

**NORTHWEST BAY CO. PTY. LTD.**

Incorporated in Tasmania 1978 A.C.N 009 513 697

<b>MICROFILMED</b> FICHE No. 013033-
---

**NORTHWEST BAY CO. PTY. LTD****E.L. 14/88 MAYDNA****ANNUAL REPORT - YEAR 5****5/8/92 to 4/8/93**

**M.C. Forster**  
**Dec. 1993**

<b>MINES</b>		
FILE NO.	EL 14/88	
	27 JAN 1993	
DOC. NO.		
DATE	ACTING	FOR
covering letter see folio 11		

**94-3534.**

MAYDA-93 /1

Postal Address: "Lee Wave", RMB 341, KINGSTON, Tasmania. 7150  
 Telephone 002 396296 Facsimile 002 396568

**CONTENTS**

<b>Contents</b>	<b>Page 1</b>
<b>Tenement Information</b>	<b>Page 2</b>
<b>Exploration Objectives</b>	<b>Page 2</b>
<b>Summary of Work Year 5</b>	<b>Page 3&amp;9</b>
<b>Dolomite Assays</b>	<b>Page 4</b>
<b>Dolomite Quarry Plan &amp; Sect.,n</b>	<b>Page 5&amp;6</b>
<b>Dolomite Quarry Land Survey</b>	<b>Page 7</b>
<b>E.L. Application Renewal Area</b>	<b>Page 8</b>
<b>Conclusions</b>	<b>Page 9</b>
<b>Report on Sand Testing-Japan</b>	<b>Page 10</b>

## TENEMENT INFORMATION

E.L. 14 / 88 is held by Northwest Bay Co. Pty. Ltd. and is located near Maydena and has an area of 25 sq km., however part of the E.L. was made exempt from the Mining Act. and put in a reserve for limestone, in February, 1992. In view of this, a work programme for year five was not required.

It is proposed to reduce E.L.14/88 to an area of seven sq.km. for year six.

## EXPLORATION OBJECTIVES

The objectives for year five were for further exploration, assaying and grade determinations and market investigations in relation to both the Kallista Hill dolomite and the eastern Pine Hill high grade silica sand. (See Annual Report year 4.)

Should suitable grades and reserves of dolomite at Kallista Hill be proved up, applications will be made for a Mining Licence to cover the deposit.

In the previous annual report it was indicated that exploration for limestone was proposed in the John Bull Creek area when the 'Maydena Exempt Area' was lifted, as NWB Co. considered that the prospects for finding a mineable reserve, within the same limestone section, were much better than at Roberts Hill due to the flat terrain and low elevation in the John Bull Creek, where there should be no cave problems.

By the time the Maydena Exempt Area was back under the Mining Act arrangements for the supply of limestone to E.Z. from Mole Creek had been made, and there was thence no requirement for another high grade limestone deposit to replace the loss of the Lune River supply.

For the above reasons, no further exploration for limestone is proposed at this time.

## SUMMARY OF WORK COMPLETED YEAR 5

### DOLOMITE

Following the discovery of dolomite on the southern face of "Kallista Hill " during Year 4, a drilling operation was undertaken using an airtrack rig.

Three holes - K1, K2, K5 - intersected high grade dolomite from near surface to the drilling depth of about 21m. Chip samples were collected and assayed at the TEMCO plant at Bell Bay.

The assay results from the drilling are tabled on Page 4, and the location of the drill holes shown on the plan of a proposed dolomite quarry on Page 5.

Page 6, shows the proposed quarry in section.

Following this drilling, some excavations were made using a 20t hydraulic excavator. The purpose of this work was to determine the average depth of overburden and to locate the top of the dolomite bed. Dolomite was found in outcrop in several places and was generally at depths of 1 to 4 metres.

As a result of the above works, it was concluded that a small dolomite quarry could be developed, and applications for a Mineral Lease and a Licence to Operate were made.

