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COMINCO EXPLORATION PTY. LTD.

Exploration Licence 47/71,

(Queen Hill)

Progress Report.

74/1059

20/12/74. D.C. Simpson

AMG REFERENCE POINTS ADDED

LIST OF ATTACHMENTS

1. Geological drill log D.D.H. G30
2. " " " D.D.H. G31
3. " " " D.D.H. G32
4. Assay log G30
5. Assay log G31
6. Plate QH7a showing positions of D.D.H. G30, G31, G32
7. Plate QG29b showing position of D.D.H. BD1
8. Plate QH44 Cross section D.D.H. G30
9. Plate QH45 Cross section D.D.H. G31
10. Plate QH46 Long Projection of D.D.H.'s G30, G31, G32

COMINCO EXPLORATION PTY. LTD.

Subject: Progress Report, Exploration Licence 47/71, (Queen Hill)

Period: 6 months ended December 21, 1974.

Date: December 20, 1974.

By: D.C. Simpson

1. SUMMARY

During the period, diamond drilling on Bradshaw's lode encountered drilling difficulties and results are inconclusive.

Drilling on "Stormsdown" produced two intersections grading better than 1% Sn.

Metallurgical experiments conducted in London on the Queen Hill ore gave encouraging results.

2. DIAMOND DRILLING

During the period under review three diamond holes were drilled on Queen Hill. Results of drilling on Bradshaw's prospect in the western part of the licence were received. Each is discussed separately below.

Bradshaw's No. 1 D.D.H.

This hole was reported in the last six-monthly report, but at that time assay results were not available.

As can be seen from the assay log attached, tin values are generally low, the only moderately mineralised section being the one metre interval 22.25 - 23.25 metres which assayed 1260 ppm Sn. Very low Cu, Pb and Zn results were obtained also.

As the drill rig used only A and E sized coring equipment, with consequent low recoveries in broken ground, the results of this drill hole are not assumed to be conclusive. Because of bad core loss in the target zone the assay results from 20 metres onwards are not reliable.

Queen Hill D.D.H. G30

This hole was reported in June this year, and intersected 16.8 metres of coarse grained pyrite-quartz lode. The weighted assay over the interval was 1.37% Sn. (For cross-section see Plate QH 44 - longitudinal projection shown on Plate QH 46)

The intersection in this hole was wider than expected, so D.D.H.'s G31 and G32 were drilled to define the plunge of the body.

Surface geological mapping of the "Stormsdown" lode suggests that it represents a mineralised fold "knot" but the consistent core bedding angles obtained in G30 do not support this.

D.D.H. G31

Assay results from this hole were reported in August.

Recovery from the lode section was only 48% so assay results are not entirely representative of the intersection. Grades, and in particular, style of mineralisation, were similar to those obtained in G30. The intersection, however, is short due to faulting, both at the upper and lower contacts of the lode.

D.D.H. G32 did not intersect lode but remained in contorted shales with occasional quartzite blebs to the bottom of the hole. Small pyrite knots are developed locally.

The results of these three holes indicate that the plunge of the "Stormsdown" lode is probably ~70-80° towards the N.E. Diamond drilling, using a larger rig, is planned for the coming year to extend the down-plunge information on this body.

3. GEOPHYSICS

No geophysical surveys were carried out during the period. The flying of test lines over this and other Cominco-Aberfoyle Exploration Licences using the McPhar F500 system has been delayed due to problems with the contractor's equipment.

4. METALLURGY

A final report by K. Foo on experimental procedures for the extraction of tin from the Queen Hill ore was received. One series of tests yielded 90% recovery of tin using a method which appears to be economic. The patentable aspects of the method are being investigated at present.

5. GEOCHEMISTRY

No geochemical surveys were undertaken during the period.

It is proposed to develop a sensitive geochemical technique, over the lease and E.L. during the coming year, designed to detect blind mineralisation.

6. EXPENDITURE

The following expenditures are for the period June 16, 1974 to November 26, 1974, the later date being this company's financial year end. Figures are quoted for both Consolidated lease 43m/73 and Exploration Licence 47/71.

