

8.4 ECONOMIC POTENTIAL

Mines Department holes assayed through the gossanous zones were similar to those in Mt. Lyell OH 1.

	<u>Interval</u> (m)	<u>Width</u> (m)	<u>Assays</u>				
			<u>Pb%</u>	<u>Ag ppm</u>	<u>Sn ppm</u>	<u>Au ppm</u>	<u>W ppm</u>
DOM OH 2	9.80-21.75	11.95	5.33	76	<300	Tr	<100
	36.64-40.62	3.98	2.96	26	<300	Tr	<100
	36.64-41.60	4.96	2.46	22	<300	Tr	<100
DOM OH 3	6.35-16.94	10.59	4.30	59	<300	Tr	<100
DOM OH 4	7.00-17.00	10.00	3.71	44	<70	0.1	<30
	7.00-24.30	17.30	2.85	30	<70	0.1	<30
DOM OH 5	0.00- 3.10	3.10	1.30	5	<36	0.05	<10

Average grades for all intersections are 3.1% Pb and 43 ppm Ag. Tin and gold values were low for all holes. The gossanous/lateritic zone is the only material with high Pb Ag values. However due to the oxidized nature of the material, probably not much of the Pb or Ag would be recoverable. Gossanous material at the surface has an extent of approximately 550 m strike length, 100 m width and a thickness of 15 m. This would give a potential tonnage of approximately 2.25 million tonnes. A similar tonnage may be available under the basalt between the Devonian grid and the Tin Spur grid. However, overall this does not appear to be an economic target.

The diamond drilling which has intersected up to 150 m of the sandstone section below the laterite in each of three widely spaced holes has not intersected Pb-Ag mineralization of interest. There appears to be no need for further exploration of this prospect.