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EXPLORATION LICENCE No. 17/68
KARA REGION, HAMPSHIRE

RELINQUISHMENT REPORT - PART OF E.L. 17/68

NOVEMBER 1987

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C.H. WHITEHEAD

for and on behalf of

TASMANIA MINES LIMITED

TABLE OF CONTENTSSUMMARY

| | <u>PAGE NUMBER</u> |
|--|--------------------|
| 1. Introduction | 5 |
| 2. Tenement Situation/History | 6 |
| 3. General Summary | 7 |
| A - Regional Geology | |
| B - Exploration Objectives | |
| C - Nature of Completed Work | |
| D - Expenditures Incurred | |
| 4. Summary of Previous Exploration | 10 |
| A - Tasminex N.L. (1969-71) | |
| B - Anzeco/Tasminex J.V. (1971-74) | |
| C - McIntyre Mines/Tasminex J.V. (1977-85) | |
| D - Tasmania Mines Limited | |
| 5. Exploration Work - Relinquished Area | 20 |
| 6. Bibliography - E.L. 17/68 | |
| A - Anzeco (1971-74) | 24 |
| B - McIntyre Mines (1977-85) | 25 |
| C - Tasminex N.L./Tasmania Mines Limited | 28 |

002

LIST OF FIGURES

| <u>FIGURE NO.</u> | <u>TITLE</u> | <u>SCALE</u> | <u>PAGE</u> |
|-------------------|---|--------------|-------------|
| 1. | E.L. 17/68 - Location Plan November 1987 | 1:710,000 | 6 |
| 2. | E.L. 17/68 - Location Plan November 1971 | 1:710,000 | 6 |
| 3. | E.L. 17/68 - Location Plan Area for Relinquishment | | 6 |

LIST OF PLANS

| <u>PLAN NO.</u> | <u>TITLE</u> | <u>SCALE</u> | |
|-----------------|---|--------------|--------|
| 1. | Geol. Map of E.L. 17/68 Anzeco - June 1974 | 1:50,000 | Folder |
| 2. | Tasmines Ltd. - Kara Properties Geol. Map & Tenement Status | 1:10,000 | Folder |
| 3. | E.L. 17/68 - Relinquished Areas Aeromagnetic Total Intensity Contour Plan | 1:20,000 | Folder |
| | Geox. Pty. Ltd./McIntyre Mines Ltd. | | |

LIST OF TABLES

| | | |
|-------------|--|---------|
| Table No. 1 | - E.L. 17/68 - Annual Exploration Expenditures | Page 9 |
| Table No. 2 | - McIntyre Mines - Diamond Drill Data - E.L. 17/68 | Page 15 |
| Table No. 3 | - McIntyre Mines - Diamond Drilling Programmes | Page 16 |

APPX 1 = VOLUME 2 = Miscellaneous Quarterly Reports,
Nov, 1985 to Feb, 1987.

003
TASMANIA MINES LIMITED
EXPLORATION LICENCE 17/68

RELINQUISHMENT REPORT - NOVEMBER 1987

SUMMARY

Exploration Licence 17/68, covering the Kara district of N.W. Tasmania, was first granted in November, 1968.

Since 1969, the E.L. although held in the name of Tasminex N.L., (subsequently Tasmania Mines Limited), has been the subject of two joint venture arrangements involving initially ANZECC (1971-74) and McINTYRE MINES (AUSTRALIA) PTY. LTD. (1977-85).

The E.L. area itself has been reduced and enlarged in size on a number of occasions, but ranged from a maximum of 630 sq. km. (1971) to a minimum of 75 sq. km. (1977 to 1987). The licence was due for final relinquishment on November 3rd, 1987.

Over the years, the E.L. area has been extensively prospected and evaluated for its tungsten potential, the work successfully locating and proving a number of highly prospective zones of scheelite mineralisation, culminating in the Kara No. 1 tungsten mine operation (annual ore production 130,000 tonnes @ 0.88% WO₃).

The above exploration work has involved airborne geophysical surveys, detailed geological, geochemical and ground magnetic investigations, drilling programmes, (total number diamond drill holes 215, total metrage 15,869m) and eventual feasibility/pre-development studies.

The various exploration programmes have cost a total \$3,844,679, - not adjusted to 1987 dollar values.

As from November 3rd, 1987 E.L. 17/68 will be reduced by an area of 54 sq. kms.

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1. INTRODUCTION

Exploration Licence 17/68 has been in force since November 4th, 1968, initially granted to W.S. Singline, but subsequently (1969) transferred to the name of Tasminex N.L. This Company - although known as Tasmania Mines Limited since 1985 - has worked the E.L. area until the present time, both alone and in joint venture arrangements.

The licence area itself has over the years varied in size - from a maximum size of 630 sq. kms. in 1971, to a minimum area of 75 sq. kms., ie. the size from 1977 until the current time (see Figs. No. 1 and 2.)

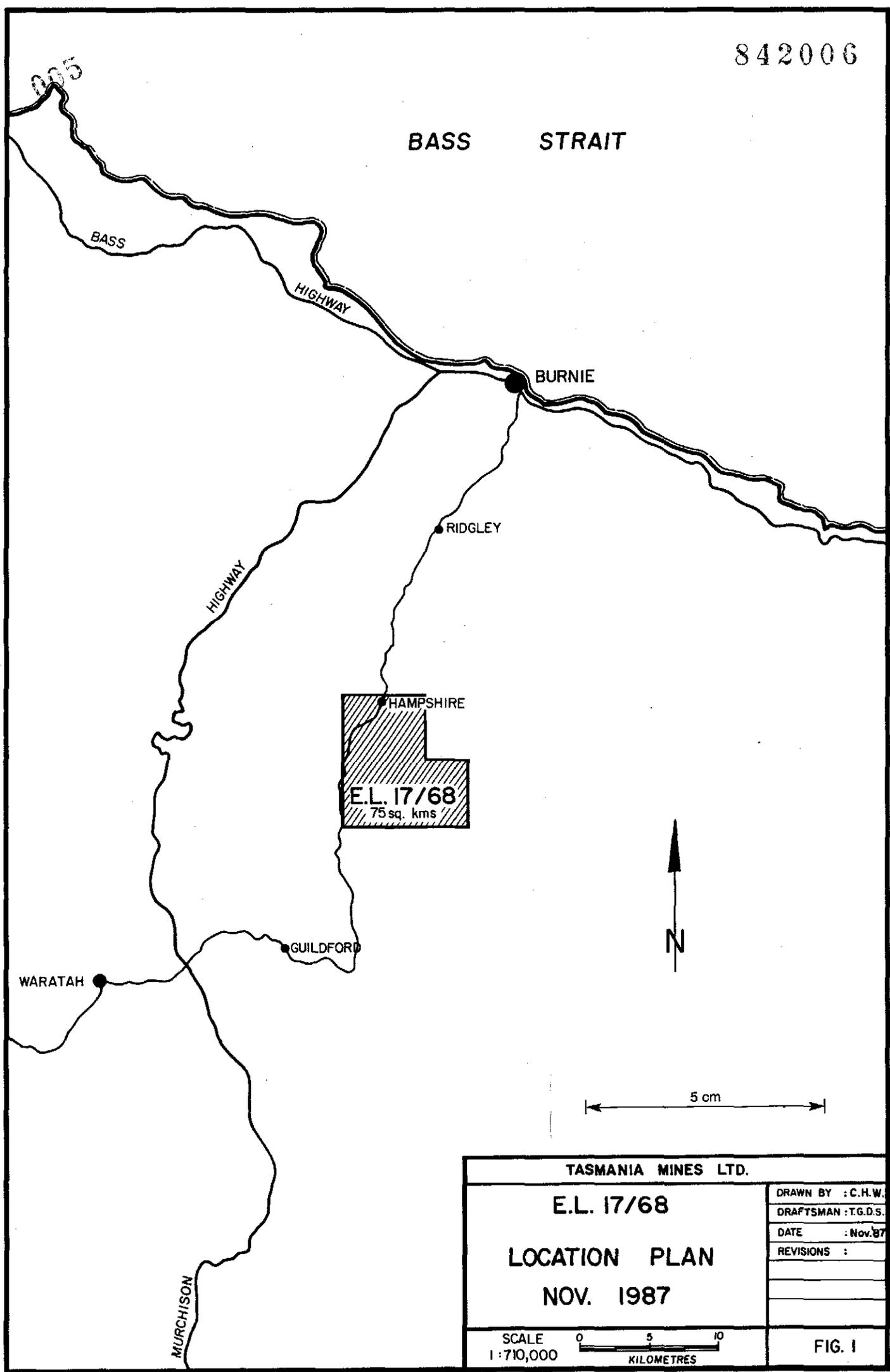
Under the present Exploration Licence tenure conditions, E.L. 17/68 was due for final relinquishment on the 3rd November, 1987 and during the final years of E.L. tenancy, exploration objectives have been geared at completing an assessment of the overall potential of the E.L. area prior to the eventual relinquishment.

This work has succeeded in outlining new areas of tungsten mineralisation, plus confirming and delineating additional reserves of tungsten/magnetite ore at the Kara North, Kara No. 2, Location L.5, Kara South and Eastern Ridge deposits, and the latter locations are currently under mineral lease applications. These M.L.'s are peripheral and additional to the existing consolidated Mineral Lease CL105M/77 (265Ha.), in existence at and around the Kara No. 1 tungsten deposit and mining operation.

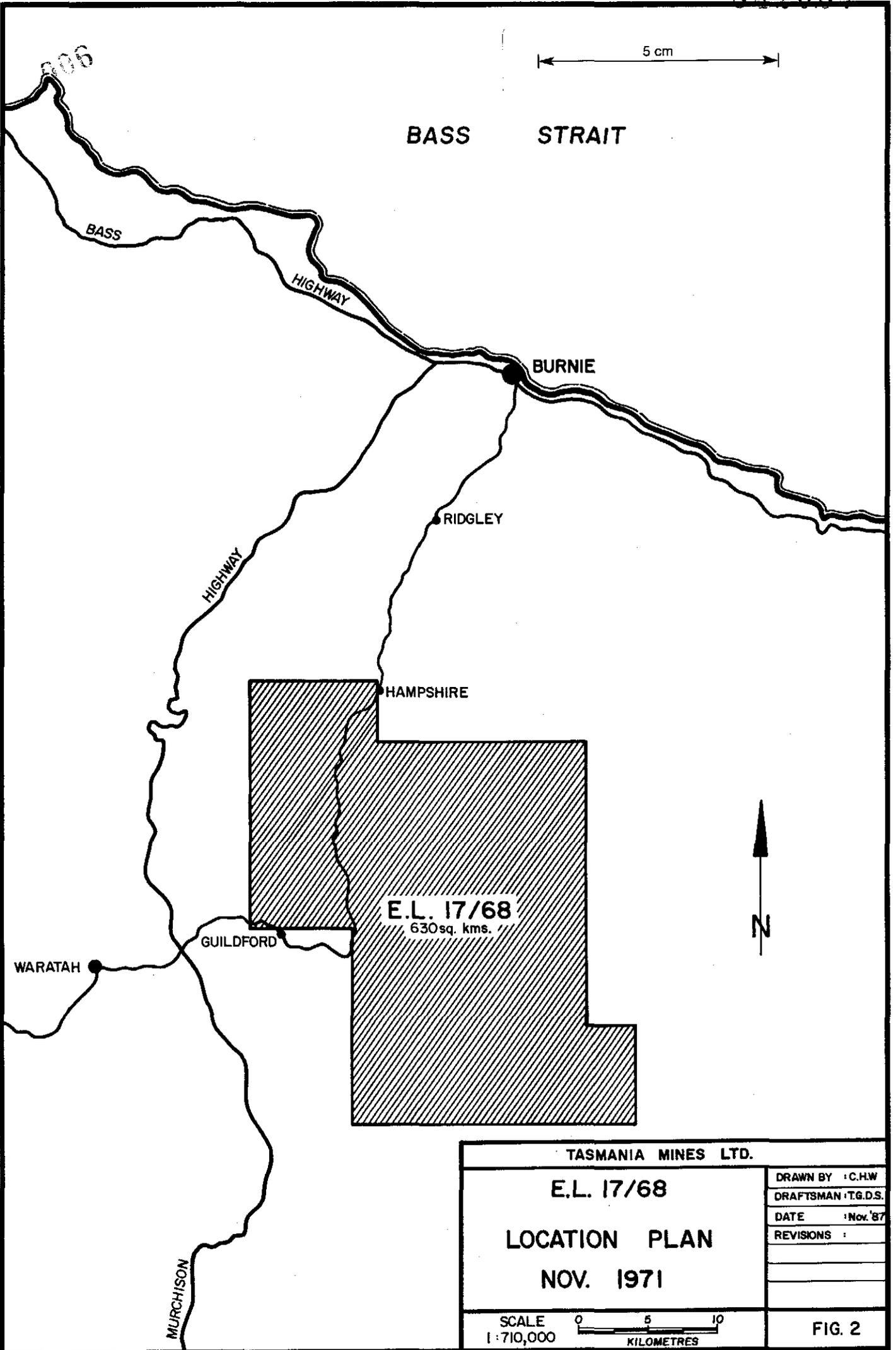
To permit an evaluation of recent mineralised discoveries, provisions under Mines Department regulations have allowed the retention of a portion of the E.L. 17/68 beyond the final expiry date. This area encompasses 21 sq. kms. but includes a total of 825 hectares either under M.L. application or mineral lease tenancy. Consequently as from November 4th, 1987 E.L. 17/68 currently covering 75 sq. kms. will be reduced by a total area of 54 sq. kms. (Figure No. 3)

The initial section of the report briefly summarises the nature and results of exploration work completed by a number of companies within the overall area (75 sq. kms.) originally covered by E.L. 17/68. Detailed accounts of exploration aims and methods, work completed and results obtained, have been fully documented in the various E.L. reports previously submitted to the Department of Mines.

The final section of the report, documents individual prospects and/or regions in the area of E.L. 17/68 to be relinquished, but once again, the details of work and results at these locations can be found in the various E.L. reports. These have been documented and listed in the bibliography at the end of the report.

