and carrying out extensive and systematic sampling of the ore bodies, the results of which are stated in the appended report by Mr. W. E. Hitchcock, M.Aust.I.M.M. (Mine Superintendent and formerly Mine Manager of Aberfoyle Tin N.L.).

It is now intended to explore systematically the ore bodies of the mine in accordance with Mr. Hitchcock's recommendations, and determine by experiment the most economical and practical method of treating complex ore of the nature existing, also the type of plant best suited to the requirements of the treatment decided upon.

Development work will be proceeded with closely following upon the exploration above-mentioned. The potentialities of the large dam site being fully explored, steps will be taken to ensure its most favourable exploitation immediately developments justify same.

It is anticipated that an expenditure of £5,000 will be necessary for exploration and preliminary developmental work, which should result in proving the existence of sufficient ore of a profitable nature such as will justify the erection of a complete milling and treatment plant. Evidence at present available justifies confidence in the belief that ore of the grade indicated by the samples can be worked at substantial profit if handled by the most suitable of modern methods.

HISTORY.

The following extract from the report of the Secretary for Mines, Tasmania, for 1902-3, contains some of the early history of the mine:—

“ . . . **Mount Rex Mine.**—This mine was first worked by a New Zealand company for silver-bearing galena. After a few years the silver and lead gave place to tin in the form of cassiterite, some copper, iron pyrites, zinc-blende, and a little galena. The company took out 3,000 tons of stone or ore, from which they obtained 170 tons of tin oxide (metallic tin at that time being only £60 per ton). They then practically abandoned working the property, and leased it to tributors, who in turn took out 1,180 tons of ore, obtaining 81 tons of tin oxide. After this the property was floated as a public company for 100,000 shares, but only 5,000 were put into working capital, and this materially crippled the advantageous working of the mine. After disposing of a certain quantity of tin ore (concentrates) obtained from the 20-head battery installed by the new company, the purchasers in the Australian market refused to take any further lots on account of its complex composition. The company

then sent 50 tons to England, which netted them £54 per ton. This was in 1902, and since then there has been no difficulty in selling all the ore produced. During the past year, ending 30th June, 1903, the mine has been steadily developed. The necessary dead work that should have been taken in hand previously has been commenced. When the present manager took charge in August, 1902, the development consisted of an adit level, driven in from the surface 40 feet below the outcrop, and a shaft sunk to a depth of 140 feet, from which a crosscut was driven to cut the ore-body. This met the ore 52 feet from the shaft, and, the level being opened up, has since proved the body of tin-bearing stone to be 78 feet wide and 100 feet long, still extending in a north-westerly direction. It is from these two levels that all the stone sent to the battery by the present company has been obtained.

"Since August last 4,700 tons of stone have been supplied to the battery, the shaft has been further sunk 100 feet, and a crosscut 150 feet in length has been driven, proving the ore-body at this level (No. 2) 240 feet in depth to be 72 feet wide and still extending. From this crosscut a drive has been put northwards, which is now in 25 feet, all in stone of payable quality, varying from 1 per cent to 3.5 per cent. metallic tin. This drive, as well as the main crosscut, will be continued through the ore-body, and the level thoroughly proved. Arrangements are being made to sink the shaft still deeper. A battery, consisting of 20 head of stamps, double sets of plunger jigs, Wilfley tables, and buddles, receive the stone from a Jacques crusher, which is connected to the surface plat by a tramway. The battery is run by water power, situated at a higher elevation, and conveyed by means of a race 3½ miles in length, giving at the Pelton wheel a pressure of 120 lbs. to the square inch. A new dam is now in course of construction, which, when completed, will with the old one contain about 400,000,000 gallons of water—more than sufficient to keep the machinery running all through the year. The recent developments in No. 2 level, 240 feet, have been exceedingly encouraging, the drive put in toward the north still being in excellent stone, the assay being 1.87 metallic tin, equal to tin oxide 2.5 at 70 per cent. Considering the fact that experience in No. 1 level proved the northern end of the ore-body to be much richer than the southern end, there is every reason to expect richer stone when this level is opened up. From the above, it is clearly evident that, under the present systematic management, this property is being proved to be of value, increasing as depth is obtained. . . ."

PURCHASE CONSIDERATION.

The consideration for the purchase of the said Leases and Water Licence, buildings, plant, machinery, loose tools and other mining equipment is the allotment to the Vendor or its nominees of 25,000 shares in the capital of the Company of £1 each credited as fully paid. Of the said 25,000 shares the Promoters are to receive 12,500 credited as fully paid up pursuant to the agreement hereinafter referred to.