As the proposed dolomite quarry is on A.N.M. private land, it has been agreed with A.N.M. for Northwest Bay Co. Pty.Ltd. to purchase the area covering the proposed quarry and works area from . This area has since been surveyed, and the plan is shown on Page 7 of this report.

Consent was granted on 12th March, 1993 subject to (4) conditions by the Municipality of New Norfolk to a Development Application 3/93 - Dolomite Quarry, Kallista Creek.

## TEMCO ASSAYS-KALLISTA HILL, MAYDNA. ( DOLOMITE ) 07.09.92

SAMPLE	CaO	MgO	SiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	Al <sub>2</sub> O <sub>3</sub>	TiO <sub>2</sub>	MnO	P <sub>2</sub> O <sub>5</sub>	K <sub>2</sub> O
K1/ 3- 6m	29.1	20.0	5.6	0.2	0.1	0.02	0.0	0.03	0.0
6- 9m	29.9	20.5	2.5	0.2	0.2	0.02	0.0	0.03	0.0
9-12m	30.3	20.7	2.1	0.2	0.1	0.02	0.0	0.00	0.0
12-15m	30.7	20.6	1.1	0.1	0.1	0.02	0.0	0.01	0.0
15-18m	29.6	20.1	4.4	0.1	0.2	0.01	0.1	0.02	0.0
K2/4½- 6m	30.4	20.5	1.4	0.2	0.2	0.02	0.1	0.03	0.0
6-7½m	30.6	20.4	1.2	0.2	0.1	0.01	0.0	0.01	0.0
7½- 9m	30.6	20.7	1.4	0.2	0.2	0.02	0.0	0.03	0.0
9-10½m	30.4	20.5	1.5	0.2	0.1	0.02	0.1	0.01	0.0
10½-12m	31.0	20.8	1.0	0.2	0.2	0.02	0.0	0.03	0.0
12-13½m	31.4	21.1	1.3	0.3	0.2	0.02	0.0	0.05	0.0
13½-15m	30.8	20.9	1.0	0.2	0.1	0.02	0.0	0.05	0.0
15-16½m	30.5	20.3	1.9	0.2	0.3	0.03	0.0	0.24	0.0
16½-18m	30.6	20.7	1.5	0.2	0.4	0.02	0.0	0.06	0.1
18-19½m	29.6	20.3	3.3	0.2	0.2	0.02	0.0	0.04	0.1
19½-21m	30.2	20.3	2.6	0.2	0.2	0.02	0.0	0.02	0.1
K5/4½- 6m	30.6	20.5	1.5	0.1	0.2	0.02	0.1	0.02	0.0
6- 9m	30.8	20.3	1.3	0.2	0.2	0.02	0.0	0.09	0.1
9-12m	30.8	20.3	1.3	0.2	0.2	0.02	0.1	0.09	0.1
9-12m	30.9	20.5	1.7	0.2	0.2	0.02	0.0	0.14	0.1
12-15m	30.9	20.8	1.5	0.2	0.3	0.02	0.0	0.04	0.1
15-18m	30.5	20.5	1.3	0.3	0.2	0.02	0.1	0.03	0.1
18-21m	30.7	20.9	0.7	0.2	0.1	0.01	0.0	0.02	0.0
Average	30.5	20.5	1.9	N.A.	0.2	0.02	0.0	0.05	0.0

Proposed Dolomite Quarry

5 Feb '93

Northwest Bay Co. Pty. Ltd.