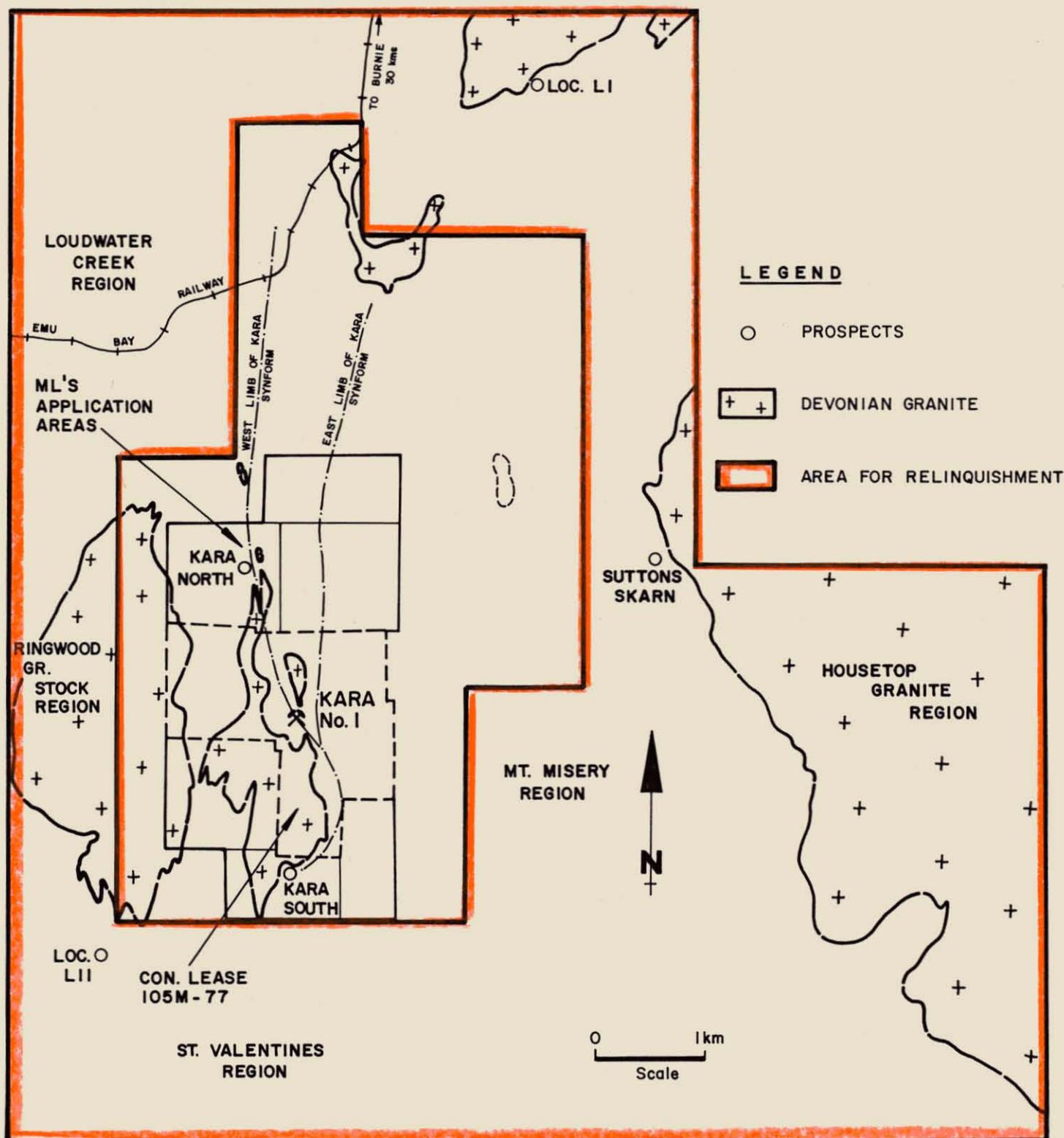


| | |
|----------------------------|----------------------|
| TASMANIA MINES LTD. | |
| E.L. 17/68 | DRAWN BY : C.H.W. |
| LOCATION PLAN | DRAFTSMAN : T.G.D.S. |
| NOV. 1987 | DATE : Nov. 87 |
| | REVISIONS : |
| | |
| | |
| SCALE 1 : 710,000 | 0 5 10 KILOMETRES |
| | FIG. 1 |



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E.L. 17/68 - LOCATION PLAN AREA FOR RELINQUISHMENT



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2. TENEMENT SITUATION/HISTORY

Exploration Licence 17/68 was originally granted to W.S. (Bill) Singline on 4th November, 1968 in respect of 234 sq. miles of the Kara/St. Valentines region in the district of Russell and Devon, vicinity of Black Range.

In late 1969, the E.L. was acquired by TASMINEX N.L., a company incorporated in Tasmania on August 4th, 1969.

Since the original acquisition date, E.L. 17/68 was subsequently reduced in size from 599 sq. kms. to 484 sq. kms. (4th May, 1970), enlarged by incorporating E.L. 44/71 to 630 sq. kms. (4th November, 1971), reduced to 425 sq. kms. (4th May, 1973), reduced to 150 sq. kms. (4th November, 1975) and finally attained its final size of 75 sq. kms. on the 4th May, 1977.

Exploration activities within the licence area would be subdivided into four separate phases, namely:

i) Tasminex N.L., who were sole operators during the periods 1969 to 1971, and 1974 to 1977.

ii) Tasminex N.L./ANZECCO J/V - 1971 to 1974. (ANZECCO were the Australian exploration division of Union Carbide Corporation, U.S.A.). Anzecco were the operators of the joint venture, and were primarily interested in the tungsten potential of the E.L. area.

iii) Tasminex N.L./McIntyre Mines (Australia) Pty. Ltd. J/V - 1977 to 1985. During this seven year period, exploration work was carried out 100% by McIntyre Mines - again the original priority was to evaluate the tungsten potential of the licence area.

iv) Tasminex N.L./ Tasmania Mines Limited - 1985 to 1987. During the final two year term, the tungsten, magnetite and wollastonite, plus to some extent gold potential of the E.L. area has been further evaluated.

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3. GENERAL SUMMARY

A. REGIONAL GEOLOGY

In the Kara district, sediments of Cambrian and Ordovician age have been intruded by Devonian/Lower Carboniferous granitic members of the Housetop granite intrusive.

Within the contact aureole of the Kara granite stock, calcareous units of the Ordovician Transitional Series have been extensively metamorphosed/metasomatised resulting in the development of a number of magnetite skarn bodies. Some of these deposits contain good quality magnetite (Kara No. 1, Kara North, Companion Skarn) and economic concentrations of scheelite mineralisation (Kara No. 1, Kara North, Location L.5, Kara South and Eastern Ridge.)

The Kara No. 1 tungsten deposit was originally developed in 1977, and scheelite bearing ore of an average 0.85% WO₃ grade is currently mined at a rate of 130,000 tonnes per annum.

B. EXPLORATION OBJECTIVES

W.S. Singline/Tasminex N.L. originally acquired E.L. 17/68 to assess the potential of known magnetite resources at the Kara No. 1 and Kara No. 2 locations.

The 1971-74 Anzeco/Tasminex J/V had the sole objective to locate and prove a viable tungsten deposit, or deposits within the E.L. area.

The subsequent 1977-85 McIntyre Mines/Tasminex J/V was again involved primarily with tungsten, the priority being to assess the economic viability of open-pit development of the Kara No. 1 and Kara North tungsten deposits. In conjunction, the tungsten potential of other magnetite skarn zones identified within the 75 sq. km. area of the E.L. area was extensively investigated. During this phase of work, the "other mineral" potential of the E.L. was given only brief consideration.

During the final two year term of E.L. 17/68, Tasmania Mines Limited have not only attempted to investigate the known tungsten resources of satellite deposits around Kara No. 1, but examined the potential of other commodities, notably wollastonite, magnetite and tin.

C. TYPE OF WORK COMPLETED

During 1971-74, Anzeco were involved in exploration when E.L. 17/68 occupied a much larger area (630 sq. kms.) than its current size. The nature of exploration was two fold, namely a regional evaluation of the entire licence area (by reconnaissance geological mapping, regional pan concentrate sampling and airborne

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 magnetics/radiometrics), plus detailed investigations of known tungsten bearing skarn zones or anomalous tungsten locations identified by regional work. (by trenching, drilling, mapping, extensive sampling, ground magnetics and bulk sample bench test work).

McIntyre Mines (1977-85) operated over a more reduced area of 75 sq. kms., and to a greater degree concentrated upon the thorough evaluation of the Kara No. 1 and Kara North potential open-pit WO₃ deposits - this work involving resource/reserve definition followed by detailed metallurgical test work, mine planning/engineering studies and marketing assessments, etc. More direct exploration work was carried out in the "outside sections" of the E.L. area peripheral to the Kara properties, and this involved both detailed surface investigations and extensive diamond drilling programmes. Subsequent infill or evaluation drilling was carried out at four tungsteniferous skarn zones within the E.L. - at Kara South, Eastern Ridge, Western Limb and Location L.5.

During the final term of the E.L., Tasmania Mines Limited have continued both surface exploration work and drilling programmes (eg. WO₃ exploratory drilling between E.Ridge and Location L.5, north of Kara North and the Companion Skarn; magnetite exploratory drilling at Kara No. 2, the Companion Skarn and Kara North; plus wollastonite drilling at the Limestone Creek area, central sections of E.L. 17/68.

All the above exploration work has been systematically documented both in the periodic (monthly, quarterly, biannual and annual) Department of Mines reporting requirements, and by means of Company "in-house" reports. All relevant reports applicable to E.L. 17/68 exploration work are documented in the bibliography.

D. EXPENDITURES INCURRED

A total expenditure of \$3,844,679 has been incurred in E.L. 17/68 exploration activities.

Official exploration expenditures on a Company basis are summarised below. An expenditure tabulation per annual basis is shown overleaf - Table No.1.

| | | | |
|----------------|-----------|---------------------------|--------------------|
| | | | \$ |
| Tasmines N.L. | 1969-1985 | Expenditures | 271,964 |
| Anzeco | 1971-1974 | Expenditures | 614,579 |
| McIntyre Mines | 1977-1985 | Expenditures | 2,630,351 |
| Tasmania Mines | 1986-1987 | Expenditures | 327,785 |
| | | <u>Total Expenditures</u> | <u>\$3,844,679</u> |

EXPLORATION LICENCE NO. 17/68
ANNUAL EXPLORATION EXPENDITURES

| <u>YEAR</u> | <u>TASMINEX N.L.</u> £ | <u>ANZECCO</u> £ | <u>McINTYRE MINES</u> £ |
|---------------|---------------------------|---------------------|----------------------------|
| 1969-70 | 149,431 | | |
| 1970-71 | 14,982 | | |
| 1971-72 | -- | | |
| 1972-73 | -- | 614,579 | |
| 1973-74 | 12,634 | | |
| 1974-75 | 11,553 | | |
| 1975-76 | 4,867 | | |
| 1976-77 | 28,130 | | |
| 1977-78 | 3,711 | | 130,001 |
| 1978-79 | 3,502 | | 863,108 |
| 1979-80 | 14,315 | | 520,068 |
| 1980-81 | 1,110 | | 246,101 |
| 1981-82 | 1,724 | | 290,502 |
| 1982-83 | 2,237 | | 290,523 |
| 1983-84 | 1,893 | | 111,620 |
| 1984-85 | 21,875 | | 178,428 |
| 1985-86 | 154,704 | | |
| 1986-87 | 173,081 | | |
| <u>TOTALS</u> | <u>\$599,749</u> | <u>\$614,579</u> | <u>\$2,630,351</u> |
| <u>TOTAL</u> | <u>\$3,844,679</u> | | |

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4. SUMMARY OF PREVIOUS EXPLORATION WORK

A. TASMINEX N.L. (1969-1971)

Tasminex N.L. originally acquired E.L. 17/68 to evaluate the MAGNETITE potential of the Fe bearing skarns at Kara No.1 and Kara No.2. Other magnetite bodies located at Kara South and Redwater Creek were however also examined.

Although the nature and results of investigations conducted by Tasminex N.L. are not systematically recorded, the following work was completed.

Kara No. 1

- ground magnetometer survey
- costeaming at the southern extremities of the deposit. This work revealed anomalous tungsten values within weathered skarn (1970)
- percussion drilling (58 holes - 1745 feet) and subsequent diamond drilling (4 holes - 526 feet) established the "boundaries of a tungsten bearing magnetite garnet skarn occurring as a shallow roof pendent within granite." Anomalous values of W, Cu, Pb, Mo, Zn, Sn and Bi were recorded from drill samples.
- this was followed by "several hundred feet of trenching" across the deposit (1971)
- the magnetite reserves were evaluated

Kara No. 2

- Main Skarn Zone - "several" percussion holes and eight diamond drill holes were drilled (1970)
- East Skarn Zone - "a line" of percucssion holes was completed

Kara South

- ground magnetic survey, seven percussion holes

Redwater Magnetite Prospect

- magnetometer survey, two "shallow" diamond drill holes.

013 B. ANZECO/TASMINEX N.L. JOINT VENTURE -1971-1974

A joint venture agreement between Tasminex N.L. and Anzeco, in respect of E.L.'s 17/68 and 44/71 (subsequently amalgamated with E.L. 17/68) was concluded in 1971. Under the terms of the Agreement, all exploration work was to be completed by ANZECO. This work commenced on 15th October, 1971 and was continuous until the J/V was dissolved in May, 1974.

The Anzeco exploration work covered an area of 630 sq.kms., the priority being tungsten exploration; and with this in mind two phases of work were run simultaneously:

- Regional geological and geochemical exploration with a view to the discovery of geologically favourable locations containing anomalous tungsten.
- Detailed investigations of known, or delineated, tungsteniferous locations. The main Anzeco reports/plans are summarised in Bibliography list 6A.

