

SEABED RESOURCES PTY LTD
EL76/87
PARTIAL RELINQUISHMENT REPORT (END YEAR 3)

1. Introduction and exploration philosophy

Exploration Licence 76/87 is situated on Tasmania's northeast coast between the towns of St. Helens and Scamander (Figure 1).

The licence was granted to P.F. Mining Shelf (No. 16) Pty Ltd in May 1987, and originally covered 250 km² of which about 40% was offshore. The area was subsequently reduced to 145 km², and ownership transferred to Seabed Resources NL.

EL 76/87 encloses the 4 km² retention licence RL 8714 held by BHP Co. Ltd.

The licence holder's main target is stockwork or disseminated, medium grade — medium volume, gold or silver deposits in granodioritic host rocks in and adjacent to known sites of mineralisation near the southern extremity of the Scamander Tier Dyke.

2. Summary of exploration done by licensee

Initial work done by the tenement holder on EL 76/87 was a prospectivity review and limited grab sampling survey by Cromer (1988). The work concentrated on several old Ag-Pb-(Au) prospects which had not received much attention from previous explorers. These included the Scamander [approx. 047093], Scamander Bell — Beulah [041105] and Yarmouth [057144] prospects, within or adjacent to the Scamander Tier Devonian granodiorite dyke. Each had been the site of small-scale mine workings in quartz-silver-lead-(gold) lodes hosted in granodiorite or Siluro-Devonian turbiditic Mathinna Beds. All were abandoned last century.

Further west, the copper workings of the Orieco line of lode [approx. 012138], apparently confined to a narrow shear zone in the Mathinna Beds, have a strike length of several kilometres. The prospects have received considerable attention from explorers — the last in the 1970's — but little work had been done on their gold potential.

As a result of the prospectivity review, further exploration (Cromer, 1990) included

- (a) a stream sediment survey of the southern part of the Scamander Tier Dyke, and
- (b) prospect-level investigations on the Scamander, Beulah — Scamander Bell, Yarmouth and Orieco prospects. The work included literature reviews, topographic and geological mapping and sampling. (A suitable topographic and geological map was previously available for the Orieco prospects, but some additions were made to the data arising from the present work.)

Full details of this later exploration programme are included in the Year 3 Annual Report (Cromer, 1990). This includes details of prospect work at the Orieco prospects, which are to be retained in Year 3, but Seabed Resources has elected to make the full Year 2 report available to accompany and support this relinquishment report.

3. Conclusions

1. The detailed prospect work at the Scamander, Beulah — Scamander Bell and Yarmouth prospects has established that

(a) silver-gold mineralisation is patchy and uneconomic, and confined to sets of sulphide-bearing quartz lodes within the host rock

(b) at Scamander and Beulah — Scamander Bell, the granodiorite host is unmineralised and thus gives no scope for even moderate tonnages of low-medium grade disseminated orebodies. Similarly, at Yarmouth the Mathinna Beds are apparently barren of economic minerals

(c) the stream sediment survey along the southern part of the Scamander Tier Dyke gave no encouragement for undiscovered mineralisation

(d) the Orieco line of prospects remain the most interesting of the four investigated. Copper-gold prospectivity seems low, but further more detailed prospect work is warranted before abandoning the area.

2. It is recommended that most of the tenement be relinquished now, and that 6 square kms around the Orieco line of prospects be retained for Year 4 follow-up.

4. Rehabilitation

No access tracks were constructed during exploration. Three 40 m x 1 m x 2 m backhoe trenches were dug for channel sampling at the South Beulah prospect during Year 3 work, and all three were backfilled in February 1990.