E.L. 47/71	Geology, supervision etc.	1216	
	Geochemistry	100	
	Drilling	251	*
	Metallurgy, feasibility studies	373	
	Tenure	51	
		1991	
	Plus 15% administration	299	
		$2290	
		====	

C.M.L. 43M/73	Geology	5
	Drilling	2465
	Legal	198
		2668
	Plus 15% supervision	400
		$3068

* A credit of $938 for diamond recovery is included in this figure.

Submitted by:

D.C. Simpson
Geologist
Cominco Exploration Pty. Ltd.

Endorsed by:

L.V. Gentle
Chief Geologist
Cominco Exploration Pty. Ltd.

Drill Hole Record

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Property	QUEEN HILL	District		Hole No.	G30
Commenced		Location	Zeehan	Tests at	
Completed		Core Size	AX, EX	Corr. Dip	-55° at collar
Co-ordinates				True Brg.	250° mag.
Objective	Geological down plunge info on Stormsdown			% Recov.	
				Collar RL	775'

Hor. Comp.

Vert. Comp.

Logged by D.C.Simpson

Date

Footage From	Footage To	Description	Sample No.	Length
0	8'	No recovery		
8'	11'	Broken rubble - probably up hole material - shale and quartz fragments.		
11'	18'	Slightly pyritic sheared shales - pyrite appears to replace some bands in the shale-quartz-augen		
		irregularly distributed in the shale.		
		Mineralisation - 2% fained grained pyrite.		
		Structure - shearing 20° to CA		
18	50'6"	Lode rock - pyrite-quartz rock - original rock indeterminate probably completely replaced by qtz and		
		pyrite. This section is faintly banded but consistently at 70° to CA. (ie mineralogical banding)		
		Mineralisation - pyrite generally fine grained less than .1 mm but grain size increases slightly		
		towards bottom of section (up to 0.3mm). Pyrite averages 60% of the rock. Quartz veining sparse -		
		usually 1-5mm wide and 60-70° to CA. Minor galena at 28' (½" only) and at 32'3" on shear at 65° to CA		
50'6"	53'0"	Similar to above but more anastomosing quartz veins. Section washed partly so core appears honeycombed		
		Minor galena mineralisation 5% (PbS) 52'6"-53'0". Banding 45° to CA.		
53'0"	65'0"	Pyrite quartzite - variably mineralised from fresh quartzite to rock containing 70% pyrite. Pyritic		
		sections heavily quartz veined.		
		Structure - Mineralogical banding ~70° to CA.		
		Mineralisation - Pyrite generally fine grained up to 0.5mm diam. Pyrite grains from rounded clusters		
		up to 5mm acros. Pyrite 30%.		
65'0"	68'0"	Extensively weathered pyritic rock - probably kaolinised shales. Recovery very low. Pyrite 5%		
68'0"	73'0"	Pyritic quartzite - quartzite dark in patches possibly due to shale fragments. Like above sections		
		parts are heavily silicified. Pyrite 40%.		

Drill Hole Record

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Property	District	Hole No. G30	
Commenced	Location	Tests at	Hor. Comp.
Completed	Core Size	Corr. Dip	Vert. Comp.
Co-ordinates		True Brg.	Logged by
Objective		% Recov.	Date

Footage From	To	Description	Sample No.	Length
73'0"	151'1"	Interbedded quartzite and shales - pyritic in parts eg 95-100, 75-76, 107-110', 124-127'. Section has v. poor recovery (see recovery sheet) due to shearing a kaolinisation. Heavy kaol. of shale. 136-146'.		
		Mineralisation - minor pyritic sections contain up to 20% pyrite generally fine grained as above (NB No bedded pyrite observed in this hole). Traces of galena at~117		
		Structure - Banding angle doubtful because of shearing possible ~60°.		
		Recoveries		

0-8'	0	59	4"	110	10"
10	2"	59.8	5"	116	0
11	4"	63	7"	121	7"
15	2'3"	68	1'11"	124.6	5"
18	9"	69.5	1'2"	126.6	8"
20	1'4"	75.9	2'9"	127.6	10"
25	5'0"	83	9"	131.	6"
30	5'0"	86	9"	136	7"
35	4!9"	90	1'0"	141	0
38	2'1"	94	3"	146	1'2"
43	2'9"	95	3"	149	0
48	3'6"	100	3"	151	7"
53	3'9"	103	7"		
58	1'8"	107	8"		

