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MICROFILMED

PROGRESS REPORT

NO. 27

FEBRUARY 1971

McINTYRE MINES (AUSTRALIA) PTY. LIMITED.

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ZEEHAN BASE METAL PROSPECT (JOB NO. 118)

ZEEHAN BASE METAL PROSPECT (JOB NO. 118)Location and access

The prospect lies 5 miles southeast of the town of Zeehan, Tasmania and is diagonally traversed by the Zeehan - Queenstown sealed highway. The topography is rugged and the northeast sector is not easily accessible, although Anomaly No. 1 can be reached via an old timber road and our short, precipitous track. The Mariposa area is easily accessible on foot from the highway.

Title situation and equity

The prospect is wholly owned by the company under the terms of Special Prospecting Licence No. 46 granted by the Tasmanian Department of Mines. It comprises an area of 18.7 square miles and there are no specific financial commitments other than continued exploration supported by monthly reports and statement of expenditures.

Geological environment

The prospect covers a belt of lower Cambrian rocks similar to those containing the major orebodies at Mt. Lyell (copper), Renison (tin) and Rosebery (lead, zinc, silver). In the northwest sector of the prospect a small lead-silver-zinc orebody of 100,000 tons lies along the Gordon limestone Crotty sandstone contact and further investigation of this favourable contact is warranted.

Work completed to the end of last month with costs

Stream sediment geochemistry is not well regarded in Tasmania owing to high rainfall and steep stream gradients. However, because of McIntyre's successful previous experience in New Zealand in virtually similar conditions a broad programme of stream sediment sampling was completed during the past two field seasons. A number of anomalous lead values were obtained in the north-east sector of the prospect about 900' above the general level of the country on the slopes of Mt. Dundas. Access to this Anomaly No. 1 was effected by bulldozing a track from Howard's Private Road up the slopes of Mt. Dundas. The area around the anomaly was gridded and soil sampled. Soil sampling showed a well-defined lead anomaly about 400' long and striking north-south. This field season additional line cutting was completed in the Anomaly No. 1 area and Compagnie Generale de Geophysique were engaged to test the area with geophysical surveys.

In previous seasons, the area around the Mariposa Mine was gridded and an attempt was made to soil sample the area with little success due to the button grass swamps which usually overlies the Gordon Limestones. A self-potential survey by our crew was meaningless and seemed to reflect topography rather than mineralization. This season the grid was re-established and made ready for an induced polarization survey.

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Zeehan Base Metal Prospect (Contd)

Compagnie Generale de Geophysique (C.G.G.) completed some trial induced polarization lines over the Anomaly No. 1 area which gave a very low response. From this we conclude that the soil anomaly does not represent heavy mineralization and as it is physically small, no further work in this area is recommended.

I.P. and resistivity surveys were completed over the Mariposa grid. The I.P. survey picked up the Mariposa Mine as a well-defined elliptical anomaly about 200' long in the Gordon Limestone contacting Crotty Sandstone. About 1500' south, also in the limestone contacting sandstone, a much stronger anomaly began to take shape. Therefore the base line was extended a further 2,800 feet to the south with crosslines (at 200' intervals) extending 1600 feet to the east and 900 feet to the west of this.

Bulldozing of an access road to the west of the I.P. anomaly and south of the Mariposa Mine area revealed sulphide mineralization (galena and pyrite) associated with calcite veining, at the Gordon Limestone-Crotty Sandstone contact near the nose of the anomaly. Similar mineralization was observed in an old adit extending horizontally for a distance of approximately 50 feet from the bank of the creek near Mariposa Falls towards the I.P. anomaly. Present indications are that this adit has barely reached the Gordon Limestone-Crotty Sandstone contact and may have finished in the halo of mineralization surrounding a larger sulphide body at depth.

Costs this year to the end of last month were \$17,646.08.

