

Figure 1
LOCALITY MAP

Scale 1 : 250 000

E.L. 4/88
9.5 km

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C O N T E N T S

Introduction

Tenure

Exploration

1988-1990

1990-1992

1993-1994

1994-1995 (current year)

1995-1996

Figures

1. Location Map(1:250 000)

2. Licence Area(1:25 000)

3. Mineral Lease Application(ML 1581P/M)5ha.(1:25 000)

4. Section Line showing lava flows at time of emplacement.
(1:25 000)

5a.Present day drainage(1:25 000)

5b.Pre&post lava flow drainage(1:25 000)

Introduction

The licence area (9 Skm.) is centred around an alluvial gold prospect in the valleys of Dorset and New Rivers and lie respectively west and east of a drainage divide (Garden Ridge) . This ridge contains Alberton and New River goldfields which are the primary source of the alluvial gold.

The area is situated 5 to 10 km. southeast of Ringarooma which lies about 100km.northeast of Launceston.

Tenure

<u>DATE</u>	<u>YEAR OF TENURE</u>	<u>AREA S.km.</u>	<u>LICENCE HOLDER</u>	<u>REMARKS</u>
18.8.88	1	9	Vic Threader	Date of issue
18.8.89	2	9	Vic Threader & Associates P/L	
18.8.90	3	9	"	
18.8.91	4	18	"	Additional area available
18.8.92	5	18	Vic Threader & Assocs.P/L + Mineral Banks(1932) P/L	
18.8.93	6	9	" "	Compulsory 50% reduction
18.8.94	7	9	" "	Current year

Exploration

1988-1990 : A seismic survey was conducted across the alluvial plain near the confluence of Dorset and New Rivers with 15m. cable. Some possible palaeochannels were located . After drilling two holes on the seismic line without intersecting basement it was decided to extend the survey further upstream where the alluvium may be thinner and to use a greater variety of geophone spacings. The second survey gave a probable depth to bedrock of >20m.

It was suspected that the seismic method was interpreting the weathering front within basement rather than the the interface between alluvium and bedrock. At this stage it was decided to prospect drill the ground downstream of the New River Alluvial Gold Mining Syndicate which was previously mined during the 1930s. and referred to later in this report as the Old Workings. The rationale for this change of tactics was to obtain more ground control which could be later applied to a reinterpretation of the seismic data.

1990-1992 : A churn drilling programme was carried out in the New & Dorset Rivers

with moderate success in the former where an economic resource has been proven. A mining team (P. Moore & G. Faulkner) has applied for a Mineral Lease over a 5 hectare area below the Old Workings and is expected to commence mining later this year.

Exploration in the latter area, i.e. the alluvials of the Dorset River valley were unsuccessful in locating payable ground. Most of the drillholes contained gold but were too widely dispersed to be of value.

1993-1994 : Some excavator pits were dug in the Old Workings. Occasional rich patches of virgin ground were encountered around the edges of the workings but it was not possible to enter the main workings which had been backfilled with tailings due to the extreme wetness of the ground. The original operation was by hydraulic mining and it would be of interest to know whether there is sufficient unrecovered gold in the tailings to justify reworking them. Short of draining the swamp for excavator access, the only practicable means would be by some form of hand boring machine.

Excavator pits were also dug in the alluvials in the extreme south of the Dorset valley but the ground proved too deep and wet for the machine to operate.

1994-1995 : It was anticipated that mining would have commenced on the New River Lead during the current term. It is essential to obtain a measure of the viability of the operation before any further exploration. If this venture proves uneconomic, it is doubtful if further expenditure can be justified.

1995-1996 : In anticipation of success in the above operation, the geomorphic model set out in the appendix to the Annual Report for 1992 has been reexamined and refined with a view to identifying further exploration targets for the next year of tenure.

The main point of interest is in the influence of the Tertiary lavas which flowed up the two river valleys thus impeding their flows and thereby creating a favourable environment for heavy mineral concentrations. This is more important in the Dorset valley where the source gold is located upstream of the H.M. trap, while in the New Valley the upstream ground is virtually barren.

