243001

ACACIA METALS PTY LTD

R.L. 8810-MOINA, TASMANIA
ANNUAL REPORT
FOR THE PERIOD TO 21-10-96

Author: C.R. Mackay
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Distribution:
1. Tasmanian Department
2. CRA Exploration, Melbourne
3. Acacia Metals Pty. Ltd., Melbourne

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1.0 INTRODUCTION

R.L. 8810 was granted to the Shell Company of Australia Ltd and CRA Exploration on 21.10.88 for a 3 year term. It was renewed for a further 3 year term until 20.10.97 in 1994. Shell's interest in the project was assigned to Acacia Metals Pty. Ltd. late in 1994.

The licence covers a $2km^2$ area of which the greater part is Crown Land. A $0.6km^2$ segment is private land. The title was granted to cover probably Australia's largest resource of fluorite-tin and tungsten bearing wrigglite skarn comprising 26.5Mt of 18% CaF_2, o.1% W and some significant zinc and gold intersections.

The western part of the title incorporating the fluorite-tin-tungsten resource is covered by the Moina joint venture between Acacia and CRAE with each party holding a 50% equity and the former managing J.V. interests (Figure 1). The eastern part of the title (east of the Bismuth Creek and Hugo faults) covers a number of interesting Zn-Au intersections in skarns which are the subject of the Hugo joint venture in which Goldstream Mining NL and Titan Resources NL can earn a 50% equity with CRA and Acacia each diluting to 25%. This J.V. commenced on 9.9.93.

2.0 WORK CONDUCTED

2.1 MOINA JOINT VENTURE

No work has been conducted during the term on the fluorite resource. The annual report of Randell, J.P. No. 08.5593 in Sept. 1991 reviewed resource, marketing and financial implications of the project which is the most recent appraisal. On the marketing front there have been no significant changes that may impact on the projects viability.

The only work conducted on the joint venture during the period were steps to make safe the Shepherd and Murphy Mine workings. These works were completed by Newnham Exploration and Mining Services and included:

(a) Placing steel grids, erecting barbed wire fencing and attaching warning signs on fences, on the Main Shaft and No. 5 vent shaft.

(b) Placing steel grid over the portal of No. 3 Adit, erecting barbed wire fencing and attaching warning signs around the portal and portal entrance.

(c) Erecting two warning signs on the former mill foundations.

(d) Erecting warning signs adjacent to the No. 4 Creek Drive Adit, No. 2 Adit, No. 1 Adit, "Unnamed" Adit.

(e) Erecting general warning sign on track below eastern open stopes.

(f) Erecting barbed wire fence and attaching warning signs around the No. 6 Lode open stopes east of the Main Shaft.

Copies of photographs depicting the completed safety works are included as Plates 1 to 13.

2.2 HUGO JOINT VENTURE

Lyndsay Newnham of Newnham Exploration and Mining Services has supervised exploration in the Hugo J.V. area on behalf of Goldstream Mining and Titan Resources.

A programme of three diamond drillholes was completed during January-February 1996 to further test the Au-base metal potential of the Hugo Skarn. A report by L. Newnham on the drilling has been incorporated as Appendix 1.

3.0 EXPENDITURE

3.1 MOINA JOINT VENTURE 1-10-95 TO 30-9-96

	$
Staffing	1,840
Support Costs *	16,400
Geology	192
Technical Services	937
Overheads	1,937
TOTAL	**21,306**

* includes Newnham Exploration's charge to make safe the Shepherd and Murphy Mine workings.

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3.2 HUGO JOINT VENTURE 1-10-95 TO 30-9-96

	$
Accommodation	-
Analysis	829
Drafting & Maps	156
Drilling	65,503
Equipment Hire	5,717
Freight & Cartage	335
Geological Consultants	15,350
Legal Fees	-
Office Expenditure / Consumables	383
Salaries	856
Tenement Costs	-
Travel	2,408
Vehicles	120
Overheads	9,165
TOTAL	**$100,822**

4.0 PROPOSED WORK

No field exploration work is anticipated on the Moina J.V. area.

On the Hugo J.V., Titan / Goldstream have proposed a further diamond drilling programme, which is underway at the time of this reports compilation. The programme will include 300 to 600m (2 to 4 holes) of diamond drilling depending on initial results. The proposed programme is included as Appendix 2. The programme is expected to cost between $48,000 and $80,000.

5.0 REFERENCES

Randell J.P., 1991, Moina Joint Venture-R.L. 8810: 1991 Annual Progress Report.

APPENDIX 1

RL8810-MOINA AREA
REPORT ON DRILLING PROGRAMME JAN-FEB 1996

By L.A. Newnham

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NEWNHAM EXPLORATION & MINING SERVICES

RL 8810 - MOINA AREA

REPORT ON DRILLING PROGRAM

JAN - FEB 1996

Prepared for:

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May 9, 1996

CONTENTS

1. SUMMARY

A program of three cored drill holes was completed on R.L. 8810 during Jan-Feb 96 to further test the Au-base metal potential of the Hugo Skarn.

These holes indicated the following:

(a) Mineralisation intersected in previous drill holes does not extend south for any substantial distance.

(b) The Hugo Skarn is pinched out to the south by two converging normal faults.

(c) The Hugo Skarn is internally disrupted by two thrust faults.

(d) The best opportunity for the development of a resource body lies around drill hole SMD 13 where scope remains for the development of a modest deposit of up to 1 Mt containing variable amounts of Zn-Au-Bi.

(e) Potential also exists for deeper, low grade Au and Zn mineralisation to extend north of the limit of current drilling.

If it is deemed desirable to further evaluate the resource potential centred on SMD 13 ('d' above), this could be done with a program of three cored drill holes on 50 m. centres, totalling 500 m., and costing approximately $64,000.

2. LOCATION AND TENURE

Retention Licence 8810 of two square kilometres lies 45 kms by sealed road south of Devonport. (Fig 1(a))

It is held jointly by Acacia Resources Limited and CRA Exploration Pty Limited.

The eastern half of the Licence area is currently explored under a joint venture agreement dated 9th September 93, between those companies, Titan Resources N.L., and Goldstream Mining N.L. The Licence is due for renewal in October 96

R.L. 8810 is surrounded by E.L. 20/92, held jointly by Titan Resources N.L. and Goldstream Mining N.L. (Fig 1(b))

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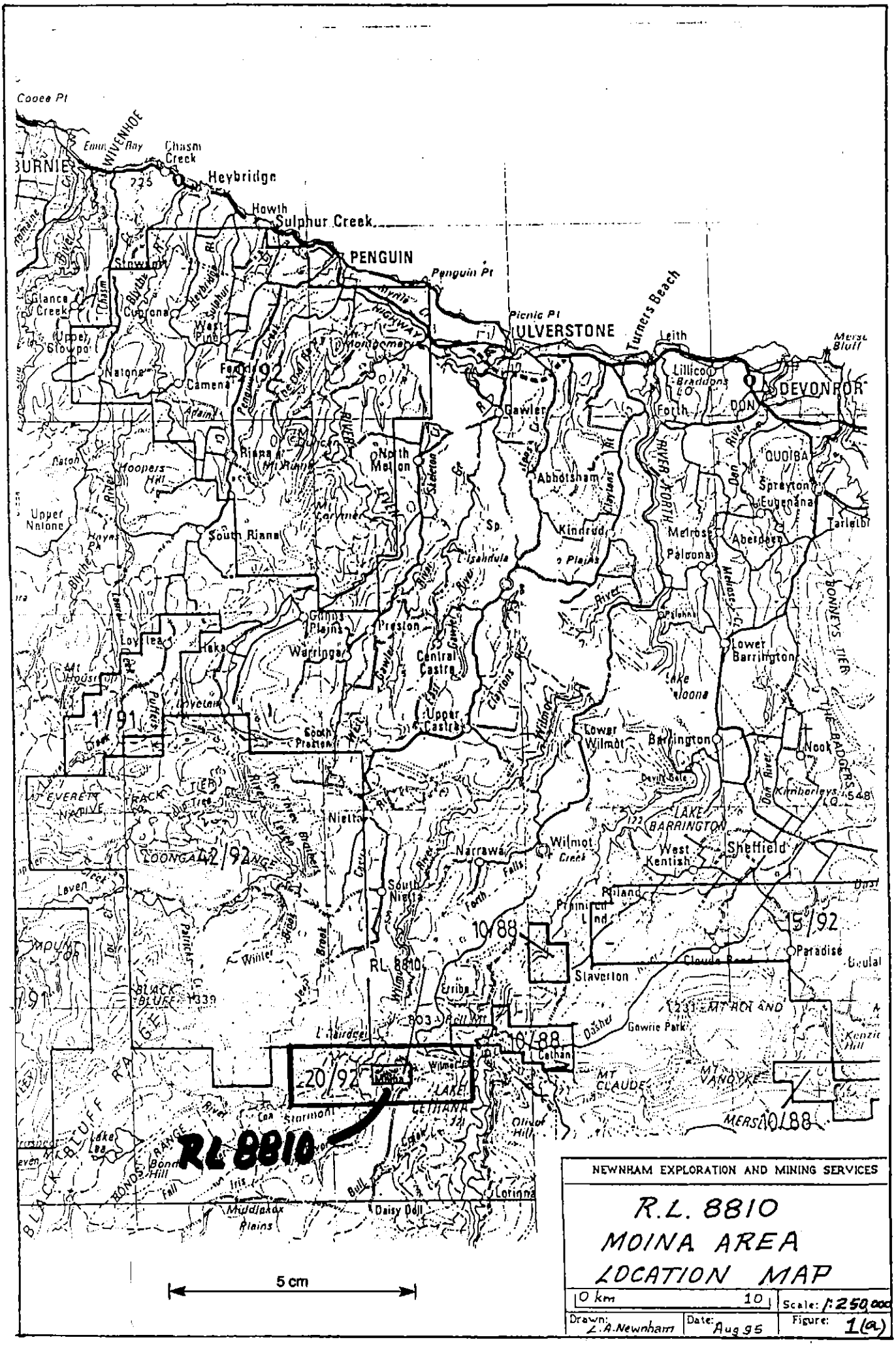


NEWNHAM EXPLORATION AND MINING SERVICES

R.L. 8810
MOINA AREA
LOCATION MAP

0 km 10 | Scale: 1:250,000

Drawn: L.A. Newnham | Date: Aug 95 | Figure: 1(a)

3. PREVIOUS WORK

R.L. 8810 is underlain by a sequence of Ordovician shallow shelf marine sediments deposited unconformably (?) on Cambrian volcanoclastics of the Mt Read Volcanics Group.

