***Introduction***

This report is the eighth in a series of progress reports to Aberfoyle Resources on the Ph.D study of the Hellyer - Que River Volcano - Sedimentary succession. It covers data collected over the six month period starting from January 1990, and is the first of the reports covering material from the Que River deposit.

Work on the Que River deposit has concentrated so far, on the volcanics and volcaniclastics about the ore horizon. Several sections have been targeted for detailed investigation, this includes the re-logging of several holes on each section. To date two sections have been completed (7212.5 N and 7437.5 N), and these will be discussed in this report. Further sections to be investigated include 7375 N, 7712.5 N, 7800 N and 7900 N.

During the period covered by this report a deep hole (QR-1060), collared on 7300 N and to the west of the mine was logged in detail to investigate the nature of the footwall (FPS) unit in the Que River area. The results and initial interpretation of units logged in this hole are also included in this report along with a comparison with footwall units previously recorded from exploration and Hellyer drill holes.

***Field Work***

This report covers work carried out on a field trip during late March early April. This field work involved the logging and sampling of 11 drill holes from the Que River area. Of these 10 were based on sections 7212.5 N and 7437.5 N.

***7437.5 N and 7212.5 N Sections***

Six drill holes on section 7437.5 N (QR-1053, QR-1054, QR-1055, QR-1057, QR-1058 and QR-1059), and four drill holes on the 7212.5 N section (QR-919, QR-920, QR-921 and QR-923), were re-logged to investigate the relationship between the volcaniclastics, lavas / porphyritic dacites (PD), and mineralisation (Figs. 1, 2 and 3). These sections and drill holes were selected because of their content and variation in volcaniclastics (LTP, RwP, HAT) and volcanic (PD, D, DTL) units. These sections are two of several that were also selected to investigate the "IHCo" (fuchsite-carbonate) rock/alteration type which occurs mainly at the northern end of the deposit.

These sections both lie in the southern half of the ore body with the 7212.5 N section the southern most selected at Que River, lying at the southern tip of