



TRIAKO RESOURCES LIMITED

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ENCLOSURE

EXPLORATION LICENCE 28/76

FINAL REPORT

BRIAN B. GUY

AMG REFERENCE POINTS ADDED

26/March/1992

FINAL REPORT

1. INTRODUCTION

Exploration Licence 28/76 (Branxholm) expired on the 7th March 1987. In response to correspondence (dated 20/10/87) from the Department of Mines, Triako Resources Ltd advised the Department on the 26 October 1987 that a final report on the Exploration Licence was being prepared. Apparently no copies of that report can be located within the Department and Triako Resources Ltd also has not been able to locate its copy following the transfer of technical files from the Sydney office to storage facilities in Melbourne.

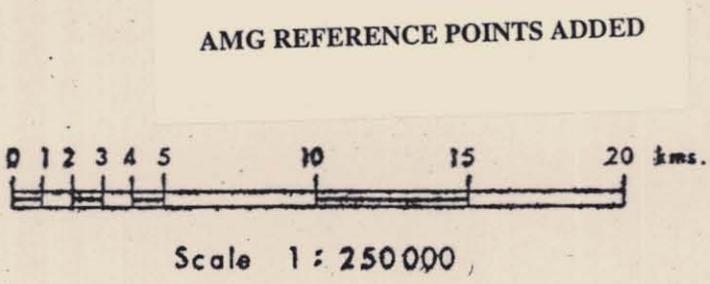
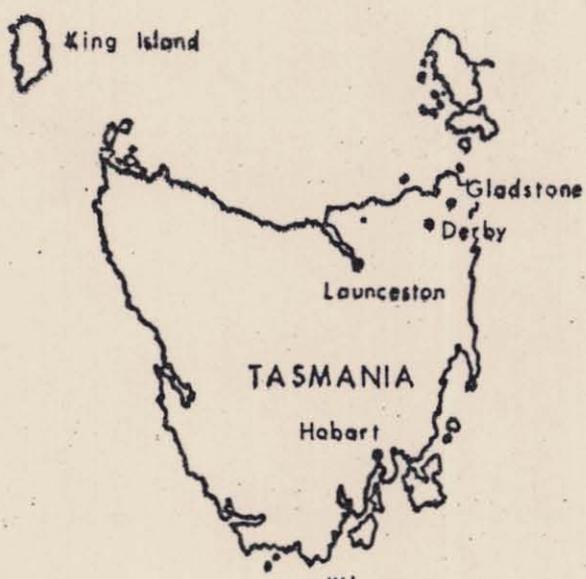
This report thus represents a final report for E.L. 28/76 and is a replacement for that prepared by Triako in late 1987. This report has been prepared from information currently available in Triako's files.