The Ordovician sediments consist of Roland Conglomerate overlain by Moina Sandstone overlain by Gordon Limestone, i.e., a gradational sedimentary sequence.

In the upper Palaeozoic, the area was extensively faulted and gently folded, and intruded by the Dalcoath Granite, which outcrops to the east of R.L. 8810.

A highly fractionated spine of this granite extends westerly at shallow depth beneath R.L. 8810. Large volumes of fluorine and metal enriched hydrothermal fluids generated within this granite spine permeated the adjacent volcanics and sediments resulting in the formation of a very extensive metasomatic halo around the spine.

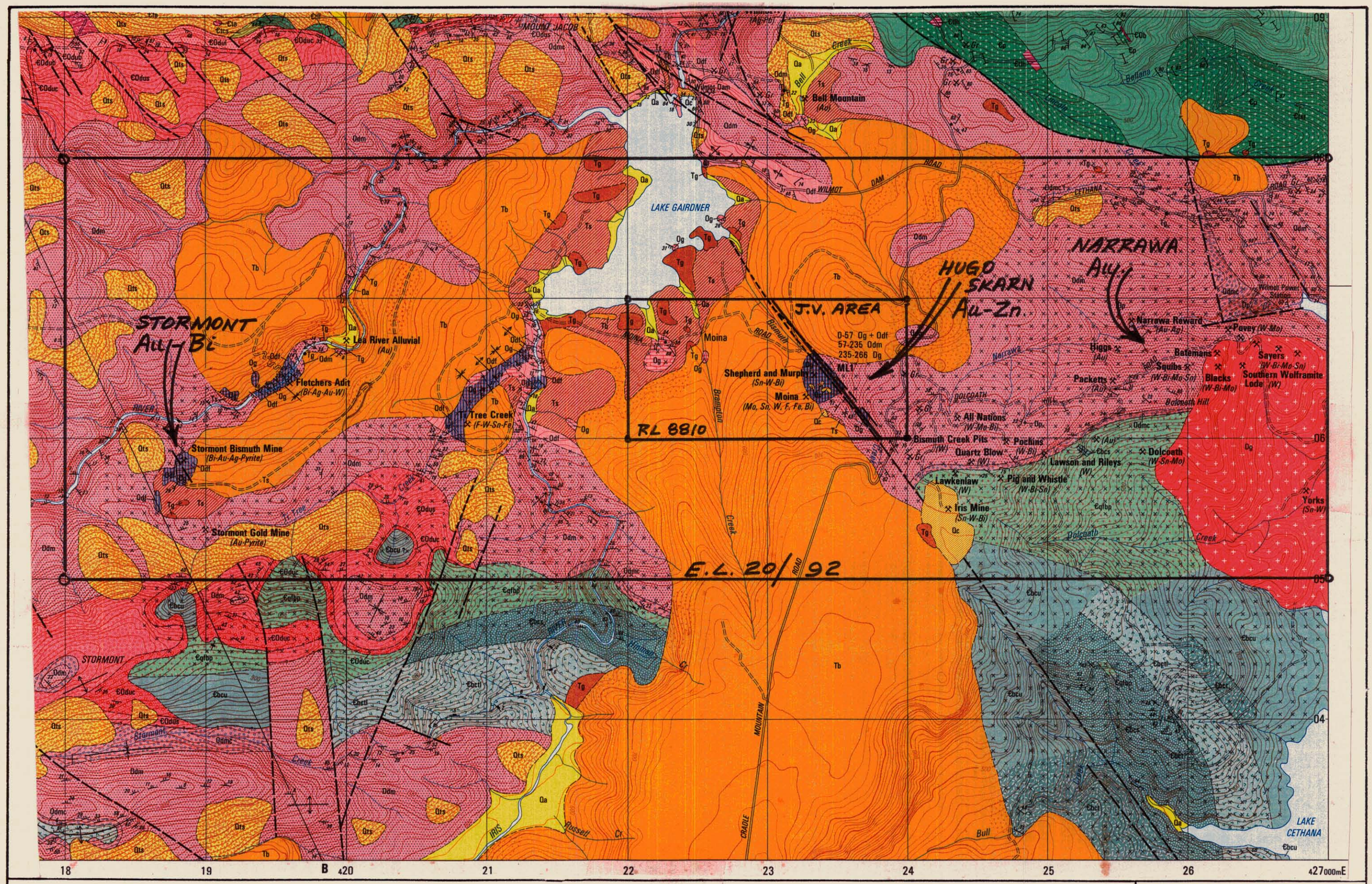
Large skarn bodies were developed in the lower section of the Gordon Limestone and fluorine rich polymetallic deposits formed both in this skarn and in steeply dipping fault zones and fracture sets in both the Moina Sandstone and Gordon Limestone.

The centre of earlier mining operations in the district was the major vein set at Moina. A swarm of steeply dipping EW trending veins (lodes) was mined at the Shepherd & Murphy Mine on the western end of R.L. 8810. These veins were mined primarily for tungsten but also contained significant amounts of tin, bismuth, molybdenum and topaz. They were apparently displaced to the east by the post-mineralisation Bismuth Creek Fault. Trenching and pitting on the east side of the fault in the area of the current drilling program failed to locate significant extensions. However, further to the east of R.L. 8810, the veins were again mined at the All Nations Mine (and others).

Mining at Shepherd & Murphy ceased in the 1950s but small scale mining has continued intermittently to the present at the All Nations.

In the late 1960s, the Mt Lyell Mining & Railway Co Limited drilled several holes to test for depth extensions of the Shepherd & Murphy vein swarm. Results were disappointing.

In the late 1970s, Comalco completed several drilling programs to evaluate the very large but metallurgically complex fluorite deposit developed in the skarn zone. They were joined in the 1980s by Shell, whose primary interest was large low grade tin-tungsten deposits, also in the fluorine rich skarns.



Hugo Fault projected outcrop
Hugo Skarn Au-Zn mineralisation
Possible skarn extensions beneath Basalt.

Tb Tertiary Basalt
Tg, Ts Tertiary sediments and gravels
Og Gordon Limestone (Vertical stripes = skarn)
Odm Moina Sandstone
Odmc Roland Conglomerate
€Various Various Cambrian Volcs + Seds

Dg Dalcoath Granite
Contact alteration zone around Dg.

Map is a photocopied section of the State 1:25000 Winterbrook–Moina Geol. Map. (MRVP Map 9.).

5 cm

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NEWNHAM EXPLORATION AND MINING SERVICES

MOINA AREA
REGIONAL GEOLOGY

0 km. 0.5 km 1 Scale: 1:25,000

Drawn: LAN Date: APR 92 Figure: 1(b)

Subsequent drilling programs by Shell and CRA resulted in the definition of a skarn-hosted resource estimated to contain 26 Mt 0.1 % Sn, 0.1 % W, 18% Ca F_2.

Because of identified metallurgical problems and depressed market factors, commercial development of the deposit has not been possible, and it was secured under a Retention Licence.

Several holes drilled by Comalco-Shell on the east side of the Bismuth Creek Fault intersected significant Zn-Bi-Au mineralisation in the skarn.

Broad zones of Au anomalism were intersected in four holes:

SMD 16:	72 v.m.	> 0.1 g/t Au		
	Including	4 m.	1.67 Au	4.2 % Zn
		13 m.	0.47 Au	4.4 Zn
		5 m.	-	10.7 Zn
		6 m.	0.72 Au	-
MD 39	40 v.m.	> 0.1 g/t Au		
	Including	15 m.	0.7 Au	
SMD 13	17 m.	> 0.1 Au	8.6 % Zn	
	Including	10 m.	1 g/t Au	
SMD 24	18 m.	> 0.1 g/t Au		
	Including	9 m. : 0.73 Au		

Significant but narrower zones of Zn and Au mineralisation were intersected in other holes.

Following re-interpretation of the drilling results east of the Bismuth Creek Fault, Goldstream and Titan entered into a joint venture agreement with Acacia-CRA to further drill test this region for gold-base metal mineralisation.

In 1994, a four hole core drilling program was completed and the results presented in the report titled:

> "E.L. 20/92 and R.L. 8810 Moina Area. Report on Drilling Program May-June 1994" by L A Newnham, 12 Sept 94.

The two northern holes failed to intersect skarn.

Of the southern two holes, HS 001 intersected 17 m. 0.32 Au, 0.36 Bi within a 50 m. skarn zone whilst HS 002 intersected 5 m. 1.73 Zn within a 103 m.skarn zone with low Au.

As a result of this program, it was concluded that potential for mineable Au-base metal deposits to the north was limited, but remained open to the south. The deposit was truncated to the east and west by major normal faults.

A program of further core drilling was recommended to the south to test potential in that direction.

For readers wishing to gain a greater understanding of the complex geology and mineralogy of the Moina skarns, the following references are recommended:

(a) "Geology Genesis of the F-Sn-W (Be-Zn) Skarn (Wrigglite) at Moina, Tasmania" by Kwak, T.A.P., and Askins, P.W., Econ Geol. V 76, 1981, pp 439-467.

(b) "Investigations of the Moina Wrigglite Skarn, Northern Tasmania" by Wright, R.G., Smyth, W.G., in Green, D.C., (editor) Geology, Mineralisation, Exploration: Western Tasmania, Nov 1982, Geol. Soc. Aust., Tasm. Div., pp 33-34.

(c) "Gold Bearing Skarns from the Moina Area, North-west Tasmania", Taylor, A.C., Univ. of Tasm. Hons. Thesis 1990.

4. DRILLING PROGRAM JAN-FEB 1996

4.1 WORK COMPLETED:

During Jan-Feb 96, three cored drill holes totalling 425.0 m. were completed on R.L. 8810 to test for Au-base metal mineralisation in the southern extension of the Hugo Skarn, east of the Bismuth Creek Fault.

Drilling was undertaken by Diamond Drilling Tas Pty Limited using a track mounted Scout 250. Holes were collared HQ and reduced to NQ where conditions permitted.

Collar locations as shown on plans and in drill logs are approximate only and were determined by tape, topographic maps, and relative positions to previous holes. Down hole surveys were completed on the second and third holes with Eastman single shot camera. Magnetite would have influenced bearings but dips were all >89°, so errors would be small.