Drill Hole Record

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Property QUEEN HILL	District	Hole No. G31	
Commenced	Location Zeehan	Tests at	Hor. Comp.
Completed	Core Size AX, EX	Corr. Dip 50° at collar	Vert. Comp.
Co-ordinates		True Brg. 250° mag.	Logged by D.C. Simpson
Objective Test plunge of Stormsdown mineralisation.		% Recov.	Date
		RL Collar. 765'	

Footage From	Footage To	Description	Sample No.	Length
0'	4'	Buff coloured fine grained quartzite. Generally sericitic and containing occasional quartz veins.		
4'	25'	Rubble consisting of broken fragments of contorted and sheared grey shales, occasional quartzite fragments, traces of pyrite in quartz veins and on fractures.		
25'	41'3"	Shale. This section extensively sheared and in places schistose. Within the shale are many rounded and elongate quartzite fragments. Elongation lies in the plane of shearing. Mineralisation - minor pyrite occurs on fracture planes along with sericite. Small elongated pods of pyrite at 28-29'. Also some disseminated pyrite. Structure - Sequence extensively sheared - plane of shearing 5-25°/ CA. Very broken lower contact.		
41'3"	51'	Pyrite-quartz rock. Medium to coarse grained rock with pyrite aggregates in a groundmass of quartz Anastamosing quartz veins up to 2mm wide developed locally. Top contact brecciated and silicified. Pyrite 60-70% of rock.		
51'	60'	Very tough pale grey chalcedony slightly fractured and healed.		
60'	76'	Rubble consisting of clay, quartz pyrite fragments and shale. No certainty that this is core.		
76'	81'	Silicified and pyritised shale (possibly core) v. low recovery.		
81'	86'	No core.		
86'	91'	Silicified siltstones. Possibly core. V. low recovery.		
91'	121'	Shales. Doubtful core. Grey shales containing minor pyrite on fractures.		
		121' = end of hole		
		Note: 60' onwards, ground enormous - core barrel dropped through openings often (Fault?)		

Drill Hole Record

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Property	Queen Hill	District		Hole No.	G32
Commenced		Location	Zeehan	Tests at	
Completed		Core Size	AX, EX	Corr. Dip	60° (?)
Co-ordinates				True Brg.	250 mag.
Objective	Determine plunge of Stormsdown mineralisation.			% Recov.	
				RL Collar	781'

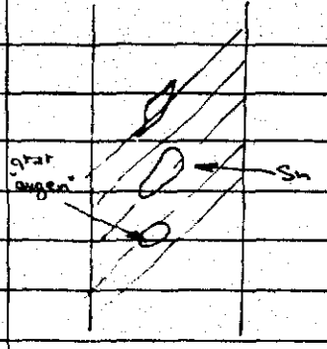
Hor. Comp.

Vert. Comp.

Logged by D.C. Simpson

Date September 8, 1974

Footage From	Footage To	Description	Sample No.	Length
0	10'	Rubble of sheared shales and qtzite (doubtful core)		
10'	102'	Extensively sheared sequence of shales and quartzites, generally graphitic, mineralised locally. The shales are pale to dark grey, and black where graphitic (eg 72'-73'). Shearing has broken the beds of quartzite to produce an "augen" structure which is characteristic. Elsewhere breccias show angular fragments of quartzite. Muscovite has possibly been recrystallised to produce a soft sheen to most of the core. Graphite and pyrite are common on slip planes. Irregular quartz veining up to 1 cm in width is locally developed in lower half of the hole.		



31' - 31'6" 41'6" - 42'0"

Quartzite bands at 44'-44'6", 49'-49'3", 51'-51'6" ∧ 65'-66'.

Other minor beds up to 5 cms thick below 40'

Structure - Extensive shearing and minor folding are conspicuous except in the homogeneous quartzite shearing ∧CA becomes greater over length of hole being at ~30° at 25'; 45° at 60'; 60° at 100' This shearing is parallel to bedding. Core very broken 32'-50'.

Mineralisation - Pyrite is the only significant sulphide developed. At 24'3"-25' Co.gr. py is developed in a fault in a quartz network. Bounding this in the shales are thin beds of pyrite. Pyrite is scattered in small breccia blocks of qtzt within the shales. Pyrite also developed on slip planes.

Mineralisation developed 65'10"-66'4". Similar to G30, ie c.gr. pyrite with faint banding, minor sphalerite, in a qtz gangue.

