

File No: 88/40

## PANCONTINENTAL MINING LIMITED

**MICROFILMED**

88-2845

EL 14/85 - MT. CATTLEY  
TASMANIA

ANNUAL REPORT FOR THE PERIOD  
21 AUGUST, 1987 TO 20 AUGUST, 1988

Compiled by R.M.D. Meares  
July 1988

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## SUMMARY

Work on EL 14/85 during the reporting period by the Pancontinental Mining Limited-Outokumpu Oy joint venture was restricted to further analysis of the core from the previous drilling program in conjunction with the Geological Survey of Tasmania, interpretation of the stratigraphic and structural setting of the prospect area, and preparation for the next program.

The next phase of exploration at Mt. Cattley will include a diamond drilling program to further evaluate the VMS potential of the sub-basalt volcanic sequence.

Expenditure on exploration on EL 14/85 for the two year term since 21 August 1988 has totalled \$269,584 compared to a minimum commitment of \$170,000.

	PAGE
SUMMARY	
1. INTRODUCTION	1
1.1 Report Purpose	
1.2 Tenure	
1.3 Location and Access	
2. REGIONAL GEOLOGY	1
3. WORK COMPLETED	1
4. CONCLUSIONS AND RECOMMENDATIONS	2
5. EXPENDITURE	2

## FIGURES

	<u>Scale</u>	<u>Dwg. No.</u>
1. Location Plan	1:100,000	
2. Drillhole Location Plan	1:100,000	36/C/5
3. Speculative Cross Section	1:20,000	

## 1. INTRODUCTION

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### 1.1 Report Purpose

This report covers exploration activities on EL 14/85 by the Pancontinental Mining Limited-Outokumpu Oy joint venture for the twelve months to 20 August 1988.

### 1.2 Tenure

Exploration Licence 14/85 covering 47sqkm was granted to Pancontinental Mining Limited on 21 August 1985 for an initial term of one year. The licence has been subsequently renewed for two further periods of twelve months each.

### 1.3 Location and Access

Mt. Cattley is located 55km SSW of Burnie between Talbot Lagoon and the Black Bluff Range. Access through the tenement is via a network of Associated Forest Holdings timber roads. See Figure 1.

## 2. REGIONAL GEOLOGY

EL 14/85 is located in the northern section of the Dundas Trough and is underlain by volcano-sedimentary sequences of the Cambrian Mt. Read Volcanics. These units are considered prospective for Hellyer-Que River type VMS deposits, and are overlain by up to 100 metres of Tertiary basalt in the central and northern sections of EL 14/85.

The relative prospectivity of the Mt. Cattley volcanic sequence depends in part on the correlation of the sequence at Mt. Cattley to that at Hellyer-Que River. Recent studies suggest that the latter deposits are hosted by the Dundas Group, and studies are continuing in an attempt to establish the correlation of the basalt-andesite sequence at Mt. Cattley.

## 3. WORK COMPLETED

Following the completion of a three-hole sub-basalt pre-collared diamond drilling program at Mt. Cattley during the previous term, work during the current term has been restricted to interpretation of the geological and geochemical results of that drilling program, and a comprehensive review of the results of previous EM geophysical surveys at Mt. Cattley. See Figure 2.

The geological studies on the core have been assisted by petrographic and isotopic studies on samples provided to the Geological Survey of Tasmania. These studies have confirmed the highly prospective nature of the volcanics and alteration style at Mt. Cattley to host economic VMS deposits. See a speculative cross section in Figure 3.

The commencement of the next phase of drilling at Mt. Cattley has been delayed pending incorporation of the results of the 1987-88 Mines Department sub-basalt drilling program in the Mt. Cattley area into the proposed next drilling program on EL 14/85. Discussions have been held with Dr. K. Corbett and associates at the Geological Survey on this matter.

#### 4. CONCLUSIONS AND RECOMMENDATIONS

Studies conducted during the reporting period and the results of recent sub-basalt drilling by the Tasmanian Mines Department have confirmed that further drill testing of the Cambrian sequences at Mt. Cattley is justified.

Accordingly, preparations for a diamond drilling program to be conducted in the next renewal period have commenced and include the design and implementation of a drilling strategy.