2. GEOLOGICAL SETTING

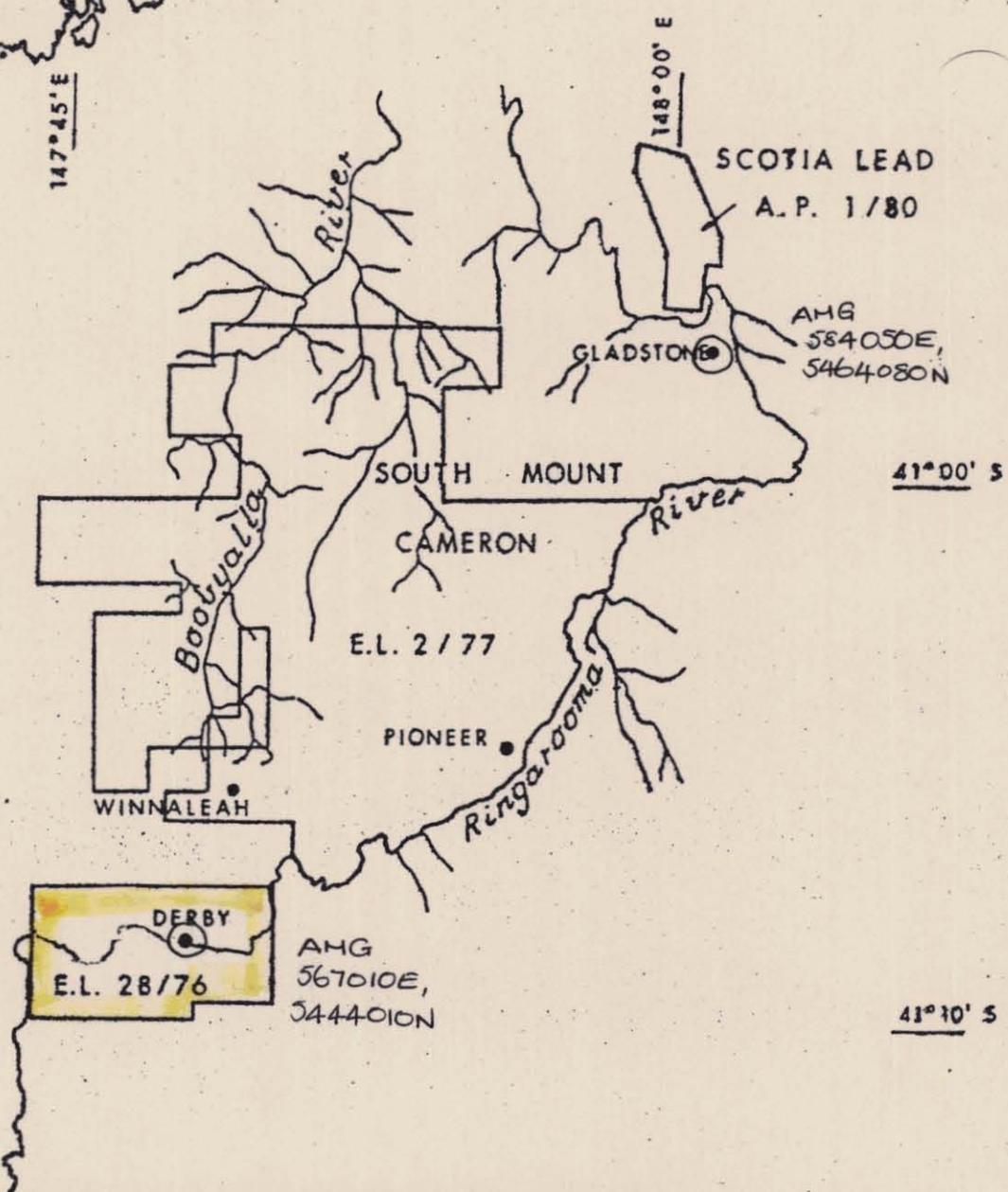
The area covered by the tenement has been the subject of extensive exploration and exploitation for alluvial tin and localised cassiterite vein deposits. Major deposits worked within the area include the Briseis Mine on the Casade Lead and several deposits on the Branxholm and Valley Leads. These leads represent buried placer systems which formed part of a proto-Ringarooma drainage system. The leads are situated around the north-west corner of the Devonian Blue Tier Batholith. Basement rocks to the leads are granites of the Blue Tier Batholith and sandstones and siltstones of the Silurian Mathinna Beds. Cassiterite mineralisation is localised in Tertiary alluvials generally below and immediately above a Middle Tertiary erosional surface. The gradient of the Tertiary fluvial system is moderately steep with the resultant coarse alluvial cassiterite being concentrated over relatively short horizontal distances. Pleistocene to Recent leads are developed within or adjacent to the present day drainage.

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5 cm



AMG REFERENCE POINTS ADDED



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NORTH - EASTERN TASMANIA LOCATION MAP

Author:	Date:	Owg. No.:	Figure 1.
Drafting:	Report No.:	Base Plan:	

3. SUMMARY OF EXPLORATION

(a) Period 1977-1981.

