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TENEMENT INFORMATION

E. L. 16/93 covers an area of 12km(2) in the district of Dorset in the vicinity of St. Patricks River.

The country rock is mathinna beds with some Alluvium and Devonian Granodiorite within the Eastern Edge.

MINING HISTORY

There are two small areas within the Tenement which have been previously mined, the first is in the North Western corner of the E. L. 16/93.

This working covers an area of approximately 100m x 30m and is of open-cut nature. The area is said to contain a small amount of gold and silver.

Most of the old working is now under water, as it has been turned in to a dam.

The second is an adit and trenches located near the contact zone in the North Eastern corner of the E. L.

SUMMARY OF WORK COMPLETED

Work completed for this year was mainly concentrated around the adit near the contact zone.

This work was B and C horizon soil samples taken to the East of the adit.

One stream sediment sample was taken above the alluvial workings which was insufficient for a gold assay, but assayed well for zinc.

DETAILS OF SPECIFIC SURVEYS

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Soil Sampling: This program consisted of four B-Horizon soil lines and were at 100m intervals and taken on a bearing of 200 degrees magnetic.

Samples were taken at 20m intervals and line length was 340m, Two small trenches were located (1m x .5m) near the top of the hill. Making a total of six trenches. *- locs?*

The first line (Line 9[?]), directly above the adit, was assayed for gold and arsenic. Analytical method was aqua-regia digest with AAS finish. Detection limit was 1PPb for gold and 4PPm for arsenic.

*locate lines on AMG
Show Adit*

336000

Gold grades ranged from less than one PPb up to 65 PPb directly above the adit, arsenic graded from 5PPm up to 220 PPm directly above the adit.

A smaller mineralized fault seems to have been located approximately 160m further to the north with gold and arsenic grades 4PPb and 28PPm respectively.

Lines 10 thru 13 have yet to be assayed. A stream sediment sample was taken above Dunns workings in the north west of the tenement.

The sample was insufficient for a gold assay. But assayed 35PPm Cu, 25PPm Pb 219PPmZN and 5.5PPm As.

CONCLUSION

Soil line 10 thru 13, around the adit, will have to be assayed to determine if any more work should be done in this area. Rock types are very encouraging on the top of the hill to the east, with a red schist believed to be pin pointing the faults.

Stream sediment samples will have to be retaken, especially near Dunns workings as base metal assays are similar to the creek near the adit.

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EXPLORATION PHILOSOPHY

"To build a discovery to a minable asset".

EXPLORATION OBJECTIVE

To explore the area of E. L. 16/93 for hard rock gold deposits because of previous exploration and mining.

PROPOSED FUTURE EXPLORATION

Approval will be sought, with the licence renewal, to do more work in the north west of the area.

This work will consist of stream sediment samples taken in two creeks near the old workings.

This will be followed by B & C Horizon samples taken around where the minerals are shedding into the creeks.

Soil samples from lines 10 thru 13 will be assayed and depending on results more lines may be run further to the east and west to determine strike length and mineralization.

Depending on results, this could be followed by trenching and shallow drilling to determine the extent of ore bodies present.

Final

ANALYTICAL REPORT

SAMPLE	Au	Au	Dp1	As
555B	<1		--	6
556B	<1		--	6
557B	<1		--	7
558B	<1		--	8
559B	1		--	7
560B	<1		--	6
561B	4		--	12
562B	3		--	28
563B	3		--	25
564B	1		--	8
565B	<1		--	5
566B	<1		--	25
567B	5		--	19
568B	<1		--	38
569B	3		--	62
570B	65		35	220