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ENGINEERS' REPORTS.

(a) W. E. Hitchcock, Esq., M.Aust.I.M.M., Mining Engineer, dated 30th June, 1934.

"The mine is located in the Avoca mining district, N.E. Tasmania, and is reached by a road of steep grades and of length six miles from Avoca railway station. The road, although steep in places, is suitable for the transport of heavy material.

"The mine is situated on the western fall and near the crest of a main spur between the Castle Carey and Buffalo Creeks. The elevation is approximately 2,200 ft. a.s.l.

"The climate is fairly good and the rainfall about 25-30 inches. The rocks in the vicinity of the mine are granite and the ore bodies are of altered granite.

"The mine has been operated from a main shaft which has been sunk to a depth of 300 ft. with openings at No. 1 level (140 ft.), No. 2 level (220 ft.) and No. 3 level (300 ft.). The dimensions of the shaft are 12ft. x 4ft. in the clear and divided into two winding compartments, each of 4ft. x 4ft., and one ladder compartment. The shaft is in good condition to its depth as far as wall timbers are concerned. At the lower levels some replacements of centres and facilities for loading trucks on cages are required.

"At Nos. 1 and 2 levels, crosscuts have been driven to intersect, and for the purpose of working the main 'pipe.' At No. 3 level the drive has not met the 'pipe' and at 180 ft. from the shaft has been turned more northerly for a further 180 ft., at which point the No. 3 ore-body has been entered.

"Other workings are shallow shafts and trenches, on what is presumed to be the northern line of mineralisation, and an open cut on what is termed the 'open cut ore-body.'

"The ore-bodies which have a present relation to the main shaft are as follow:

"Main 'Pipe.'

"White Ore-body.

"No. 3 Ore-body.

"The main 'pipe' at No. 2 level has an extreme length of 110 ft. and an average width of $31\frac{1}{2}$ ft. The floor area, less that of a pillar, is in the vicinity of 3,000 sq. ft. The 'pipe' is very irregular in plan at both No. 1 and No. 2 levels. In the former its width is greatest on a N.E. line, whilst at No. 3 it is narrower and longer. A rough approximation gives a tonnage of 15,000-17,000 between Nos. 2 and 1 levels, as having been extracted, of which probably the main bulk was sent to the mill.

"Unfortunately, by reason of the inaccessibility, inspection was limited to looking down the old stopes from the adit level and looking up from the timbering at No. 2 level. In the latter case, the inspection showed that there had been some selection made in stoping and also some rejection of refractory ore (containing galena, chalco-pyrite and zinc blende).

"The dimensions have been taken from a plan accompanying a report by Mr. P. B. Nye, Government Geologist, and to which the reader is referred for fuller details. The production and ore value figures given in this report by Nye indicate that the recovery of concentrates has ranged from 7% at the upper levels down to 1.3 to 1.4% at the lower, and it appears that the zone of shallow enrichment was passed through at about No. 1 level.

"Below No. 2 level, the downward continuation of the 'pipe' has not been located except possibly in a winze which has been sunk from No. 2 to No. 3 level. The collar of this winze is under stopes and it looks as if a small amount of underhand stoping had been done at the top. Owing to broken timber overhead at this point, the winze could not be inspected. The bottom of this winze is at the end of a short crosscut N.E. from the main crosscut at No. 3 level. At this point three samples taken by Mr. Eric Gray yielded 0.58%, 0.39% and 0.55% metallic tin, respectively, which gives some evidence of the vicinity of the ore-body.

"Owing to the amount of sludge and debris on the floor of the chamber and around the bulk head at No. 2 level and above which stoping had been done, it was not possible to satisfactorily sample the floor area of the 'pipe' at No. 2 level.

"At a point 180 ft. along the crosscut from the shaft at No. 3 level, a diamond drill bore was put out for 180 ft. in a northerly direction. The location of the drilling machine would be at the entrance to the short crosscut N.E. referred to earlier and it appears most probable that at least one bore was sent out to the east in search of the 'pipe.' At the time of my inspection, owing to the debris in the crosscut, it could not be seen if such was the case.

"In reasoning the matter out, it looks as if the boring of this latter mentioned hole or holes would be that of prime importance at the time, and that the northerly hole would be bored last. However, whether the 'pipe' was located by borehole or not, the point is that what evidence was available was not followed up, and, instead, a drive of 180 ft. was driven along the borehole going northerly.

"The main 'pipe' is the most important ore-body so far disclosed in the mine and, in any exploration work which may be undertaken, its development should be the first objective.