Core for assay was split in half on a diamond saw. Assaying was undertaken by Amdel.

Core, at the time of writing, is stored at the writer's core shed in Devonport.

Access tracks to the three drill sites were constructed by excavator owned by Steven Groves. No rehabilitation of these tracks has been undertaken to date.

4.2 RESULTS:

Drill logs and assay data sheets are attached as Appendices A and B respectively.

The three drill holes have been plotted on plan (Fig. 2) and in sections (Fig. 3).

A brief description of each hole is given below:

HS 5: Drilled approximately 90 m. south-east of SMD 16 to test the extension of Au-Zn anomalous zones intersected in SMD 16.

Intersected 66 m. altered sandstones, followed by 11 m. skarn and then 64 m. greisenised sandstone.

The skarn hangingwall was brecciated and possibly faulted whilst the skarn footwall was gradational.

All assay values in the skarn were very low, and the skarn was much thinner than anticipated.

The footwall sandstones were cut by a series of quartz-greisen veins typically carrying very coarse euhedral wolframite and molybdenite. These veins were typically 10-20 mm. thick, but up to 300 mm. and represented approximately 5% of core. They were dipping approximately 70°.

The principal veins were assayed in 1 m. intervals, with values up to 0.77 W and 0.04 Mo. Levels of Bi and Sn were very low.

HS 6: Drilled 40 m. south-east of SMD 16, midway between SMD 16 and HS 5.

Intersected a 30 m. greisenised and broken sandstone bed overlying 100 vertical metres of skarn, which in turn overlay 20 m. greisenised sandstone. The skarn footwall was very broken, probably a fault zone.

The skarn consisted of a mixture of wrigglite and amphibole-garnet assemblages, and was cut below 80 m. by a swarm of thin quartz-greisen veins carrying substantial coarse wolframite and molybdenite.

Minor, but anomalous, Zn was intersected in the sandstone above the skarn.

The top 83 m. of the skarn was gold anomalous, averaging 0.15 g/t Au. The 2 m. zone from 35-37.0 m. averaged 1.23 g/t Au, 0.96 % Bi, 0.23 % Sn, 0.06 W.

The top 70 m. of the skarn was also strongly Sn anomalous (0.21 % Sn), with all samples being in the range 0.1-0.5 % Sn. Tin anomalism was essentially confined to wrigglite skarn.

Tungsten was geochemically anomalous throughout the skarn, but the interval from 72-112.0 m. (40 m.), which included the quartz-greisen vein swarm described above, averaged 0.15 W, with the highest value being 0.53 W.

HS 7: Drilled east of HS 5 and HS 6 to define the eastern margin of the skarn block and test extensions to the south-east of the Au-Bi anomalous skarn intersection in HS 001.

The hole remained in Moina Sandstone for its full length. It intersected a possible quartz infilled fault zone between 70-71 m.

No significant assays were received. As well as not intersecting skarn, the hole appears to have also missed the wolframite bearing quartz-greisen veins intersected in HS 5 and HS 6.

4.3 INTERPRETATION:

The three recently completed drill holes considerably aid the morphological interpretation of the Hugo Skarn.

The skarn is now interpreted as a wedge-shaped block, dropped down by two normal faults, viz., the NW trending Bismuth Creek Fault on the west, and the N trending Fault 'B' on the east.

These two faults converge and probably cut the skarn out completely 50-100 m. south of HS 5.

The skarn dips 30-40° to the north and has been disrupted by two thrust faults. The steep NW trending Fault 'A' essentially splits the skarn into two - an upthrust eastern block and a western block. The Hugo Fault is an EW trending fault, dipping north, with the northern sandstone block thrust over the skarn.

Because the eastern skarn block is upthrust under the Hugo Fault, and dips north at a shallower angle than the fault, it is truncated north of HS 003 by the Hugo Fault. The skarn in this block is generally approximately 50 m. thick because of the effects of faulting.

The western skarn block is open to the north-west but becomes deeper in that direction. It is generally 100 + metres thick.

Mineralisation in the skarn is quite variable in both nature and location within the skarn, and reflects the very complex nature of the mineralogy of these styles of deposits.

Only two drill holes exist in the northern end of the western skarn block, SMD 42 and MD 39. They both intersected significant mineralisation, but of variable nature.

SMD 42: Zn anomalous skarn including 18 m. 1.8 % Zn within and immediately adjacent to the Hugo Fault mainly in wrigglite skarn, Au values were very low.

MD 39: Generally Au anomalous diopside-magnetite-biotite skarn. A 40 m. interval assayed > 0.1 g/t Au including 15 m. 0.7 g/t Au.

The mineralised intervals in both of these holes are > 100 v.m. beneath surface and the skarn is dipping approximately 30° to the north.

South of these two holes, there is a 130 m. gap in the drilling pattern.

Holes to the south also contain significant but highly variable mineralisation:

SMD 24: Intersected an 18 m. zone of wrigglite skarn > 0.1 Au beneath the Hugo Fault, including 9 m. 0.73 Au.

Deeper in the skarn (? diopside-garnet) there was a further interval 6 m. 0.87 Au.

HS 002: Intersected 5 m. 1.73 Zn well down in a 100 m. thick wrigglite-skarn intersection. Au values were very low. There was a 70 m. thick Sn anomalous zone in the wrigglite section of this hole with spotty but anomalous tungsten (similar to HS 6).

SMD 16: Within a 130 v.m. skarn zone there was a 72 m. interval > 0.1 Au . Within that interval there were several Zn and Au anomalous zones:

4 m.	4.2 Zn	1.67 Au
13 m.	4.4 Zn	0.47 Au
5 m.	10.7 Zn	0.15 Au
6 m.	< 0.1 Zn	0.72 Au

HS 6: Results were presented above. As with SMD 16, this hole intersected a broad gold anomalous zone (83 m. 0.15 g/t Au) but the best zone was 2 m. 1.23 Au, 0.96 Bi close to the hangingwall.

There were also (but not co-incident) Sn and W anomalous intervals.

HS 5: This hole appears to have just clipped the footwall of the skarn which was truncted by Fault 'A'.

There are only two holes into the eastern skarn block:

SMD 13: This hole obtained one of the better intersections on the property, viz:

17 m.	8.6 Zn	0.1 Bi	0.8 Au

The intersection occurred in garnet-pyroxene skarn.

HS 001: Intersected a Au-Bi anomalous zone equatable to SMD 13 in similar skarn rocks but with Zn values < 0.1 %.

17 m.		0.36 Bi	0.32 Au

SMD 24

Sandstone

86

84.5

Wrigglite

9m 0.7 Au. (Zn < 0.1%)

90.5

98

interbedded wrigglite – pyrox? skarn

126

127

130.5

wrigglite

3.5m 0.3 Au (Zn < 0.1%)

143

144

150

pyroxene? skarn

6m 0.8 Au 0.9 Zn

170

Hole stopped in skarn

The skarn on the west side of Fault 'A' is approx. 100m. thick and is a mixture of wrigglite and pyroxene-garnet skarn styles.

Au-Zn-Bi mineralisation is patchily developed, generally in the pyroxene-garnet skarns.

HS 002

Sandstone – siltstone

42

45

pyroxene skarn

8m 0.30 Sn
1m 1.6 Bi

58

61

wrigglite

Elevated Sn, W, (Bi), minor (Cu) Au in patches.

113

114

6m 1.6 Zn Au < 0.1

119

pyroxene – vesuvanite? skarn.

147

siltstone – sandstone

SMD 13

sandstone – siltstone (minor skarn) no sig. mineral.

84

87

Incl. 7.5m 13 Zn 1.1 Au 0.16 Bi

17m 0.6 Zn 0.6 Au

CRA check assays 86–102: 16m 0.8 Au

104

Garnet-pyroxene skarn

124

Sandstone

The skarn on the E side of Fault 'A' is a 40–50m. thick pyroxene-garnet skarn with a 17m. mineralised zone in the H.W. half of the skarn.

In SMD 13 this zone is Au-Zn enriched and in HS 001 it is Au-Bi enriched.

SMD 16

Sandstone – siltstone

26

pyroxene? skarn

4.3m 4.2 Zn 1.67 Au

42

wrigglite

50

pyroxene? skarn

57

wrigglite

63

65

12.8m 4.4 Zn 0.5 Au

pyroxene? skarn

76

wrigglite

82

85

pyroxene? skarn

99

5m 10.7 Zn 0.15 Au

104

104

wrigglite

70m Au anomalous > 0.1 g/t.

FAULT 'A'

120

skarn

125

wrigglite

129

129

6m 0.7 Au.

135

pyroxene? skarn.

148

Siltstone & skarn.

5 cm

HS 001

sandstone minor skarn zones

50

silicified sandstone – siltstone

Cavity

75

84

incl. 10m 0.4 Au 0.5 Bi

17m 0.3 Au 0.3 Bi

garnet-pyroxene skarn

101

spotty Au (0.1–0.2) throughout skarn.

124

Sandstone

243021

NEWNHAM EXPLORATION AND MINING SERVICES

R.L. 8810 — MOINA AREA

HUGO SKARN — CENTRAL SECTION

PRINCIPAL DRILL INTERSECTIONS

0 40 Scale 1:1,000

Drawn L.A. Newnham | Date May 96 | Figure 4.