PAGE 5

← 300m →

Kallista Hill  
634 642 = End Ref

End of present road

345

330

330

310m

300m

150m  
1790

38m

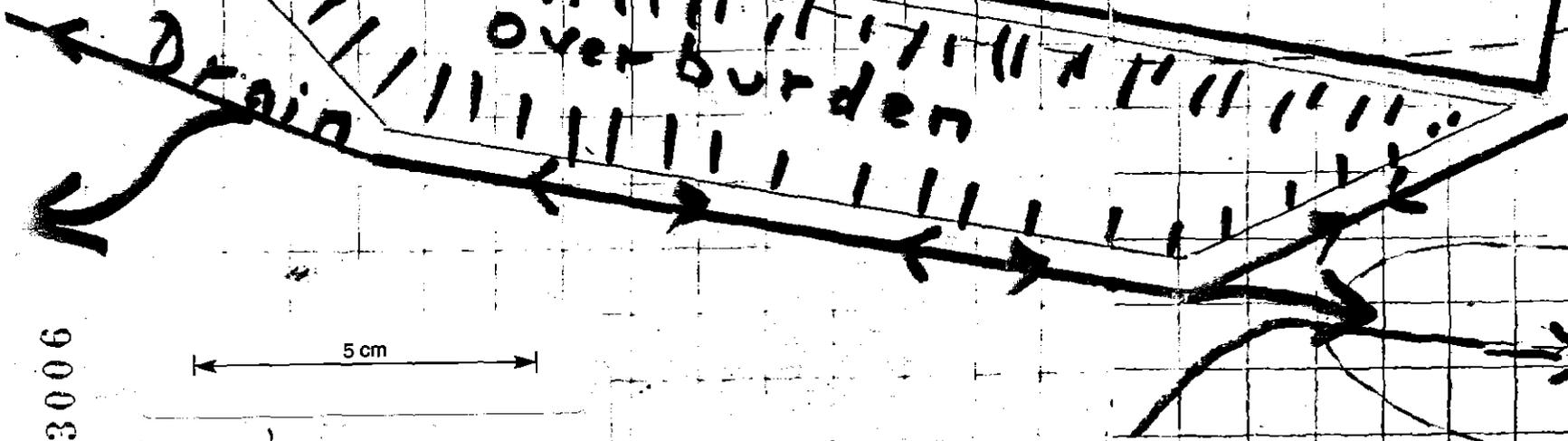
DH K5

200m

Quarry

DH K2

D.K.  
Ki



5 cm

943006

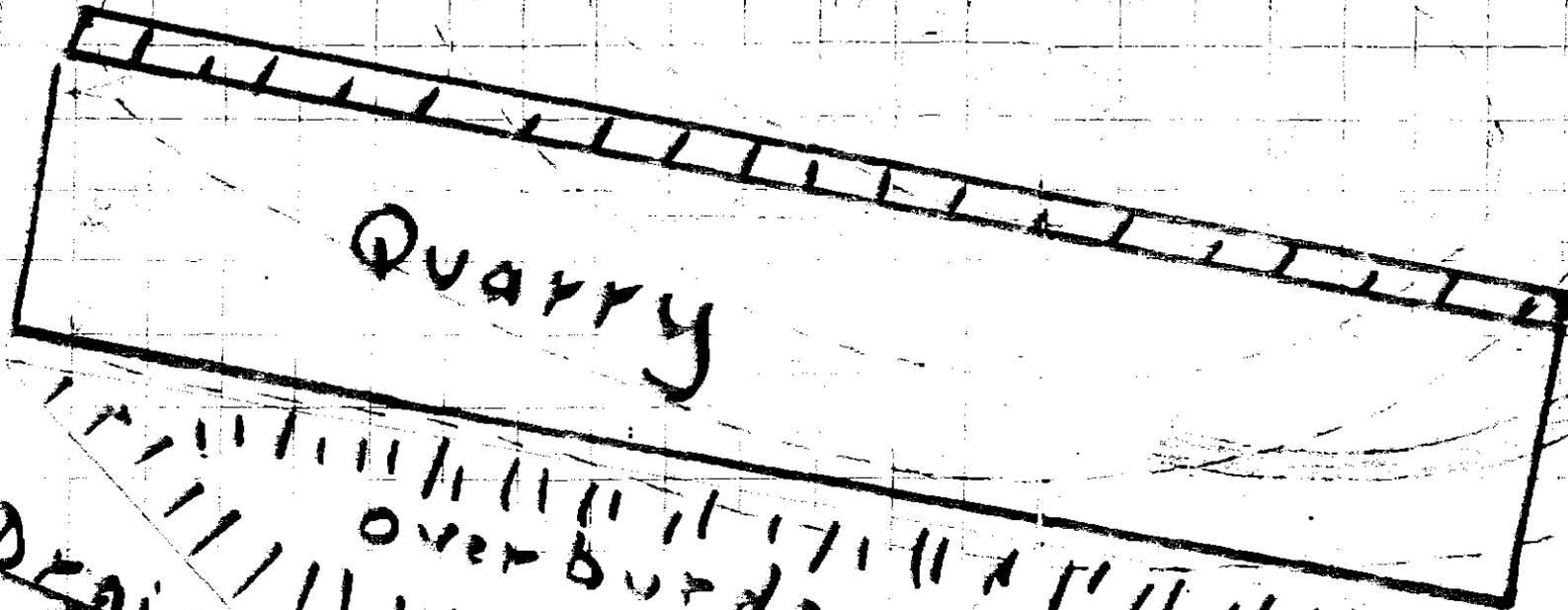
Kallista Hill  
Scale 1:1000

M.C. Forster

Proposed Dolomite Quarry

943007

Northwest Bay Co. Pty. Ltd.