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QUEEN HILL Diamond Drill Hole Bradshaws No. 1 DRILL CORE ASSAYS

From (metres)	To	Sample Number	Length (cm)	Metal values Sn(XRF)	Cu(AAS)%	Pb(AAS)%	Zn(AAS)%
0.00	2.05	138001	205	<20	<0.01	0.02	0.01
2.05	3.05	2	100	<20	<0.01	0.03	0.02
3.05	4.05	3	100	<20	0.03	0.02	<0.01
4.05	5.05	4	100	<20	0.01	0.04	0.02
5.05	6.10	5	105	<20	0.02	0.17	0.02
6.10	6.71	6	61	30	0.05	0.06	0.01
6.71	7.93	7	122	390	0.05	0.05	<0.01
7.93	9.45	8	152	<20	0.01	<0.01	<0.01
9.45	12.19		Not sampled, high core loss				
12.19	12.65	9	46	20	<0.01	0.06	0.06
12.65	13.07	10	42	30	<0.01	0.02	<0.01
13.07	14.07	11	100	<20	<0.01	0.02	<0.01
14.07	14.87	12	80	<20	<0.01	0.03	0.02
14.87	15.45	13	58	850	0.03	0.04	0.03
15.45	16.45	14	100	100	0.02	0.02	<0.01
16.45	16.90	15	45	80	<0.01	0.02	<0.01
16.90	17.45	16	55	360	0.01	0.01	<0.01
17.45	18.25	17	80	70	<0.01	0.02	<0.01
18.25	19.25	18	100	160	0.01	0.01	0.02
19.25	20.25	19	100	120	<0.01	<0.01	<0.01
20.25	21.25	20	100	170	<0.01	0.02	0.01
21.25	22.25	1	100	310	<0.01	0.02	0.01
22.25	23.25	2	100	1260	<0.01	0.01	<0.01
23.25	24.25	3	100	490	<0.01	0.02	<0.02
24.25	24.55	4	30	310	<0.01	<0.01	<0.01
24.55	25.35	5	80	140	<0.01	<0.01	<0.01
25.35	25.76	6	41	150	<0.01	0.01	<0.01
25.76	26.50	7	74	290	<0.01	0.02	<0.01
26.50	27.58	8	108	40	<0.01	0.01	<0.01
27.58	29.26		Not sampled, high core loss				
29.26	30.00	9	74	20	<0.01	0.01	<0.01
30.00	32.20	30	230	<20	<0.01	<0.01	<0.01
32.20	33.07	1	77	<20	0.01	<0.01	<0.01

QUEEN HILL Diamond Drill Hole G30 DRILL CORE ASSAYS

From (metres)	To	Sample Number	Length (cm)	Sn %
5.49	6.59	145889	110	1.28
6.59	7.29	90	70	0.53
7.29	8.13	1	84	0.79
8.13	8.99	2	86	0.95
8.99	9.79	3	80	0.46
9.79	10.89	4	110	2.47
10.89	11.59	5	70	1.44
11.59	12.25	6	66	2.19
12.25	13.25	7	100	1.03
13.25	14.49	8	124	2.73
14.49	15.14	9	65	0.13
15.14	16.14	900	100	1.68
16.14	16.77	141872	63	0.80
16.77	17.13	141873	36	0.04

