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THE SCAMANDER GOLDFIELD

ANNUAL REPORT - MAY, 1987

E L 24/82

OCEANIA TASMANIA PTY.LTD.

**MICROFILMED**

INTRODUCTION:

Queen of the Earth Gold Mine. The main effort has been to remove the rock fall from the main stope which was blocking the cross adit. This being achieved it also opened up the access to the drive along the main lode. The proposed access has been surveyed and would mean a cut into the southern face of the main ridge transecting the exploration licence. The road would be approximately 1 km long.

Geology. Further dollying and examination of the Queen of the Earth lode confirm it to be over 300 metres in strike with a width of over 1 metre. The eastern end of the lode which was worked as an open cut mainly for the elluvials, has very good shows of gold and is 200 metres from the main workings.

The original ore dump on the Trafalger Mine will be taken as the trial sample at this stage as the workings are inaccessible. The plans for development have been discussed with Dr. David Jennings (Mines Department).

OCEANIA TASMANIA PTY.LTD.

QUARTERLY REPORT

BRILLIANT CREEK GOLDFIELD

EL 24/82

SEPTEMBER, 1987.

**MICROFILMED**

INTRODUCTION:

The licence was renewed by the Minister on the 7th July, 1987, following discussions with Mark Dwyer, David Duncan and David Jennings and a subsequent visit by David Jennings to the field area. Peter Rayner, (Oceania Tasmania's engineering management consultant), Paul Rayner and Malcolm Bendall (Exploration Manager) were present at the field inspection at which environmental concerns and proper consultation procedures with the Mines Department (before any developmental work) were discussed. It was acknowledged that detailed plans of any work would be supplied before initiation of any operation. The Mines Inspector for the area, Mr. J.W. Dempster, has been informed of the proposal and has stated that he would be happy to inspect the proposed operational site once we were nearing a start to the project. Duplicates of the plans supplied herein have been sent to Mr. Dempster for his comment.

OUTLINE:

Over the last four years Oceania Tasmania Pty.Ltd. has undertaken (as summarized in the 1987 Annual Report), a systematic soundly based, executed and funded programme, which has taken a previously abandoned gold mining district and proved economic grades in the assaying programme. Geophysical methods for locating the gold lodes and alluvial deposits were determined. Having in those four years overspent the minimum expenditure requirement which at the time because of the low gold price other Companies would not risk capital upon. The subsequent rise in the gold price has implied the field to be economic at the grades determined by Oceania Tasmania Pty.Ltd. To confirm this, steps were taken to extract trial samples to prove or disprove the viability of the Quartz lodes bearing gold.

These steps were initiated by a letter to the Director of Mines dated 19th May, 1986, requesting permission to take samples from the old workings and notifying the Department that equipment had been purchased to do so.

In the summer period of 1987, Peter James of the Launceston Mines Department was consulted and indicated that he could undertake the necessary assay work and trial cyanide tests. Danny Semmens was appointed Chief Field Supervisor and equipment was arranged to be hired through John McCormack, (St. Helens) who also consented to supervise the road clearing and earth moving operations which would be done with his equipment.

Michael Ruane, a Perth based small Gold Mining entrepreneur, was contacted and informed us about many of the development aspects of small gold mining, information which is deficient in Tasmania. He also has contract miners who were well versed in "state of the art" small mining

techniques and equipment, charging \$100 per tonne to extract the ore.

Appendix 1 contains the plan of Hazell Bros. Mobile Mill which is capable of crushing to fine sand 100 tonnes per hour.

The Mill site and roadways have been cleared by Danny Semmens (inspected by David Jennings of the Mines Department), to accommodate the Mobile Mill which will be installed dependant upon favourable samples being extracted.

In the initial sampling period the Mill site will be used as a storage area for the initial small 10 tonne sample. The ore will then be removed from the site (as suggested by Mr. Dempster) and taken to be crushed in Hobart and samples of the results sent to the Launceston Department of Mines for assay.

#### PAST SAMPLING SITES

Included are diagrams 1 and 2 of the exact positions of previously "mined" samples. Also marked are the sample positions intended for the future sampling programme.

BRILLIANT CK EL24/82 LODE SAMPLES

Golden ridge 0.01  
Queen on earth 0.01  
Mill rock

LODE A 20 cm cross section of vein from the  
Queen of Earth assayed over 35 g/t.

Rafalgar Dump 14.1

A composite of selected arsenopyrite - QTZ. vein material  
collected from the dump, Queen of earth, assayed.

4.23 g/t gold  
2.9 g/t silver  
7 ppm copper  
2,126 ppm lead  
14 ppm zinc  
237 ppm nickel  
2.16% arsenic  
36 ppm antimony  
58 ppm wolfram