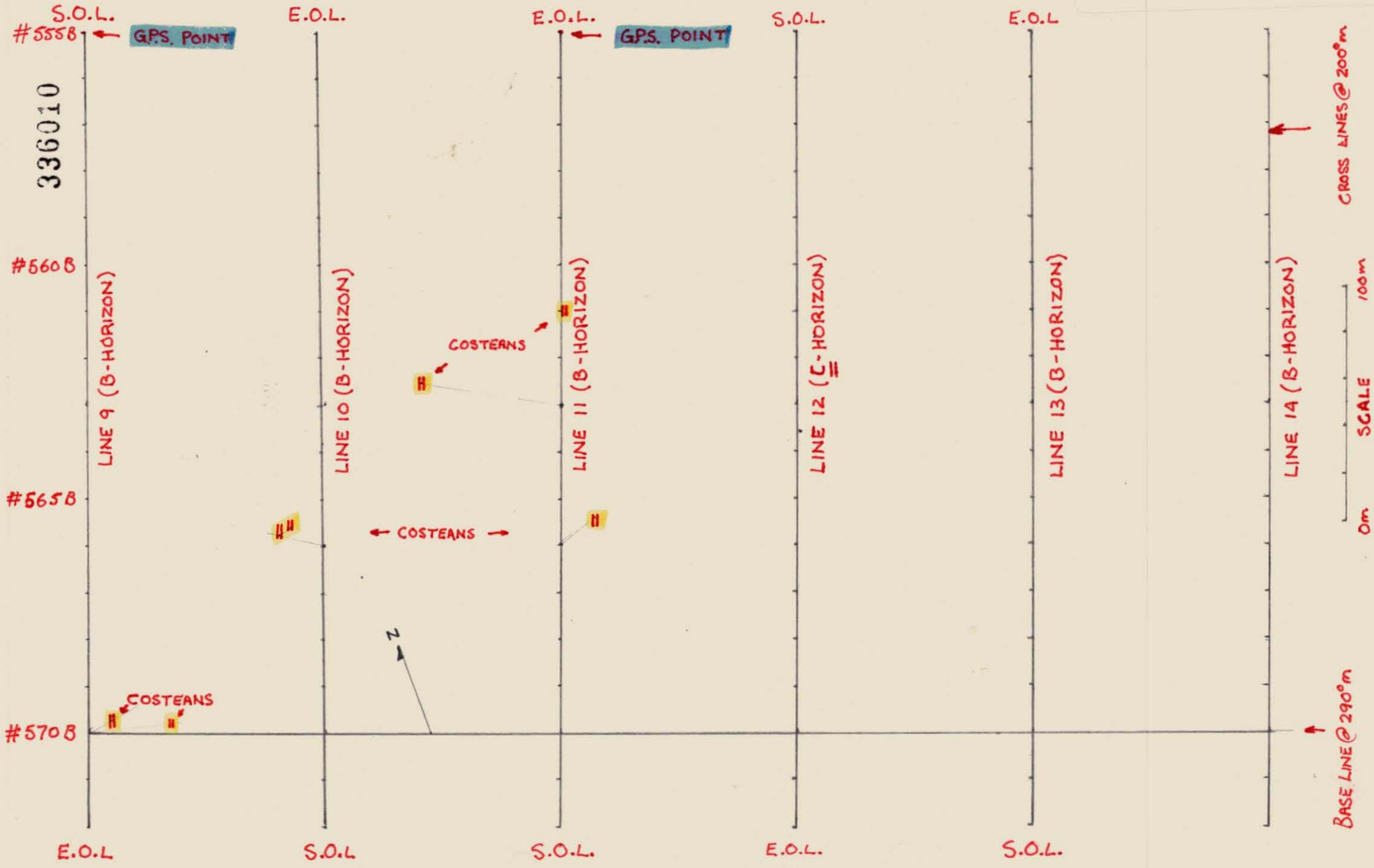
UNITS	ppb	ppb	ppm
DET. LIM	1	1	4
SCHEME	AA9	AA9	XRF1S

STREAM SEDIMENT SAMPLE
(DUNNS WORKINGS)

AMG REFERENCE POINTS ADDED



5 cm







336012

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Our Ref:19092
IRG:ds

1st August, 1996.

Mr. R. Holden,
P.O. Box ?
KINGS MEADOWS, 7249.

Dear Rod,

Re: GPS surveys.

Further to our field demonstration last Thursday, we are pleased to advise the following:

- Co-ordinates of points surveyed:

Point	Easting	Northing	R.L.	Remarks
START End 09	536 962	5 428 673	651	c.l. track
End 11	537 115	5 428 570	626	in euc. plantation

- Comments on the GPS survey:

The fix on both points has a standard deviation of ± 8 metres (horizontal) and ± 25 metres (vertical) on point END 09 and ± 8 metres (vertical) on point END 11.

A plot (at 1:25000) of the two points is included. With reference to the 1:25000 map, it is noted that point END 09 plots in a gully. After discussion with a senior mapping officer of Forestry Tasmania, we are advised that Forestry Tasmania has found that many gullies depicted on the 1:25000 map sheets have been extended too far (up hill). This certainly appears to be the case in this instance. It may also be worthwhile to contact Mr. Ed Tuohy of Forestry Tasmania, Launceston for a copy of his latest map of the roading in this area.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]