Regional Exploration

i) Geological Mapping - the greater part of E.L. 17/68 (plus the region to the north, covered by additional Tasminex N.L. E.L.1/69) was mapped both regionally (refer attached Plan 1) and specific areas in detail.

ii) Geochemical Sampling - E.L. 17/68 drainage was sampled regionally by pan concentrate sampling techniques, with samples assayed for WO₃ content and graded visually according to scheelite grain counts. A total of 806 samples were collected, all assayed for WO₃ and 157 samples assayed for Sn, Cu, Pb and Zn. As a result of this work a number of locations of anomalous tungsten, additional to the main Kara prospects were identified.

iii) Geophysical Work - An airborne magnetometer and radioactive survey of 45 sq.kms. between St. Valentines Peak and the northern border of E.L. 17/68 was flown in 1974. This was followed up by extensive localised ground magnetic surveys (in conjunction with mapping and geochemical work).

As a result of a combination of the above regional techniques, a number of additional WO₃ anomalous prospects were delineated within the E.L., eg. at Kara South, Eastern Ridge, Kara North, Bobs Bonanza and Companion Skarn, plus identification of anomalous (WO₃) locations at L.5, L.13, L.9, L.10, L.11 and L.12.

Also as a direct consequence of this regional work, the "main area of interest" for tungsten mineralisation potential was narrowed down to an area of approximately 75 sq.kms. surrounding the main Kara Properties.

014 Detailed Investigations

The above mentioned tungsteniferous prospects and anomalous locations were covered by varying degrees of geological mapping, grid ground magnetic surveys, soil sampling, trenching, power auger drilling/sampling.

The main Kara Prospects of Kara No.1, E.Ridge, Kara North, Bobs Bonanza and the Companion Skarn were also subjected to diamond drilling, both exploratory and evaluation in nature.

Statistics for these detailed investigations are as follows:-

- costeaning, at Kara No.1, Kara N., Bobs Bonanza, W. Limb and Kara South, resulting in the collection of 3,270 samples (5ft intervals) and assayed for W03, plus ore categorisation.

- Power Auger Drilling - A Gemco power auger drill rig was utilised in the attempt of investigating surface exposed skarns or to penetrate Tertiary basalt/sediment covered prospects.

Such drilling was completed in Location L.13, Kara North, Companion Skarn, Location L.5, Hampshire Magnetite and Bobs Bonanza.

A total of 275 auger holes were drilled for a drilled metreage of 2,430 metres.

- Diamond Drilling - 4 drilling programmes were undertaken during the Anzeco exploration campaign, resulting in 48 diamond drill holes, totalling 3,674 metres. The programmes were:

- DDH's 100 to 129, at Kara No. 1, total depth 1621m.
(Oct. 1971-June 1972)
- DDH's 130 to 132, at Kara North, total depth 237m.
(Sept.-Nov. 1972)
- DDH's 133 to 136, at Kara No. 1, total depth 143m.
(Feb.-June 1973, metallurgical samples)
- DDH's 137 to 152, at Eastern Ridge and Companion Skarn,
total depth 1816m.
(Jan.-April 1974)

- Analytical and Metallurgical Test Work - extensive bulk sample test work on both trench and drill samples from the Kara No. 1 deposit, particularly those of the weathered tungsten skarn material were carried out at both the Union Carbide U.S.A laboratories and by Robertson Research. (Sydney, Australia).

Four diamond drill holes (DDH's 133 to 136) were drilled specifically to acquire representative samples of weathered W03 bearing ore material for detailed tests in the U.S.A.

015 C. McINTYRE MINES/TASMINEX N.L. JOINT VENTURE, 1977-85

McIntyre Mines as operators of a joint venture project with Tasminex N.L. carried out both extensive exploration within the 75 sq.kms. area of E.L. 17/68 (1977-1985) and completed detailed investigations and evaluations of the main Kara Property deposits (Kara No.1 and Kara North).

This work incurred a total expenditure of \$2,630,351, and detailed descriptions of the nature and results of exploration work are to be found in reports tabulated in Bibliography list 6B.

The McIntyre Mines work, primarily directed to tungsten appraisals, could be divisible into the following categories:

- i) Regional exploration work
- ii) Detailed surface exploration surveys
- iii) Drilling programmes
- iv) Miscellaneous investigations

i) Regional exploration work

This consisted of:

- Geological Mapping - regional over the E.L. area (see Plan 2)
- Reconnaissance Ground Magnetic Surveys - over regional geologically favourable trends. Surveys were unsystematic, traverse lines run at approximately 100m. intervals (eg. East and West Limb of the Kara Synform, Limestone Creek Region, Location L.4, Kara South, Loudwater Creek).
- Regional Ground Magnetic Surveys - Systematic traverses, grid lines space at 20-40m intervals eg. Surveys at Eastern Ridge, Location L.5, Location L.5 to Loudwater Creek and around the Hampshire Granite Stock.
- Regional Pan Concentrate Sampling Programmes - eg. around W contact of main Housetop Granite intrusive, around the Ringwood Granite intrusive, and south of the Kara South skarn.

ii) Detailed surface exploration surveys

This work consists of a combination of geological mapping, surveying, U.V. lamping, ground magnetic surveys, (10m traverses, 5m stations) costeaning, power auger sampling, soil sampling, pan-concentrate and rock sampling.

The following skarn zones were investigated by such surveys:

- Kara South
- Lohreys Pits
- Location L.13
- Location L.4
- Kara North Magnetite Anomaly
- Suttons Skarn
- Hampshire Magnetite Skarn
- Location L.11

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- Location L.12
- Companion Skarn
- Location L.10
- Location L.9

iii) Drilling programmes

These were either exploratory, infill or evaluation drilling programmes on either surface or near surface exposed skarn zones, or interpreted magnetite skarn zones buried beneath Tertiary cover.

Skarn zones drilled and representative drill statistics are shown in Table No. 2.

Table No. 3 chronologically tabulates drilling activities by McIntyre Mines.

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McINTYRE MINES (AUSTRALIA) PTY. LTD.
DIAMOND DRILLING DATA - EXPLORATION LICENCE 17/68

| <u>Skarn Zone</u> | <u>No. of Holes</u> | <u>Depth Drilled (m)</u> |
|---|---------------------|--------------------------|
| Kara No.1 deposit | 57 | 2727.24 |
| Kara North 266 Zone | 29 | 3463.21 |
| Kara N. Mag. Anomaly Companion Skarn | 10 | 891.46 |
| Eastern Ridge | 7 | 595.78 |
| Western Limb | 11 | 1043.80 |
| Location L.5 | 12 | 927.10 |
| Bobs Bonanza | 5 | 263.86 |
| Kara South | 12 | 411.69 |
| <u>TOTAL</u> | <u>143</u> | <u>10,324.14m</u> |

McINTYRE MINES (AUSTRALIA) PTY. LTD.
DIAMOND DRILLING PROGRAMMES

| <u>Date</u> | <u>Hole Nos.</u> | <u>No. of Holes</u> | <u>Total Depth Drilled(m)</u> | <u>Skarns</u> | <u>Type Drilling</u> |
|-----------------------|---------------------|---------------------|-------------------------------|---|---------------------------------------|
| 08/05/78- 20/09/78 | DDH 201- DDH 265 | 66 | 3836.70 | E/Ridge Kara No.1 W/Limb | Exploratory evaluation & infill |
| 29/01/79- 16/02/79 | DDH 266- DDH 270 | 5 | 1415.50 | Kara North 266 Zone | Explor- atory |
| 12/04/79- 11/07/79 | DDH 271- DDH 294 | 24 | 3146.60 | Kara North 266 Zone | Evalu- ation |
| 22/12/80- 19/02/81 | DDH 295- DDH 302 | 8 | 225.55 | Kara South | Explor- atory |
| 19/08/81- 05/08/82 | DDH 303- DDH 325 | 19 | 1100.64 | Kara No.1 Bobs Bonanza Kara North E. Ridge | Infill |
| 09/08/82- 01/02/83 | DDH 326- DDH 337 | 12 | 927.10 | Location | Explor- atory |
| 21/03/84- 06/08/84 | DDH 338- DDH 347 | 9 | 639.13 | Kara South Companion Kara N. Anomaly | Skarn Explor- atory |

019 (iv) Miscellaneous Investigations

McIntyre Mines completed the following investigations as part of the overall evaluation of the Kara No. 1 and Kara North tungsten deposits:

- Metallurgical work/mineral processing studies.
Completed by Warmans Ltd., Superior Oil Minerals Division (Tucson).
- Reserve calculations/mine planning.
Completed by McIntyre Mines (Burnie and Calgary), Golder Associates, Pincock, Allen and Holt (Tucson) and Superior Oil Minerals Division.
- Mine design/production studies.
Completed by Golder Associates, McKee Theiss, Superior Oil and Pincock, Allen and Holt.
- Feasability studies.
Completed by McKee Theiss, Golder Associates, Superior Oil and McIntyre Mines Ltd. (Calgary).

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D. TASMANIA MINES LIMITED 1985-87

Exploration objectives during the latter term of E.L. 17/68 have been:

- to evaluate the overall E.L. potential, particular emphasis being placed upon tungsten mineralisation, magnetite resources and the potential of wollastonite deposits.
- to complete evaluation prior to eventual relinquishment (Nov. 1987) and cover ground containing proven reserves of above mineral commodities by mineral leases.

The work completed during the period in question can be summarised as follows. (please refer to Plan No.2)

TUNGSTEN

Surface exploration work completed at:

- Location L.5 to Eastern Ridge, and the Valentines Area (Regional surveys)
- Kara No. 2, Horizontal Creek and Location L.1 (Localised grid surveys)

Drilling programmes

Exploratory drilling, at Kara No. 2, Location L.5 to Eastern Ridge, Companion Skarn and Kara North.

Evaluation drilling, at Kara South, Eastern Ridge, Bobs Bonanza and Kara North.

WOLLASTONITE

An evaluation of both known deposits of wollastonite (Limestone Creek) and their possible strike extensions in a southerly direction.

This work has consisted of geological mapping, sampling, percussion drilling, diamond drilling and bulk sample metallurgical tests.

MAGNETITE

A general study on the potential resources of magnetite within the E.L. area and Consolidated Mineral Lease CL105M/77, and review of the market potential re use in the coal washing industry and/or steel industry.

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Tasmania Mines Limited drilling statistics during the 1985-87 period are as follows:

Diamond Drilling

| | | |
|-------------------------|-----------------|-----------------|
| Hole Nos. - DDH 500-511 | 12 holes | 788.70m drilled |
| DDH 512-515 | 6 holes | 392.40m drilled |
| DDH 516-520 | 6 holes | 688.80m drilled |
| <u>TOTAL</u> | <u>24 HOLES</u> | <u>1869.90m</u> |

022

5. EXPLORATION WORK - RELINQUISHED AREA

54 sq.kms. of the Exploration Licence 17/68 will be relinquished as of November 3rd, 1987. The confines of this area are shown in Figure No.3 and Plan No. 2.

Within the relinquished area a number of specific prospects/anomalous areas and prospective regions were outlined and examined during the course of past exploration work in the E.L.

These are tabulated below:

Prospects/Anomalous Areas:-

Location L.11
Location L.1
Suttons Skarn

Regions:-

Housetop Granite Contact Region
Loudwater Creek Region
Ringwood Granite Stock Area
St. Valentines Region

A review of exploration aims and methods, work completed and results obtained, plus appropriate reference(s) to documentation for each specific prospect and regions in the relinquished area is presented below:

Most of the exploration work in the relinquished area could be described as preliminary and reconnaissance in nature, exploration of large tracts of ground being confined to regional geological, geophysical and airborne geophysics. The northern half of the area to be relinquished is predominantly masked by Tertiary basalt/sediment cover.

No sections of the 54 sq.kms. in question has been covered by exploration work by Tasmania Mines Limited during the final twelve month term of the E.L.

A. LOCATION L.11

Location Reference - Southwest section of E.L. 17/68.

Exploration Aims - Regional geological mapping revealed presence of skarnified rocks along the southern margin of Ringwood Granite stock. Reconnaissance pan concentrate sampling revealed tungsten anomalism. Grid surveys were completed to further assess the locations W03 (and Sn) potential.

Areas - Grid establishment, 12 traverse lines at approximately 100m intervals over total area of approximately 1150m by 500m.

Geology - Regional mapping, localised mapping of grid area, surface sampling.

Geochemistry - Pan concentrate sampling of region and prospects drainage (W03, Sn analysis)
 - Hand auger soil sampling over grid at 25m intervals.
 - Soil samples assayed for Sn, W, Pb and Bi.

Geophysics - none

Comments - Grid survey revealed weakly developed skarn horizons related to calcareous horizons in Cambrian sequences. No strong tungsten anomalism, and that which was recorded proved to be confined to granitic intrusive body itself.

References - ANZECCO, E.L. 17/68, R.T. Brandt, July 1978.
 McIntyre Mines Quarterly Reports:-
 4th Nov. 1977 - 28th Feb. 1978
 4th Feb. 1980 - 3rd May 1980
 4th Feb. 1981 - 3rd May 1981
 3rd May 1981 - 4th Aug. 1981

B. LOCATION L.1

Location Reference - N.E. extremity of E.L. 17/68.

Exploration Aims - Ground geological follow up examination of an airborne magnetic anomaly, revealed magnetite skarn body bordering western contact of main Husetop granite intrusion. Grid surveys completed to examine W03 and other mineral potential.

Access - Road extension, grid establishment (25m line spacing)

Geology - Mapping and sampling
 - U.V. lamping

Geochemistry - Pan concentrate sampling of local drainage.
 - Soil sampling over grid at 10m intervals, with follow up sampling at 5m spacing.
 - Analysis for Sn, W03, Mo and Pb

Drilling - No tungsten potential, maximum sample analysis value being 170 ppm W03.

Other mineral maximum values, 165ppm Sn, 165ppm Mo and 175ppm Pb.