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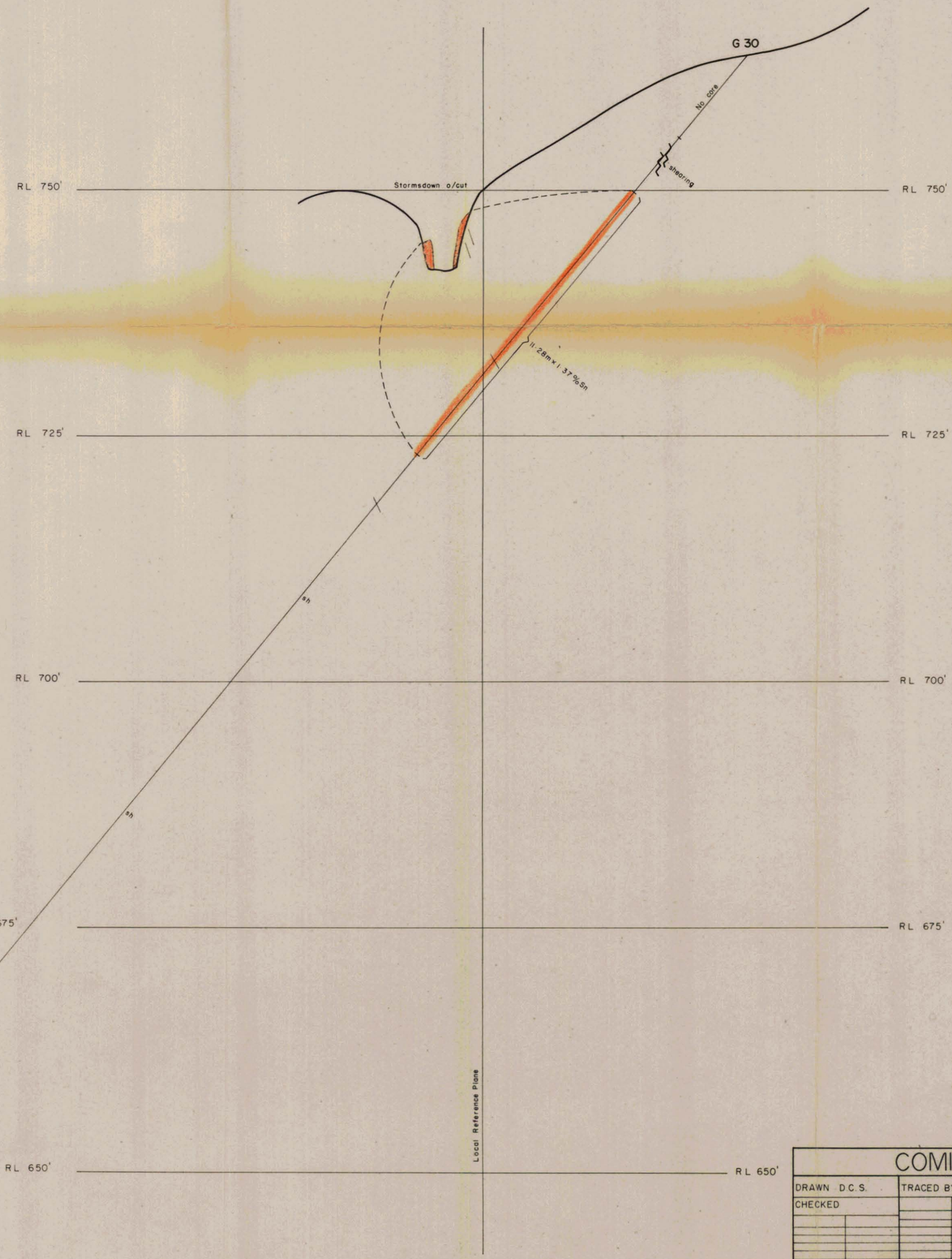
QUEEN HILL Diamond Drill Hole G31 DRILL CORE ASSAYS

From (feet)	To	Sample Number	Length (feet)	Metal values % Sn	Cu	Pb	Zn
41' 3"	44'0"	145461	2' 9"	0.95	<0.01	0.65	2.38
44' 0"	44'10½"	2	10½"	0.74	<0.01	0.25	0.09
44'10½"	48' 0"	3	3' 1½"	0.16	<0.01	0.10	0.18
48' 0"	51' 0"	4	3' 0"	1.22	0.01	0.14	0.35