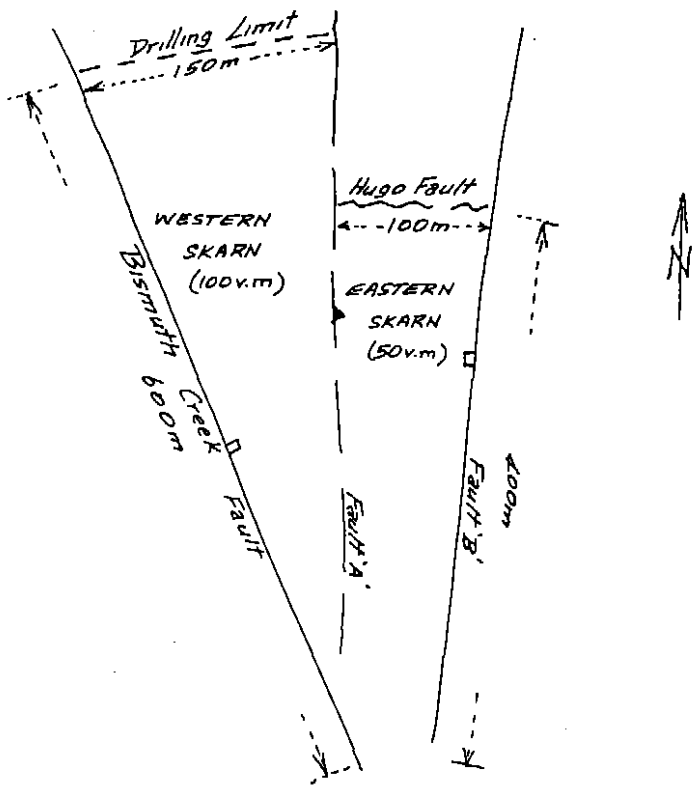
5. CONCLUSIONS AND RECOMMENDATIONS

On the basis of 17 cored drill holes completed to date, the following principal conclusions are presented:

(i) A wedge of skarned limestone has been identified east of the Bismuth Creek Fault. It is essentially triangular in plan shape, bounded to the east and west by faults, and pinched out to the south.

The skarn is open to the north but is in excess of 100 v.m. beneath surface.

(ii) Internally, the skarn wedge has been affected by two thrust faults. Fault 'A' splits the skarn wedge in two and the Hugo Fault has shaved the top off the skarn.



PLAN SKETCH OF BASIC DIMENSIONS OF HUGO SKARN

(iii) The eastern skarn block is a triangular shape approximately 400 m. long, 100 m. maximum width and 50 m. thick. It is defined by only two drill holes.

Within that block, these two drill holes intersected a 17 m. thick zone which was Zn and Au rich in one (SMD 13) and Au-Bi enriched in the other (HS 001).

If this mineralised zone persisted over the whole of the projected eastern block, it would contain 400 x 50 x 17 x 3 tonnes = 1 Mt.

(iv) The western block is larger in surface area, open at depth to the north and much thicker.

There are eight drill holes into the western block which intersected variable skarn lithologies (dominantly wrigglite and garnet-pyroxene-vesuvianite styles).

Low level Sn and W is common in the wrigglite.

Whilst large intersections of anomalous Au were obtained in several intersections, values in excess of 1 g/t Au are sparse.

Similarly, Zn rich intersections are erratic and difficult to lithologically or stratigraphically correlate between holes.

It is, therefore, too difficult to place any sort of resource potential on this western block, except to say that the volume of **skarn** present is approximately 600 x 75 x 100 x 3 tonnes = 13 Mt. Much smaller tonnages of variably mineralised bodies occur within that block.

(v) It is possible that further drilling in the vicinity of SMD 24, SMD 13, SMD 16, HS 001 may define a coherent Au-Zn deposit, approximately 70-80 m. beneath surface, with a maximum tonnage of 1 Mt.

At best, this deposit **may** average 8-10 % Zn, 0.5-1.0 g/t Au and carry occasional Bi credits.

(vi) Further potential may exist to the north down dip of SMD 42 which intersected 18 v.m. 1.8 Zn, and MD 39 which intersected 15 v.m. 0.7 Au.

On the basis of drilling completed to date, it appears that the best opportunity at Hugo for defining a mineable body of Au-base metal mineralisation is in the vicinity of drill holes SMD 13, 16, 24 and HS 001.

Room exists in this area for a modest sized deposit of up to 1 Mt, containing Zn, Bi, Au at variable but potentially commercial values.

The presence of a deposit of this general size and composition could be tested by three drill holes on 50 m. centres to the north and south of SMD 13, totalling 500 m. and costing approximately $64,000.

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APPENDIX A

DRILL LOGS

COMPANY: GOLDSTREAM MINING NL/TITAN RESOURCES NL
PROJECT: MOINA RL 8810
HOLE NUMBER: HS 5

Commenced:	Jan 96
Completed:	Jan 96
Logged By:	LA Newnham
Drilled By:	Dia. Drill Tas.

Purpose of Hole
To test the Hugo Skarn extension south east of SMD 16

Comments on Completion
.only 12m. of skarn were intersected and gold and zinc values in this interval were very low; sandstones in bottom half of hole cut by swarm of greisen veins carrying abundant coarse wolframite - molybdenite; only the major vein zones were assayed in the first instance;

Collar Details

Grid	Northing	Easting	Elevation	Dip	Bearing
AMG	5406100	423730	618	-90	-

co-ordinates approx. only- hole not surveyed

Length (m)
141.4

Hole Size	
To (m)	**Size**
63.0	HQ
141.4	NQ

Significant Core Loss Zones		
From	**To**	**%Rec.**
0.0	12.4	minor loss-
see log		

Hole Condition on Completion
All rods and casing removed from hole.

Summary of Results

Depth		Recovery	Description	Assays							
From	**To**	**%**		**Length**	**W**	**Mo**					
			major quartz veins in Moina sandstone assayed:								
100.5	101.5	100	quartz-wolframite vein	1.0	0.26	0.08					
114.6	115.6	100	" " "	1.0	0.77	0.04					
127.5	128.9	100	" " "	1.4	0.22	0.03					
131.5	132.5	100	" " "	1.0	0.51	0.01					

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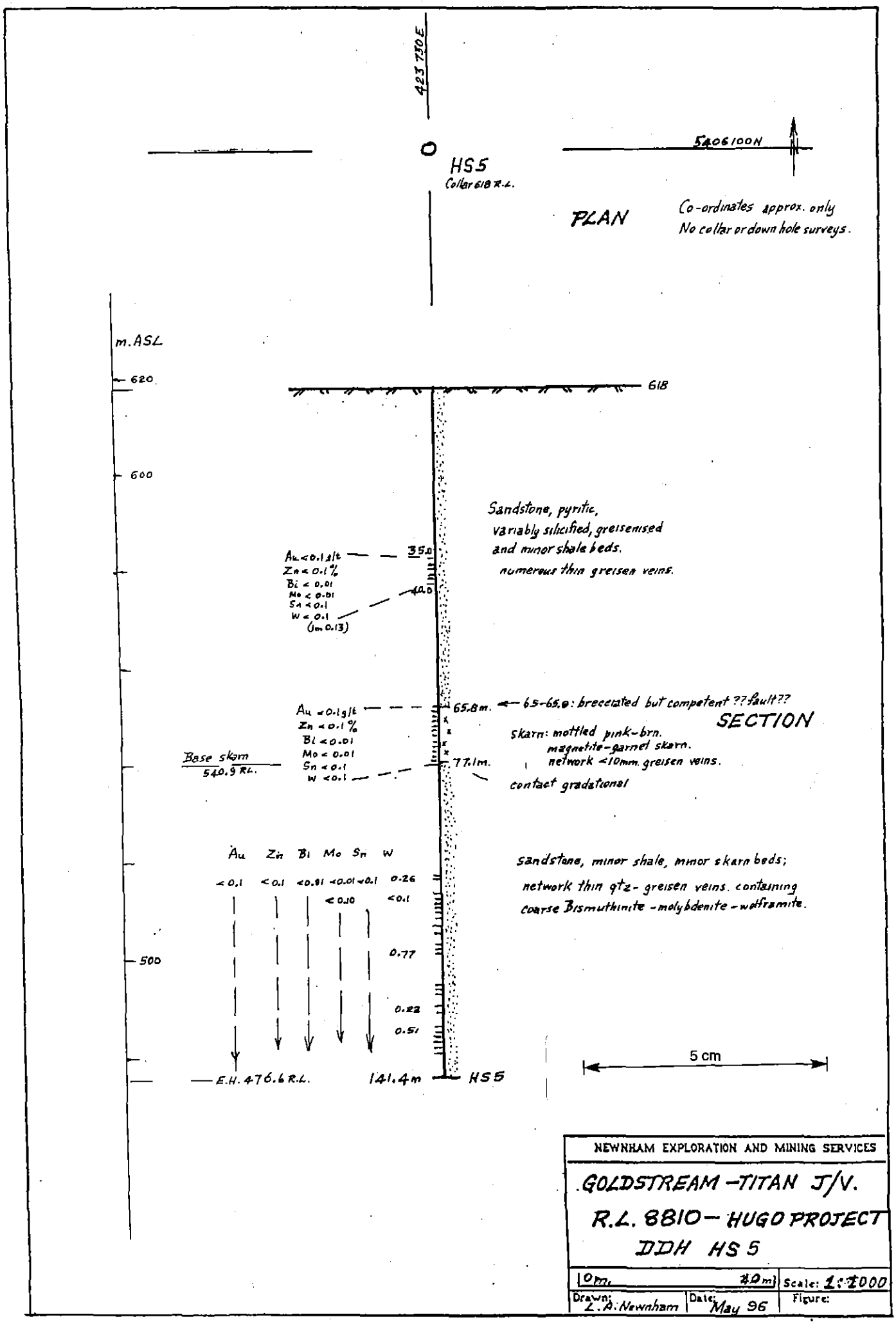


NEWNHAM EXPLORATION AND MINING SERVICES

GOLDSTREAM - TITAN J/V.