"Returning to the rough approximation of tonnage of 15,000-17,000 and applying a concentrate recovery of 1.33%—a further rough approximation at to-day's price of tin would give about 40/- per ton of crude ore, from which would have to be deducted any penalties for impurities. In this connection, it must be recognised that there are considerable impurities in the ore and to obtain a clean, saleable product must be a matter of investigation by a skilled metallurgist, but should not present any insurmountable difficulty.

"The White Ore-body occurs on the west side of No. 2 crosscut at a point 15 ft. distant from the main 'pipe.' A chamber has been excavated and from eight samples taken by Mr. Eric Gray a result, over an area of 20 ft. x 24 ft., gave an average content of 0.90% metallic tin. If this body continued to the surface (220 ft. above), a tonnage of some 7,500 would obtain. On the other hand, it appears to be most probable that it is an outlying portion of the main 'pipe.'

"No. 3 Level Ore-body. This is located at the end of the No. 3 crosscut and was first located by a diamond drill bore which was followed up by a drive. A chamber has also been excavated here with an overhead stope of height of 7 ft. Nine samples were taken from the floor and roof by Mr. Gray, over an area of 16 ft. x 24 ft., with an average of 1.35% metallic tin. In this case, assuming that this body extended to the surface, with these dimensions, the tonnage would be approximately 7,800.

"Open Cut Ore-body. This occurs 350 ft. N.W. of the main shaft. The general trend appears to be east and west. Fourteen samples taken by Mr. Gray yielded an average of 0.615%. Examination of the sampling points showed that the last five samples were more or less taken from places away from the ore and the review is confined to a lesser area from which nine samples by Mr. Gray gave 0.85% metallic tin over an area of 11 ft. x 24 ft. If this deposit lives to No. 3 level and carries this area, the tonnage would be approximately 7,500.

"Tonnage. In the foregoing, various figures have been given of approximate tonnages. This is not intended to convey an impression that such can be classed in any way as reserves of ore, but rather as some idea as to possibilities in order to gauge the justification of exploration work in these directions. Again, they are not suggested as limits, being based only on the area actually sampled.

"It is obvious that any operations must be regarded as exploratory in the main and to be followed by development as the results of the first may indicate.

"In this connection, the inducements are—first, the large quantity of ore which has been produced in the past from the main 'pipe' and, next, the possibility of finding its continuation at No. 3 level. The other ore-bodies may be taken as subsidiary at the present. A matter of advantage is that the main shaft has already been sunk to No. 3 level, and 80 ft. of depth or backs are available should the main 'pipe' be located and developed at that level. The mine drainage is very light and only amounts to that of a few tanks per week and there may be said to be no burden in that direction.

"Future Work. As indicated earlier, the first objective should be that of locating the downward continuation of the main 'pipe.' If facilities are available, this would be done more quickly by use of a diamond drill and bores sent out horizontally from No. 3. Alternatively, crosscuts should be put out at various points. It will be noted from the plan accompanying Mr. Nye's report on the mine that this body is irregular in shape and trend. Thus, in depth it may pitch or dip in any direction and consequently the exploration work would require to be left very largely to the discretion of the one in charge of such work and who would be guided by his results from time to time as the work proceeded. In regard to No. 3 level ore-body, the first work on this would be that of rising from the back of the stope. If results justified, then the next step would be to explore this body from No. 2 level crosscut. As this drive is not now accessible, it would probably be best to continue the original crosscut on and to then drive across in solid ground to meet this drive.

"The White Ore-body could be tested by sinking and rising from its chamber at No. 2 level.

"The Open Cut Ore-body could be sunk on from the cut.

"For the purposes of these works, it would be necessary to instal a small air compressor of capacity of 150-200 ft. of free air and to provide facilities for raising men and material from the workings. For the present, steam power would probably be indicated, but in any case the plant would be of temporary nature to serve present needs. For finance it would be necessary to make £5,000 available as may be required. Of this, £1,000 would be absorbed in plant and preliminary works.

"It is necessary that investigations by a skilled metallurgist be put in hand at an early stage in order to ascertain the most suitable method of treatment of the ore. In this connection, as flotation appears to be indicated, this could probably be arranged with the Minerals Separation Company. In all cases, the assays referred to are the results of sampling carried out by Mr. Eric Gray, and assays made at the Mines Department Laboratory. I have examined the sampling points and methods, and consider that the work was done on sound lines.

"Data has been obtained from 'Report on Mt. Rex Mine' under date 16/6/1934 by Mr. P. B. Nye, Government Geologist.

