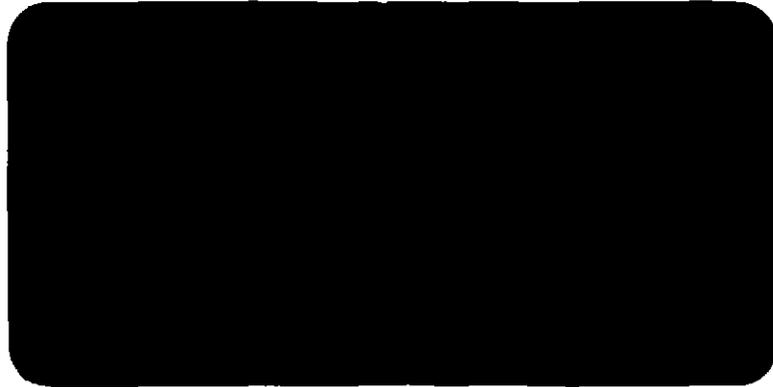


96-3917

352001

BEACONSFIELD MINE JOINT VENTURE



MICROFILMED
FICHE No.014063-

96-3917

BEACONSFIELD MINE JV - EL 20/94
ANNUAL REPORT 1995-96
P.B.HILLS

ALLSTATE EXPLORATIONS NL

BEACONSFIELD MINE JOINT VENTURE**E.L. 20/94****ANNUAL REPORT 1995 - 96****TABLE OF CONTENTS**

	Page No.
1. SUMMARY	2
2. LAND TENURE	4
3. WORK COMPLETED 1995 - 96	6
4. WORK PROPOSED 1996 - 97	8
5. EXPENDITURE	9

FIGURES

Figure 1	Locality Plan	5
Figure 2	Aeromagnetic Map of E.L. 20/94	7

1. SUMMARY

E.L. 20/94 covers approximately 41km² stretching from the southern outskirts of the township of Beaconsfield south to Winkleigh Road some 10km west of Exeter.

Geological interest is focussed on a sequence of Cambro-Ordovician sediments which have been thrust into a series of four subparallel strike ridges dipping northeast at about 50°. These are overlain at the southern end of the licence by Devonian sediments which here form part of the thrust sequence. These rocks are currently not well understood but have lithological, morphological and palaeontological affinities with the Mathinna Beds of north-eastern Tasmania. The thrusting event, during the middle to upper Devonian, gave rise to a series of crosscutting dilational structures, which in the brittle conglomerate and sandstone units of the lower Ordovician Cabbage Tree Formation, host quartz-ankerite reef-style gold mineralisation. The largest of these reef deposits, the Tasmania Reef some 1km north of E.L. 20/94 historically produced in excess of 800,000 ounces of gold. Historical production from within E.L. 20/94 came from the Salisbury Hill Goldfield during the period when the Tasmania Reef was being exploited around the turn of the century. Some adits were driven and a small stamp mill constructed, although most production came from alluvial workings in the area. No production records survive.

Approximately 50 percent of the exploration licence is overlain with Permian and Tertiary cover. However, outcrop of the most prospective rocks is generally fair to good. The post-Devonian rocks are not considered to have economic significance at this time.

Work during 1995 - 96 included

1. Mapping and sampling of the TEMCO Quarry on the western flank of Cabbage Tree Hill.
2. Interpretation of airborne geophysical data.
3. Preliminary investigation and sampling of the Salisbury Hill workings.

The work programme planned for 1996 - 97 includes:

- Compilation and consolidation of all existing data into a GIS database.
- Reconnaissance style mapping and sampling in verification of the GIS database.
- Detailed mapping and sampling of accessible historical workings at the Salisbury Hill prospect at the southern end of Salisbury Hill.

- Percussion drilling (RAB or RC) of the Salisbury Hill Prospect.
- Reconnaissance mapping and geochemical sampling of Peaked Hill and the southern third of the lease east of Flowery Gully.
- Detailed studies on the structural and geochemical controls on mineralisation as part of a University of Tasmania Honours Project covering E.L. 20/94 and E.L. 7/88.