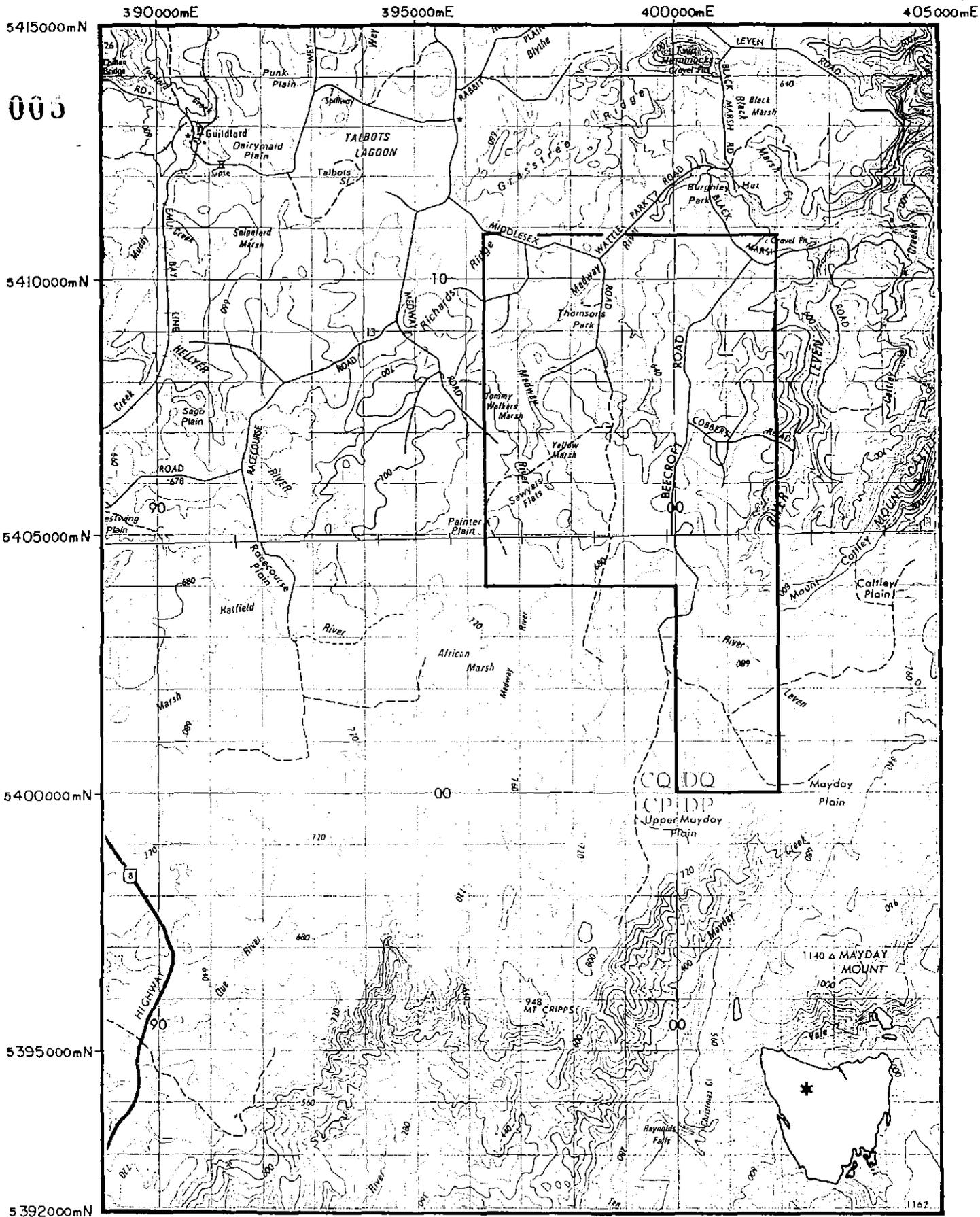
#### 5. EXPENDITURE

##### MT. CATTLEY

EXPENDITURE 21.08.87 - 30.06.88

Manning	\$675
Consult, Contract	\$19,164
Travel, Freight & Equipment	\$1,115
Repairs & Maintenance	\$15
Administration	\$506
Fees & Corporate Charges	\$412
Overheads	<u>\$3,244</u>
TOTAL	<u>\$25,131</u>