Quarry

Overburden

Drain

5 cm

Kallista Hill  
Scale 1:1000

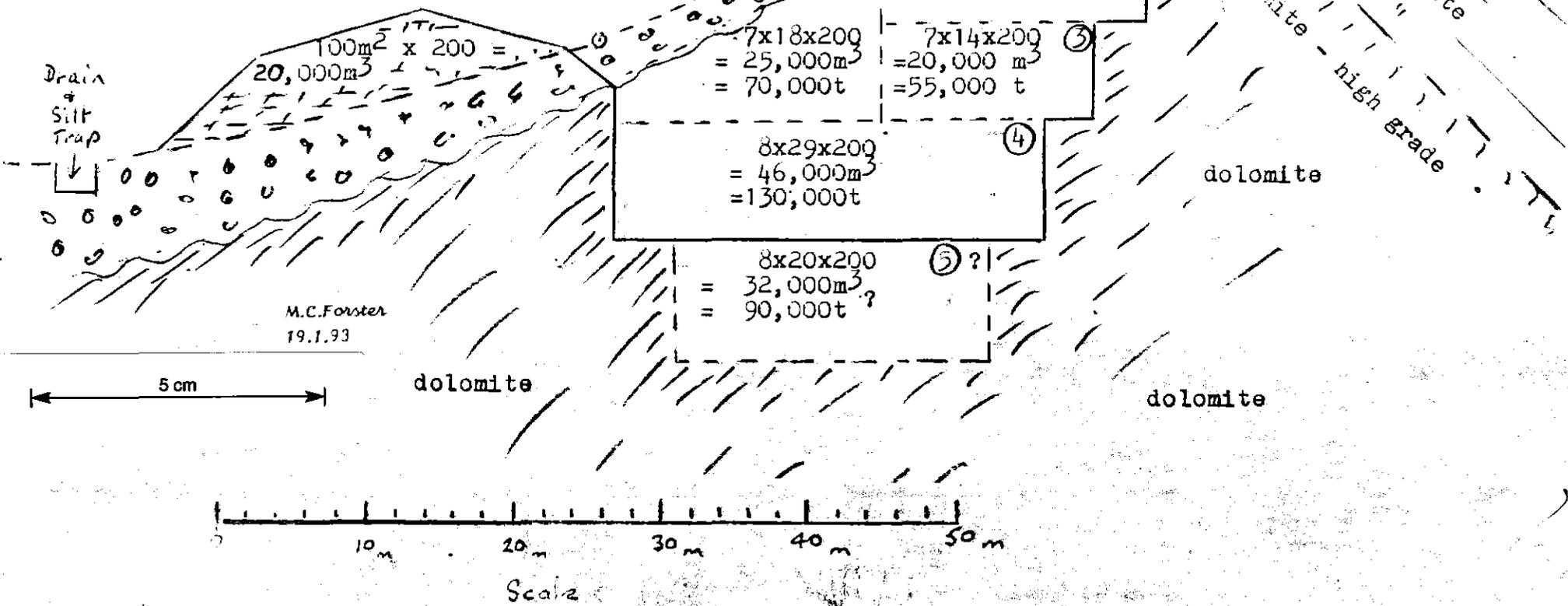
M.C. Foster

PROPOSED KALLISTA DOLOMITE QUARRY

943008

- 1 = 100,000t
- 2 = 70,000t
- 3 = 55,000t
- 4 = 130,000t
- 5 = 90,000t ?

Overburden	:	Dolomite
20,000m <sup>3</sup>	:	355,000t
= 1m <sup>3</sup>	:	18t
= 1m <sup>3</sup>	:	6.3m <sup>3</sup>