ADIT No.16
ADIT No.12
PORTAL CAVED IN
Plane of Longitudinal Projection
Pyritic Shales
No 7, DUNNS TUNNEL
DDH G16
Section line G13
DDH G13
Start W1
Start W2
End W1
End W2
G15 Ext.
Section line G11 & 12
DDH G11 & 12
G23
G24
DDH G22
G26
Section line G10
DDH G10
G25
Open Cut
numerous stringers of py
plunge of 4'x10' py pod
No 8
DDH G5&6
massive clots in Ebs & Emq
collapsed adit portal
Old Mill
Collapsed
DDH G1 & 2
DDH G3 & 4
Chert bedded py massive minor Ebs
Section line G7&8
DDH G14
Numerous Minor Outcrops of Eqt
DDH G7&8
Collapsed stope dips 55°E
75° minor folds
No 9
No 5
No 2
No 1
Section line G11&12
Section line G10
Section line G788
Approx Position of Placer DDH
Section line G13
Mountain
Queen
Creek
636' P.142
633' P.143
P130
638' P.144
Old Mill Site (approx)
Queen No 4 Main Shaft
630'
To Trial Harbour
10,500 N
11,000 N
11,500 N
10,000 N
9,500 N
9,000 W
9,500 W
10,000 W
TASMANIA
G D F C A E H
TN MN
60-minor fold
overgrown
costean
ML36M/62
Datum Peg
Quartz-pyrite, massive pyrite lodes
Bedded, disseminated, stringers, veins & clots
Galena, (coarsely crystalline)
CAMBRIAN
Eqt Massive light grey-buff quartzite
Emq Flaggy micaceous quartzites in thin (½") beds
Est Siltstones, carbonaceous in part
Ebs Black shales & slates
locally tuffaceous
Evt Spilitic tuff
Eva Spilitic agglomerate
Ev Spilitic lavas
Quartz veins
Contorted
Fault
Strike & dip
Schistosity with dip
Joint with dip
Minor folding showing plunge & trend
Fold axis showing plunge & trend
Adits
551013
FEET
METRES
5 cm
NOTE: ELEVATION DATUM ASSUMED; 630' ON WESTERNMOST CORNER OF QUEEN No4 SHAFT
74-1059
COMINCO EXPLORATION PTY. LTD.
DRAWN BY KWB EHS
TRACED BY G.E.R.
CHECKED BY
REVISED BY
DATE
QUEEN HILL, ML 36M/62
3328
GEOLOGICAL PLAN
COMINCO GIPPSLAND JOINT VENTURE
Location code: K55/5/50
Scale: 1:600
Date SEPTEMBER 1971
Plate: QH 7/A


E.L. 44/70
E.L. 47/71
MINOPS Oonah Lease
TEXIS Lease Boundary
358,000 E
359,000 E
360,000 E
361,000 E
362,000 E
5363,000 N
5362,000 N
5361,000 N
5360,000 N
360000mE
5463000mN
359800E
5362300N
360000mE
5361000mN
362000mE
T.N.
G.N.
M.N.
1°10'
10°52'
MILL SITE
No 1 Montana Shaft
MILL SITE
Dam
Montana Hill
Queen No 5 shaft
No 7 Dunns tunnel
Old mill
Old mill site
Queen No 2 shaft
Queen No 4 shaft
No 2 Montana shaft
Mountain Queen Ck
Zeehan River
bridge
FOWLER ST
MAIN ST
ZEEHAN
CEMETERY
GOLF
LINKS
Argent No 4 shaft
Trig Pt
Fe stains
€s and qtz veins
Py in dump & tr €vb
€s in dump
Yellow clay & lateritised modules
Fe capped volcs
Manganese Hill
Lateritised soils poss over volcs
volcs or shales
Nodular laterite
slates and phyllites
silts or tuff
vol. silts
volc silts
muds sh
sh qtz
sh c qtz
G1,2
G3,4
G5,6
G7,8
G9
G10,25
G11,12
G13
G14
G15
G16
G18
G19
G20,27
G22,26
G23
G24
G28
G17
G21
G29
G30
G31
G32
551014
AMG REFERENCE POINTS ADDED
5 cm
EL 47/71
74-1059
COMINCO EXPLORATION PTY LTD
Drawn by
Checked by
Traced by R.K.Y.
NORTH WEST TIN FIELD, TASMANIA
QUEEN HILL, ZEEHAN AREA
3329
GEOLOGICAL PLAN
SHEET 2
COMINCO GIPPSLAND JOINT VENTURE
Location code
Scale 1:5000
Date June 1973
Plate QH 29 b



