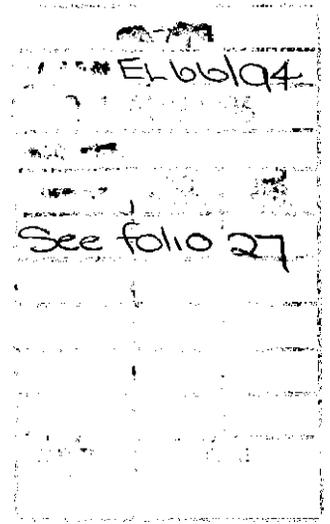


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A N N U A L R E P O R T

to

MINERAL RESOURCES TASMANIA

1995-1996

MICROFILMED
FICHE No.014042-

EL 66/94 SMITHTON

by

VIC THREADER

for

MINERAL HOLDINGS AUSTRALIA PTY LTD

96-3906

ANNUAL REPORT - SMITHTON
 EL 66/94 - MINERAL HOLDINGS
 V. THREADER

C O N T E N T S

Introduction

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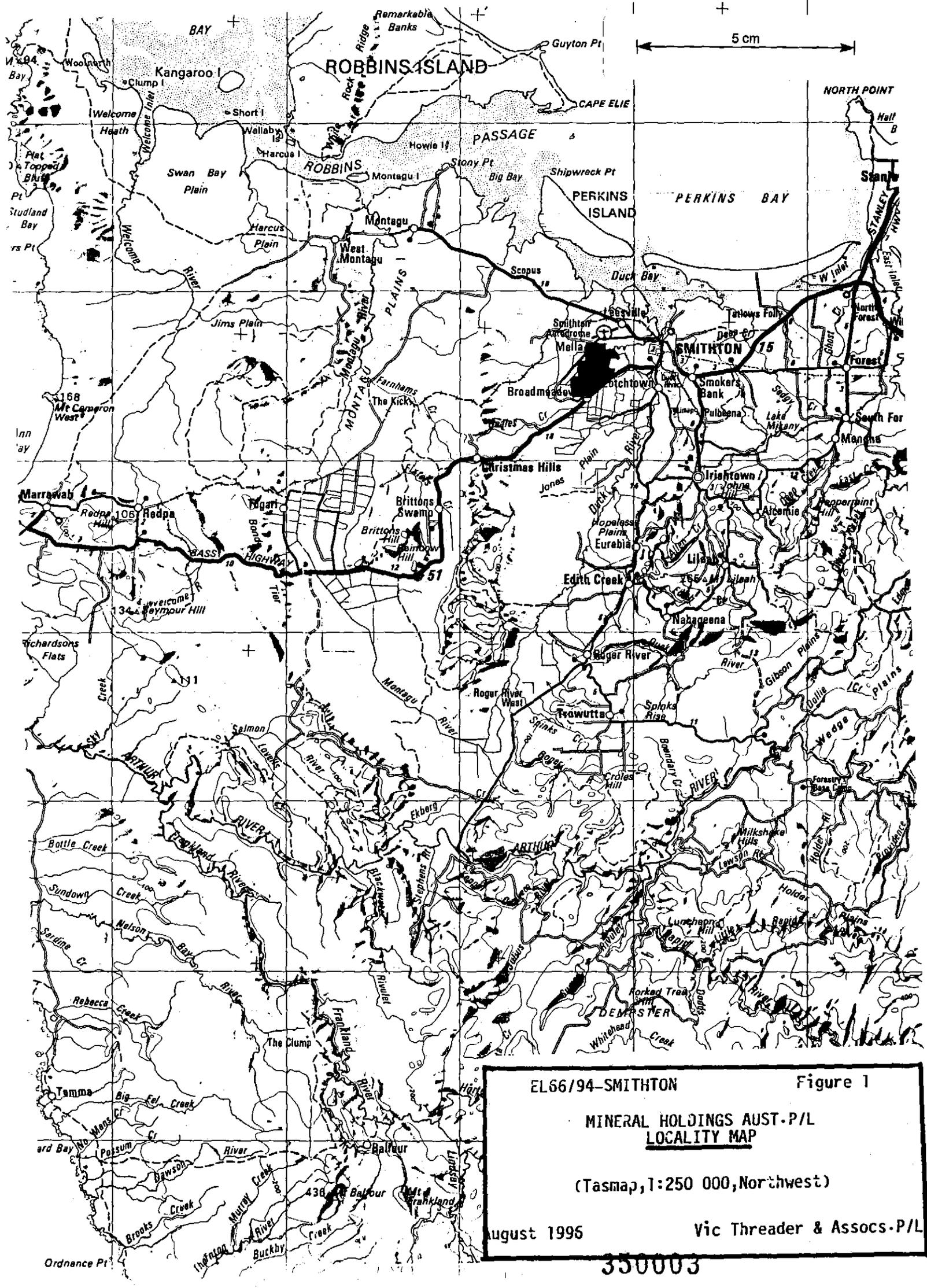
Proposed Exploration