"Conclusions. It will be appreciated that, as a result of examination not only of the mine, but of such records as are available, there are indications which appear to justify somewhat extensive exploration on the lines briefly indicated. Again, the absence of negative evidence justifies to some extent the view that further exploration may disclose larger or further bodies of ore, at present only partly in evidence,

this, coupled with the fact that the facilities in general are favourable to economical working, a factor—not already touched upon but possibly of quite material importance—being the existence of a potential water supply. Up to the present this has not been examined in detail and, other than to say that a substantial expenditure would be necessary to reinstate the dam and water race, I do not propose to elaborate thereon. Nevertheless, the potentialities must not be disregarded.

"Finally, whilst what I have termed the 'surface enrichment' may to a large extent have been exhausted, so far as the main 'pipe' is concerned, it is not improbable that the records of the past do not disclose the full value of the ore extracted, as undoubtedly the methods of treatment available at the time were less efficient than those now possible."

(Sgd.) Wm. E. HITCHCOCK.

(b) J. B. Scott, Esq., M.Aust.I.M.M., Secretary for Mines, Hobart, Tasmania, dated 19th June, 1934.

"Mineral Lease 10988/M. 5 acres and 11178/M. 78 acres including Water Licence 2913/W. Dam Site 2913/W. 40 acres.

"After lying dormant for a considerable number of years the Mt. Rex Mine leases were recently acquired by Mr. H. G. Gray, who has commenced an active investigation of the former workings. These consist of a shaft 300 ft. deep and three levels therefrom intersecting two ore bodies. A detailed plan of the workings is being prepared by the Government Geologist indicating the relative positions of the various levels, the worked portions, as well as positions of other ore bodies on the leases adjacent to that formerly exploited.

"**Location.** The mine is situated on the south western slopes of Ben Lomond and lies at an elevation of approximately 2,000 ft. above sea level. The nearest point to the State railway system is at Avoca, 52 miles from Launceston.

"The mine is situated approximately five miles from Avoca. Communication thereto is by road, which is negotiated by motor traffic without difficulty, although the elevation of the mine at shaft is approximately 1,400 ft. above that of Avoca.

"**Mining Economics.** In these brief particulars it is not intended or thought necessary to refer in detail to the various deposits or to their prospective value, but merely to make a comparison of the conditions prevailing and methods adopted when productive work was last in progress to those of the present day.

"Departmental records provide information concerning past operations, statistics, etc. From these it will be gathered that the circumstances governing working conditions, transport facilities combined with the low market price of tin ore most adversely affected the successful exploitation of the several ore bodies occurring on the property.

"The operators in those days, as well as having other disabilities to contend with, were confronted with problems connected with the treatment of complex ore which could not be economically overcome by methods then adopted. Advances made latterly in metallurgical science are such as to render the separation of the tin oxide from the other constituent minerals in complex ores a comparatively simple matter. The disadvantageous position with respect to general operations at the mine will be realised from that aspect alone.

"In addition to progress made with problems germane to separation of minerals in complex ores, there has also been marked advances in general methods and technique in ore concentration generally. The most efficiently designed milling plant of to-day would radically differ from one of 30 years ago, hence it can be stated that other things being equal ore can be treated to much greater advantage, both in regard to percentage recovery of its valuable constituents as well as to cost, than was possible when the mine was in operation.

"A feature in connection with mining the ore is the small quantity of timber used. The country rock, which consists of granite, is remarkably stable, as also is that of the ore itself—a factor having an important bearing for the application of cheap and efficient mining methods.

"**Mining Costs.** It is quite evident that all mining work carried out in the past was done entirely by hand labour. Present day methods and the use of modern rock drills would reduce mining costs by comparison to a minimum. In all such appliances used, including compressor plants and small hammer drills, marked progress has been made in recent years to the benefit of the mining industry. The main shaft (12 ft. x 4 ft.) is in excellent condition throughout.

“Water Power. In publications supplied to the lessee by this Department, reference is made to the provisions for storage of water for power purposes—a factor which will probably have an important bearing on the future of the mine in the event of productive operations being recommenced.

“As a result of a brief examination of the mine workings on 12th ultimo, a scheme of sampling the ore exposed, both underground and at the surface, was decided upon and is now in progress.

“These indicator samples will give information relative to the prospective value of the ore bodies, as well as to decide a scheme for developmental work, if such is decided upon when all preliminary data is obtained.

“In concluding these brief observations it may be remarked that the property has a number of attractive features. Past records show that a considerable quantity of tin ore was produced in circumstances most unfavourable to the economic exploitation of the mine.

