

Neither of the mineralized shale units appear to lie beneath the soil geochemical anomaly, however, the tenor of the mineralization and the predominance of zinc over other metals within the anomaly is consistent with that intersected in the drill hole. The sequence of east dipping volcanics and related epiclastics is very similar to that at the adjoining Cutty Sark area.

The hole drilled the Mt. Read Volcanics - Rosebery Group sediments contact for the first time in the Rosebery area and showed the contact to be faulted. An intensely deformed and strongly pyritic black shale sequence lies immediately west of the fault, within the Rosebery Group, and adequately explains the strong IP anomaly. Another prominent fault structure intersected in the hole appears to have offset the geology and this may affect the conclusions of the drill test of the soil anomaly. Further work will await the completion of a drill hole by EZ Company 200m to the south.

At MURCHISON RIVER, a Maxmin EM survey to ground locate DIGHEM anomalies delineated a conductor which was tested by two shallow diamond drill holes, totalling 233m. The two holes, only 50m apart, intersected a seven metre downhole interval of intense quartz-carbonate -? fluorite stockwork - in the interpreted position of the Maxmin conductor - within a wide black shale unit of the Farrell Slates. Anomalous gold values in both holes occur within and around the stockwork. The best assay of 1.5m of 0.70g/t Au occurs within a 12.9m interval of 0.31g/t Au, 0.25% As. Results of previous drilling in the Murchison River and Sterling Valley areas will be examined prior to continuing exploration of the conductive zone to the north.

In the MT. BLACK and STITT areas, reconnaissance geology and VLF traverses over zones of low resistivity containing DIGHEM conductors has provided sufficient encouragement to re-establish and in-fill the old EZ Company grids. Detailed evaluation of these areas is in progress.

At WHITE SPUR detailed geological mapping and rock sampling indicates that two 700m long prominent altered and mineralized epiclastic sequences in the headwaters of Jones Creek form the most prospective part of a several kilometre long sedimentary horizon in eastern White Spur. Both sequences