MD 39 was collared at 1301 m E/106 m N to test possible skarn (magnetite-zinc sulphide?) mineralization below Hugo's Fault to the north of previous intersections in MD 32, SMD 13, 16. (Refer plans D/MZ 01/043, 048).

| FROM | TO | CORE LENGTH(m) | LITHOLOGY |
|---|---|---|---|
| 0.00 | 95.90 | 95.9 | Moina Sandstone. |
| 95.90 | 145.50 | 49.6 | Roland Conglomerate. |
| 145.50 | 153.40 | 7.9 | Brecciated zone. Hugo's Fault. Meta-siltstone/hornfels. Very minor powellite in fine fractures joint surfaces associated with fine translucent quartz veining and disseminated. |
| 154.55 | 166.80 | 2.25 | Chlorite-diopside-magnetite-pyrite (10%) skarn. Powellite disseminated and in fine veining. |
| 166.80 | 168.65 | 1.85 | Garnet-diopside skarn. |
| 168.65 | 190.80 | 22.15 | Garnet-diopside-magnetite skarn. The magnetite apparently replaces the garnet-diopside skarn adjacent to fractures. |
| 190.80 | 194.65 | 3.85 | Magnetite-chlorite skarn. Powellite more plentiful in this section. |
| 194.65 | 202.00 | 7.35 | Mixed, banded zone of garnet-diopside skarn/ magnetite-biotite skarn. |
| 202.00 | 222.60 | 20.60 | Garnet-diopside skarn. |
| 222.60 | 232.40 | 9.80 | Mixed zone of diopside-garnet/garnet diopside skarns. |
| 232.40 | 241.00 | 8.60 | Garnet-diopside skarn. |
| 241.00 | 243.15 | 2.15 | Magnetite-diopside skarn/wrigglite with upto 5% sulphide-pyrite. |
| 243.15 | 260.40 | 17.25 | Diopside/diopside-garnet skarns/metasiltstone. |

Summary assays from this hole are as follows:

| INTERVAL(m) | CORE LENGTH(m) | ASSAYS | |
|---|---|---|---|
| | | Sn ppm | W ppm |
| 176.00 - 193.00 | 17.00 | 1150 | 220 |
| 193.00 - 202.00 | 9.00 | 770 | 130 |

This hole suggested a large syncline of skarned limestone may occur to the north of previously recognized mineralization, below Hugo's Fault. This drill hole suggested the possibilities of major tonnages of skarn to the east of the BCF.