“In summarising the position the disabilities may be enumerated as follows and deductions made accordingly as to what the result may have been if facilities as they now exist could have been applied when the mine was in operation:—

1. The low market price for tin (£50 per ton) compared to the present price.
2. Hand labour was applied exclusively for drilling the hard granite rock. With modern power drills mining costs would be greatly reduced, and all round progress in carrying out underground work accelerated.
3. Difficulty in dealing metallurgically with the complex ore occurring in the mine, compared to present day efficient processes.
4. Methods of transport compared to motor traffic now in general use.

“All these factors have a most important bearing on the prospective value of a mine in comparison with what existed 20 years or more ago.

“The mine has a number of promising features and fully warrants a thorough investigation with a view of the exploitation of the ore body or ‘pipe’ formation formerly worked and which extends intact from the second to the third level as well as that intersected at the end of drive at the latter, and those two on which surface work only has been carried out.

“The mine shaft is practically dry, requiring only the intermittent use of a baling tank to keep it unwatered. Pumping costs are therefore eliminated.”

(Sgd.) J. B. SCOTT.

(c) P. B. Nye, Esq., M.Aust.I.M.M., Government Geologist, Hobart, Tasmania, dated 16th June, 1934.

“The ore-body at the Mt. Rex, or Rex Hill, Mine was discovered prior to 1890 and was considered to be a silver-lead one, the Rex Hill S.M. Co., N.L., being formed to work it in 1890. By 1892 a small open cut had been made, a shaft sunk from it and an adit driven to a point below the bottom of shaft. The importance of the tin content of the ore-body had now been recognised and the Rex Hill T.M. Co. Ltd. was formed in 1895, to be superseded by a company of the same name in 1899, which was voluntarily wound up within a short time. The Rex Hill Tribute Assn. N.L. was formed in the latter year and the Mt. Rex T.M. Co., N.L., was formed in 1900 and continued operations until 1909. The latter company began active developmental and mining operations, as indicated below:—

1900—New shaft sunk to No. 1 level and level started.

1901—Completed No. 1 level and mining therefrom.

1902—Shaft sunk to No. 2 level and level started.

1903—Shaft sunk to No. 3 level and level started, and an intermediate between Nos. 2 and 3 driven.

At a later date Nos. 2 and 3 levels were extended to their present positions.

“After the company ceased active operations in 1909, tributors continued mining until 1913, since when underground minings have ceased.

“Recently Mr. H. G. Gray became interested in the mine and has had the shaft repaired and the mine unwatered. At present systematic sampling of the ore-bodies is being carried out.

“Geology. The vicinity of the Mt. Rex Mine is occupied by granite consisting almost entirely of quartz and large white felspar phenocrysts.

"The ore-bodies are greisenised granite, the granite having been altered to a finer grained mixture of quartz, altered feldspars, pinite, &c. Fluorite occurs on the joints in the open cut ore-body.

"The most important metallic mineral present is cassiterite (tin oxide), but others present include chalcopyrite, pyrite, arsenopyrite, galena and sphalerite. The ore-body was, in fact, first opened up for galena, a portion of the main ore-body in open cut being rich in this mineral. A zone of white reef quartz occurs in the centre of the open cut, and narrow quartz veins are visible at places in the other ore-bodies.

"As a general rule in N.E. Tasmania, these greisen ore-bodies occur as tabular bodies with rapidly changing widths. At Mt. Rex the conditions are similar, but the main ore-body is more like a pipe, and the north-south ore-body is a continuation of same.

"**The Ore-bodies. Main Ore-body.** This ore-body was exposed and mined from the open cut; was intersected in the adit and mined above and below it; was intersected at No. 1 level and mined above and below; was intersected and mined above No. 2 level; and was proved by a winze from No. 2 to No. 3 level, but not mined between them. The ore-body was generally circular in shape, but had a more or less N. and S. trend along its greatest length, as shown by the following:—

	Length.	Width.	Trend.
Open cut	70	55	N. & S.
No. 1 level	90	70	N. & S.
No. 2 level	110	56	N. & S.
No. 3 level	Not known.		

"These figures are taken from the workings shown on the plans and may not of course represent the total measurements of the ore-body, particularly at the open cut and adit levels.

"The workings prove that it has a dip of about 81° to the east and a pitch of 74° to the north.

"**White Ore-body.** This ore-body occurs in the west cross-cut off the No. 2 level, where a chamber, 20 ft. x 25 ft., has been opened up on it. It is 15 feet west-south-west of the southern end of the main ore-body. Inaccessibility has prevented an examination of its extension to the north where it may have been cut in the No. 2 level, north of the crosscut. No information is available as to its extension in a southern direction. While this ore-body is referred to as a separate one, its position close to the main ore-body makes it very probable that it is an extension or irregular bulge from the latter. It may even be that it is connected with the main ore-body at some places and not at others, where a band of granite might separate the two.