Qt Massive quartzite

sh Shales & bedded quartz

Course grain pyrite massive
Fine grain pyrite massive

Dip of bedding

Fault

Shear

5 cm

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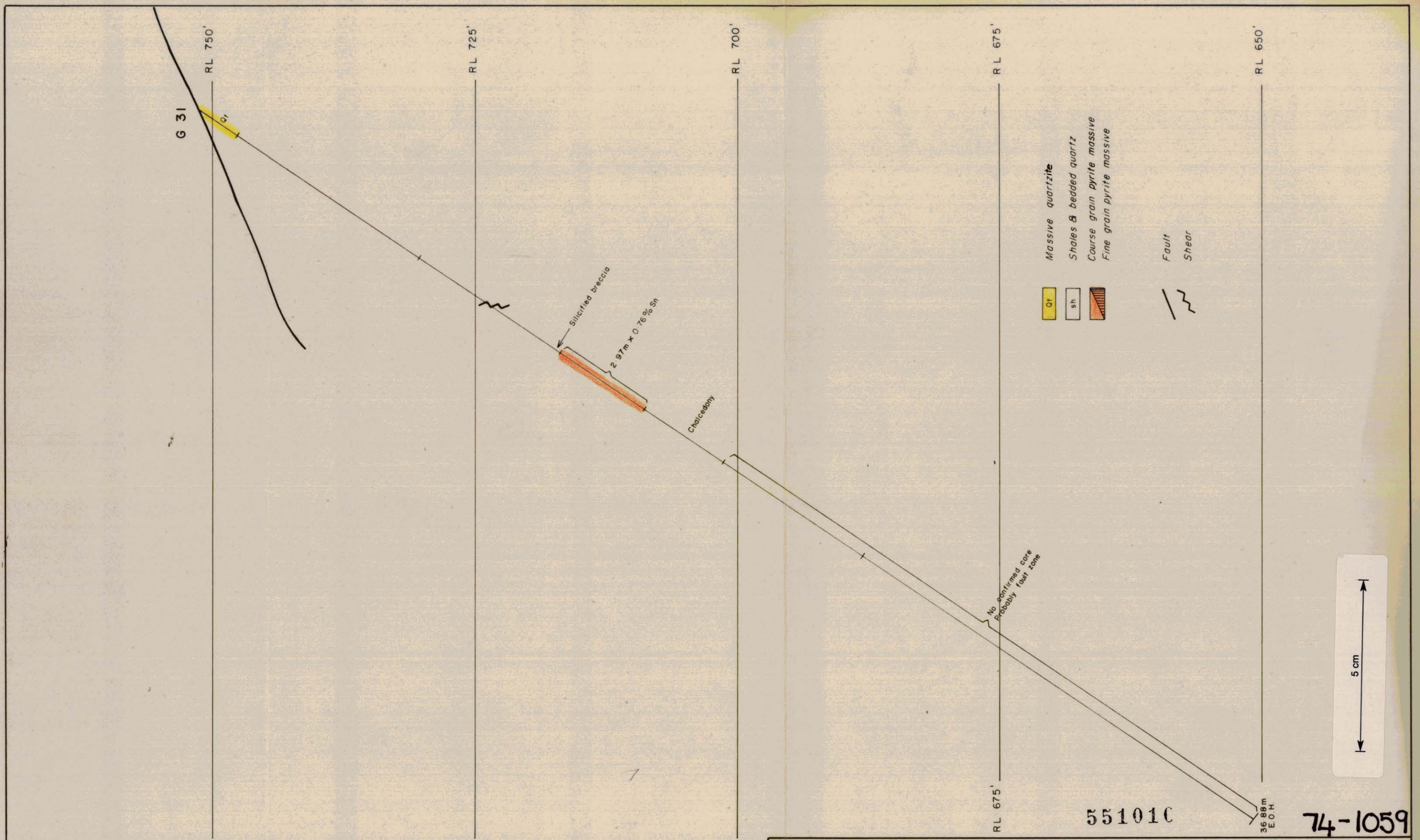
COMINCO EXPLORATION PTY. LTD.

DRAWN D.C.S.	TRACED BY P.F.	QUEEN HILL
CHECKED		CROSS SECTION THROUGH DDH G30
		GEOLOGY 3330
		Section bears 250° mag looking North
Location code: K 55/5/50	Scale: 1:100	Date: November 1974 — Plate: QH 44