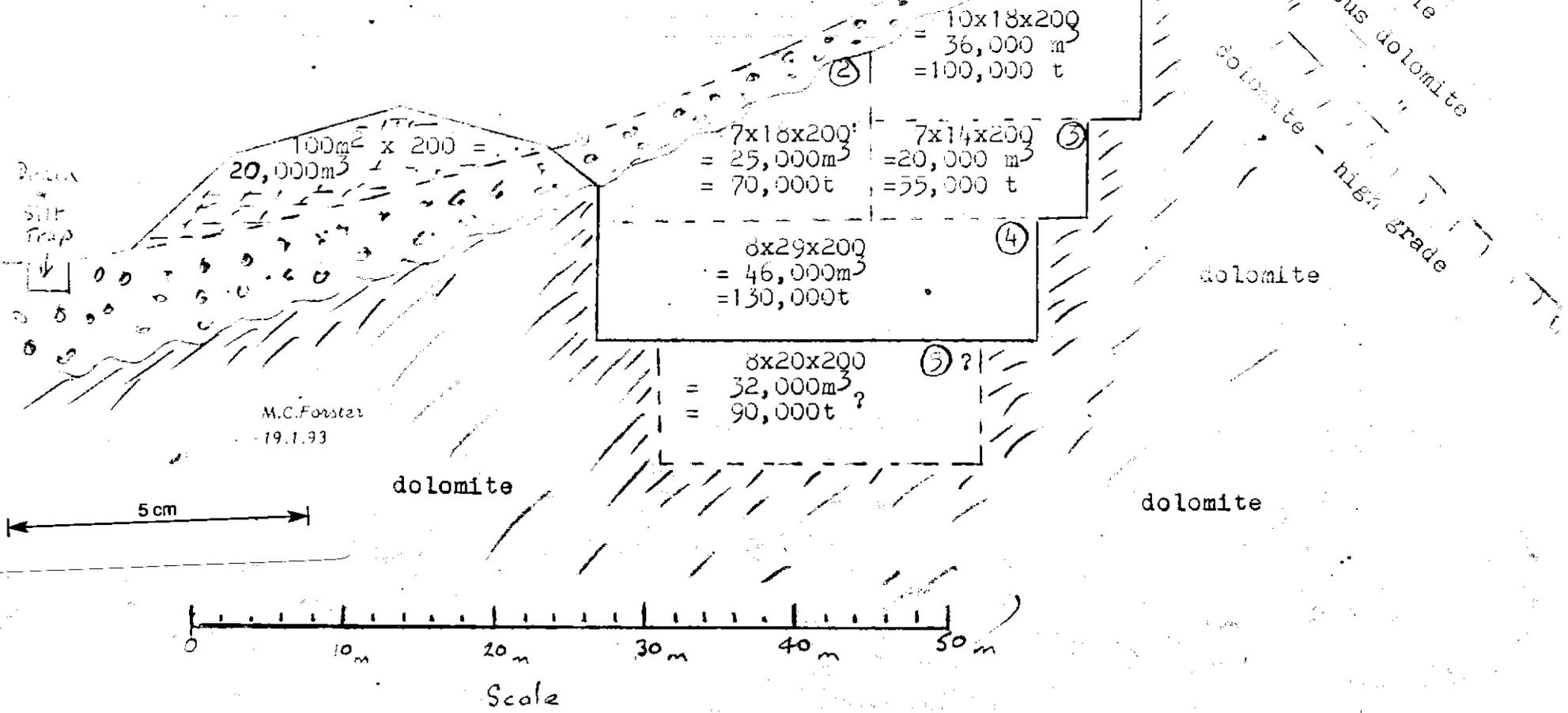
943009

MOUNT WELD MINING CO. Jan. 1993

PROPOSED KALLISTA DOLOMITE QUARRY

- 1 = 100,000t
- 2 = 70,000t
- 3 = 55,000t
- 4 = 130,000t
- 5 = 90,000t ?

Overburden :	Dolomite
20,000m <sup>3</sup> :	355,000t
= 1m <sup>3</sup> :	18t
= 1m <sup>3</sup> :	6.3m <sup>3</sup>







**SUMMARY OF WORK COMPLETED YEAR 5**

(CONTINUED)

**SILICA SAND**

Further testing of the silica sands from the Eastern Pine Hill deposit was carried out in Japan.

A sample of about 8 tonnes was sent to Yokohama and arrived on 6th July, 1993.

The purpose of the testing was to determine its suitability for optical glass manufacture.

A report on the testing is given in the letter from Cape Flattery Silica Mines Pty.Ltd. dated 17th September, 1993 as Page 10 of this report.

**CONCLUSIONS - DOLOMITE**

It is proposed to develop a small dolomite quarry at Kallista Hill to supply Eastern Tasmania with agricultural dolomite.

**CONCLUSIONS - SILICA SANDS**

High grade silica sands, with a wide range of particle size, have been located at Pine Hill and further testing is in progress, together with efforts to find markets for the mineral.

## CAPE FLATTERY SILICA MINES PTY. LTD.

A.C.N. 100 588 096

88 ABBOTT STREET, CAIRNS, QLD

FAX No (070) 603953

TELEX 48381

MINE TELEPHONE NO  
(070) 603953

FAX No (070) 518960

TELEPHONE (070) 515099

P.O. BOX 6212  