References - McIntyre Mines:-
 - Quarterly Report, 4th Aug. 1981 - 3rd Nov. 1981
 - Quarterly Report, 4th Nov. 1983 - 3rd Feb. 1984

 Tasmania Mines Limited:-
 - Quarterly Report, 4th Feb. 1986 - 3rd May, 1986
 - Completed Work Programme E.L. 17/68, 4th Nov. 1985 - Sept. 15th 1986.

024

C. SUTTONS SKARN

Location Reference - Western contact of the Husetop Granite Intrusion, central zone of E.L. 17/68.

Exploration Aims - Regional geological mapping along the margins of the Husetop Granite intrusive revealed good skarn development. Regional pan concentrate sampling showed good tungsten (scheelite) anomalism.

Access - Fire break clearing.
Grid establishment (uncontrolled) over 500m strike distance.

Geophysics - Anzeco, ground magnetic survey (no record Tas Mines office)

Geology - Regional and detailed prospect mapping.
- Rock sampling (analysis W_3O_8 , Sn)
- U.V. lamping

Geochemistry - Soil sampling (analysis W_3O_8)
- Pan concentrate sampling of local drainage

Drilling - Gemco power auger drilling. Unsystematic along firebreak clearance.
- Total holes, 54, 1032 feet drilled, sampled for W at 3ft intervals. Hole Nos. 151 to 185.

Comments - Skarn developed in upper sections of Transitional Beds (overburden). Tungsten anomalism attains 1000ppm in pan concentrate samples. Work showed no defined zones in skarn horizons, and tungsten anomalism related to minor quartz tourmaline veins.

References - Anzeco - E.L. 17/68 - R.T. Brandt July 1974
McIntyre Mines Quarterly Report, 3rd May 1981
- 4th August, 1981.

D. REGIONS

The relinquished area of E.L. 17/68 was covered by airborne magnetics, (McIntyre Mines 1977 - Plan No. 3) regional geological mapping (Anzeco and McIntyre) and regional pan concentrate sampling (Anzeco) - total 806 samples.

Four regions could be classified as receiving more specific attention, namely:

- Husetop Granite Contact Region

The examination of the entire western contact of the intrusive mass, primarily to identify potential skarn zones, and greisenous developments. Particular attention was given to this region in the vicinity of the Kara No. 2 skarn zones. Exploration con-

025
 sisted of systematic geological mapping and pan concentrate sampling. Work resulted in identification of Suttons Skarn and Location L.1.

- Loudwater Creek Region

An examination of the partially exposed Cambrian/Lower Ordovician sequences north of the Ringwood Granite Stock.

- Ringwood Granite Stock Region

A regional geological/geochemical examination of the contact zone (Cambrian/L. Ordovician) bordering this intrusive stock. Work was initially confined to regional geological mapping/geochemistry and identification of skarn zones at Location L9, L10, L11 and L12.

- St. Valentines Region

An examination of the geology and associated geochemical signatures of the Lower Ordovician/suspected Transitional Beds system extending from the Kara South skarn deposit to the southern boundaries of E.L. 17/68.

References for "Regions" -

Anzeco - E.L. 17/68 - R.T. Brandt - Nov. 1973

McIntyre Mines (Aust) Pty. Ltd. -

Quarterly Reports - 4th May, 1984 - 3rd Aug. 1984

3rd May, 1982 - 3rd Aug. 1982

3rd May, 1981 - 4th Aug. 1981

4th Feb. 1981 - 3rd May 1981

4th Nov. 1980 - 3rd Feb. 1981

Geological Plans of the relinquished areas within E.L. 17/68 are attached with the current report, namely:

Plan No. 1 - Anzeco 1974 1:50,000 - E.L. 17/68

Plan No. 2 - McIntyre Mines 1:10,000 - E.L. 17/68

The Airborne Magnetic data of the relinquished area is presented as Plan No. 3 - Geopex Pty. Ltd., Jan. 1978 for McIntyre Mines (Aust) Pty. Ltd.

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1. Anzeco, Monthly Progress Reports, E.L. 17/68 to Department of Mines. Period October 1971 to June 1974
2. Anzeco Report to Tasminex N.L. - E.L. 17/68 Quarter ending December 31, 1971 - K.J. Callow Jan. 7, 1972
3. Anzeco Report to Tasminex N.L. - E.L. 17/68 Quarter ending March 31, 1972 - R.T. Brandt Apr. 4, 1972
4. Anzeco Report to Tasminex N.L. - E.L. 17/68 Quarter ending June 30, 1972
5. Anzeco Report to Tasminex N.L. - 17/68 Quarter ending September 30, 1972 - R.T. Brandt Oct. 5, 1972
6. Anzeco Report to Tasminex N.L. - 17/68 Quarter ending December 31, 1972 - A.D. Gibbs
7. Anzeco Report to Tasminex N.L. - 17/68 Quarter ending March 31, 1973 - R.T. Brandt
8. Anzeco Report to Tasminex N.L. - 17/68 Quarter ending June 30, 1973 - R.T. Brandt
9. Anzeco Report to Tasminex N.L. - 17/68 and E.L. 1/69 Quarter ending September 30, 1973 - R.T. Brandt
10. Anzeco Report to Tasminex N.L. - E.L. 17/68 and E.L. 1/69 Quarter ending December 31, 1973 - R.T. Brandt
11. Anzeco Report to Tasminex N.L. - E.L. 17/68 and E.L. 1/69 Quarter ending March 3, 1973 - R.T. Brandt
12. Anzeco Report to Tasminex N.L. - E.L. 17/68 and E.L. 1/69 Quarter ending June 30, 1974 - R.T. Brandt
13. Report on the results of exploration on E.L. 17/68 Period October 1971 - January 1973
R.T. Brandt, Anzeco, July 13, 1973
14. Report on the results of exploration on E.L. 17/68 Period October 1971 - May 1974
✓ R.T. Brandt, Anzeco, July 1974
15. Airborne Radiometric and Magnetic Survey
Ridgley - St. Valentines Peak area
Seigel Associates Australia Pty. Ltd. Feb. 1973

027

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B. McIntyre Mines (Australia) Pty. Ltd. - 1977 - 1985

B1. Annual and Bi-annual Reports/summary of Completed Work Programmes

- 78-1262 1. November 4, 1977 - May 3, 1978 I. Atkinson
- 78-1271² 2. May 4, 1978 - November 4, 1978
- 3. November 4, 1978 - May 3, 1979 R.G. Gifford
- 4. May 4, 1979 - November 4, 1979
- 80-1425 5. November 4, 1979 - May 3, 1980 R.G. Gifford
- 80-1499 6. May 4, 1980 - November 3, 1980 C.H. Whitehead
- (R) 81-1560 7. November 4, 1980 - May 3, 1981 C.H. Whitehead
- 81-1625 8. May 4, 1981 - November 3, 1981 C.H. Whitehead
- 82-1828 9. November 4, 1981 - November 3, 1982 C.H. Whitehead
- 10. November 4, 1982 - September 15, 1983 C.H. Whitehead
Preliminary Annual Report
- 83-2053 11. November 4, 1982 - November 3, 1983 C.H. Whitehead
- 12. November 4, 1983 - September 15, 1984 C.H. Whitehead
Preliminary Annual Report
- 83-2089 13. November 4, 1983 - November 3, 1984 C.H. Whitehead

5 YEAR RALS

B2. Monthly Progress Reports/Statements of Expenditures
E.L. 17/68 McIntyre Mines (Aust.) Pty. Ltd.

- Periods November, 1977 - December, 1978
- January, 1979 - December, 1979
- January, 1980 - December, 1980
- January, 1981 - July, 1981

028

B3. Quarterly Reports - E.L. 17/68 - McIntyre Mines
(Aust.) Pty. Ltd.

1. Nov. 4, 1977 - Feb. 28, 1978
2. Feb. 4, 1978 - May 5, 1978
3. May 5, 1978 - Aug. 4, 1978
4. Aug. 4, 1978 - Nov. 4, 1978
5. Nov. 4, 1978 - Feb. 4, 1979
6. Feb. 4, 1979 - May 4, 1979
7. May 4, 1979 - Aug. 4, 1979
8. Aug. 4, 1979 - Nov. 4, 1979
9. Nov. 4, 1979 - Feb. 4, 1980
10. Feb. 4, 1980 - May 4, 1980
11. May 4, 1980 - Aug. 4, 1980
12. Aug. 4, 1980 - Nov. 4, 1980
13. Nov. 4, 1980 - Feb. 4, 1981
14. Feb. 4, 1981 - May 4, 1981
15. May 4, 1981 - Aug. 4, 1981
16. Aug. 4, 1981 - Nov. 4, 1981
17. Nov. 4, 1981 - Feb. 4, 1982
18. Feb. 4, 1982 - May 4, 1982
19. May 4, 1982 - Aug. 4, 1982
20. Aug. 4, 1982 - Nov. 4, 1982
21. Nov. 4, 1982 - Feb. 4, 1983
22. Feb. 4, 1983 - May 4, 1983
23. May 4, 1983 - Aug. 4, 1983
24. Nov. 4, 1983 - Feb. 4, 1984
25. Feb. 4, 1984 - May 4, 1984
26. May 4, 1984 - Aug. 4, 1984
27. Nov. 4, 1984 - Feb. 4, 1985

B4. McIntyre Mines "Other Reports" - E.L. 17/68

1. Pre-development Programme - McIntyre Mines, 1981 - 1983
E.L. 17/68 and C.L. 105M/77

A - Summary Report Dec. 31, 1983

- Volume 1 - Exploration Programmes (+ vol. plans)
- 2 - Infill Drilling Programmes (+ vol. plans)
 - 3 - Exploration Drilling Programmes (+ vol. plans)
 - 4 - Metallurgical Investigations
 - 5 - Geological Ore Reserves (+ vol. plans)
 - 6 - Mine Planning - Production Studies
 - 7 - Misc. Studies - Marketing, Environmental

2. Kara Tungsten Project - Economic Feasibility Report
McKee Thiess - November, 1979
3. Preliminary Market Analysis - Tungsten Ore Concentrates

Closed File
 (REMOVED)

029

(LATER FILE (RETRIEVED))

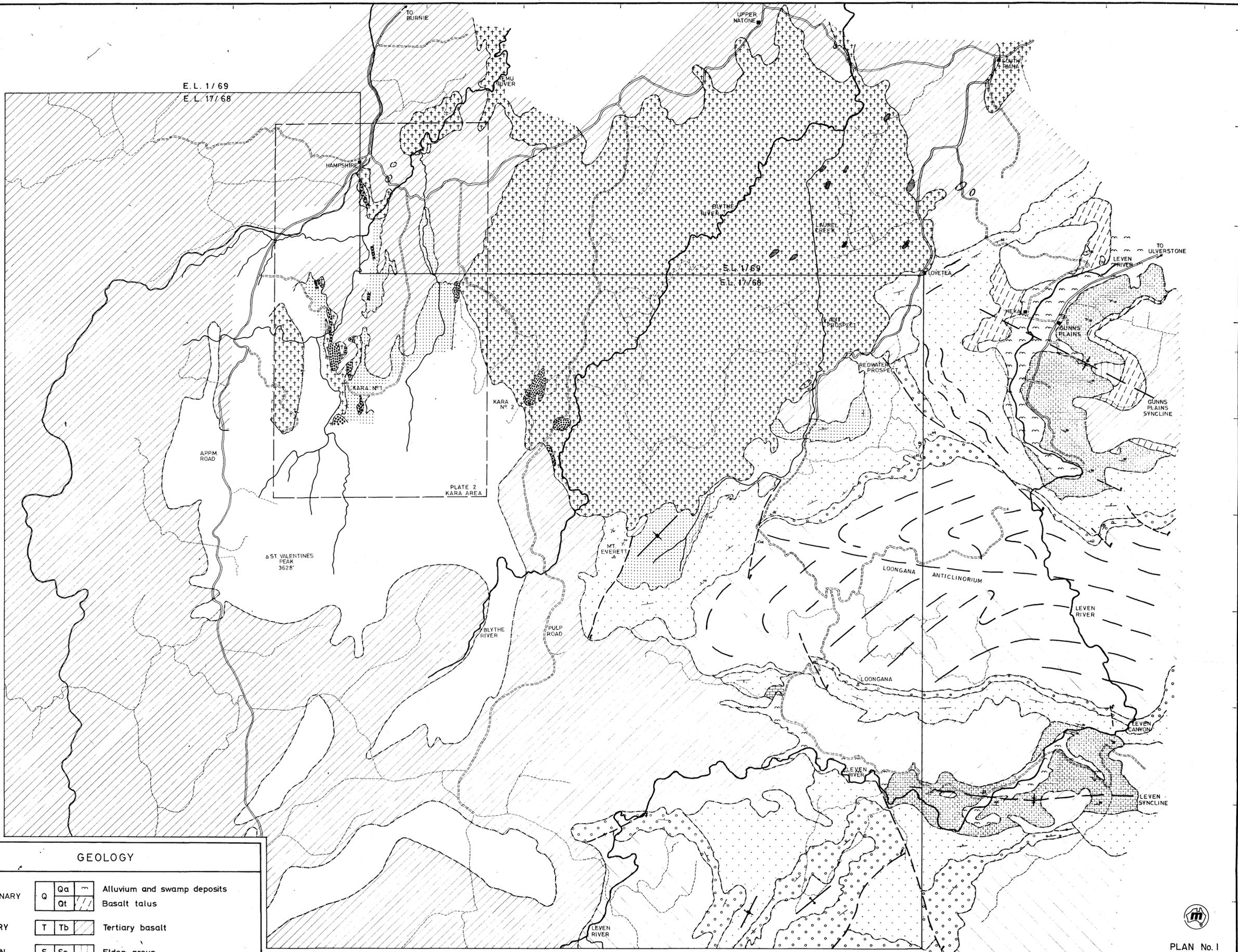
- A.G. McKee & Co. - February, 1979
4. Kara Tungsten Deposits - Ore Reserves and Mining Feasibility Evaluation for McIntyre Mines Ltd. Marston and Marston - November, 1980
 5. Evaluation of the Kara Tungsten Property - Report to Canadian Superior Exploration Ltd. Golder Associates - October, 1980
 6. Evaluation of the Kara Tungsten Deposits in Tasmania Golder Associates - August, 1982
 7. Kara Mines Planning Study Pincock, Allen & Holt Inc. Tucson, Arizona - October, 1983
 8. McIntyre Mines - Kara Project - Feasibility Study Superior Oil - December, 1983
 9. McIntyre Mines - Detailed Production Plan - Kara Project May, 1984