R.L. 8810 - HUGO PROJECT

DDH HS 5

0m	40m	Scale: 1:1000
Drawn: L.A. Newnham	Date: May 96	Figure:

COMPANY: GOLDSTREAM-TITAN
PROJECT: *MOINA RL 8810*
HOLE NUMBER: HS 5

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
		SUMMARY LOG:														
0.0	65.8	sandstone														
65.8	77.1	skarn														
77.1	141.4	sandstone and shale with greisen veins														
		DETAILED LOG:														
0.0	65.8	**SANDSTONE:**														
		light-medium gray medium grained sandstone, silicified and greisenised;	0.0	1.3	30											
		cut by numerous <2 mm. quartz-mica greisen veins;	1.3	2.7	58											
		pyrite 1-2% but locally more abundant, as clots, aggregates and disseminated in greisen veins;	2.7	8.0	100											
		several darker zones of more intense greisenisation;	8.0	8.7	57											
		strongly jointed with limonite and pyrite on all joints; greisen veins commonly weathered to soft sericitic material;	8.7	9.4	87											
		below 11.0 m., dark green ?diopside?-pyritic greisen zones in sandstone common, resulting in core having blotchy appearance;	9.4	11.0	63											
		below 17.5 m., dark gray silicified shaley beds, interbedded with greisenised sandstone; 1-2% pyrite;	11.0	12.4	93											
		greisenisation (mica, fluorite, pyrite) increasing down hole, giving sandstone a very dark appearance; greisen veins common up to 5 mm., ocassionally with minor soft silvery mineral;	12.4	65.8	100											
		30-35 m., fine grained light brown sandstone unit with speckeled appearance due to soft dark brown spotting;							35.0	36.0	<0.01	53	<5	10	73	700
		below 35 m., darker greisen patches ocassionally with soft silvery mineral; thick intervals of brown-green coloration due to alteration of felspathic groundmass in sandstone to sericite?							36.0	37.0	<0.01	58	<5	26	81	1200
									37.0	38.0	<0.01	60	<5	14	99	220
									38.0	39.0	<0.01	65	<5	18	84	65
									39.0	40.0	0.010	48	<5	12	61	340
		below 46 m., grading to more uniform finer														

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: HS 5

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
0.0 cont....	65.8	grained sandstone; "fabric" in rock is 50-60 CA; *thin 1-2 mm. mica-fluorite-pyrite greisen* veins remain common; **below 50m.,** massive dark fine grained sandstone; **63.4-65.8m.,** dark gray-green greisenised felspathic sandstone with abundant thin dark gray greisen veins semi parallel to CA; *below 65 m. core has a silicified brecciated* appearance but is very competent ?? fault??														
65.8	77.1	**SKARN:** abrupt change to light brown-pink mottled idocrase-epidote-magnetite-?garnet skarn; cut by intense network thin <10mm. greisen *veins composed of magnetite-mica-fluorite-* chlorite; magnetite also occurs as large irregular masses in skarn; minor coarse euhedral pyrite grains pervasive; greisen veins generally low angle 20-30 CA (ie) greisen veining is steep and appears concentrated along two conjugate joint sets each approx 20-30 CA. several narrow zones of hard light gray calc-silicate material; patches of green chlorite becoming more common towards base of unit; no base metal mineralisation observed; core reasonably competent; crushed broken zone at base of unit;	65.8	77.1	100				65.8	66.8	<0.01	110	<5	18	340	520
									66.8	67.8	0.06	100	15	14	260	220
									67.8	68.8	<0.01	54	<5	<3	400	80
									68.8	69.8	0.03	80	10	<3	260	35
									69.8	70.8	0.02	46	<5	<3	220	80
									70.8	71.8	0.02	61	5	<3	360	<10
									71.8	72.8	<0.01	61	<5	<3	340	35
									72.8	73.8	0.01	69	<5	<3	280	30
									73.8	74.8	0.04	91	10	6	240	20
									74.8	75.8	0.09	120	15	8	380	<10
									75.8	76.8	0.01	65	<5	<3	400	<10
									76.8	77.8	0.03	760	40	<3	175	90
77.1	141.4	**ALTERED SANDSTONE, SHALE with SWARM OF MINERALISED QUARTZ VEINS:** sequence of interbedded sandstone and shale; intensely metasomatised (greisenised) and intruded by swarm of narrow mineralised quartz veins; contact with skarn above appears gradational except for narrow broken zone on skarn FW; ***77.1-88.0m.*** *mottled micaceous sandstone* and interbedded shale and calc silicate; high	77.1	141.4	100				100.5	101.5	0.01	67	<5	820	72	2600
									104.5	105.5	<0.01	69	5	62	135	135
									105.5	106.5	<0.01	155	15	600	240	85
									107.0	108.0	<0.01	220	10	195	340	165
									108.0	109.0	<0.01	220	<5	80	240	80
									111.6	112.6	<0.01	110	<5	720	60	440

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 5**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bl	Mo	Sn	W
77.1 cont.....	141.4	angled (20 CA) <5 mm. greisen veins common, filled with mica-quartz-fluorite; bedding 70-80 CA; **88-141.4 m.** altered sandstone with minor shaley beds, generally dark gray and medium grained and micaceous; pervasive purple fluorite spotting throughout; 0.5-1% coarse euhedral pyrite as clots, aggregates and individual grains; unit cut by a swarm of greisen veins varying in thickness from 1-200 mm., composed mainly of quartz-fluorite-mica-topaz-pyrite and abundant wolframite and molybdenite; wolframite is often present as large crystals, constituting up to 10% of the vein; wolframite typically accompanied by coarse blebs of molybdenite; major veins: 101.1-101.4: quartz-fluorite-topaz-pyrite-mica vein with abundant coarse wolframite and moly. 107.4: 20 mm. 112.0: 20 mm. 114.8: 20 mm. 123.3: 5-10 mm. 128.5: 5-10 mm 131.7: 15-20 mm. 136.0: 15 mm. most veins 20-30 CA; cumulatively, veins represent approximately 5% of core; core generally competent but several broken clayey zones due to fracturing along sericitic joints and veins; purple fluorite spotting and mineralised veins continue to end of hole (ie) hole still in strongly metasomatised sandstone-shale unit with mineralised steep dipping greisen veins; **END OF HOLE**							114.6	115.6	<0.01	89	<5	440	52	7700
									115.6	116.6	<0.01	64	<5	16	57	100
									123.0	124.0	<0.01	40	<5	115	26	70
									124.0	125.0	<0.01	41	<5	30	37	125
									127.5	128.9	<0.01	40	<5	280	24	2200
									131.5	132.5	<0.01	72	5	110	62	5100
									133.5	134.5	0.01	100	25	20	60	110
									135.4	136.9	<0.01	48	<5	18	42	720

COMPANY: GOLDSTREAM MINING NL/TITAN RESOURCES NL
PROJECT: MOINA RL 8810
HOLE NUMBER: HS 6

Commenced:	Jan 96
Completed:	Feb 96
Logged By:	LA Newnham
Drilled By:	Dia. Drill Tas.

Purpose of Hole
To test the Hugo Skarn between SMD 16 and HS 5

Comments on Completion
.100 v.m. skarn zone intersected; minor Au and Zn near HW of skarn within a 83 v.m. gold anomalous zone; this zone also tin anomalous; bottom half of skarn W anomalous; minor Zn in sandstone above skarn;

Collar Details

Grid	Northing	Easting	Elevation	Dip	Bearing
AMG	5406233	423650	612	-90	-

co-ordinates approx. only- hole not surveyed

Length (m)
151.1

Hole Size	
To (m)	**Size**
41.9	HQ
151.1	NQ

Significant Core Loss Zones		
From	**To**	**%Rec.**
0.0	5.2	severe loss <50%
5.2	19.8	minor loss

Hole Condition on Completion
All rods and casing removed from hole,

Summary of Results

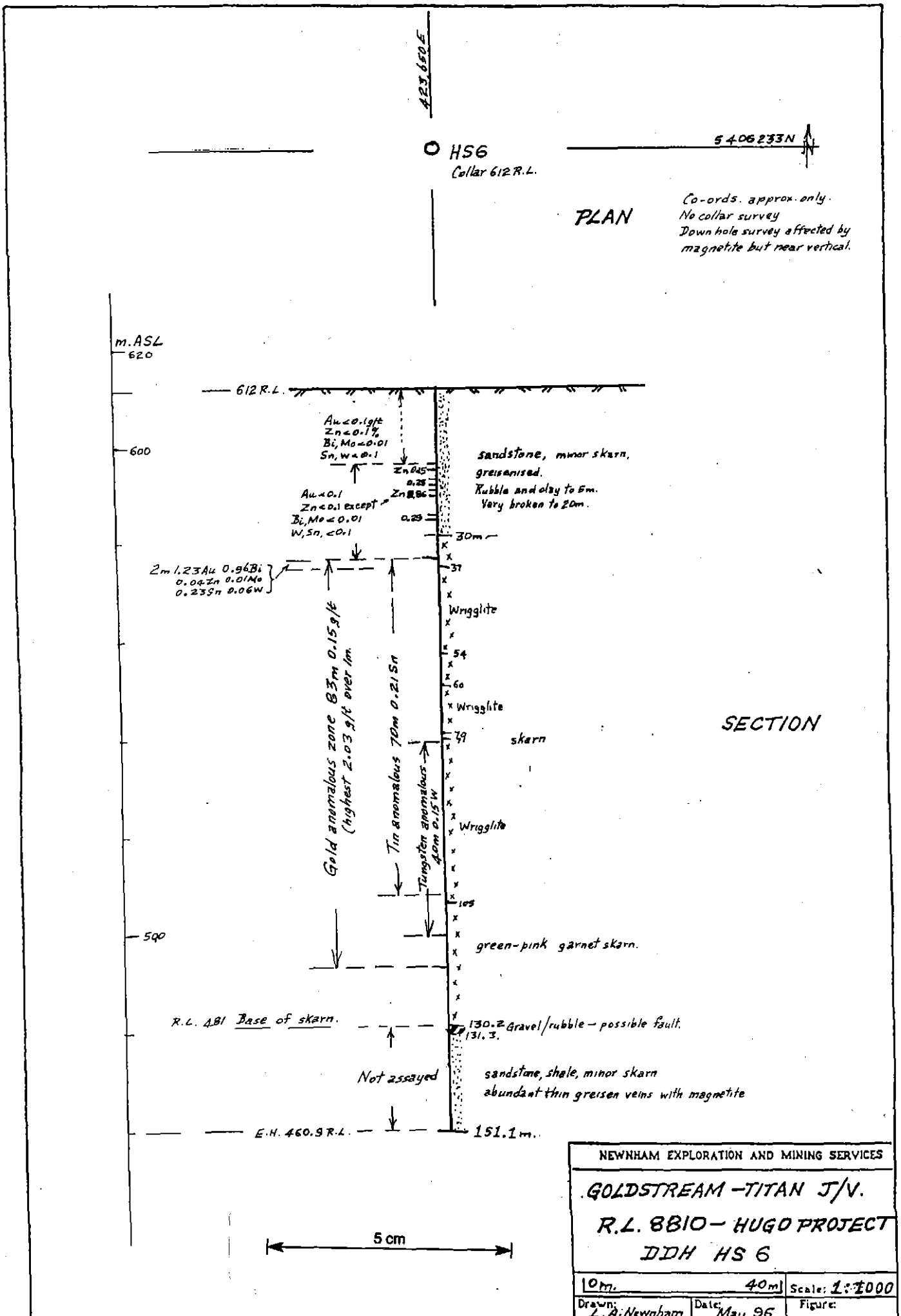
Depth		Recovery	Description	Assays							
From	**To**	**%**		**Length**	**Au**	**Zn**	**Bi**	**Mo**	**Sn**	**W**	
35.0	118.0	100	skarn	83.0	0.15						
35.0	37.0	100		2.0	1.23	0.04	0.96	0.01	0.23	0.06	
41.0	44.0	100		3.0	0.1	0.28	0.1		0.15	0.08	
34.0	104.0	100		70.0					0.21		
72.0	112.0	100		40.0						0.15	