CAIRNS 4870

Mr. Mac Foster  
Lee Wave  
R.M.B. 341  
KINGSTON TASMANIA 7150

17th September 1993

Dear Mac,

Herewith is the report from Japan, on the sample, you kindly sent over there. Unfortunately it's in Japanese, so we've translated as best as we can. The main points are:

Two separate tests carried out

(a) <u>SAMPLE ONE:</u>	washed in clean water	-	Showed 46ppm Fe <sub>2</sub> O <sub>3</sub>
	After one pass over a magnet	-	36ppm Fe <sub>2</sub> O <sub>3</sub>
	After two passes over a magnet	-	34ppm Fe <sub>2</sub> O <sub>3</sub>

G.F.N. was 172 (+ 600 micron 5.8% pan 31%)

(b) <u>SAMPLE TWO:</u>	Material dried only	-	Showed 57ppm Fe <sub>2</sub> O <sub>3</sub>
	After one pass over a magnet	-	40ppm Fe <sub>2</sub> O <sub>3</sub>
	After two passes over a magnet	-	37ppm Fe <sub>2</sub> O <sub>3</sub>

G.F.N. was 202 (+ 600 micron 0.1% pan 33%)

hence problems arise

1. For ground silica 7ppm is required, quality of M.K.S. Burnie. (at present they reject their + 25ppm material)
2. Too much material above 600 micron
3. Too much material of pan size.

hence this material and its quality is caught between silica sand and ground silica for silica sand + 35% must be rejected and considering price, this is not suitable for ground silica. Grinding and treatment is expensive, the indicated levels of iron (Fe<sub>2</sub>O<sub>3</sub>) are much too high to contemplate this route.