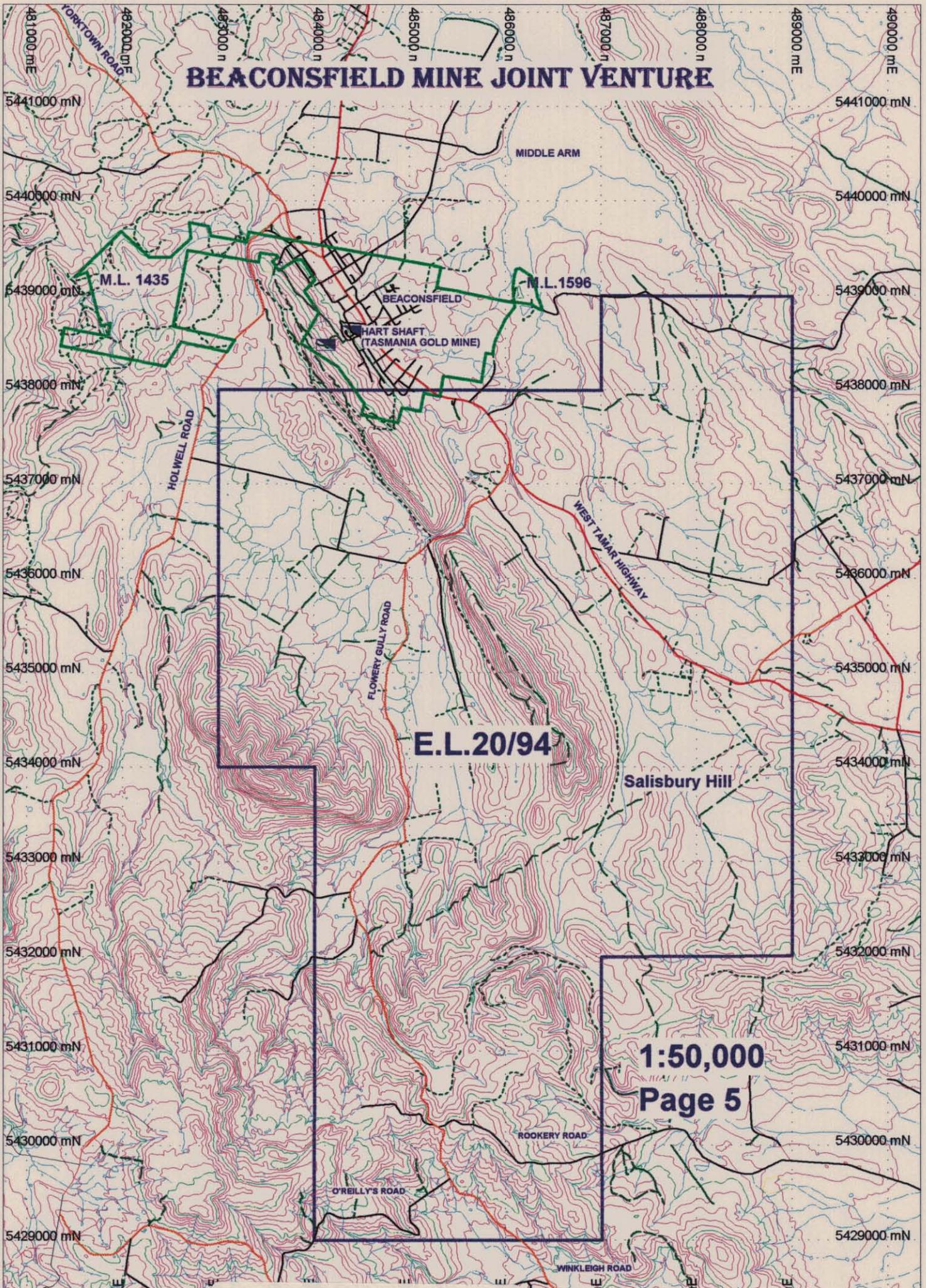
2. LAND TENURE

E.L. 20/94 covers an area of 41km² stretching from the southern outskirts of the township of Beaconsfield south to the Winkleigh Road some 10km west of the township of Exeter. Land use includes rural and residential holdings over approximately 60% of the area, four mining leases held by other parties over approximately 10% of the area and state forest over the remaining 30%. The land is held under the name of Allstate Prospecting Pty Ltd on behalf of the Beaconsfield Mine Joint Venture and is subject to the Beaconsfield Mine Joint Venture Agreement.