"**North and South Ore-body.** This name has been applied to the linear extension from the main ore-body north from the open cut. It has been cut in the No. 2 shaft, 75 feet north of the open cut, and has been trenched along to the north for 25 feet. It is three to four feet wide and apparently vertical.

"Further north it was probably cut in the No. 3 shaft, on the dump of which ore can be seen. Still further north it was assumed to have been cut in No. 4 shaft, but this is off the line of the ore-body and unless its strike swings to the west it cannot have been cut in No. 4 shaft. It seems, however, that it was cut in the small open cut in the trench about 110 feet north of No. 3 shaft, although this would indicate a slight bend to the west.

"This ore-body does not appear to have been developed underground, except at Nos. 1 and 2 levels, where it continued from the main ore-body. However, the extension of No. 2 level could not be examined and it may have been followed in that drive. If not, the eastern crosscuts were probably driven in order to intersect. If it has a similar dip to the main ore-body it is possible that only the longer crosscut intersected it.

"**Stephenson Ore-body.** This has been cut in No. 4 shaft, a considerable stack of ore being visible on the dump therefrom. It has been assumed that this was the northern continuation of the north and south ore-body but, as pointed out above, the latter would have to bend to the west.

"This ore-body has not been cut in the underground workings, except in so far as the north-south one may represent its continuation.

"**Open Cut Ore-body.** This ore-body has been exposed in an open cut 350 feet north-west from the main shaft. It has been assumed that this ore-body is connected with that cut at the north end of No. 3 level. In plan it is 300 feet to east of the end of No. 3 level and 390 feet above it. In the open cut it has a general east-west strike and is apparently dipping vertically.

"The ore-body at the end of No. 3 level is generally on the line of strike of the open cut one, but in order to be one and the same, the latter would have to pitch westerly at an angle of 52° and dip southerly at 80°.

"Except in so far as it may be a continuation of the ore-body to be described below, the open cut ore-body has not been exposed in the underground workings.

"It will be noted from the plans that No. 3 shaft is on the line of any western extension of the open cut ore-body. Ore has been extracted from this shaft, but it has not been cleaned out, and it has been assumed that the ore is part of the north-south ore-body, which appears most likely.

"**No. 3 Level Ore-body.** Ore has been cut in a chamber, 16 ft. x 24 ft., at the northern end of No. 3 level. It appears to have a general east and west strike and the dip is not definite, but is nearly vertical. At its eastern end it appears to be bounded by a wall striking N. & S. and dipping west at 70° to 80°.

"This ore-body has not been cut at a higher level unless in the inaccessible part of No. 2 level. The face of No. 2 level is not nearly as far north as that of No. 3, and it could not have cut the ore-body unless it dipped northwards at an angle less than 75°. From statements made by tributors and miners who worked in the mine it would appear that the ore was not cut at No. 2 level.

"As stated above, it has been assumed that this ore-body represents the downward extension of the open cut ore-body, and as pointed out the latter would need to have a high dip (about 80°) to the south and a westerly pitch of 52° to connect with the No. 3 level ore-body. There is certainly a wall at the eastern end of the latter, but it dips west at 70° to 80° and would need to become much flatter in order to conform with the 52° pitch.

"For the present it would be safer to assume that the two ore bodies are quite distinct.

"**Production.** The following figures of production have been obtained from various departmental sources, including annual reports, quarterly statistics and commissioner's reports. It is possible that they are not quite complete and different figures are often given for the same period:—

Year.	Tonnage Treated.	Yield (oxide) Tons.	Remarks.
1899 or 1900	3,000 tons	170	Old company.
1900	1,180 tons	81	Tributors.
1900	4,000 tons	310	Reported production to September, 1900.
1901	4,000 tons	251	Reported production to March, 1901.
1902	From Aug, 1902, till June, 1903,	78	Estimated from weekly production of 6 tons.
1903	4,700 tons were mined.	165.3	
1904	—	178.3	(46 tons of this were produced from 3,000 tons of ore.)
1905	—	95.35	(31.75 tons of this were produced from 2,452 tons of ore.)
1906	—	10.5	Probably mainly from alluvial.
1907	—	7.0	
1908	—	4.9	
1909	—	3.9	
1910	—	19.3	
1911	—	5.65	
1912	—	3.35	
1913	—	3.75	
—	From 1902	575.30	

"In his book, published in 1913, Mark Ireland, who was the manager of the Mt. Rex Company, stated that 'the average cost of crushing and mining from its inception until closing down was 10/9½—a cheap record. This mine, although the ore was of a refractory nature, almost paid its way, only a call being made now and again.' He also states in another place, 'The Rex Hill Tin Company paid £20 per share,' but whether this is intended to refer to the company operating between 1895 and 1899 is not known, although it appears likely.

