

Farrell Leases) and at the Sterling Valley mine, 3km to the south of the area under investigation. Minor zinc ore was won from the Murchison mine, 2km north east of the southern DIGHEM anomaly.

Within the area under investigation (See Figure 19.), is a sequence of predominantly north striking, steeply west dipping, grey and black slates, white biotite-bearing sandstones and interlaminated sericitic quartz augen volcanoclastics. Cleavage in the sequence sub-parallel the bedding direction and dip angle. Outcrop is sparse around the location of the DIGHEM conductor, near 75,150N. In this area subcrop contains chloritized grey-green slate with irregular quartz veins containing trace pyrite and iron oxides. This lithology (Sample No. T 1005) produced an assay of 40ppm Sn and 385ppm Zn (See Figure 20 for sample locations and assays). Float sample T 1003, located 20m north-east of T 1005 contained 68ppm Sn, 800ppm As and 1600ppm Zn in a ferruginous, porous rock.

Holes MR1 and MR2 both intersected black slate from collar to approximately 65 metres down-hole; equivalent to an easting of about 4960E - 5020E at the surface. This unit could exist several tens of metres to the west of the drill hole collars. Similar lithologies, although thinner, occur down-hole.

#### 6.3.2. Maxmin EM:

See Appendix D.4., "Interpretation of The Murchison River Maxmin Survey", by Mitre Geophysics Pty. Ltd., and Figure 21.

The Maxmin survey defined a conductor with a strike length of 275m - open, but weakening to the south, in the Sterling Valley EL., and open and strong to the north, beneath Lake Rosebery, as indicated by the DIGHEM survey. The responses could indicate a significant sulphide body or graphitic shales, which could themselves be host to mineralization.

A conductive zone of approximately 10m width was interpreted to be near surface and dipping 65° - 80° west. As the zone had possible limited depth extent a shallow drill hole was recommended to test the conductor 50m below 75,150N 5,000E.