Figures:

1) Locality Map (1:250,000)

2) Geological Map (1:50,000)

3) Borehole Locations (1:25,000)



EL66/94-SMITHTON Figure 1
MINERAL HOLDINGS AUST-P/L
LOCALITY MAP
 (Tasmap, 1:250 000, Northwest)
 August 1996 Vic Threader & Assocs-P/L

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INTRODUCTION

The objective in this licence is to find economically minable deposits of dolomite of acceptable quality for use in the metallurgical industry.

EL 66/94 is situated 5 km. west of Smithton and is bounded on the south by Bass Highway. It is in contact with the Duck River Reserve in its northeastern corner and with a mining lease (ML102M/71) on its eastern boundary.

The region is flatlying and virtually cleared of natural vegetation.

Mean annual rainfall is 1300mm.

The main land use is dairying.

TENEMENT DETAILS

EL66/94(5Skm.)all minerals,was issued on 5 September 1995

GEOLOGY & GEOMORPHOLOGY

The licence area lies in the Smithton Quadrangle (Geological Atlas 1:50,000 Series Sheet 7916S)

The Smithton Dolomite, which occurs in the Duck and Montagu River basins is overlain almost continuously by Holocene sand silt and clay. There are no known outcrops in the licence area but it has been occasionally exposed in drainage channels as in the Quarry Reserve No.2105 (Figure 3). It is also exposed in the banks of Duck River, about 1km. to the east of the licence (Figure 2).

Depths to bedrock from water bore data printed on the geological map and augmented from more recent information in MRT files indicate a highly variable thickness of overburden in the licence area, which, in some cases would be prohibitive for economic mining.

Topographically, the land is flat and contains no natural watercourses. Drainage is effected by artificial channels which discharge into Duck River.

PREVIOUS EXPLORATION

There has been no previous exploration for dolomite in the subject area, but there has been a considerable amount in neighbouring areas. 1) In 1947, BHP conducted a diamond drilling programme to the east of Watsons Bend and proved a resource of dolomite which is detailed in the 1984 Annual Report by MHA for EL43/84 (TCR87-2708). This is the site of the quarry operated by the Circular Head Dolomite and Trading Company.

2) During 1990 & 1991, MHA conducted hammer drilling programmes in EL25/89 which were reported in the Annual Reports for those years.

CURRENT EXPLORATION

Three percussion holes were drilled along the eastern boundary of the licence. The choice of sites was made on the grounds of proximity to previous exploration, possibly thinner overburden and less likelihood of disturbance to farming.

Results:

BH No.	AMG Reference		Depth(m.)	Log
	m.E.	m.N.		
SP1	338400	5475300	0- 2	Overburden
			2- 17	Light grey dolomite
SP2	338470	5476000	0- 16	Overburden(hole aborted)
SP3	338570	5476200	0- 0.5	Dolomite(outcrop)
			0.5-13	Silt.(hole aborted)