Expenditure for the two year term to 21 August 1988 totals \$269,584, compared to a minimum commitment of \$170,000



**LOCATION PLAN**  
**MOUNT CATTLEY E.L. 14/85 - TASMANIA**

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Scale 1:100 000

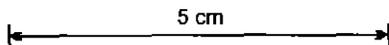
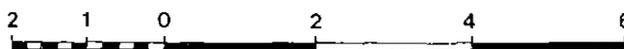
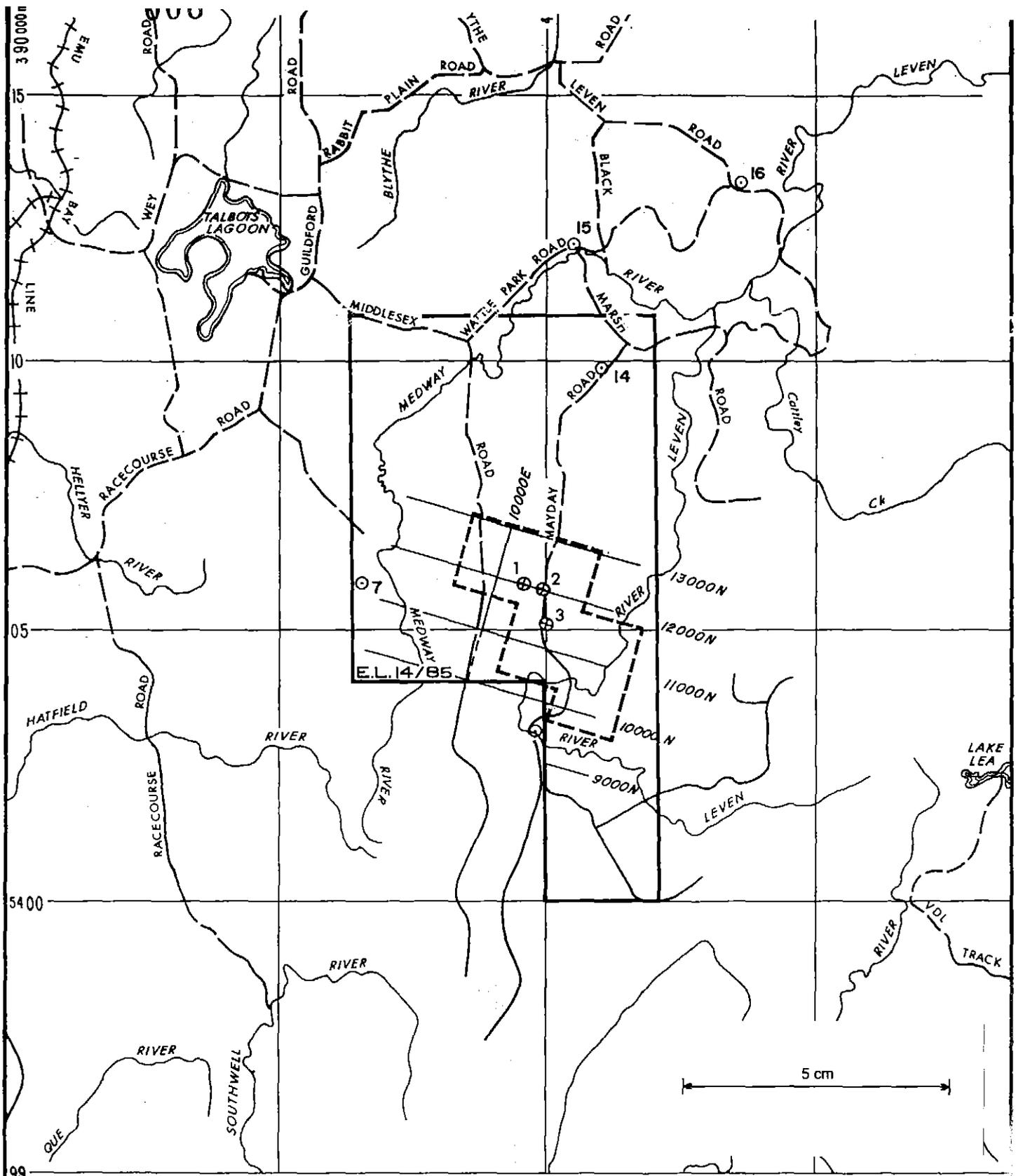
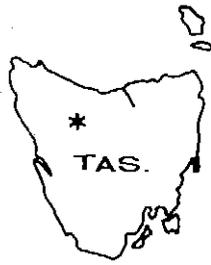