Work completed this month

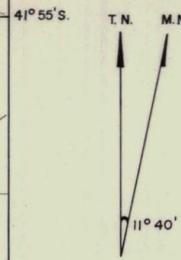
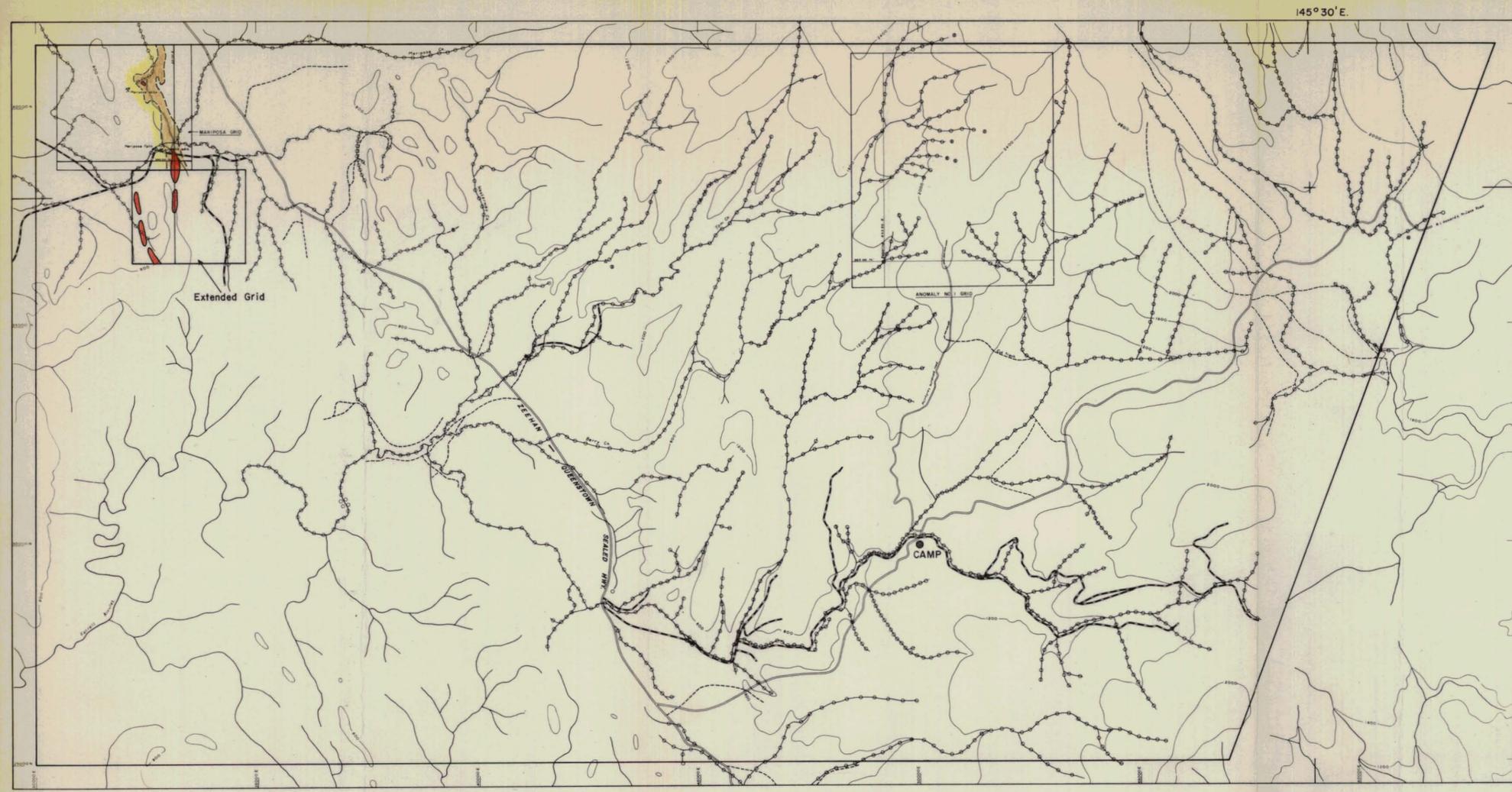
Pegging of the grid was completed together with the geophysical survey conducted by Compagnie Generale de Geophysique. Field results from this survey indicate an extension of the anomaly for a distance of approximately 1,200 feet further south with additional anomalous areas appearing on the south-west sector of the grid.

Tenders have been called for the drilling of three scout holes to test the source of the anomaly. Dependent on the availability of a rig and climatic conditions it is envisaged that drilling will commence during mid to late March.

STATEMENT OF EXPENDITURE FOR THE MONTH
OF FEBRUARY, 1971

Geochemistry	9.90
Induced polarization	2,091.30
Camp supplies & food	969.33
Geology	647.06
Transportation	928.11
Administration	3,982.13
Line cutting	1,409.83
Rent and Services	37.36
Road construction and maintenance	1,200.00