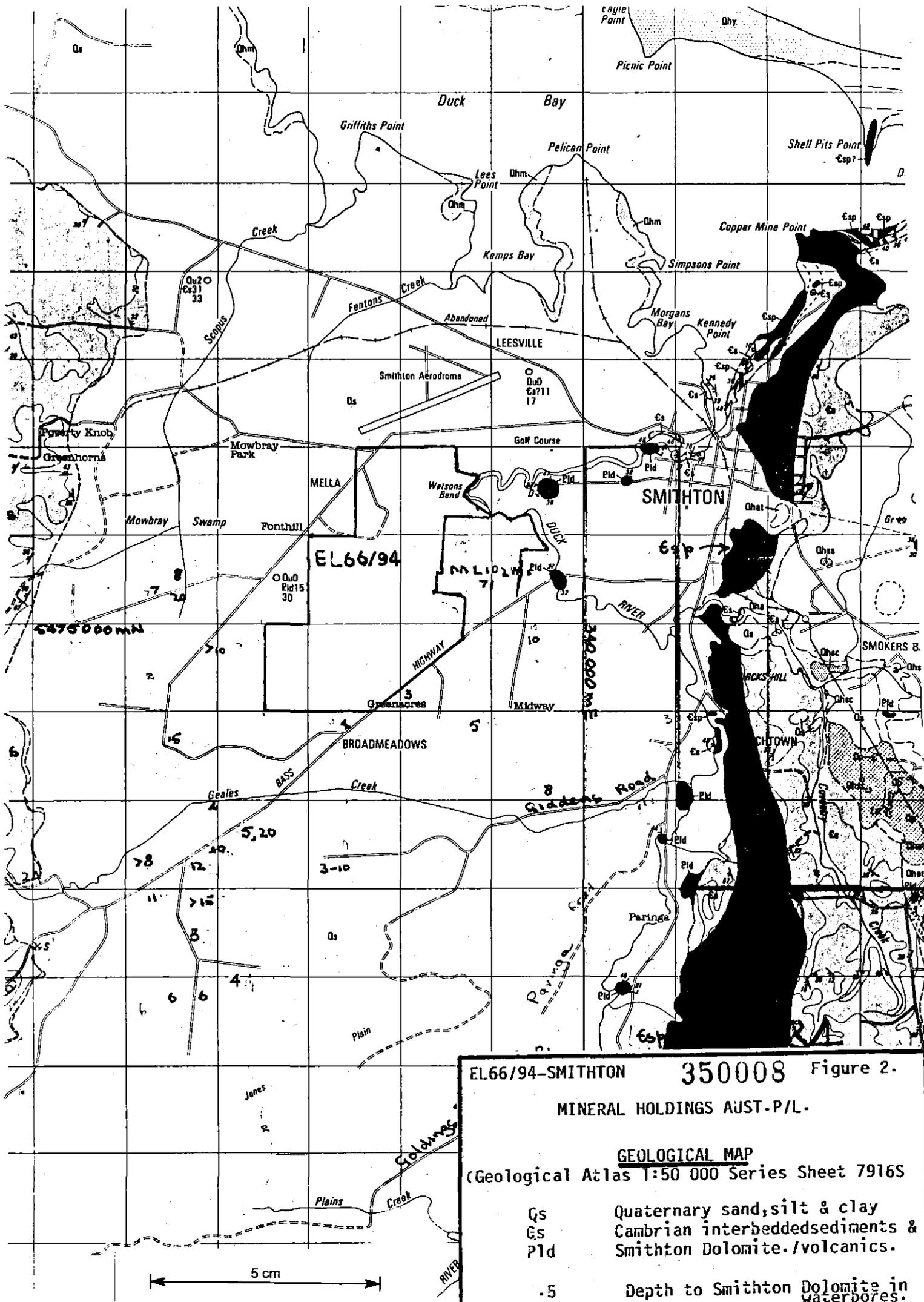
SP1 is an obvious target for further drilling; in SP2 the ~~dolerite~~ ^{dolomite} is too deep for economic quarrying and SP3 which was thought to be collared on outcrop was apparently on a boulder in a bed of river silt. With regard to overburden thickness, it is noted that sub-outcropping carbonate rocks characteristically have a variable profile and an excessive thickness in one hole does not preclude a site from further consideration. At this stage of the investigation, however, the more favourable sites will be considered first.

PROPOSED EXPLORATION

For the reasons stated above, further drilling is intended in the immediate vicinity of SP1.

A second target area is indicated on Figure 3 which, from the residential point of view is the most remote area of the licence. An operation here is least likely to cause environmental nuisance.

It is proposed to integrate this programme with that on EL33/90 at Togari as was done in 1996.



EL66/94-SMITHTON 350008 Figure 2.
 MINERAL HOLDINGS AUST-P/L.
GEOLOGICAL MAP
 (Geological Atlas 1:50 000 Series Sheet 7916S
 Qs Quaternary sand, silt & clay
 Cs Cambrian interbedded sediments &
 Pld Smithton Dolomite./volcanics.
 .5 Depth to Smithton Dolomite in
 Waterbores.
 August 1966 Vic Threader & Assocs-P/L.