FIG. 1



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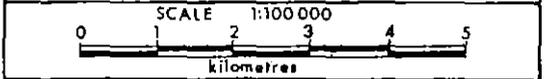


**LEGEND**

- ⊕ 2 Pancontinental Drill hole
- ⊙ 6 Proposed Mines Dept. Drill hole
- [ - - - ] New survey grid

**PANCONTINENTAL MINING LIMITED**  
EXPLORATION DIVISION

**MT. CATTLEY PROJECT**  
**E.L. 14/85-TASMANIA**  
**DRILLHOLE LOCATIONS**



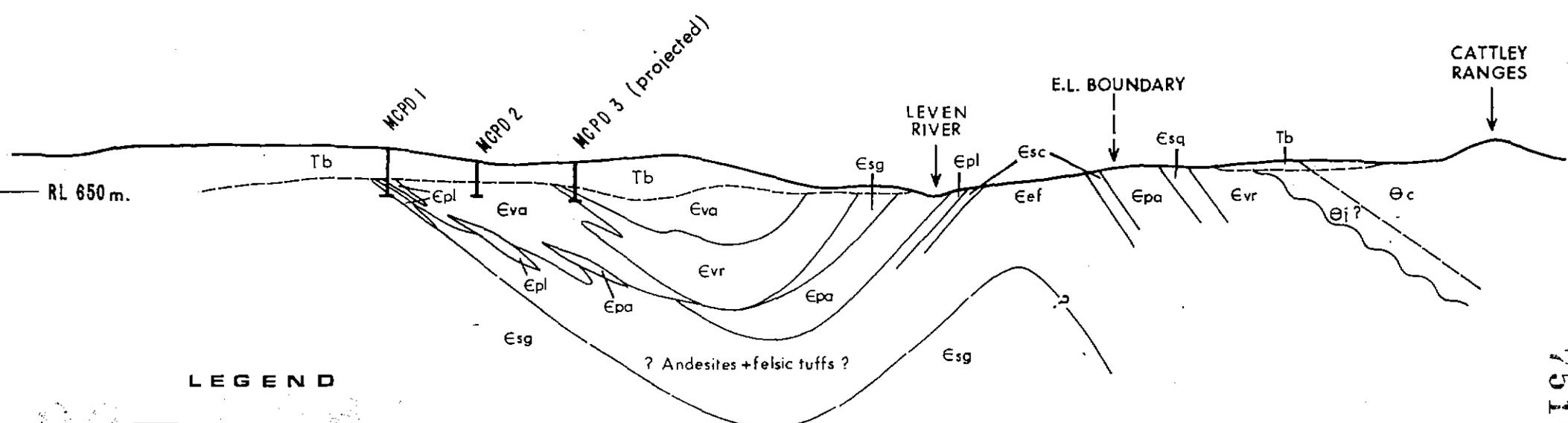
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Report No. 88/40	Map Ref. SK 55-3	Figure 2

007

10 000 E

11 000 E

12 000 E



**LEGEND**

- TERTIARY Tb Basalt
- ORDOVICIAN Ec "Owen" Conglomerate etc.
- Ei "Jukes" Conglomerate (may not be present)
- CAMBRIAN Eva Andesite
- Evr Rhyolite-Rhyodacite extrusives
- Epa Felsic pyroclastics fine grained
- Epl Felsic lapilli tuffs
- Eef Fine grained siliceous vitric tuffs
- Esc Chert / Tuffaceous chert
- Esg Micaceous greywacke / siltstone

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<b>PANCONTINENTAL MINING LIMITED</b> EXPLORATION DIVISION		
<b>EL 14/85 MT. CATTLEY</b> <b>TASMANIA</b> <b>SPECULATIVE</b> <b>CROSS SECTION 1</b> <b>12 000 N</b>		
SCALE 1 : 20 000 		
Compiled W.H	Date JULY, 1988	Dwg. No 36/D/8
Report No 88/40	Map Ref SK 55-3	<b>FIGURE 3</b>