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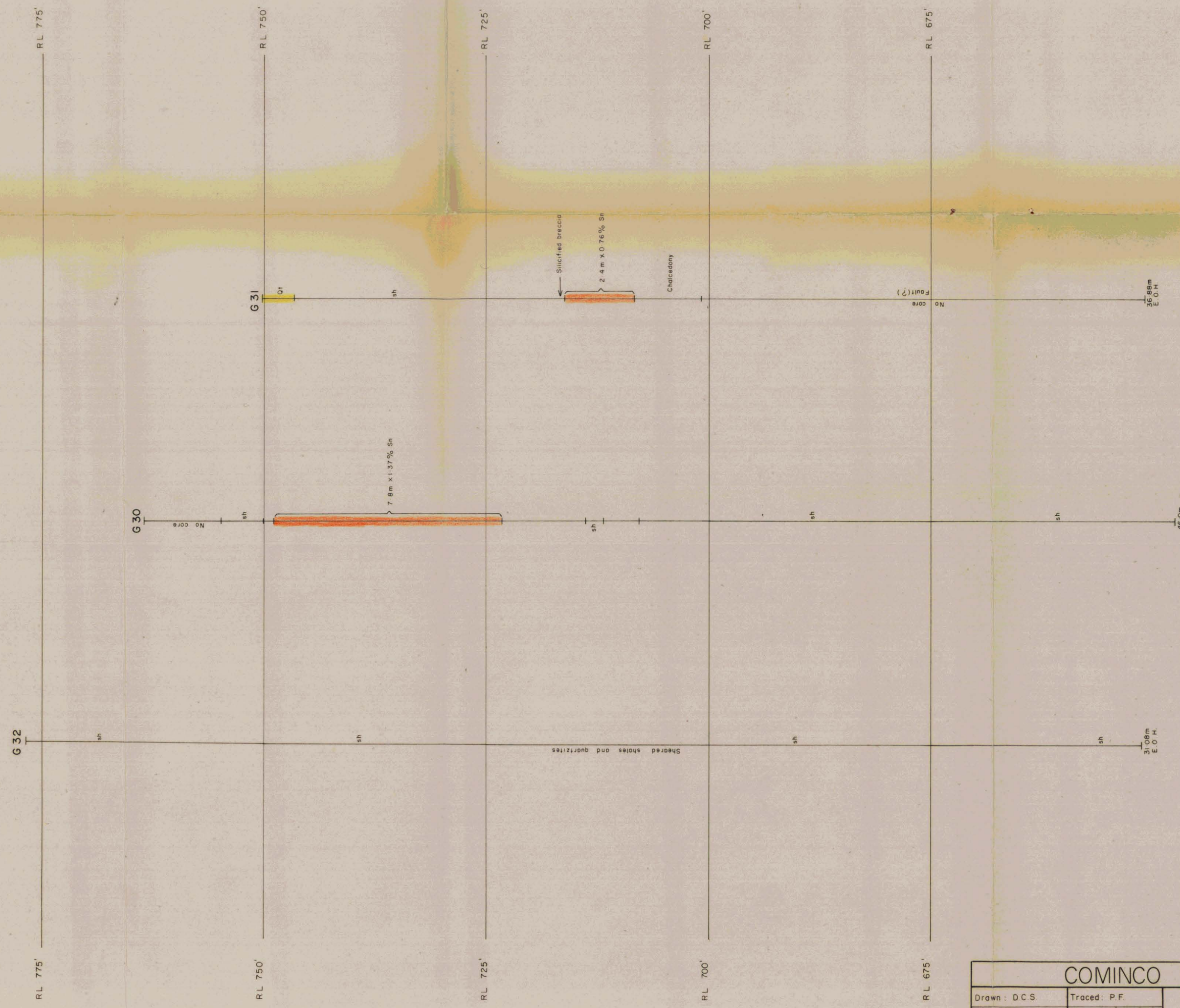
74-1059

COMINCO EXPLORATION PTY. LTD.

Drawn: D.C.S.	Traced: P.F.	QUEEN HILL	
Checked:		CROSS SECTION THROUGH DDH G31	
		GEOLOGY 3331	
		Looking North	
Location code: K 55/5/50		Scale: 1:100	Date: November 1974 / Plate: QH 45



NB: This projection is on a local reference plane bearing 340° (mag) ie it is 34° to QH ref plane.

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COMINCO EXPLORATION PTY. LTD.

Drawn: D.C.S.	Traced: P.F.	QUEEN HILL STORMSDOWN 3332	
Checked:		LONG SECTION SHOWING DDH'S G30, G31, G32	
		GEOLOGY	
		Section bears 340° mag looking West	
Location code: K 55/5/50		Scale 1:100	Date: November 1974 / Plate: QH 46