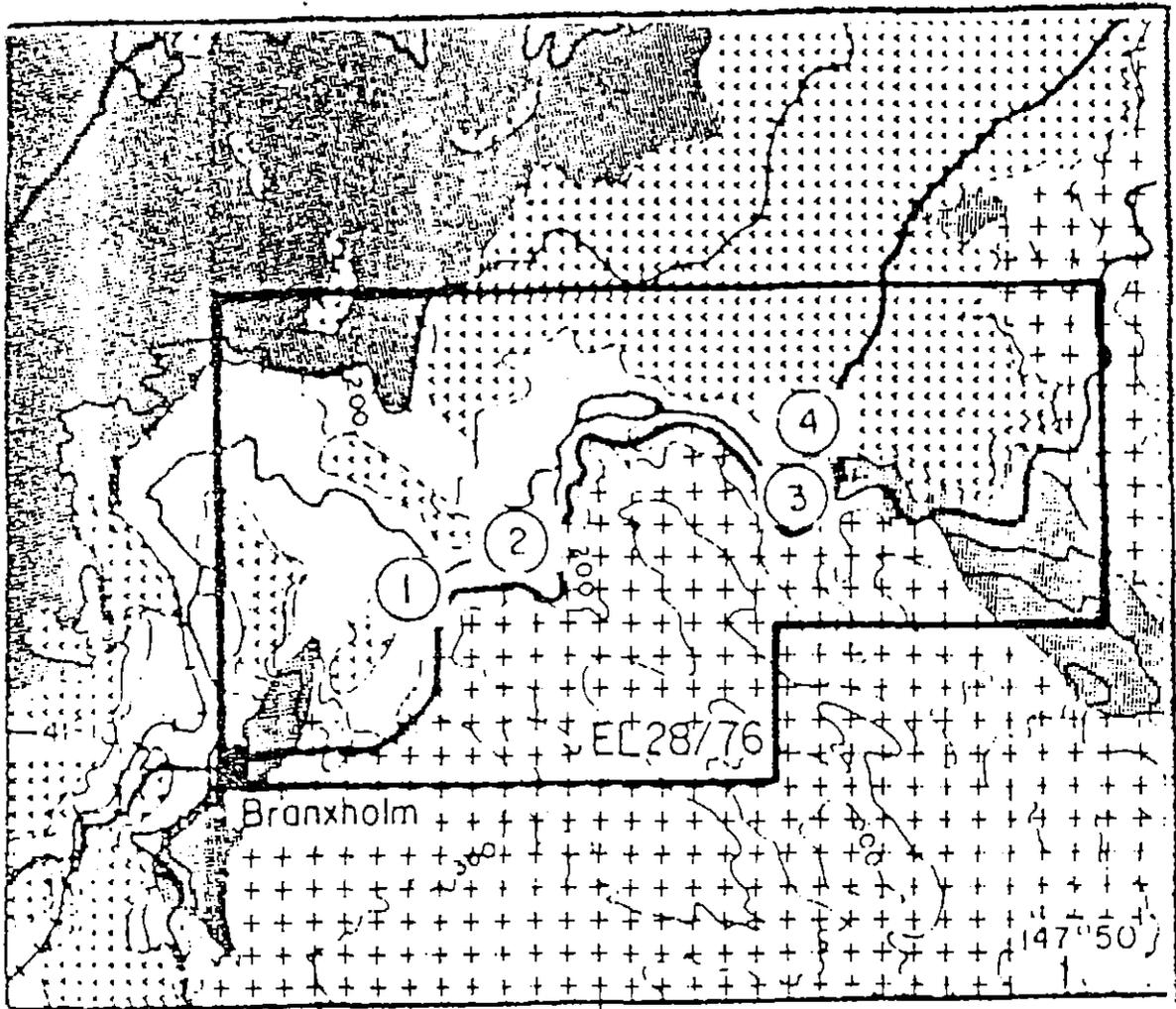
The exploration licence, covering 46 square kilometres, was granted on 18 January 1977 to L.W. Morris. In early 1977 the title was transferred to Moruka Tin Pty Ltd, the principal shareholders of that company being Triako Mines N.L. (36%), Buka Minerals N.L. (36%), Dusty Mac Mines Ltd (10%) and L.W. Morris (10%). During most of this period the exploration programme was operated by Amdex Mining Ltd (a subsidiary of Triako Mines N.L.).

Work undertaken by Amdex within E.L. 28/76 was part of an extensive programme of exploration for alluvial tin covering this E.L. together with E.L.s 2/77 and 6/78, A.P.1/80, numerous leases in the Pioneer and Dorset areas, and a number of leases (in the South Mt Cameron area) which were the subject of an agreement with B.M.I. Mining Pty Ltd.