5. References

- CROMER, W. C., 1988. EL 76/87. Review of Geology, Previous Exploration and Prospectivity. *P. F. Shell (No. 16) Pty Ltd Unpubl. Rept.*
- CROMER, W. C., 1990. EL76/87. Year 3 Annual Report. *Seabed Resources NL.*

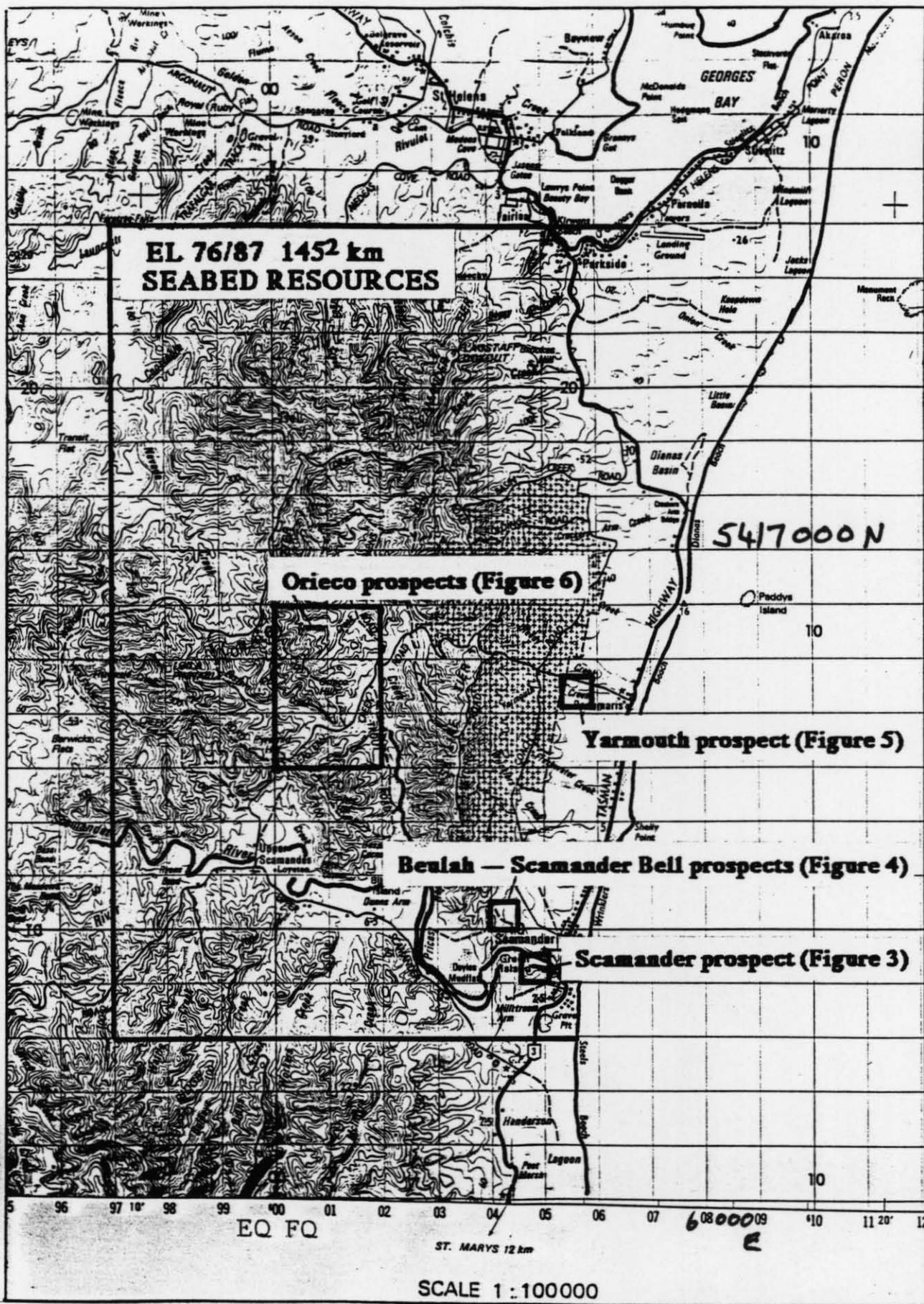


Figure 1. EL76/87 showing location of prospects investigated, and the 6 square km area around the Orieco prospects proposed to be retained in Year 4.

AMG REFERENCE POINTS ADDED