C. Tasminex N.L./Tasmania Mines LimitedC1. Annual Reports - E.L. 17/68

- 85-2504 1. Period Nov. 4, 1984 - Nov. 3, 1985 R.M. Boland
86-2592 2. Period Nov. 4, 1985 - Sept. 15, 1986 C.H. Whitehead

C2. Quarterly Reports - E.L. 17/68

1. Feb. 4, 1985 - May 4, 1985
2. May 4, 1985 - Aug. 4, 1985
3. Nov. 4, 1985 - Feb. 4, 1986
4. Feb. 4, 1986 - May 4, 1986
5. May 4, 1986 - Aug. 4, 1986
6. Nov. 4, 1986 - Feb. 3, 1987
7. Feb. 4, 1987 - June 30, 1987
8. July 1, 1987 - Sept. 30, 1987



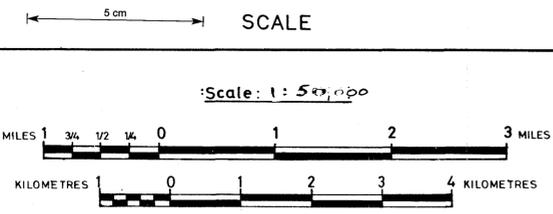
E.L. 17/69
E.L. 17/68

E.L. 17/69
E.L. 17/68

GEOLOGY

| | | | |
|-------------------------|---|-----|----------------------------------|
| QUATERNARY | Q | Qa | Alluvium and swamp deposits |
| | | Qt | Basalt talus |
| TERTIARY | T | Tb | Tertiary basalt |
| SILURIAN | S | So | Eldon group |
| ORDOVICIAN | O | Og | Gordon limestone |
| | | Ot | Transition zone |
| | | Om | Moina sandstone |
| | | Oo | Conglomerate zone (Owen, Roland) |
| Unconformity <i>www</i> | | | |
| CAMBRIAN | E | Ea | Cambrian (Unassigned) |
| DEVONIAN | D | Dg | Devonian granite |
| | | Dgs | Devonian specularite zone |
| | | Dgm | Magnetite skarn zone |

| TOPOGRAPHICAL | REFERENCE | GEOLOGICAL |
|---------------|-----------|------------|
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Base plan prepared from aerial photographs.
Baifour - Valentine - Project No 1457
Scale: 55 Chns; Date: 20-2-64; Altitude: 30,000 Feet.

AUSTRALIA AND NEW ZEALAND EXPLORATION COMPANY

GEOLOGICAL MAP OF
EXPLORATION LICENCE 17/68

87-2747

842032

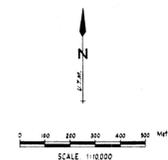
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| Prepared by, | Drawn by, ALL. |
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| Drawing No 74/1 | Lib. No |



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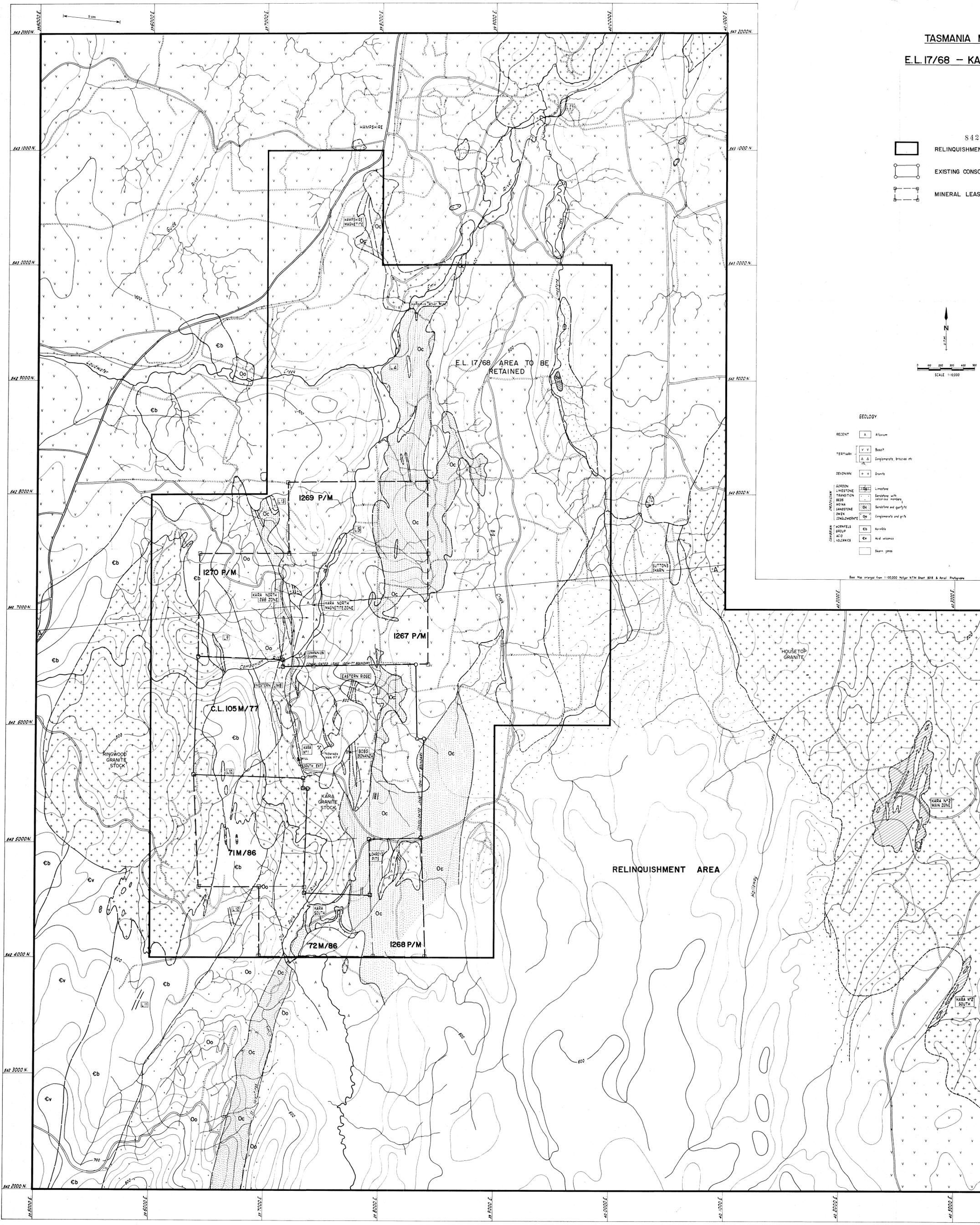
842033

-  RELINQUISHMENT AREA
-  EXISTING CONSOLIDATION
-  MINERAL LEASES UNCONSOLIDATED



- GEOLOGY**
- RECENT
 -  Alluvium
 - TERTIARY
 -  Basalt
 -  Conglomerate, briscon etc.
 - DEVONIAN
 -  Granite
 - GORDON Limestones
 -  Limestone
 - TRANSITION BEES
 -  Sandstone with calcareous matrix
 - OWEN SANDSTONE
 -  Sandstone and quartzite
 - OWEN CONGLOMERATE
 -  Conglomerate and gneiss
 - CAMPBELL GROUP
 -  Hornfels
 -  Acid volcanics
 -  Skarn zones

Base Map enlarged from 1:100,000 Major NTM Sheet 808 & Aerial Photographs



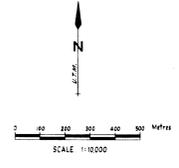
TASMANIA MINES LTD. E.L. 17/68 - KARA PROPERTIES

- 842033
-  RELINQUISHMENT AREA
 -  EXISTING CONSOLIDATED LEASE CL 105M/77
 -  MINERAL LEASES UNDER APPLICATION

5 cm

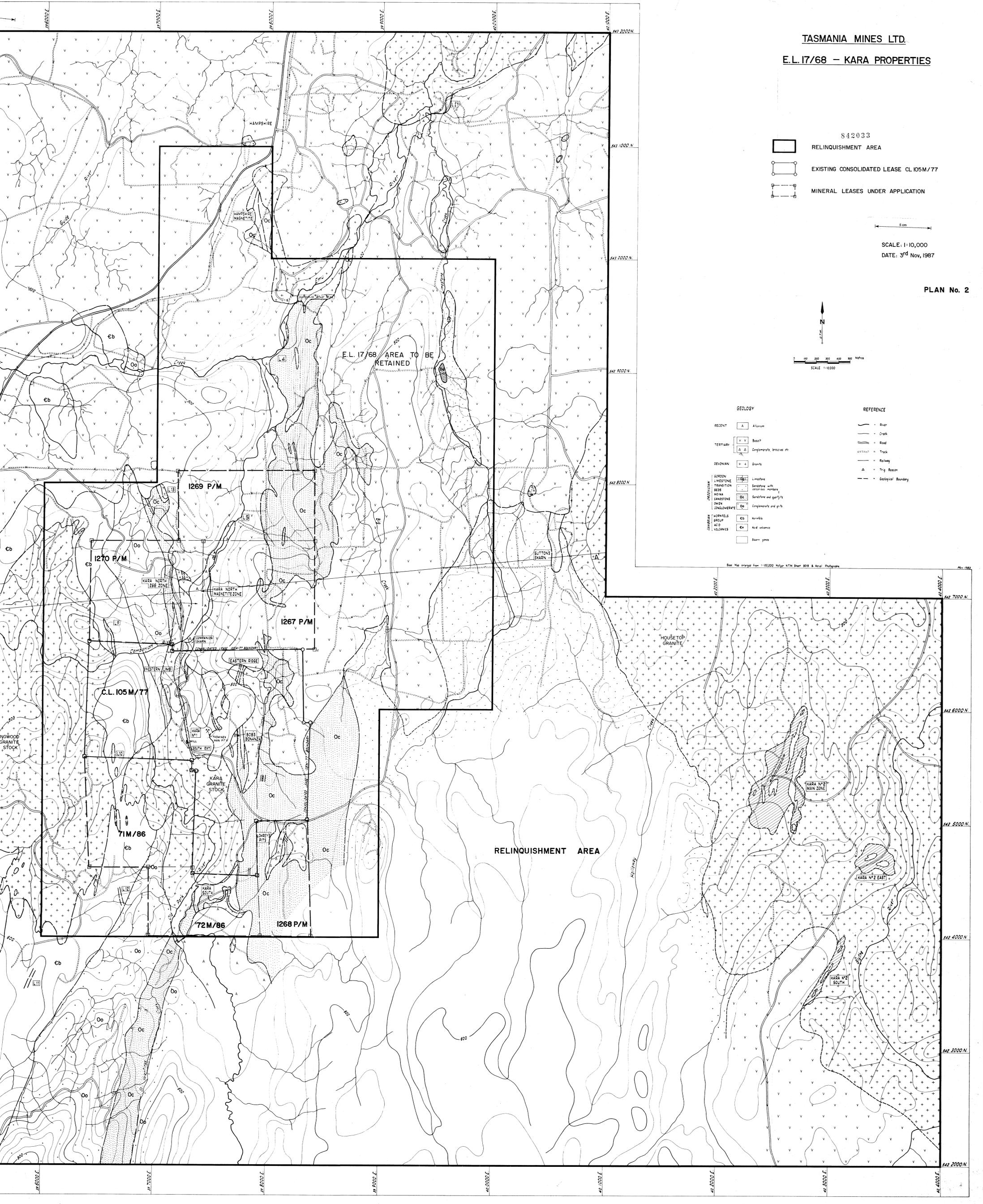
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DATE: 3rd Nov, 1987

