

D MINERALIZATION

The King Gold Mine and all the gold prospects marked by adits in the Lynch Creek area are similar, in that gold was mined from reef quartz. It has been reported that copper and galena were located at depth in one shaft in Specimen Creek. This shaft has not been uncovered, but, according to local prospectors, the mineralisation was also associated with quartz. The gossanous zone south of line 15000TN is basically pyritic, and is the only discernable outcrop of mineralised rock. It must be stressed that the deep clay cover over a large section of the area has made it extremely difficult to evaluate the extent of mineralization. The persistence of geochemical anomalies in the area is the most promising feature. This will be discussed in a later section of this report.

As referred to in previous sections of this report, ore bodies at Mt. Lyell occur at the intersection of major structures and within the Cambrian volcanics (schists) or the (Jukes Conglomerate?), close to the eastern contact of the Owen Conglomerate.

At Lynch Creek, this eastern contact lies outside and east of the Exploration Licence. The western contact, not known to be a favourable location for orebodies at Mt. Lyell, is represented by the Jukes Conglomerate - Dundas Group conformity at Lynch Creek. Favourable east-west fault structures occur in the area, but intersecting north-south trending structures are absent (except for fold axis, which are not of importance at Mt. Lyell). Hence, chances of finding an orebody with Mt. Lyell type controls are extremely low at Lynch Creek. However, the full potential of Mt. Lyell has not been realised and other favourable relationships may exist at both Lynch Creek and Mt. Lyell.

It could be argued that mineralization originally occurred towards the end or at the beginning of a particular volcanic episode. The various volcanic contacts at Lynch Creek should be reviewed with this in mind. However, the important factor is that mineralization may have been remobilised into structural traps during the Tabberraberan Orogeny. Although mineralization at the King Gold Mine and of the gossanous zone appears to occur close to east-west structures, a favourable north-south structural zone or any similar structural trap is absent.