(Fig. 1)

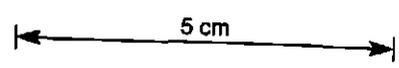
Exploration involved extensive mapping, data collation, interpretation of palaeodrainage patterns and drilling, with both churn drilling and reverse circulation methods being used. Two drill rigs were operating nearly continuously throughout this period. Exploitation of extensive alluvial tin resources by hydraulic mining methods were undertaken at Pioneer and South Mount Cameron. The Pioneer operation continued through to 1983.

In particular, within E.L.28/76 exploration centered around the Arba mine and the Briseis Mine and within the Cascade and Valley leads. At Arba extensive drilling was undertaken, especially north of Arba Hill. At Briseis, where a considerable amount of drilling had been undertaken, a small tin resource was outlined, however, overburden depths were too great to warrant detailed evaluation.



-  Older Quaternary sediments
-  Tertiary basalt
-  Tertiary sediment/recent alluvials
-  Blue Tier Granite Batholith
-  Mathinna Beds

- 1 ARBA MINE
- 2 VALLEY LEAD
- 3 CASCADE LEAD
- 4 BRISEIS MINE



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EXPLORATION LICENCE 28/76

LOCATION OF PROSPECTS

Fig 2

(3)

(b) Period 1981-1986.

In 1981 all areas held by Triako and its subsidiaries in exploration for alluvial tin in north east Tasmania were farmed out to Australian Anglo American Prospecting Pty Ltd (AAA). Amdex continued during part of this period to operate the Pioneer alluvial tin mining project. AAA assumed operatorship for the exploration project, being responsible for preparation of all technical reports. Work undertaken by AAA involved a complete re-interpretation of the palaeodrainage, follow-up drill testing and the preparation of a pre-feasibility study on the tin reserves and resources of the area. A copy of this pre-feasibility report has been lodged with the Department.

In particular, within E.L.28/76 exploration concentrated around the Arba Hill area, near the western margin of the tenement. Four drill holes were completed totalling 187 metres. These holes were designed to test remaining spaces in the heavily drilled northern perimeter of Arba Hill. Not all holes reached target depth, however, results were not encouraging overall. Consequently, the targeted lead (Branxholm Creek Lead) north of Arba Hill was concluded to have low potential and further work was thus not warranted. Following the extensive drilling in this area by both Amdex and AAA it is still not possible to uniquely define the position of the palaeodrainage north of Arba Hill. The drilling conducted in the Arba Hill area has also indicated that there is little potential for shallow placer tin deposits in the Quaternary horizons in the area. AAA withdrew from the venture in early 1986.

(4)

(c) Period March 1986-March 1987.

No field investigations were undertaken during this period. Following withdrawal of AAA from the venture, the Triako group resumed operatorship. At that stage, the Triako organisation had been considerably reconstituted with Triako Mines N.L., Buka Minerals N.L. and Aquitaine Australia Minerals Pty Ltd amalgamating through a Scheme of Arrangement. The new group, known as Elf Aquitaine Triako Mines Ltd (EATM), sought discussions with the Department of Mines in early 1986 regarding title holdings in north east Tasmania. The Department advised on 2 April 1986 that renewal applications for E.L.28/76 (and 2/77) would be processed pending finalisation of discussion with the Department. The Department also noted that a waiver of exploration expenditure for the E.L.s may be granted considering the (then) current state of the tin market. Before plans with the licence were finalised with the Department, Elf Aquitaine (Australia and New Zealand) Ltd disposed of its majority shareholding in EATM.

The new management of EATM (subsequently renamed Triako Resources Ltd) continued discussions with the Department. On the 15 August 1986 a meeting was held between Triako personnel and Dept. of Mines representatives, including the Director. All major aspects of Triako's tenement holdings were discussed, including E.L. 28/76. No reference was made in this meeting to the need to submit an application for waiver of expenditure. Following this meeting the Department advised Triako, regarding E.L.28/76, on the 27 August 1986 of draft guidelines for retention licences which were then scheduled to become operative in late 1986.

Subsequently, retention licences were applied for at Pioneer (R.L.851) and at Scotia Lead (R.L.852), however, it was considered that the very limited tin resources of E.L.28/76 did not warrant application for a retention licence, especially considering the retention licence conditions and commitments involved with the (Estate of) L.W. Morris. As such a situation developed only shortly prior to the expiry date for E.L.28/76, the licence was allowed to lapse.