Mining Leases M.L. 1435 granted in respect of the rehabilitation of the Tasmania Gold Mine and also subject to the Beaconsfield Mine Joint Venture Agreement overlaps approximately 1km² of E.L. 20/94 at a depth of 350m under the Beaconsfield township. However, the exploration licence is in place at the surface. (Figure 1).

The current Licence expires on 28 October 2004.

BEACONSFIELD MINE JOINT VENTURE



E.L. 20/94

Salisbury Hill

1:50,000
Page 5

5 cm

352007

3. WORK COMPLETED 1995 - 96

3.1 TEMCO QUARRY

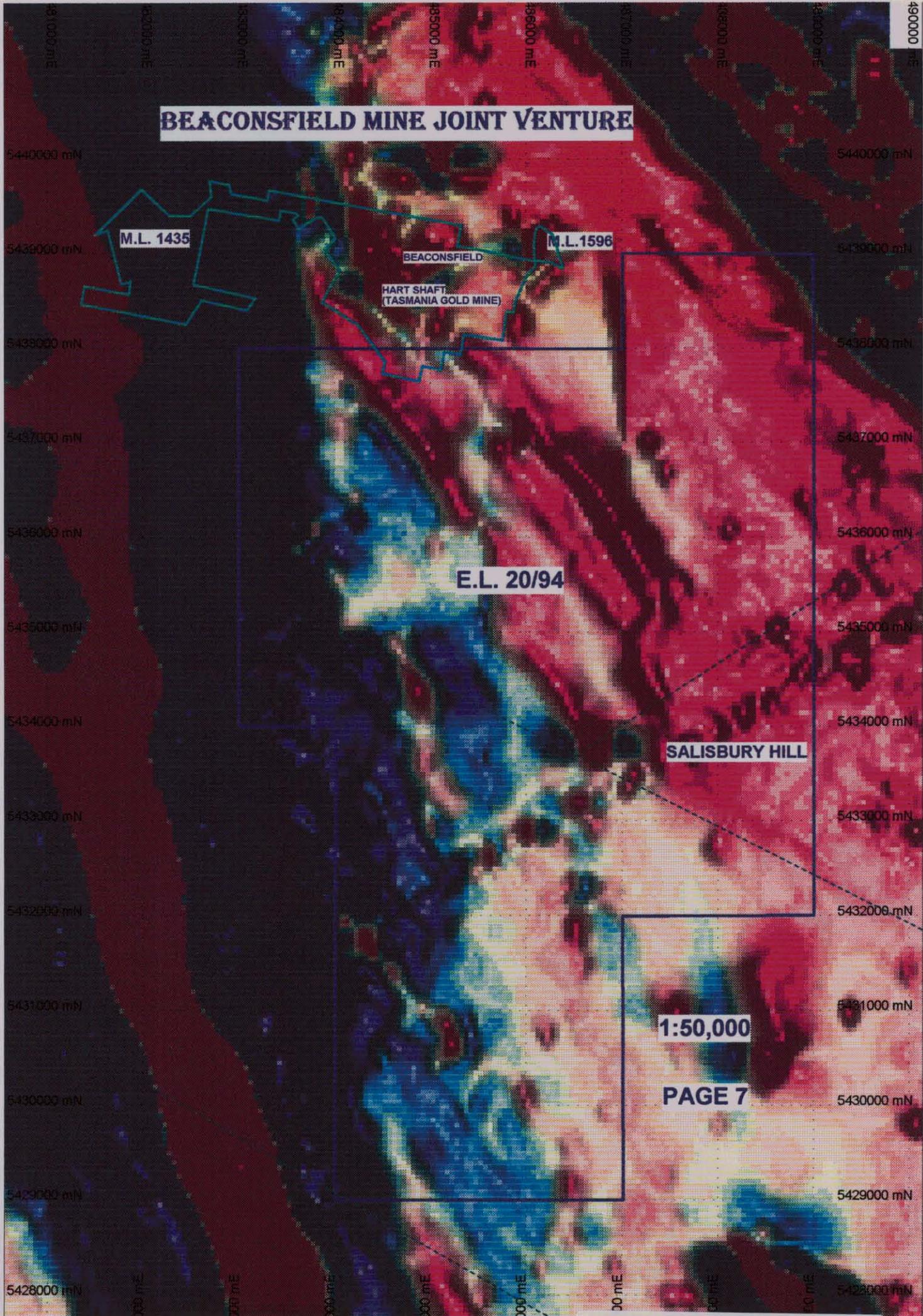
Work commenced on detailed geological mapping and sampling of the TEMCO Quarry on the western flank of Cabbage Tree Hill. This work is being completed on land that is technically not part of E.L. 20/94, being as it is, an excised mining lease held by TEMCO, B.H.P. and Boral. However, relevant permission has been sought and obtained from the lease holders and as the quarry represents the best available surface exposure of the Cabbage Tree Formation in the vicinity of the Tasmania Reef gold deposit, channelling of E.L. 20/94 expenditure towards this activity is considered appropriate. It is anticipated that the information gathered from this work will provide a strong basis for structural and stratigraphic mapping elsewhere on the property where suitable outcrop is severely limited.