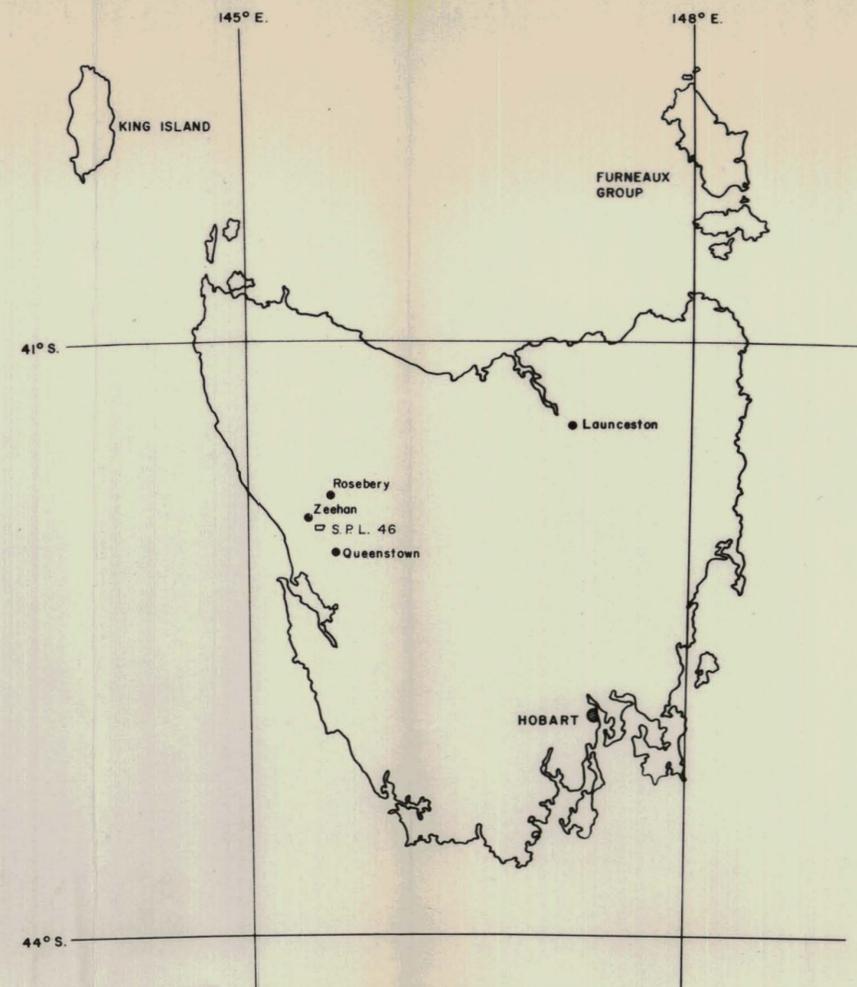
\$11,275.02



- Roads
- - - Tracks
- Tramways
- 400 — Contours - Interval at 400 feet
- Sample location (Stream sediment)
- ⊗ Rock sample location
- v Red ferruginous seepage
- Special Prospecting Licence 46
- Crotty Sandstone and Quartzite
- Gordon Limestone
- Dundas Slates
- Anomaly

SILURIAN
ORDOVICIAN
CAMBRIAN

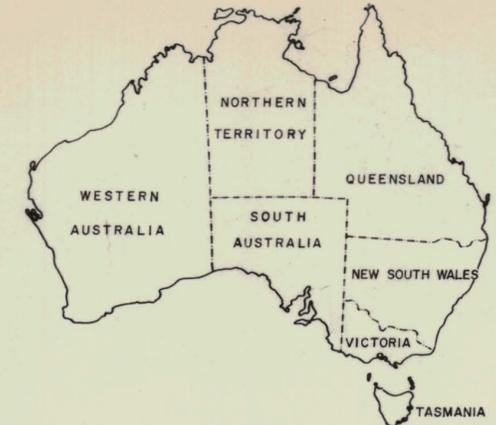
SCALE
0 1/4 1/2 1 1 1/2 2 Miles



TASMANIA

SCALE: 1 inch = 40 miles

5 cm



SCALE: 1" = 625 miles

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MCINTYRE MINES (AUSTRALIA) PTY. LTD.

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ZEEHAN BASE METAL PROSPECT

LOCATION MAP

GEOLOGIST:	SCALE: AS SHOWN
DRAFTED BY: S. SUMMERGREENE	DATE: NOV. 1970
JOB NO: 118	REVISION: JAN. 1971

GEOPHYSICAL SURVEY AT MARIPOSA (TASMANIA)

906006 COMPREHENSIVE MAP



SCALE 1" = 100'

LEGEND

- Conductive axis
- Resistant axis
- Apparent resistivity gradient
- Positive IP axis
- Negative IP axis
- Conductive zone
- Polarizable body
- Dip
- Electrical discontinuity

C.G.G.
26-28 Manning Street, South BRISBANE



414 N
412 N
410 N
408 N
406 N
404 N
402 N
400 N
398 N
396 N
394 N
392 N
390 N
338 N

AB line 2000m