In the previous treatment the top of the lava flow was taken as 290m. on the basis of levels of the basalt residual in the New River valley. This basalt has probably lost at least 10 if not 20 m. due to weathering. It is noted that ironstone gravels have been mapped up to the 310m. level in the Dorset Valley. (Geological Atlas Ringarooma 1:50 000). Such deposits have been observed elsewhere in the region as underlying the basalt.

Figure 2 of this report is a modified version of Figure 4 in the Annual Report for 1992; it shows the extent of the lava flows before their removal by erosion and also the inferred lakes created by the basalt barrier. Figures 5a. & 5b. show respectively, the present day drainage and that before the lava flows and also after them. It will be noted that all exploration drilling so far has been sited in areas previously covered by basalt which accounts for the prevalence of fine zircon in all heavy mineral concentrates from these holes.

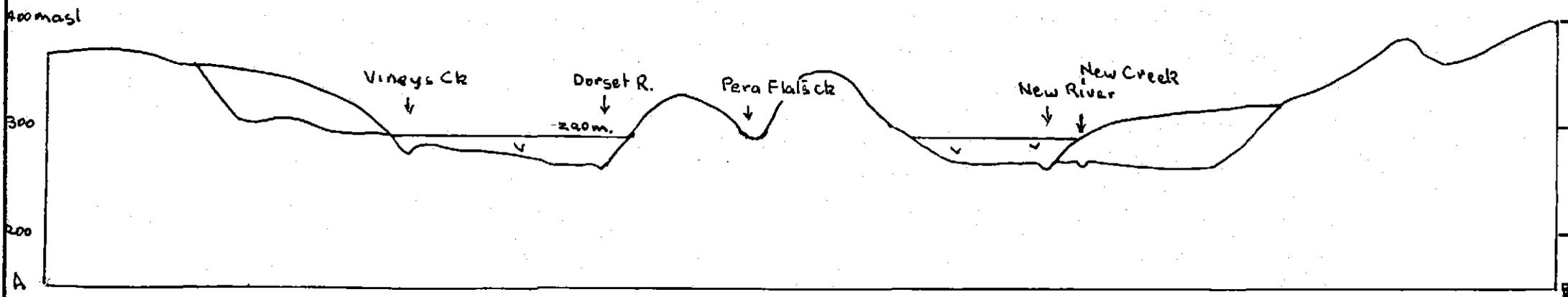
The immediate post lava drainage is inferred to have been by lateral streams: Vineys Creek and New Creek. there may also have been drainage outlets on the flanks of Garden Ridge: if there were they would have been eroded away by now but Pera Flats Creek may have been one such outlet.

The New River Lead was formed prior to the lava flows; after these flows had occupied the valley of Old Workings Creek, the creek would have been diverted to flow probably as twin lateral streams, picking up the flow from Crown Prince Creek and eventually flowing into New River further downstream. This explains why the present course of the stream only follows the course of the palaeochannel as far as its confluence with Crown Prince Creek (Figure 5b.).

Heavy mineral concentrations are therefore thought to be of pre basalt age as in the New River Lead and probably beneath the present course of the Dorset River, of post basalt age in the form of strandline deposits of inferred lava dammed lakes and a third type of deposit resulting from redistribution of HMs after the basalt barriers had been removed by erosion; as along Vineys Creek. Exploration during the next term will be directed towards drilling/excavating further upstream in the Dorset Valley in the light of the revised location of the inferred barrier which would have served as a HM trap. 2) an assessment of the grade of tailings in the Old Workings & 3) following the New River Lead downstream from the mineral lease as far as it is viable, on the assumption that the operation is successful.

The exploration so far has shown that the ground has a high clay content, fine particle size of gold and a high water content. These factors, coupled with up to 3m. of overburden may make the operation uneconomic unless compensating high grade is found. A successful operation would justify continuation of exploration and provide some well needed encouragement to carry it forward.

*Three unnamed watercourses which are shown on the 1:25 000 topographic sheets and which are essential to the geomorphic model have been named for convenience. These are: New, Pera Flats & Old Workings Creeks.

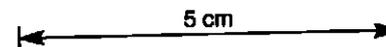


EL4/88 PERA FLATS

Section AB looking North showing pre basalt and present day profiles.