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"Value of the Ore. Only a few figures are available as to grade of ore treated.

"The old company (probably Rex Hill T.M. Co.) is reported to have treated 3,000 tons for 170 tons of concentrates which equals 5.6% of concentrates.

"The tributors (probably in 1899 and 1900) are reported to have treated 1,180 (or 1,160) tons for 81 tons of concentrates, which equals 7.0% of concentrates.

"Only two quarterly figures are available for the Mt. Rex T.M. Co. For quarter ending 31st March, 1904, 3,300 tons yielded 46 tons of concentrates, which is equivalent to 1.4% of concentrates. For quarter ending 30th September, 1905, 2,452 tons gave 31.75 tons of concentrates or 1.3% of concentrates.

"It would appear, therefore, that the average grade in the underground working during 1904 and 1905 was 1.3 to 1.4% of tin concentrates or, say, 0.9 to 1.0% metallic tin.

"Mr. Gray is at present sampling the ore-bodies, but only a few results are available at present. The samples from the No. 3 level ore-body give an average irrespective of width of 1.39% metallic tin for eight samples, the values ranging from 0.76 to 3.10%, all except two being over 1%.

"When the sampling is complete very definite information will be available as to the value of the ore.

"Conclusions. The Rex Hill or Mt. Rex Mine was first opened as a silver-lead mine, but it was soon found that cassiterite was the predominant mineral. Between 1895 and 1899 the Rex Hill T.M. Co. apparently treated 3,000 tons of ore for 170 tons of concentrates (= 5.67%), and may have made the working profitable. About 1899 or 1900, tributors treated 1,160 tons of ore for 81 tons of concentrates (= 7%). The Mt. Rex T.M. Co. between 1901 and 1913 (but chiefly between 1901 and 1905) recovered approximately 575.3 tons of concentrates.

"The bulk of the ore came from a pipe-like ore-body of greisen. This has been almost entirely extracted down to No. 2 level, but is apparently intact between Nos. 2 and 3 levels. The grade of ore treated by the Mt. Rex Company was apparently 1.3 to 1.4% tin oxide or concentrates. The reason the company stopped mining is not definite, but it would appear that, with an ore yielding 1.3 to 1.4% tin oxide concentrates, the market value of which was £52 per ton, operations were not profitable.

"At present the market price of tin is much higher and the concentrate would return nearly three times the former price, so that the possibility of re-opening the mine is being considered.

"The position as regards ore is as follows:—

"Main Ore-body. This ore-body has been almost entirely removed above No. 2 level. It requires sampling below No. 2 level and opening up by development at No. 3 level.

"White Ore-body. As stated above, this is to be regarded probably as an extension of the main ore-body. It has only been cut at No. 2 level and requires developing and sampling.

"No. 3 Level Ore-body. This has only been cut at No. 3 level and has been assumed to be a downward continuation of the open cut ore-body, but this is not considered likely. It requires developing at No. 3 level and rising on up to No. 2 level. Also, if it has not been cut in No. 2 level, then it requires cross-cutting and driving on it in accordance with the results obtained by rising.

"Open cut Ore-body. This has only been exposed in the open cut, north-east of the shaft. It is being sampled at present. It requires developing by a shaft or adit and later from the underground workings.

"North and South Ore-body. This is a narrow extension of the main ore-body. It has been cut in two trenches and shafts and probably partly worked in Nos. 1 and 2 levels. No. 2 level requires re-opening to ascertain to what extent it has been developed, its width, values, &c.

"Stephenson Ore-body. This has been cut in No. 4 shaft and has been assumed to be a continuation of the north-south ore-body, and may possibly be, although the strike of the latter would require to alter considerably. It will, of course, require further developing to prove its extent and value.

"It is therefore seen that there are several ore-bodies in the mine and vicinity which between them will provide ore to establish a mine of small to moderate output.

"The systematic sampling campaign now being conducted will give most important data as to the value of the ore-bodies. In addition to that arranged, it is recommended that the main ore-body be sampled underfoot at No. 2 level.