DOWN HOLE SURVEY DATA

COMPANY: Goldstream Mining N.L.-Titan Resources N.L.
PROJECT: Hugo Skarn
HOLE NUMBER: HS 6

Depth	Dip	Bearing	Interval		Length	Vertical Distance		Horizontal Distance		Co-ordinates			
(m)		(AMG)	From	To	(D)	D.sin dip	R.L.	D. cos dip (HD)	Cumulative HD	N. distance HD. cos brg.	N. co-ordinate	E. distance HD. sin brg.	E. co-ordinate
COLLAR	-90	0					612.00		0.00		5,406,233.0		423,650.0
0	-90		0	51	51	51.00	561.00	0.00	0.00	0.00	5,406,233.0	0.00	423,650.0
102	-89.5	325	51	126	75	75.00	486.00	0.65	0.65	0.54	5,406,233.5	-0.38	423,649.6
150	-89.5	324	126	150.55	24.55	24.55	461.45	0.21	0.87	0.17	5,406,233.7	-0.13	423,649.5
151.1	-89.5	324	150.55	151.1	0.55	0.55	460.90	0.00	0.87	0.00	5,406,233.7	-0.00	423,649.5
151.1													

243032


423,650E
HS6
Collar 612 R.L.
5406233N
PLAN
Co-ords. approx. only.
No collar survey
Down hole survey affected by magnetite but near vertical.
m.ASL
620
600
590
612 R.L.
Au <0.1g/t
Zn <0.1%
Bi, Mo <0.01
Sn, W <0.1
Zn 0.45
0.25
Zn 2.86
Au <0.1
Zn <0.1 except
Bi, Mo <0.01
W, Sn, <0.1
0.29
sandstone, minor skarn, greisenised.
Rubble and clay to 6m.
Very broken to 20m.
30m
2m 1.23Au 0.96Bi
0.04Zn 0.01Mo
0.23Sn 0.06W
37
Wrigglite
54
60
Wrigglite
79
skarn
Wrigglite
105
Gold anomalous zone 83m 0.15g/t (highest 2.03 g/t over 1m.
Tin anomalous 70m 0.21Sn
Tungsten anomalous 40m 0.15W
green-pink garnet skarn.
R.L. 481 Base of skarn.
130.2
131.3
Gravel/rubble – possible fault.
Not assayed
sandstone, shale, minor skarn
abundant thin greisen veins with magnetite
E.H. 460.9 R.L.
151.1m.
SECTION
5 cm
NEWNHAM EXPLORATION AND MINING SERVICES
GOLDSTREAM – TITAN J/V.
R.L. 8810 – HUGO PROJECT
DDH HS 6
10m. 40m
Scale: 1:1000
Drawn: L.A. Newnham
Date: May 96
Figure:

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 6**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
		SUMMARY LOG:														
0.0	30.0	sandstone and minor skarn														
30.0	130.2	skarn														
130.2	131.3	? fault zone?														
131.3	151.1	sandstone, minor shale,skarn														
		DETAILED LOG:														
0.0	5.2	**SAND, CLAY, SANDSTONE RUBBLE:** limonitic clayey sands with ocassional lumps	0.0	1.2	45				0.0	3.7	<0.01	640	10	8	110	30
		light gray sandstone:	1.2	2.2	0											
		very poor core recovery;	2.2	3.7	33											
			3.7	5.2	0											
5.2	30.0	**GREISENISED SANDSTONE and minor skarn beds:**	5.2	6.2	80				5.2	6.2	<0.01	125	<5	6	300	40
		light gray, medium grained sandstone	6.2	9.1	100				6.2	7.2	<0.01	125	<5	<3	26	<10
		interbedded with weathered green-brown	9.1	11.1	85				7.2	8.2	0.02	46	<5	<3	20	20
		skarn units consisting dominantly of talc-	11.1	12.6	100				8.2	9.2	0.01	150	20	20	135	50
		chlorite-magnetite-idocrase?;	12.6	13.7	64				9.2	10.2	0.01	150	10	10	115	25
		greisen veins up to 20 mm. common	13.7	16.6	100				10.2	11.2	0.01	200	10	6	135	35
		throughout, at 40 and 60 CA, consisting	16.6	18.0	72				11.2	12.2	0.01	240	10	12	175	25
		mainly of silvery mica-quartz-fluorite;	18.6	19.8	60				12.2	13.2	0.01	240	5	4	63	50
		pyrite common along joint surfaces,	19.8	30.0	100				13.2	14.2	0.01	320	5	6	90	105
		ocassionally along margins of greisen veins							14.2	15.2	<0.01	240	5	48	92	85
		and as large aggregates in some sandstone							15.2	16.2	0.01	1500	10	52	99	380
		beds;							16.2	18.0	<0.01	105	15	12	560	240
		core very broken and weathered to 19 m., then							18.0	19.0	<0.01	150	10	4	700	240
		becomes more competent and fresher;							19.0	20.0	0.01	2500	20	51	93	190
		joint surfaces near top of hole coated with							20.0	21.0	0.01	97	15	52	80	280
		bluish gray ??Mn material;							21.0	22.0	0.02	8600	100	34	360	820
		below 27 m., greisen veins become abundant							22.0	23.0	<0.01	86	15	81	155	90
		and darker- generally with fluorite-quartz core							23.0	24.0	<0.01	125	15	40	400	260
		and dark mica margins;							24.0	25.0	<0.01	150	15	64	520	105
		increase in magnetite content below 29m.;							25.0	26.0	<0.01	57	5	53	47	195
		sharp conformable contact with skarn unit							26.0	27.0	<0.01	2900	10	51	89	200
		below;							27.0	28.0	<0.01	125	5	185	260	380
30.0	130.2	**SKARN:**	30.0	130.2	100				28.0	29.0	<0.01	125	<5	130	155	380
		sharp conformable contact with unit above;														

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 6**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
30.0 cont.....	130.2	**30-36.7m.** mottled light brown-green-black chlorite,diopside, magnetite skarn; wrigglite textures in places; upper section of unit cut by 1-20 mm. greisen veins 60 CA, with light gray quartz-felspar-?topaz cores and dark gray magnetite-mica margins; **below 34.5m.,** proportion of magnetite increases with 1-2% soft silvery mineral ?? bismuthinite, as disseminated grains and small aggregates; **from 36.7m.,** wrigglite skarn; cut by numerous pink felspar veins and minor topaz-quartz-mica greisen veins; wrigglite is defined as a dark gray magnetite-fluorite skarn with a characteristic swirling texture; patches and veins of mica-topaz greisen with soft green talcose mineral common; some sections of wrigglite have common pyrite as clots and veinlets conformable with wrigglite texture; pink felspar veins typically have green altered cores; **54.4-60.3 m.,** mottled green-light brown-black chlorite-talc-diopside-magnetite skarn, cut by altered pink felspar veins and some patches wrigglite; minor pyrite <5% as disseminated grains and small aggregates; **60.3-69.5 m.,** massive dark gray-black wrigglite; **below 69.5 m.,** wrigglite and pyroxene-magnetite skarn intermixed, and cut by numerous pink felspar veins at variable angles; trace bismuthinite?? in feldspar veins; very coarse zoned pyroxene crystals in places (eg) 78.4m. 0.5-1% pyrite and trace chalcopyrite as grains and clusters in wrigglite; dark gray-black mineral with white streak in pyroxene skarn at 70-71m; **71-84m.,** massive wrigglite skarn with																
									29.0	30.0	<0.01	760	140	32	560	220
									30.0	31.0	<0.01	130	<5	66	420	280
									31.0	32.0	<0.01	240	<5	86	580	580
									32.0	33.0	<0.01	120	<5	50	760	580
									33.0	34.0	<0.01	125	80	<3	900	20
									34.0	35.0	0.06	185	380	40	1000	420
									35.0	36.0	2.03	440	12400	76	2600	820
									36.0	37.0	0.43	400	6900	160	2100	380
									37.0	38.0	0.07	320	820	61	1200	880
									38.0	39.0	0.02	170	540	51	2000	480
									39.0	40.0	0.07	220	560	87	1500	1200
									40.0	41.0	0.05	640	1200	66	1100	500
									41.0	42.0	0.06	2800	940	46	1500	860
									42.0	44.0	0.12	2800	1100	46	1500	840
									44.0	46.0	0.02	150	680	52	2300	400
									46.0	48.0	<0.01	90	500	40	1100	600
									48.0	50.0	0.12	150	680	38	1700	500
									50.0	52.0	0.10	160	360	36	2300	320
									52.0	54.0	0.16	185	520	44	1600	700
									54.0	56.0	0.14	195	880	22	2000	400
									56.0	58.0	0.04	135	320	14	3200	320
									58.0	60.0	0.10	180	400	8	4100	175
									60.0	62.0	0.05	1500	640	16	2300	320
									62.0	64.0	0.05	180	740	4	3900	540
									64.0	66.0	0.13	160	600	18	1700	320
									66.0	68.0	0.09	200	660	16	2200	580
									68.0	70.0	0.14	460	780	18	2200	560
									70.0	72.0	0.09	300	560	20	2400	400
									72.0	74.0	0.32	180	1400	67	1800	1100
									74.0	76.0	0.07	170	480	64	1700	820
									76.0	78.0	0.10	165	680	66	1600	860
									78.0	80.0	0.05	780	360	105	1600	1900
									80.0	82.0	0.18	980	600	38	2400	720
									82.0	84.0	0.12	680	720	100	2200	920
									84.0	86.0	0.04	1500	700	155	2100	1300
									86.0	88.0	0.02	260	580	200	1900	660
									88.0	90.0	0.01	175	340	240	3900	360
									90.0	92.0	0.03	150	360	340	1600	1200