Scale 1:25,000

V/H=5

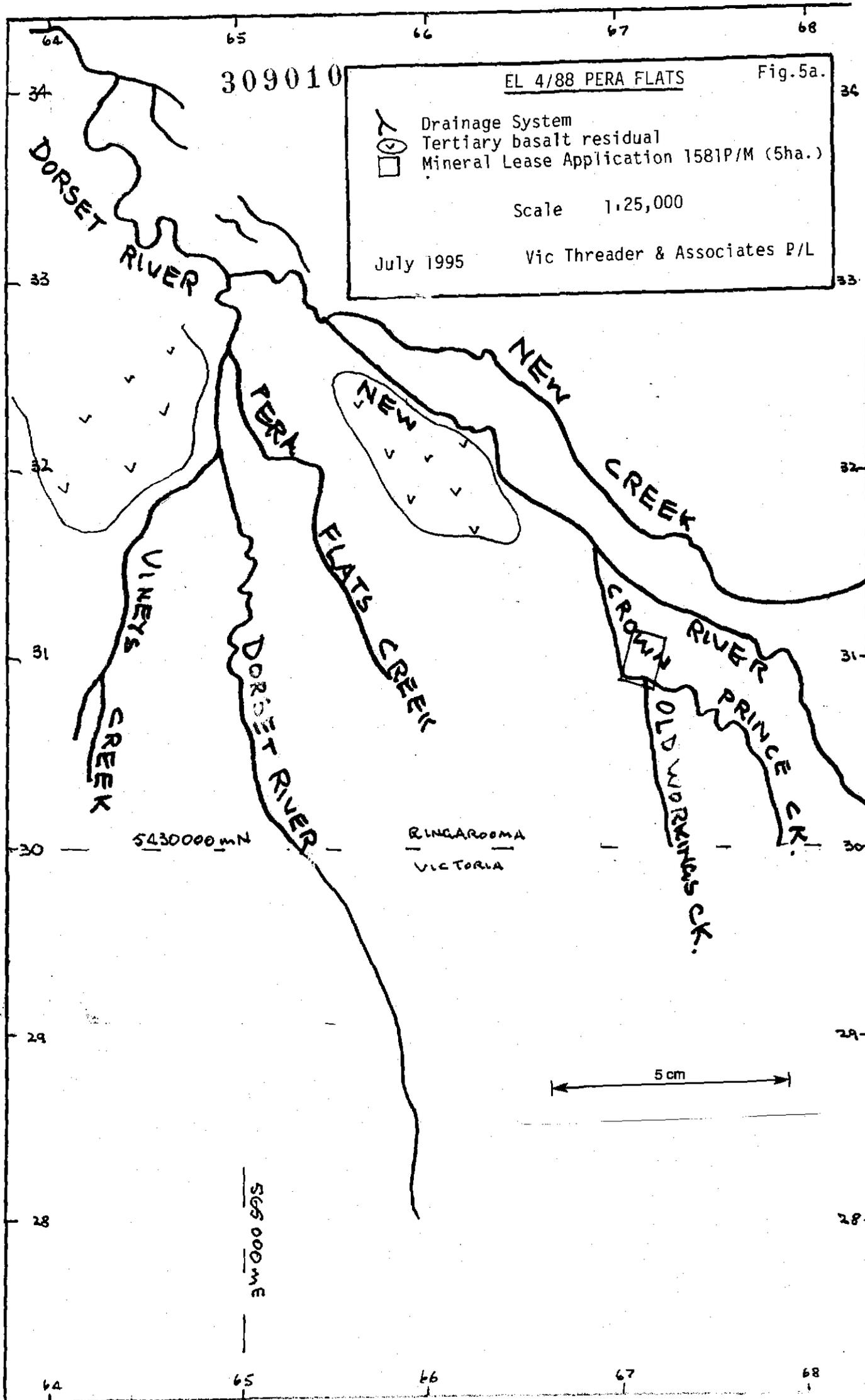


July 1995

Vic Threader & Associates Pty.Ltd

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Fig.4



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EL4/88 PERA FLATS

Fig.5b.

-  Original extent of lava flow
-  Previous drainage
-  Drainage after lava flow
-  Lakes caused by damming of pre-basalt drainage
-  MLA 1581P/M

Scale 1:25,000

July 1995

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