"Following the sampling, further development work would be necessary including in order of relative importance:—

- (1) Development of main ore-body at No. 3 level and between Nos. 2 and 3 levels.
- (2) Development of No. 3 level ore-body at No. 3 level and rising to No. 2 level.
- (3) Development of No. 3 level ore-body at No. 2 level.
- (4) Development of open cut ore-body at shallow depths by shaft and/or adits, and later, of course, from underground workings.
- (5) Development of north-south ore-body at Nos. 2 and 3 levels.
- (6) Development of Stephenson ore-body at shallow depths.

"It is not intended that all of these be carried out at once. As the development work proceeded, sufficient payable ore might be proved to warrant erection of a treatment plant. The remaining development work would then be carried out concurrently with mining and treatment of ore."

(Sgd.) P. B. NYE.

UNDERWRITING.

The whole of the proposed issue of 50,000 shares has been underwritten at 9d. per share inclusive of brokerage.

AGREEMENTS.

(1) Agreement dated 14th day of July, 1934, made between The Mount Rex Tin Mining Company No Liability of the first part Alexander Donaldson Spiers of the second part and Alfred Raymond Bruhn on behalf of the Company of the third part.

(2) Underwriting letter dated the 14th day of July, 1934, from Wallace Hugh Smith to Alfred Raymond Bruhn on behalf of the Company in relation to underwriting of 37,500 of the 50,000 shares proposed to be issued.

(3) Underwriting letter dated the 14th day of July, 1934, from Henry George Gray to Alfred Raymond Bruhn on behalf of the Company in relation to underwriting of 12,500 of the 50,000 shares proposed to be issued.

Copies of the abovementioned agreements may be inspected at the offices of the Company's Solicitors, Messrs. Arthur Phillips & Just, Equity Chambers, 472 Bourke Street, Melbourne, at any time during the usual business hours.

GENERAL.

All costs in connection with the formation of the Company and preliminary expenses will be borne by the Company. The whole of the proceeds of the issue of shares offered to the Public will be placed to the credit of the Company, less brokerage and flotation expenses.

LISTING ON THE STOCK EXCHANGE.

Application will be made, in due course, for quotation by the Stock Exchanges of Melbourne, Hobart and Launceston.

APPLICATIONS FOR SHARES.

Applications for shares may be made upon the form enclosed herewith and lodged with the Manager, Mr. Alfred Raymond Bruhn, 450 Collins Street, Melbourne. Where no allotment is made the application money will be returned and where the number of shares allotted is less than the number applied for the balance of application money will be carried to allotment.

Applications will close on Saturday, 28th July, 1934.

Melbourne, 17th July, 1934.

MOUNT REX TIN**PROSPECTUS ISSUED.**

Notable for the extreme caution adopted in the reports of the experts is the prospectus just issued of the Mount Rex tin mine, situated in the Avoca district, Northern Tasmania. Such a note of caution in this or any other mining proposition is commendable. Too often one finds excessively optimistic forecasts, which, though successful in inducing public subscription, very often fall in realisation. Really this is a revival of a couple of old concerns which had their origin some three decades ago, when, as the prospectus rightly states, tin values and conditions of work and treatment were not what they are to-day.

According to the prospectus, Mr. H. G. Gray recently acquired the leases, and is apparently responsible for the present flotation being placed on the market.

The capital is to be £75,000 divided into 75,000 shares of £1 each, of which 25,000 each credited as fully paid go to the vendor or his nominees, the remaining 50,000 shares, which are underwritten by Messrs. Wallace H. Smith and H. G. Gray for a commission of 9d a share, are offered for subscription on the following terms: 2s a share on application, 2s a share on allotment, and the balance in calls of 1s at intervals of not less than one month. The provisional directors are Messrs. J. Darling, H. G. Gray (Hobart), and H. H. Hecht, J. Reid, and A. D. Spliers (Melbourne).

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MOUNT REX TIN NO LIABILITY

CAPITAL—£75,000 in 75,000 Shares of £1 each

Issue of 50,000 shares payable 2/- per share on application, 2/- per share on allotment and the balance in calls of 1/- per share at intervals of not less than one month.

FORM OF APPLICATION

To ALFRED RAYMOND BRUHN,
450 Collins Street,
Melbourne.

I HEREBY APPLY for.....Shares in the abovenamed Company upon the terms of the prospectus and I enclose herewith the sum of £..... being 2/- per share on application AND I HEREBY AGREE to accept the said shares or any smaller number which may be allotted to me AND I AUTHORISE you if I shall not be present at the preliminary meeting of Shareholders in the Company to act and vote for me thereat and more particularly to join in adopting Rules and Regulations by which Rules and Regulations I agree to be bound.

DATED this..... day of..... 1934.

Name (in full).....

Address.....

Occupation.....

Signature.....