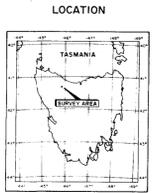
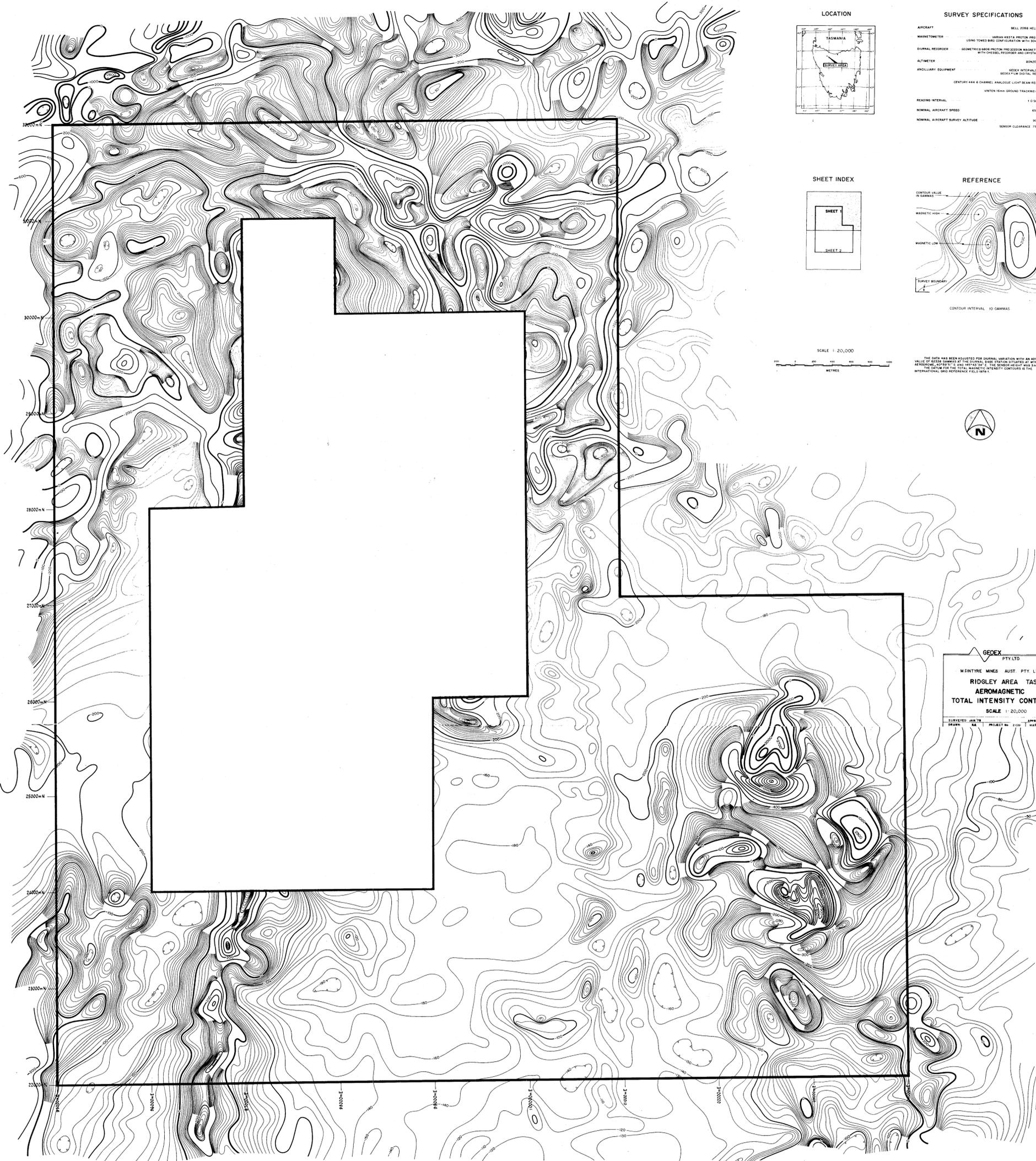
PLAN No. 2



| GEOLOGY | | REFERENCE |
|----------------------------------|-------------------------------------|-----------------------|
| RECENT | A Alluvium | — River |
| TERTIARY | V, Y Basalt | — Creek |
| | A, A Conglomerate, breccias etc. | — Road |
| DEVONIAN | F, G Granite | — Track |
| GORDON LIMESTONE TRANSITION BEDS | — Limestone | — Railway |
| | — Sandstone with calcareous members | — Trig Beacon |
| | — Sandstone and quartzite | — Geological Boundary |
| | — Sandstone and quartzite | |
| OWEN CONGLOMERATE | Oa Conglomerate and gneiss | |
| HORNfels GROUP | cb Hornfels | |
| | kw Acid volcanics | |
| | — Skarn zones | |

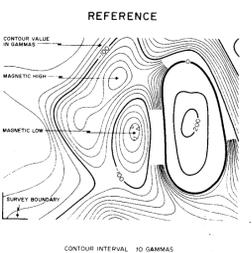
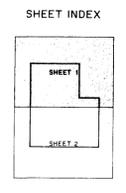
Best Map enlarged from 1:100,000 Helge N.T.M. Sheet 808 & Aerial Photographs No. 288





SURVEY SPECIFICATIONS

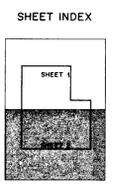
| | |
|----------------------------------|---|
| AIRCRAFT | BELL 206B HELICOPTER |
| MAGNETOMETER | MARKAS 402A PROTON PRESSION |
| JOURNAL RECORDER | USING TOWED BIRD CONFIGURATION WITH 30M CABLE |
| DIURNAL RECORDER | GEOMETRICAL BIRD PROTON PRESSION MAGNETOMETER WITH CHESSLE RECORDER AND CRYSTAL CLOCK |
| ALTIMETER | BONZER WA 10 |
| ANCILLARY EQUIPMENT | SOEX INTERVALMETER SOEX FILM DIGITAL RECORDER |
| | CENTURY 444 6 CHANNEL ANALOGUE LIGHT BEAM RECORDER |
| | VINTEN 16MM GROUND TRACKING CAMERA |
| READING INTERVAL | 1.0 SECONDS |
| NOMINAL AIRCRAFT SPEED | 65 KNOTS |
| NOMINAL AIRCRAFT SURVEY ALTITUDE | 50 METRES |
| | SENSOR CLEARANCE 75 METRES |



THE DATA HAS BEEN ADJUSTED FOR DIURNAL VARIATION WITH AN ADOPTED VALUE OF 0.25 GAUSS AT THE JOURNAL BASE STATION SITUATED AT WYNARD PARISH, TASMANIA. THE CENTER POINT HAS BEEN CORRECTED TO THE TOTAL MAGNETIC INTENSITY CONTOURS IN THE INTERNATIONAL GRID REFERENCE FIELD 1975.

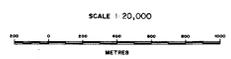
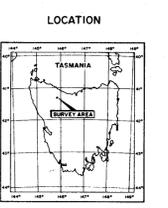
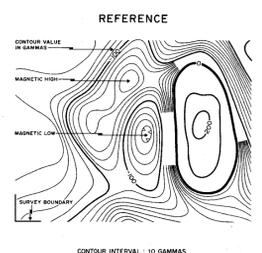


GEODEX PTY. LTD.
 MEINTYRE MINES (AUST.) PTY. LTD.
RIDGLEY AREA - TAS.
AEROMAGNETIC
TOTAL INTENSITY CONTOURS
 SCALE 1:20,000
 SURVEYED: JAN 78
 DRAWN: [] PROJECT NO. [] MAP NO. 1, 2, 3, 4
 APPROVED: J.E. RALES

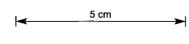


SURVEY SPECIFICATIONS

| | |
|----------------------------------|---|
| AIRCRAFT | BELL 206B HELICOPTER |
| MAGNETOMETER | MARKAS 402A PROTON PRESSION |
| JOURNAL RECORDER | USING TOWED BIRD CONFIGURATION WITH 30M CABLE |
| DIURNAL RECORDER | GEOMETRICAL BIRD PROTON PRESSION MAGNETOMETER WITH CHESSLE RECORDER AND CRYSTAL CLOCK |
| ALTIMETER | BONZER WA 10 |
| ANCILLARY EQUIPMENT | SOEX INTERVALMETER SOEX FILM DIGITAL RECORDER |
| | CENTURY 444 6 CHANNEL ANALOGUE LIGHT BEAM RECORDER |
| | VINTEN 16MM GROUND TRACKING CAMERA |
| READING INTERVAL | 1.0 SECONDS |
| NOMINAL AIRCRAFT SPEED | 65 KNOTS |
| NOMINAL AIRCRAFT SURVEY ALTITUDE | 50 METRES |
| | SENSOR CLEARANCE 75 METRES |



THE DATA HAS BEEN ADJUSTED FOR DIURNAL VARIATION WITH AN ADOPTED VALUE OF 0.25 GAUSS AT THE JOURNAL BASE STATION SITUATED AT WYNARD PARISH, TASMANIA. THE CENTER POINT HAS BEEN CORRECTED TO THE TOTAL MAGNETIC INTENSITY CONTOURS IN THE INTERNATIONAL GRID REFERENCE FIELD 1975.



842034 PLAN No. 3
GEODEX PTY. LTD.
 MEINTYRE MINES (AUST.) PTY. LTD.
RIDGLEY AREA - TAS.
AEROMAGNETIC
TOTAL INTENSITY CONTOURS
 SCALE 1:20,000
 SURVEYED: JAN 78
 DRAWN: [] PROJECT NO. [] MAP NO. 1, 2, 3, 4
 APPROVED: J.E. RALES

EXPLORATION LICENCE 17/68 RELINQUISHMENT REPORT, NOVEMBER 1987

VOLUME 2: Miscellaneous Quarterly Reports, November, 1985 to
February, 1987

842036

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001

TASMANIA MINES LTD.

EXPLORATION LICENCE No. 17/68

QUARTERLY REPORT - EXPLORATION WORK

PERIOD - NOVEMBER 4th, 1986 TO FEBRUARY 3rd, 1987.

002

TASMANIA MINES LTDEXPLORATION LICENCE 17/68 - QUARTERLY REPORTPERIOD NOVEMBER 4th, 1986 TO FEBRUARY 3rd, 1987.TABLE OF CONTENTS

| | <u>Page No.</u> |
|-------------------------------------|-----------------|
| 1. Introduction - Summary | 1 |
| 2. Diamond Drilling Programmes | 1 & 2 |
| 3. Percussion Drilling Programmes | 2 |
| 4. Au Potential - E.L. 17/68 skarns | 2 & 3 |
| 5. General | 3 |

Table No. 1 - Drilling Statistics

Attachment "A" - Statement of Expenditure E.L. 17/68.

003

1.

QUARTERLY REPORT - EXPLORATION LICENCE 17/68

PERIOD - NOVEMBER 4th, 1986 TO FEBRUARY 3rd, 1987

1. Introduction - Summary

Exploration work has been carried out continuously during the first quarter of the current term of E.L. 17/68 (expiry date November 3rd, 1987).

Activities have essentially been confined to drilling programmes (both core and percussion), designed at investigating previously delineated surface and subsurface zones of magnetite skarn suspected of containing associated tungsten mineralisation.

2. Diamond Drilling Programmes.

Four holes, DDH's 512, 512A, 513 and 514, totalling 251 metres, were drilled at the Companion Skarn Zone midway between the Kara No. 1 and Kara North deposits.

The holes confirm a near surface body of magnetite (high Fe grade) skarn, and although the programme revealed the presence of W₂O₃ mineralisation, it appeared weathered and of no economic extent.

DDH 512A intersected the highest W₂O₃ grades - 13m @ 0.291% W₂O₃ (including 1.20 m @ 0.924%) between drill depths of 9m and 22.20.

No additional work is planned at this location.

At Kara North, two diamond drill holes, DDH's 515 and 515A of 64.40m and 77.00m respectively, were collared 80m north of the known delineated tungsten ore zone at Kara N. 266 zone.

Weathered magnetite skarn was intersected but only contained low grade W₂O₃ mineralisation. An initial interpretation of drilling would indicate a cupola of granite rising and prohibiting any northerly extension of the 266 zone.

004

2.

DDH's 516 and 516A were drilled to investigate both the up-dip and down-dip extensions of known scheelite mineralisation on drill section line 7260N (i.e., the most northerly section of the Kara North 266 zone) Assay results of intersected mineralisation are awaited.

3. Percussion Drilling Programmes.

Location L.1

Shallow percussion drill holes were completed over a geochemical soil sample anomaly which had previously been outlined during 1985/86 surface exploration survey work.

32 vertical and inclined holes totalling 528m were drilled.

All holes were sampled at 3 metre intervals, and assayed for W_2O_3 , Sn, Mo and Pb. Except for intriguing Mo assays (1780 ppm max), other metal values were disappointing (Sn 1000 ppm, W_2O_3 -930 ppm, Pb -170 ppm max)

Kara North 266 Zone

Closed spaced shallow percussion drilling was completed between 7080N and 7200N at Kara North in an effort at defining in detail the potential of open - pit reserves of X and Y ore material of the skarn.

139 holes totalling 1803 metres were drilled and sampled at 3 metre intervals (W_2O_3). Assay results have not as yet been assessed.

4. Au Potential - E.L. 17/68 skarns

Representative samples of various magnetite skarn zones within E.L. 17/68 have been collected for an Au analytical scan.

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Samples were mainly obtained from previous drill holes, and the skarns investigated included Kara No. 1, Eastern Ridge, Kara South, Kara No. 2 Main Skarn, Companion Skarn, Location L.5, Kara N. 266 Zone, and the Kara North Magnetite Anomaly.

5. General

Personnel - During the 1st quarter of the current term, a total of three Tasmania Mines Ltd employees were employed on exploration work. An additional two contract workers were also intermittently employed during the quarter.

Expenditures - During the twelve week period ending 17th December, 1986, a total of \$53,297 was expended on exploration work within E.L. 17/68. An itemised breakdown of expenditures is shown on Attachment "A".



Cliff H. Whitehead.

Table No. 1EXPLORATION LICENCE 17/68DRILL STATISTICS - 1st QUARTER TO FEBRUARY 4, 1987A. Diamond Drilling Programme.

| | | | |
|---------|---|-------------------------------|--------|
| DDH 512 | - | Companion Skarn Zone | 41.50m |
| 512A | - | " " " | 57.70m |
| 513 | - | " " " | 68.50m |
| 514 | - | " " " | 83.30m |
| 515 | - | Kara North 266 zone Extension | 64.40m |
| 515A | - | " " " " " | 37.00m |
| 516 | - | Kara North 266 zone | |
| 516A | - | " " " " | |
| 517 | - | Kara North 266 zone Extension | |

B. Percussion Drilling Programmes.

Location L.1 - Hole Nos L1/10 to L1/41
 Total No of holes = 32
 Total metres = 528
 Samples (3m) assayed for W03, Sn, Pb and Mo

Kara North 266
 Zone - Hole Nos 900 to 944
 " " 1111 to 1171
 Total No of holes = 139
 Total metres drilled = 1803m
 Samples (3m) assayed for W03.

TASMANIA MINES LTD - EXPLORATION LICENCE 17/68STATEMENT OF EXPENDITURE - EXPLORATION

(Twelve week period ending 17th December, 1986., Periods 4, 5 and 6)

| | <u>Period 4</u> | <u>Period 5</u> | <u>Period 6</u> | <u>TOTAL</u> |
|-----------------------|-----------------|-----------------|-----------------|-------------------|
| | (22 Oct 1986) | (19 Nov 1986) | (17 Dec 1986) | |
| Assaying - | - | 144 | 2,370 | = 2,514 |
| Diamond Drilling - | 1,793 | 5,069 | 6,721 | = 13,583 |
| Drafting - | 15 | - | - | = 15 |
| General Exploration - | 490 | 1,095 | 160 | = 1,745 |
| Geology - | - | 600 | 1,700 | = 2,300 |
| Labour - | 5,570 | 7,535 | 10,476 | = 23,581 |
| Magnetite - | 26 | - | 250 | = 276 |
| Surveying - | - | 460 | 4,427 | = 4,887 |
| Tenure - | - | 1,823 | 400 | = 2,223 |
| Transportation - | - | 875 | 1,298 | = 2,173 |
| TOTAL = | <u>\$7,894</u> | <u>\$17,601</u> | <u>\$27,802</u> | = <u>\$53,297</u> |



Cliff H. Whitehead

Exploration Officer.

