

PRELIMINARY ECONOMIC ASSESSMENT
OF THE ARTHUR RIVER ALLUVIAL PROSPECT
EXPLORATION LICENCE 5/63, TASMANIA

SUMMARY

Preliminary surface investigations and a limited sampling programme indicated the Arthur River Alluvial Prospect to contain 1400 tonnes of cassiterite concentrates (70% Sn) in 6.5 mil cu m of alluvium, grading 215 g per cu m. Of this reserve, 5.2 mil cu m containing 1070 tonnes are currently available to Comstaff Pty. Ltd. for mining; the balance is within a mining lease granted to Arthur River Mining Ltd. under an agreement with Comstaff.

Open-cut mining at a rate of 60,000 cu m/mth is considered suitable for the size and nature of the deposit. A preliminary economic assessment using this method to mine the available reserves shows the operation to be unprofitable.

A recommendation is made not to carry out any further drilling/pitting in the area.

1. INTRODUCTION

- 1.1 A field visit was made by the writer accompanied by Mr. Alan Hesketh of Comstaff Pty. Ltd. on 12th November 1980 to the Arthur River Alluvial Prospect in Tasmania. The objective was to examine the mining aspects and provide a preliminary economic assessment of the deposit for the management of the project.
- 1.2 Preliminary surface investigations had been carried out over the area during the second half of 1979 primarily for determining its alluvial potential. The results were submitted in the report entitled "Report On The Arthur River Alluvials, Exploration Licence 5/63, Section 1" by G. Washausen and I.G.P. Wilding and dated 25th February 1980. Following this, a limited pit sampling programme was undertaken in March 1980 to provide quantitative indications of the tin content in the alluvial deposit. The data collected have been examined and are taken into account for the ore reserve evaluation and financial assessment in the present report