3.2 GENERAL ACTIVITIES

Preliminary interpretation of an aeromagnetic survey flown in March - April 1988 was undertaken during the year. The images generated thus far require further refinement but a strong anomaly is clearly visible over the Salisbury Hill prospect and Cabbage Tree Formation strike ridges, due probably to serpentinite at the base of the thrust slices (Figure 2). A graben like structure has been interpreted over the southern portion of the licence. The Cabbage Tree strike ridges continue through this area at depth beneath Devonian cover considered equivalent to the Mathinna Beds.

All of the Salisbury Hill workings have been located in the field and some collar locations of previous drill holes identified. Access was gained to the Powerline Adit at the south end of the ridge where shallowly dipping quartz veins and altered wall rock were sampled. Results ranging from 0.022g/t Au to 2.740g/t Au were returned from assay. Mullock sampling of the Victoria Adit material returned low values of 0.009g/t Au.

BEACONSFIELD MINE JOINT VENTURE



352009

5 cm

4. WORK PROPOSED 1996 - 97

Exploration over E.L. 20/94 during 1996 - 97 will be closely integrated with activity on neighbouring lease E.L. 7/88. Work commenced on 30 September 1996 and will include:

- Completion of detailed mapping and geochemical sampling of the TEMCO Quarries on Cabbage Tree Hill.
- Compilation of all existing exploration data into a GIS based database and production of detailed geological base maps. Verification of the geological mapping on the ground and infill and follow-up detailed mapping as required.
- Detailed mapping and sampling of historical workings at the Salisbury Hill prospect, incorporating relogging and integration of information from diamond drill holes S1 - S6 drilled during the 1970's and 1980's.
- Follow-up RAB and/or RC drilling over the Salisbury Hill prospect, leading to further RC and/or diamond drilling of identified targets in 1997-98.
- Proportional investigation as part of a BMJV sponsored Honours projects at the University of Tasmania.

Expenditure of up to \$24,300.00 is approved for the remainder of 1996 to complete mapping and sampling of the TEMCO Quarry and commence percussion drilling at Salisbury Hill, although the latter activity is likely to be postponed until February/March 1997. A further \$5,000.00 has been approved for sponsorship of Honours projects at the University of Tasmania.

A further budget in the order of \$30,000.00 - \$50,000.00 is anticipated in 1997 to complete the programme outlined above.

5. EXPENDITURE**5.1 1995 - 96 Expenditure**

General	\$13,189
Temco Quarry (Commenced 30/09/96)	\$8,000
	<hr/>
E.L. 20/94 Total	\$21,832

5.2 1996 - 97 Expenditure (Currently Approved Only)

TEMCO Quarry	\$8,300
Salisbury Hill	\$8,000
Honours Students (University of Tasmania)	\$5,000
	<hr/>
E.L. 20/94 Total	\$21,300