TASMANIA MINES N.L.EXPLORATION LICENCE 17/68 - QUARTERLY REPORTPERIOD - MAY 4th, 1986 TO AUGUST 3rd, 1986TABLE OF CONTENTS

| | <u>Page No.</u> |
|--------------------------------|-----------------|
| Introduction - Summary. | 1 |
| A. Surface Exploration. | 1 |
| A.1 Valentines Area. | 1 |
| A.2 Location L1. | 1 |
| B. Drilling Programmes. | 2 |
| B.1 Exploratory Drilling | 2 |
| - Location L5 to Eastern Ridge | 2 |
| B.2 Evaluation Drilling | |
| - Kara South | 2&3 |
| - Bobs Bonanza | 3 |

QUARTERLY REPORT - EXPLORATION LICENCE No 17/68.PERIOD - MAY 4th, 1986 TO AUGUST 3rd, 1986INTRODUCTION - SUMMARY

Exploration work has been carried out continuously during the third quarterly period of the current term of E.L. 17/68 (expiry date November 3rd, 1986).

Activities have again been two fold in nature, namely surface exploration investigations and drilling programmes - a plan is appended showing the specific location of this work.

Results of exploratory drilling in the central sections of the E.L. have during the quarter been extremely encouraging in outlining new zones of scheelite mineralisation.

The following report briefly documents these activities - final results and plans will be submitted with the annual report for the E.L.

A. SURFACE EXPLORATIONA.1 VALENTINES AREA

Regional and localised surveys were conducted and finalised over the SSW trending zone of Ordovician sequences (Moina Sandstone and Transitional Series) extending from the Kara South prospect to the southern border of the exploration licence.

Both reconnaissance and detailed ground magnetic surveys outlined slightly metamorphosed/changed Transitional Series, but no associated tungsten anomolism was apparent.

Pan concentrate sampling of the regions overall drainage system likewise revealed negative tin or tungsten values.

A.2 LOCATION L1

Some additional in-fill grid soil sampling was conducted over the Location L.1. magnetite skarn, the objective being to provide a more definitive delineation of the previously recognised geochemical anomalies.

To date strong but variable anomalies for tin, tungsten and molybdenum have been recognised. It is proposed to further investigate their potential in the near future by other percussion and/or diamond drilling.

B. DRILLING PROGRAMMES

B.1 EXPLORATORY DRILLING

Throughout the quarter, in-house diamond drilling has been underway along the eastern limb of the kara synclinorium between the Eastern Ridge Skarn and the Location L.5 prospect - total strike distance 1400m.

Detailed ground magnetic surveys carried out during the previous quarter had delineated seven drill target areas in this region - the objective being to investigate the suspected subsurface zones of magnetite skarn beneath Tertiary basalt cover.

One such target area at 7070N has been investigated by DDH 508 (85.90m) and DDH 509 (88.80m), and a second area at 7280N is currently being drilled - DDH 510.

At 7070N, DDH 508 showed a Tertiary basalt/sediment cover to a depth of 46.25m, and provided valuable information regarding the nature and disposition of the underlying Ordovician sequences and depth to granite basement. The successive hole, DDH 509, angled more steeply at the same site was successful in penetrating magnetite skarn between a drill depth of 81.80m and 86.50m. More significantly, high grade scheelite mineralisation was associated with the skarn - subsequent XRF assays gave the following values:

81.40 - 84.50m - 3.10m @ 1.10% WO_3

84.50 - 86.50m - 2.00m @ 0.42% WO_3

At 7280N, DDH 510 is currently in progress at 143.50m. Again Ordovician sequences have been shown to contain well developed magnetite skarn containing associated high grade, but narrow scheelite mineralisation.

B.2 EVALUATION DRILLING

- Kara South

78 shallow air track drill holes, totalling 593.50 metres were completed at the Kara South prospect.

The object of the drilling was to assess the potential of a near surface scheelite bearing skarn zone along the eastern margin of the prospect.

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Although drilling was restricted in depth penetration, an evaluation of drill results permitted a reserve calculation of the near surface (max. depth 12.5m) ore reserves (cut off grade 0.20% WO₃). A total of 59,000 tonnes of measured and indicated reserves of Y ore type scheelite bearing material grading 0.437% WO₃ have been outlined.

- Bobs Bonanza

A similiar evaluation of remaining reserves at this location is being undertaken. 36 air track drill holes, totalling 321 metres were drilled within the quarter. Results are currently being evaluated.



Cliff H. Whitehead,
CHIEF GEOLOGIST.

August 3rd, 1986.

TASMANIA MINES N. L.

EXPLORATION LICENCE NO. 17/68

QUARTERLY REPORT - EXPLORATION WORK

PERIOD - FEBRUARY 4TH TO MAY 3RD 1986

TASMANIA MINES N. L.Exploration Licence 17/68 - Quarterly ReportPeriod - February 4th 1986 to May 3rd 1986TABLE OF CONTENTS

| | <u>Page No.</u> |
|----------------------------------|-----------------|
| Introduction - Summary | 1 |
| 1. Kara No. 2 Main Skarn | 1 |
| 2. Horizontal Creek Area | 3 |
| 3. Location L.1 | 3 |
| 4. Location L.5 to Eastern Ridge | 4 |
| 5. Limestone Creek Region | 5 |
| 6. Valentines Area | 5 |
| 7. Eastern Ridge Deposit | 6 |
| 8. Magnetite investigations | 6 |

Quarterly Report - Exploration Licence No. 17/68Period - February 4th 1986 to May 3rd 1986Introduction - Summary

During the second exploration quarter of the current term of E.L. 17/68 (expiry date November 3rd 1986), Tasmania Mines N.L. have completed quite extensive exploration activities and ancillary investigations within the 75 square-kms area of the licence.

Exploration work has been two fold in nature, namely surface exploration activities, and drilling programmes (both percussion and diamond drilling), and personnel engaged in the work have been on a combined in-house consultancy, or contract basis.

Although some of the work is still in progress and will continue for the duration of the E.L. term, the following report briefly documents the nature and progress of activities underway for the three month period ending May 3rd 1986. These details of work are itemised on an area/region basis, and reference should be made to the accompanying report plan for specific location of work. Final results and plans summarising the nature of the work will be submitted with the annual report for the E.L.

It is emphasised that the current report deals solely with activities within the E.L. 17/68 area, and excludes results of geologic/exploration work simultaneously being completed at the Kara No.1 mine and surrounding environs (i.e. C.L. 105/77).

1. Kara No. 2 Main Skarn

This is an overall geologic-geochemical-geophysical appraisal of the possible magnetite, tungsten and/or tin potential of the main skarn zone and its bordering granite/greisen contact areas. This work has also been supplemented by a brief diamond drilling programme.

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The skarn zone itself covers an area of approximately 1100m x 250m size, and is located on the eastern margin of the main Husetop Granite intrusive.

Details of the specific work to date have included-

- (a) establishing a grid system over the skarn and its contact margins. E-W traverse lines spaced at 50m intervals were established off a N-S base-line of 1100m length.
- (b) utilising the above grid system, a detailed ground magnetic survey (readings at 5m spacing) was completed. A previously unrecognised ground magnetic anomaly along the central southern sections of the skarn was delineated.
- (c) detailed delineation of the skarn zone itself, and mapping of specific magnetite units and weathering zones within the skarn.
- (d) geochemical pan concentrate sampling of drainage in and around the Kara No. 2 region. Samples analysed for tin and tungsten content.
- (e) reconnaissance trenching and systematic sampling of the western contact and margin of the skarn. This revealed an anomalous tin zone within the magnetite body immediately paralleling the granite-greisen contact.
- (f) geochemical soil sampling (5m spacing) of the western sections of the E-W grid traverse lines. The above mentioned tin anomalism was further confirmed.
- (g) diamond drilling (two holes DDM 505/506) of the strong ground magnetic high in the central-south section of Kara 2. This drilling proved the development of magnetite-diopside skarn forming part of a shallow (50-60m depth) saucer shaped body resting on the main mass of the Devonian Husetop Granite. The skarn was extensively weathered to 30 metres depth.

2. Horizontal Creek Area

Exploration work at this area (please see accompanying plan) has been to investigate the source of previously recognised scheelite grain counts from the Horizontal Creek drainage, and to investigate the possibility of WO_3 mineralisation associated with two narrow skarn zones in the south of the area.

The following work has been completed to date, and the results are currently being evaluated.

- (a) cut E-W grid traverse lines at 50m intervals across the area extending from the new Kara 1 mill site in the south to the East Ridge creek in the north.
- (b) geologic mapping and grid ground magnetic survey (readings at 5m intervals) over the entire mill area.
- (c) detailed pan concentrate sampling of the areas drainage.
- (d) surveying and tie-in with E. Ridge and Bobs Bonanza base topographical plans.
- (e) limited diamond drilling - five shallow holes DDH's 500 to 505 - along the Bobs Bonanza - Horizontal Creek skarn area.
- (f) evaluate the potential of the southern section of the Horizontal Creek area as an overburden-waste dump site for the Kara No. 1 mine operations.

3. Location L.1

This is a partially exposed magnetite skarn zone located in the extreme north-eastern corner of the E.L. licence area - again bordering the main Husetop Granite intrusive.

The prime objective of surface exploration work completed during the current

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Quarter has been to reach a 'decision-stage' as to whether the skarn has mineralised potential, and if subsurface drilling would be justified in the future.

Surface work completed has included the following:-

- (a) base grid establishment and cut N-S traverse lines at 25m intervals from an E-W base line.
- (b) systematic geochemical soil sampling at 10 metre intervals along the above N-S traverse lines, and routine Sn, W_3 , Mo and Pb analysis of these samples.
- (c) follow up more detailed (5m spacing) geochemical soil sampling of an anomalous Sn zone delineated by the above initial geochemical work.
- (d) geological mapping of the skarn area.
- (e) pan concentrate sampling of the skarn drainage, and general random panning of skarn eluvial material.
- (f) shallow percussion drilling (maximum 21m depth) across the south-central section of the skarn.

The results of the above work are currently being compiled and evaluated.

4. Location L.5 to Eastern Ridge

This region extends for a strike distance of 1.4km between the two above mentioned skarn deposits or 'windows', through or underlying shallow Tertiary basalt cover. The specific region in question is entirely covered by Tertiary sequences, but regional geologic interpretation would indicate it to coincide with the eastern limb of the Kara synclinorium affecting metamorphosed Ordovician sequences. Prior reconnaissance ground magnetic surveys show a subtle expression of buried north-south striking magnetite zones within these buried Ordovician sequences.

Current exploration work (line cutting and previously detailed ground magnetic

surveys) has been designed to better define previous surveys and optimise specific location of drill sites and targets of buried magnetite skarn.

Seven such drill target areas have been investigated - at 6600N, 6700N, 7070N, 7100N, 7250N, 7300N and 7550N. At these locations it is anticipated buried Tertiary cover would vary between 45 and 80 metres thickness.

Diamond drilling (DDH 508) has just been initiated at one of the above drill target sites - 7070N - some 700 metres due north from the Eastern Ridge skarn.

5. Limestone Creek Region

The investigation of wollastonite occurrences in the vicinity of Limestone Creek (central sections of E.L. 17/68) has continued, and during the current quarterly period, detailed geologic mapping of the area has been initiated. Detailed sampling of all calc-silicate material exposures has likewise been performed.

Specific suites of calc silicate rock types have been the object of mineralogical studies, and in addition bulk samples of randomly exposed wollastonite occurrences have been subjected to metallurgical test work at both the Department of Mines Laboratories, Launceston, and by Abermet, Burnie.

6. Valentines Area

Ground examinations - geologic, geochemical and ground magnetic surveys - of the SSW trending zone of Ordovician sequences (Moina Sandstone and Transition Series) and SSW aeromagnetic anomaly extending from Kara South to the southern border of the E.L., are currently in progress.

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7. Eastern Ridge Deposit

Evaluation drilling of the southern section of the E. Ridge skarn, south of the East Ridge Creek has been completed. The objective of the exercise has been to investigate and block out additional tonnages of fresh scheelite bearing ore of an open-pit mine potential.

The completed drilling programme consisted of one NQ core hole DDH 507 - 78 metres depth, and nine shallow (10 - 25m) percussion holes. Drill samples are currently being logged and/or assayed.

8. Magnetite investigations

As stated in the previous quarterly report, the suitability of the magnetite resources on the E.L. for both use as a dense heavy medium in coal preparation or as blast furnace metallurgical iron, is being reviewed.

During the current quarter, representative magnetite samples (drill core samples) of three skarn zones within the E.L. area (excluding the Kara No.1 deposit) were subjected to test work at the Australian Coal Industry Research Laboratories at Maitland, N.S.W. This test work showed extremely favourable results regarding meeting dense heavy medium magnetite specifications. Samples collected were representative of the Companion Skarn Zone, the Kara North Magnetite Anomaly and Bobs Bonanza East Skarn Zone.

CLIFF H. WHITEHEAD

Chief Geologist.

May 4th, 1986.

TASMANIA MINES N.L.

EXPLORATION LICENCE No. 17/68

QUARTERLY REPORT/STATEMENT OF EXPENDITURE

PERIOD - NOVEMBER 4th 1985 to FEBRUARY 3rd 1986.