Diagram 1 :- Positions of trial mining and previous sampling

PLAN AND SECTION  
OF  
QUEEN OF THE EARTH GOLD MINE

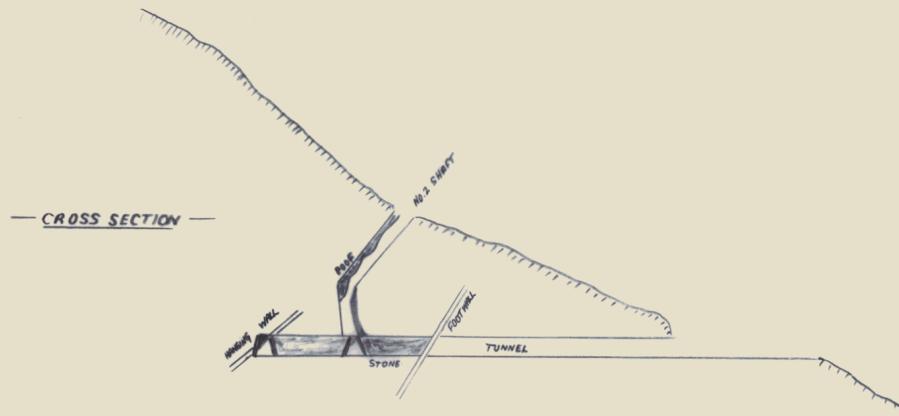
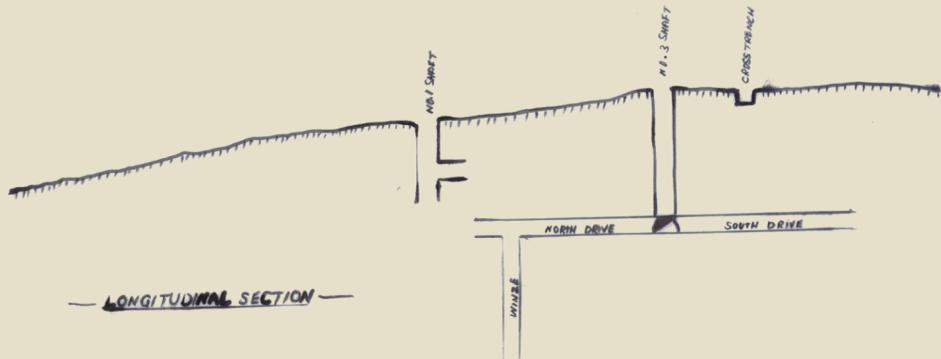
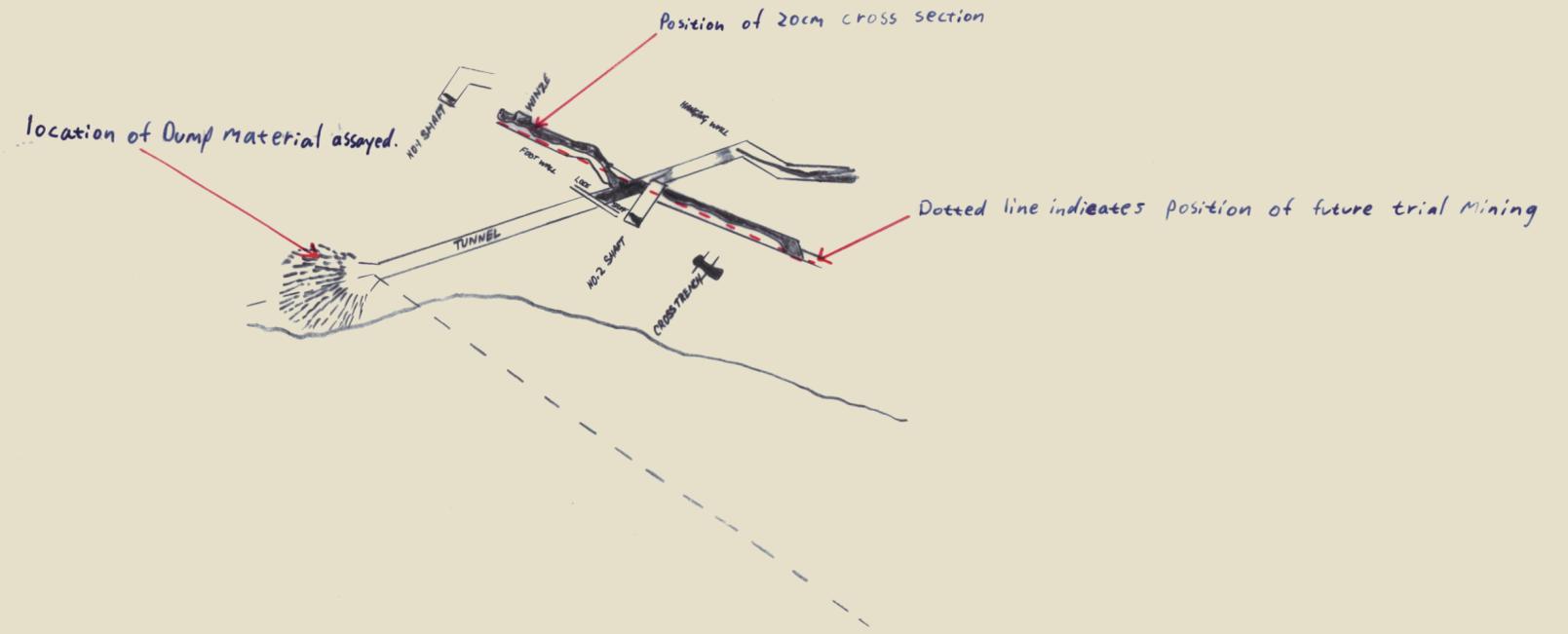
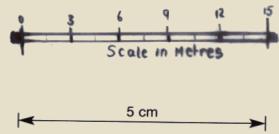


Diagram 2:- Positions of sampling  
**PLAN AND SECTION**  
**OF**  
**TRAFALGAR GOLD MINE:**