TASMANIA MINES N.L.EXPLORATION LICENCE 17/68 - QUARTERLY REPORTPERIOD - NOVEMBER 4th 1985 to FEBRUARY 3rd 1986.TABLE OF CONTENTS

| | <u>Page No.</u> |
|----------------------------------|-----------------|
| 1. Proposed work programme, 1986 | 1 |
| 1A - Tungsten Exploration | 1 |
| 1B - Magnetite Investigations | 2 |
| 1C - Wollastonite Studies | 2 |
| 2. Work completed or in progress | 3 |
| 2A.1 Kara No. 2, Main Skarn | 3 |
| 2A.2 Horizontal Creek Area | 3 |
| 2A.3 Diamond drilling programme | 4 |
| 2B Magnetite Investigations | 4 |
| 2C Wollastonite Studies | 5 |
| 3. Expenditures | 5 |

023

QUARTERLY REPORT - EXPLORATION LICENCE No 17/68.PERIOD - NOVEMBER 4th 1985 to FEBRUARY 3rd 1986

During the initial quarter of the current twelve month term of Exploration Licence No. 17/68 (expiry date 3.11.1986), Tasmania Mines N.L., reactivated detailed exploration activities and auxilliary investigations within the 75sq..km area embraced by the licence.

The following report carefully summarises the nature and progress of exploration acitvities underway for the three month period ending 3rd February, 1986 - complete details and results of the work will be submitted with the annual report for the E.L. (due November 3 1986).

1. PROPOSED WORK PROGRAMME, 1986.

Exploration work currently underway and proposed, differs somewhat from that originally outlined by Tasmania Mines N.L. on the application for renewal of E.L. 17/68 (November 1985).

At the request of the Tasmania Mines N.L. management, a programme of tungsten exploration for E.L. 17/68 was proposed by the undersigned, and this was documented in a report entitled - "E.L. 17/68 - Proposed Exploration Programme and Estimated Expenditure 1986.", dated 18th November 1985. The recommended programme was approved by the Board of Directors and initiated in mid-December 1985.

The contents of the above mentioned report, and format of the proposed exploration work were discussed with Dr. Duncan at the Department of Mines, Hobart on 30th January, 1986.

Although the proposals outlined in the report revolve primarily around tungsten exploration, additional investigations are now underway in the effort of further evaluating the economic potential of magnetite and wollastonite deposits within the E.L. area.

The basic format of exploration work proposed for the six monthly period to 30th June, 1986 will be as follows:-

1A - Tungsten Exploration

This consists of:-

- Surface exploration activities, to be carried out in the outlying

sections of the E.L. area, and in nature is both localised and regional. Localised investigations are proposed at Kara No 2, Horizontal Creek, Location L.1 and Location L.13, and regional appraisals proposed at the Valentines area, and the area between Location L.5 and Eastern Ridge (see plan No. 1). The type of work includes a combination of geologic mapping, geochemical (soil, rock, pan concentrate) and ground magnetite surveys, and is intended to complete final surface-work in order to evaluate the need for possible subsurface (drilling) activities.

- Exploratory drilling programme, the objective being to investigate the tungsten potential of partially delineated or suspected zones of magnetite skarn buried beneath Tertiary basalt cover. The region to be drilled during the period in question would be along the eastern limb of the Kara synclinorium, south along strike from the previously recognised tungsten mineralisation at Location L.5.

- Evaluation drilling programme, to be undertaken at known near surface scheelite bearing skarn zones (eg Kara South, Eastern Ridge and Bobs Bonanza deposits) evaluating their tonnage and grade potential.

1B - Magnetite Investigations

The innumerable deposits of surface exposed bodies of magnetite skarn in the E.L. are to be investigated to evaluate their possible potential as sources of marketable magnetite, for use either as metallurgical blast-furnace magnetite, or as a dense heavy medium in the coal washery industry.

1C - Wollastonite Studies

An assessment of the possible economics of known wollastonite mineralisation at the Limestone Creek location in the central section of the E.L.

2. WORK COMPLETED OR IN PROGRESS

During the current quarter, surface exploration work (as outlined above) was initiated in mid December 1985, and in late January 1986 this was supplemented by evaluation diamond drilling.

Surface exploration work is being completed on a contract basis by two field crews familiar with the geology of the E.L. area, and drilling is being completed utilising an in-house drill crew and rig.

Work in progress is as follows:-

2A - Tungsten Exploration2A.1 - Kara No. 2 Main Skarn

This is an overall detailed surface geologic, geochemical, and geophysical appraisal of the main skarn zone and bordering granite - greisen contacts.

To date work has consisted of establishing a grid system over an area of approx. 1000m x 250m with 50 metre spaced traverse lines, a delineation of the skarn zone, detailed mapping of magnetite zones in the skarn, grid ground magnetics (5m spacing along 50 metre line spacing) and geochemical sampling of the skarn regions drainage.

The objectives of the investigations are an assessment of the possible tin-tungsten potential of greisenous zones into the NW section of the area; an investigation of the nature of an anomalous tin zone along the N.W. margin of the skarn; an evaluation of the skarns potential as a possible source of high grade unoxidised magnetite ore.

A previously unrecognised ground magnetic anomaly along the central-southern sections of the skarn has been delineated during the above work. As soon as practical, diamond drilling of this anomaly will be attempted.

2A.2 - Horizontal Creek Area

Work underway aims at:-

- Investigating the source of previously recognised scheelite grain counts in the Horizontal Creek drainage, and,
- investigating the possible associated mineralisation of two narrow skarn zones in the south of the area.

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To date, work has consisted of the establishment of a grid (50m spacing), line cutting, geologic mapping, ground magnetic survey and pan-concentrate sampling.

2A.3 - Diamond drilling programme

Evaluation diamond drilling commenced on January 22nd 1986, investigating the potential of the eastern skarn at the Bobs Bonanza - Horizontal Creek Location. This skarn could provide low tonnages of near surface scheelite bearing material, in addition to a supply source of high grade magnetite material.

2B - Magnetite Investigations

These have been two fold:-

2B.1 - The completion of a preliminary firstpass "review and evaluation for the potential MAGNETITE RESOURCES of the Kara Properties (E.L. 17/68)", with emphasis placed on whether these resources would be of sufficient magnitude and quality to provide an immediate or future economic source of supply of magnetite for use as either blast furnace metallurgical iron, heavy medium magnetite or for use in the cement industry.

An in-house report summarising this review was completed on 26th November, 1985.

2B.2 - The suitability of magnetite from various E.L. skarn zone at Kara for use as a dense heavy medium in coal preparation is currently being studied.

The delineation of reserves of high grade magnetite zones at potential open pit deposit of skarn on the Kara Properties has been attempted, and from these deposits, seven samples of material have been collected for immediate detailed test work at the Australian Coal Industry Research Laboratories, Maitland, N.S.W.

Four of these samples are considered representative of magnetite zones at the Kara No 1 deposit (see lines 5780N, 5820N, 5860N and 5900N) and the remaining samples representative of the Companion Skarn Zone, the Kara North Magnetite Anomaly and the Bobs Bonanza East Skarn Zone.

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2C - Wollastonite Studies

An initial assessment of known Wollastonite occurrences at Limestone Creek was completed ZETETIC - Consulting Economic Geologists during October - November, 1985.

The work completed was preliminary, but recommendations were made that a more detailed appraisal (drilling) of the deposit was justified to assess its economic viability. Prior to drilling, it is intended - during the forthcoming quarter - to complete detailed sampling of all known surface exposures and thorough surface geologic appraisal of the deposit.

3. Expenditures

Exploration expenditures incurred by Tasmania Mines N.L. within Exploration Licence No 17/68 during the three month period to February 3rd 1986 are documented on the "Statement of Expenditure" attached overleaf.



Cliff H. Whitehead
GEOLOGIST.

FEBRUARY 7th, 1986.

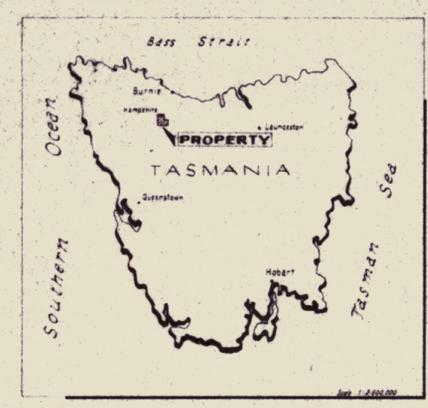
078

E.L. 17/68 EXPENDITURE

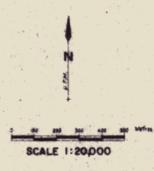
During the 12 week period from 24-10-1985 to 15-1-1986 the expenditure on E.L. 17/68 was \$24,901.00. This has been allocated as follows:-

| | |
|----------------------------|---------------------------|
| Survey and Geologists Fees | \$13,499.00 |
| Materials (drills, etc) | 8,354.00 |
| Maps and Plans | 985.00 |
| Rent | 820.00 |
| Printing and Stationery | 193.00 |
| Licence Fees | 200.00 |
| Assays | <u>850.00</u> |
| | <u><u>\$24,901.00</u></u> |

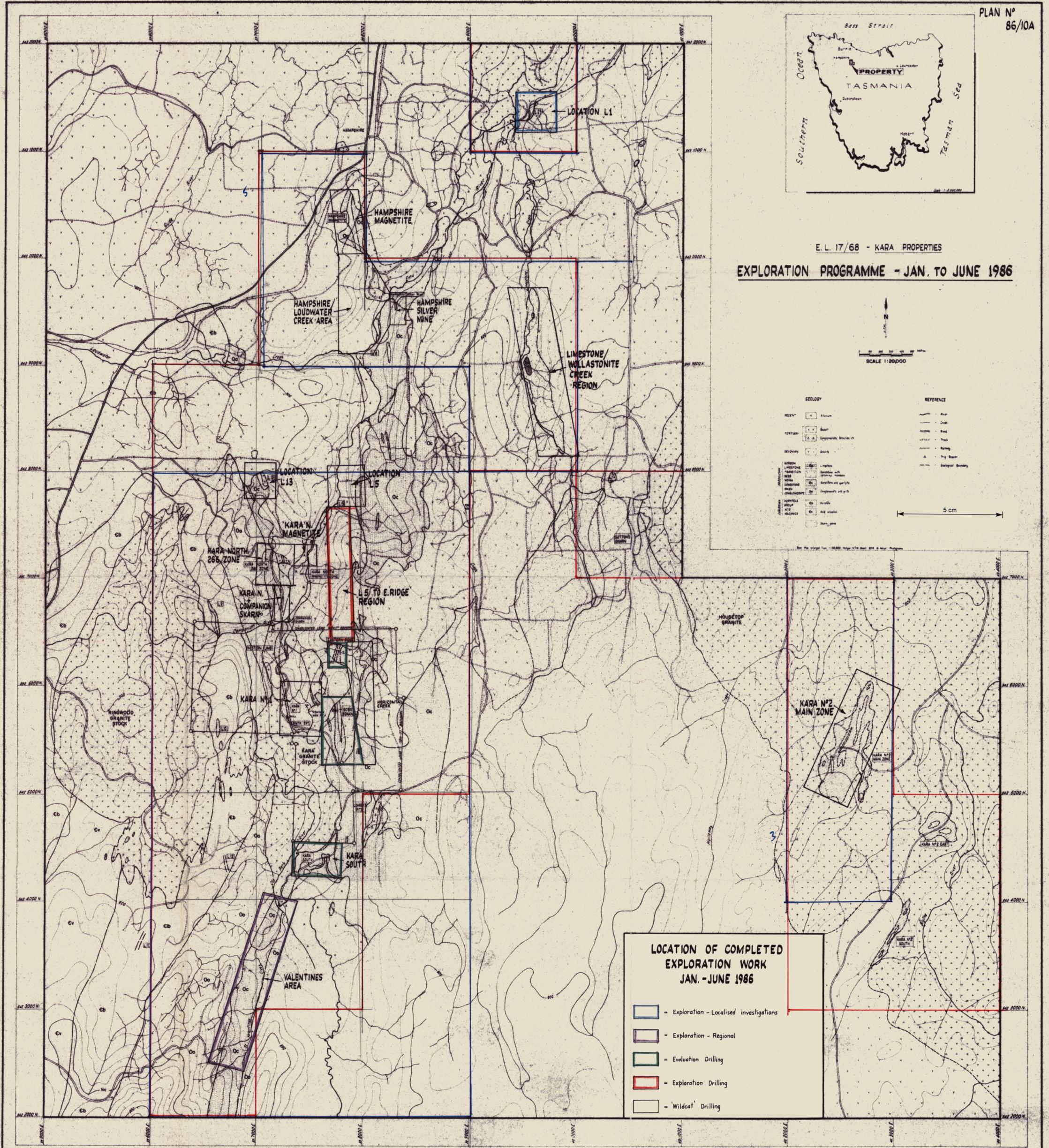
Our accounting periods are based on 4 weekly intervals. The above information has been obtained from those records for the period corresponding as closely as possible to the period of this quarterly report.



E. L. 17/68 - KARA PROPERTIES
 EXPLORATION PROGRAMME - JAN. TO JUNE 1986



| GEOLOGY | | REFERENCE | |
|-------------|-----------------------------|-----------|---|
| RECENT | □ Alluvium | — | — |
| TERTIARY | □ Basalt | — | — |
| | □ Gneiss, schists, etc. | — | — |
| DEVONIAN | □ Sandstone | — | — |
| | □ Shale | — | — |
| ORDOVICIAN | □ Limestone | — | — |
| | □ Sandstone with quartzites | — | — |
| | □ Sandstone and quartzites | — | — |
| | □ Gneiss and quartzites | — | — |
| PROTEROZOIC | □ Granite | — | — |
| | □ Amphibolite | — | — |
| CAMBRIAN | □ Quartzite | — | — |
| | □ Sandstone | — | — |
| PRECAMBRIAN | □ Gneiss | — | — |
| | □ Amphibolite | — | — |



LOCATION OF COMPLETED EXPLORATION WORK JAN. - JUNE 1986

- Exploration - Localised investigations
- Exploration - Regional
- Evaluation Drilling
- Exploration Drilling
- 'Wildcat' Drilling

— recommended boundaries for 1987-88.

87-2747