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 6**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
30.0 cont.....	130.2	numerous 1-5mm. pink felspar veins;														
		84-104.6m., wrigglite skarn cut by numerous							92.0	94.0	0.01	160	300	260	2600	1200
		5-30mm. quartz-fluorite-topaz?-mica veins							94.0	96.0	0.02	135	480	640	1500	2800
		containing significant molybdenite-							96.0	98.0	0.04	96	320	860	2300	2000
		bismuthinite-wolframite mineralisation;							98.0	100.0	0.08	165	680	180	3200	2400
		wolframite crystals up to10 mm. long;							100.0	102.0	0.01	200	500	100	1600	2700
		these veins typically 50-60 CA (ie) moderately							102.0	104.0	0.11	240	600	125	1400	1100
		flat;														
		core very broken 103-104.6 m., but appears to														
		be fracturing along talcy joint surfaces rather														
		than faulting;														
		104.6-127.0 m., mottled pink-green-brown														
		pyroxene-amphibole-garnet skarn cut by							104.0	106.0	0.08	240	420	180	940	1100
		numerous greisen veins, typically containing							106.0	108.0	1.06	75	2400	380	760	800
		significant molybdenite-wolframite;							108.0	110.0	0.07	69	300	93	660	220
		pervasive clots dark green-black mineral,							110.0	112.0	0.16	65	240	380	740	5300
		probably an amphibole;							112.0	114.0	0.16	87	640	16	780	65
		greisen veins 40-60 CA, with dark magnetite							114.0	116.0	0.50	67	480	195	340	780
		margins and white mica-quartz-topaz?-soft							116.0	118.0	0.25	69	130	150	280	580
		bright green mineral cores; molybdenite and							118.0	120.0	0.07	110	65	520	300	1300
		wolframite common;							120.0	122.0	0.02	105	35	300	220	440
		greisen veins 10-50 mm. and constitute up to							122.0	124.0	0.01	95	170	28	280	135
		10%of rock;							124.0	126.0	0.06	100	280	28	220	420
		massive 100 mm. wide greisen veins at 119.4														
		and 126.5 m., containing abundant														
		molybdenite;														
		ocassional steeper white quartz-fluorite veins														
		70 CA;														
		minor disseminated molybdenite in skarn;														
		core competent to 117.5 m. then quite broken														
		along talcy - sericitic joint surfaces and														
		narrow shear zones; molybdenite common on														
		some fracture surfaces;														
		127-130.2 m., dark gray-black calc silicate														
		and wrigglite cut by numerous quartz -mica-														
		topaz? greisen veins 45 CA, up to 75 mm.														
		wide and constituting up to 10% of unit;							126.0	128.0	0.04	220	70	1600	175	1600
		veins contain abundant molybdenite and							128.0	130.0	0.04	280	25	1100	200	620
		wolframite;														
		moly also common on joint surfaces and in														
		narrow shear zones;														

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 6**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
130.2	131.3	**GRAVEL, RUBBLE, MUD, POSSIBLE FAULT** unit consisting entirely of brown mud, finely fragmented rock and sand;	130.2	131.3	100											
131.3	151.1	**SANDSTONE, SHALE, minor calc-silicate and skarn:**	131.3	132.5	100											
		131.3-132.5 m., soft greenish-brown rock (skarn) cut by several greisen veins withmagnetite-amphibole margins and pink quartz-fluorite-topaz? cores; minor molybdenite;	132.5	134.0	66											
		below 132.5 m., sequence of greisenised sandstone and shale, latter with convoluted bedding and mottled appearance; sandstone has light greenish appearance and is cut by abundant thin dark gray-black greisen veins 1-10 mm. wide, mainly amphibole-magnetite, minor mica-quartz-topaz?-molybdenite-crystalline wolframite; greisen veining and accompanying mineralisation not as abundant as in skarn unit above; unit generally very broken along conjugate joint sets 60 CA and third set 30 CA; joints commonly clay coated;	134.0	151.1	100											
		END OF HOLE														

COMPANY: GOLDSTREAM MINING NL/TITAN RESOURCES NL
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 7**

Commenced:	Feb 96
Completed:	Feb 96
Logged By:	LA Newnham
Drilled By:	Dia. Drill Tas.

Purpose of Hole
To test the south east extensions of the Hugo Skarn.

Comments on Completion
.hole intersected very broken and disrupted sequence of Moina Sandstone. Interpreted as lying east of main downfaulted skarn block; no significant assays;

Collar Details

Grid	Northing	Easting	Elevation	Dip	Bearing
AMG	5 406.125	423,770	642	-90	-

co-ordinates approx. only- hole not surveyed

Length (m)
132.5

Hole Size	
To (m)	**Size**
53.9	HQ
132.5	NQ

Significant Core Loss Zones		
From	**To**	**%Rec.**
0.0	22.8	minor loss

Hole Condition on Completion
All rods and casing removed from hole.

Summary of Results

Depth		Recovery	Description	Assays							
From	**To**	**%**		**Length**	**Au**	**Ag**	**Cu**	**Pb**	**Zn**	**As**	**S**
			no significant assays								

Newnham Exploration and Mining Services

[redacted]

DOWN HOLE SURVEY DATA

COMPANY: Goldstream Mining N.L.-Titan Resources N.L.
PROJECT: Hugo Skarn
HOLE NUMBER: HS 7

Depth	Dip	Bearing	Interval		Length	Vertical Distance		Horizontal Distance		Co-ordinates			
(m)		(AMG)	From	To	(D)	D.sin dip	R.L.	D. cos dip (HD)	Cumulative HD	N. distance HD. cos brg.	N. co-ordinate	E. distance HD. sin brg.	E. co-ordinate
COLLAR	-90	0					642.00		0.00		5,406,125.0		423,770.0
0	-90		0	51	51	51.00	591.00	0.00	0.00	0.00	5,406,125.0	0.00	423,770.0
102	-89	269	51	117.25	66.25	66.24	524.76	1.16	1.16	-0.02	5,406,125.0	-1.16	423,768.8
132.5	-89	269	117.25	132.5	15.25	15.25	509.51	0.27	1.42	-0.00	5,406,125.0	-0.27	423,768.6
132.5													

24038

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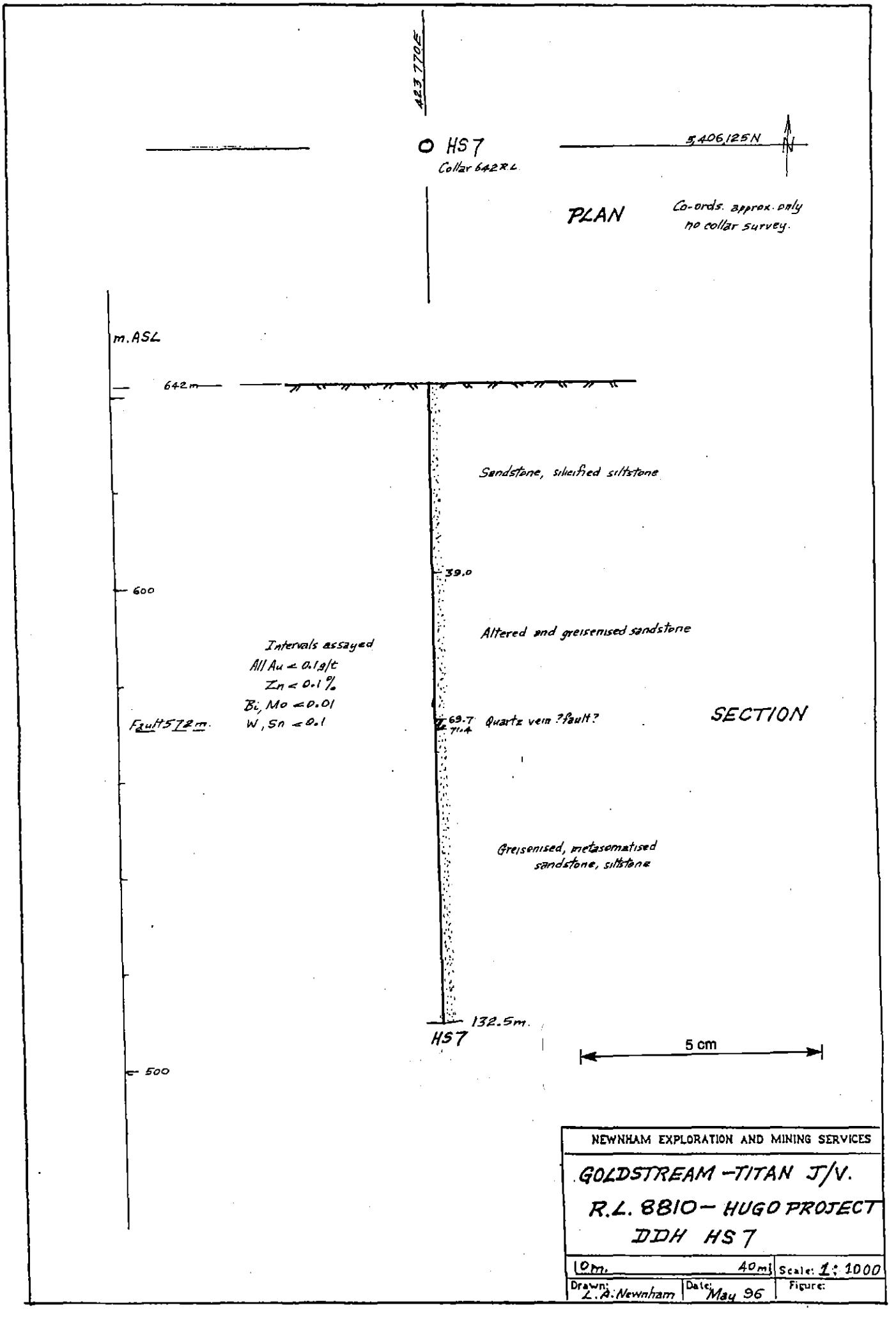
423 770E
HS7
Collar 642R.L.
5,406,125N
N
PLAN
Co-ords. approx. only
no collar survey.
m.ASL
642m
Sandstone, silicified siltstone
39.0
600
Altered and greisenised sandstone
Intervals assayed
All Au < 0.1g/t
Zn < 0.1%
Bi, Mo < 0.01
W, Sn < 0.1
Fault 57.2m.
69.7
71.4
Quartz vein ?fault?
SECTION
Greisenised, metasomatised
sandstone, siltstone
132.5m.
HS7
500
5 cm
NEWNHAM EXPLORATION AND MINING SERVICES
GOLDSTREAM - TITAN J/V.
R.L. 8810 - HUGO PROJECT
DDH HS7
0m.
40m
Scale: 1: 1000
Drawn: L.A. Newnham
Date: May 96
Figure:

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 7**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
		SUMMARY LOG:														
0.0	39.0	sandstone and silicified siltstone;														
39.0	69.7	altered and greisenised sandstone;														
69.7	71.4	quartz vein ?? fault??;														
71.4	132.5	greisenised and metasomatised sandstones and siltstones;														
		DETAILED LOG:														
0.0	39.0	**SANDSTONE and SILICIFIED SILTSTONE:** light gray pyritic sandstone grading down hole into light gray-white fine grained silicified siltstone; texture in upper section suggests some nesr vertical shearing; core fresh from the collar; **0-8.4 m.,** light gray sandstone, several dominant fracture sets coated with limonite; 0.5% pervasive disseminated pyrite; 1-5 mm. vuggy quartz veins common; **8.4-15.2 m.,** softer, more broken orange-brown siltstone with clay component; **15.2-30.5 m.,** light gray-white very fine grained silicified siltstone, almost massive quartz in places; 1-10 mm. randomly orientated vuggy quartz veins common throughout giving unit crackled appearance; one strong joint direction parallel to CA; most fracture surfaces and vuggy veins limonitic, probably after pyrite; 0.5-1% pyrite throughout as disseminated grains and small aggregates; **30.5-39.0 m.,** as above but with light brown-cream felspathic component; 1-2% pyrite;	0.0	1.6	88				15.0	16.0	<0.01	11	10	30	49	70
			1.6	14.0	100											
			14.0	15.0	90				21.5	23.5	<0.01	5	<5	8	15	35
			15.0	16.9	80											
			16.9	18.2	100				31.5	32.5	<0.01	400	10	8	94	95
			18.2	19.7	90											
			19.7	20.5	50											
			20.5	22.8	95											
			22.8	39.0	100											
									39.0	40.0	<0.01	115	10	4	79	70
39.0	69.7	**ALTERED and GREISENISED SANDSTONE:** intermixed mottled gray-green felspathic sandstone and light gray sandstone;	39.0	54.5	100				50.0	51.0	<0.01	37	10	65	26	30
			54.5	57.5	83				51.0	52.0	<0.01	65	10	8	58	40
			57.5	69.7	100				63.0	64.0	0.01	76	5	12	79	130

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 7**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
39.0 cont.....	69.7	appears to be strongly altered/greisenised; felspathic component degraded to yellow-green clay; thin greisen veins and totally greisenised intervals consist of light silvery mica, quartz, possible topaz and amphibole; 1-2% pervasive pyrite as disseminated grains and small aggregates, infilling fractures and along margins of greisen veins; softer more felspathic units below 46 m., very broken due to their softer altered nature; reduced to NQ at 53.9 m; 57.0 m: 20 mm. quartz-mica greisen vein with minor pyrite and biotite; altered siltstones and sandstones from 46-69.7 m. pyritic, strongly sheared and very broken; shearing 70-80 CA, and accompanied by pyrite and sericite;															
69.7	71.4	**QUARTZ VEIN ?? FAULT??:** white-smokey gray quartz with 2-3% euhedral pyrite as disseminated grains or in thin pyrite-mica greisen veins at 70-80 CA; strong fracture direction parallel CA; core very broken;	69.7	71.4	100				70.0	71.5	<0.01	61	15	6	34	40
71.4	132.5	**GREISENISED and METASOMATISED SANDSTONES and SILTSTONES:** light gray silicified siltstones and sandstones; vague bedding trace at 79 m. 70 CA; mottled orange-yellow coloration in places due to alteration of felspathic sandstone; several widely spaced 20-50 mm. quartz veins; steeply dipping 2-10 mm. mica-pyrite greisen veins common with silvery mineral on margins in places; 1-2% pervasive pyrite as disseminated euhedral grains, and semi massive in thin greisen veins; **87.5-92.5 m.**, several massive 30-200 mm. white quartz veins at 60 CA; **93.5-98.0 m.**, strongly pyritic felspathic	71.4	93.5	100				87.5	89.0	0.11	45	<5	12	30	40
			93.5	95.6	85						(<0.01)					
			95.6	132.5	100				91.0	92.0	<0.01	51	<5	10	22	20
									93.5	95.5	<0.01	280	20	12	360	90
									97.0	98.0	<0.01	85	<5	4	8	25
									99.0	100.0	<0.01	100	5	56	26	15
									105.5	107.0	<0.01	200	<5	6	110	50
									114.0	115.5	<0.01	61	5	12	80	40

COMPANY: GOLDSTREAM-TITAN
PROJECT: MOINA RL 8810
HOLE NUMBER: **HS 7**

Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	Au	Zn	Bi	Mo	Sn	W
71.4 cont.....	132.5	sandstone, orange-brown in places due to altered felspar; pyrite 5-10% in places as semi massive aggregates and veinlets; **98-118.4 m.,** mixed light gray silicified sandstone and creamy-brown altered felspathic sandstone; 2-3% pyrite disseminated throughout and infilling network of microfractures; **118.4-124.4 m.,** sandstones fractured and brecciated with semi massive pyrite infilling all fracture surfaces; **124.4-132.5 m.,** dark gray pyritic sandstone with zones cream-orange felspathic sandstone; thin pyrite-mica greisen veins common; **END OF HOLE**							116.0	117.5	<0.01	40	<5	34	20	30
									117.5	119.0	<0.01	55	<5	65	63	40
									119.0	120.5	<0.01	36	5	30	55	30
									124.5	126.0	0.01	120	<5	6	260	80
									128.0	129.5	<0.01	16	<5	10	71	30

APPENDIX B

ASSAY SHEETS

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243044

MINERAL CHEMISTRY

Amdel Laboratories Ltd
PO Box 338
Torrensville Plaza SA 5031
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Facsimile (08) 234 0321

Mr Lindsay Newnham
Newnham Exploration & Mining Services
PO Box 132
RIVERSIDE TAS 7250

FINAL ANALYSIS REPORT

Your Order No:

Our Job Number : 6AD0945

Sample rec'd : 27/02/96
No. of samples : 83
Report comprises a cover sheet and pages 1 to 2

Results reported : 11/03/96

This report relates specifically to the samples tested in so far that the samples as supplied are truly representative of the sample source.

Approved Signature:

for
Alan Ciplys
Manager - Mineral Chemistry
AMDEL LABORATORIES ADELAIDE

CC J Allender Goldstream Mining

Report Codes:
N.A. - Not Available.
L.N.R. - Listed But Not Received.
I.S. - Insufficient Sample.

Distribution Codes:
CC - Carbon Copy
EM - Electronic Media
MM - Magnetic Media

243045

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Job: 6AD0945
O/N:

inal

ANALYTICAL REPORT

Stormont

Hugo

SAMPLE	Au	Au Dp1	Zn	Bi	Mo	Sn	W
SD39 29.6-30.6	<0.01	<0.01	130	480	4	105	70
SD39 30.6-31.6	<0.01	--	85	260	<3	62	<10
SD39 31.6-32.6	0.01	--	155	195	4	45	15
SD39 32.6-33.2	<0.01	--	110	45	<3	19	<10
SD39 33.2-34.7	<0.01	--	93	60	<3	17	<10
HS5 35.0-36.0	<0.01	--	53	<5	10	73	700
HS5 36.0-37.0	<0.01	--	58	<5	26	81	1200
HS5 37.0-38.0	<0.01	--	60	<5	14	99	220
HS5 38.0-39.0	<0.01	--	65	<5	18	84	65
HS5 39.0-40.0	0.01	--	48	<5	12	61	340
HS5 65.8-66.8	<0.01	--	110	<5	18	340	520
HS5 66.8-67.8	0.06	--	100	15	14	260	220
HS5 67.8-68.8	<0.01	--	54	<5	<3	400	80
HS5 68.8-69.8	0.03	--	80	10	<3	260	35
HS5 69.8-70.8	0.02	--	46	<5	<3	220	80
HS5 70.8-71.8	0.02	--	61	5	<3	360	<10
HS5 71.8-72.8	<0.01	--	61	<5	<3	340	35
HS5 72.8-73.8	0.01	--	69	<5	<3	280	30
HS5 73.8-74.8	0.04	--	91	10	6	240	20
HS5 74.8-75.8	0.09	--	120	15	8	380	<10
HS5 75.8-76.8	0.01	<0.01	65	<5	<3	400	<10
HS5 76.8-77.8	0.03	--	760	40	<3	175	90
HS5 100.5-101.5	0.01	--	67	<5	820	72	2600
HS5 104.5-105.5	<0.01	--	69	5	62	135	135
HS5 105.5-106.5	<0.01	--	155	15	600	240	85
HS5 107.0-108.0	<0.01	--	220	10	195	340	165
HS5 108.0-109.0	<0.01	--	220	<5	80	240	80
HS5 111.6-112.6	<0.01	--	110	<5	720	60	440
HS5 114.6-115.6	<0.01	--	89	<5	440	52	7700
HS5 115.6-116.6	<0.01	--	64	<5	16	57	100
HS5 123.0-124.0	<0.01	--	40	<5	115	26	70
HS5 124.0-125.0	<0.01	--	41	<5	30	37	125
HS5 127.5-128.9	<0.01	--	40	<5	280	24	2200
HS5 131.5-132.5	<0.01	--	72	5	110	62	5100
HS5 133.5-134.5	0.01	--	100	25	20	60	110
HS5 135.4-136.9	<0.01	--	48	<5	18	42	720
HS6 0.0-3.7	<0.01	--	640	10	8	110	30
HS6 5.2-6.2	<0.01	--	125	<5	6	300	40
HS6 6.2-7.2	<0.01	--	125	<5	<3	26	<10
HS6 7.2-8.2	0.02	--	46	<5	<3	20	20
HS6 8.2-9.2	0.01	<0.01	150	20	20	135	50
HS6 9.2-10.2	0.01	--	150	10	10	115	25
HS6 10.2-11.2	0.01	--	200	10	6	135	35
HS6 11.2-12.2	0.01	--	240	10	12	175	25
HS6 12.2-13.2	0.01	--	240	5	4	63	50
HS6 13.2-14.2	0.01	--	320	5	6	90	105
HS6 14.2-15.2	<0.01	--	240	5	48	92	85
HS6 15.2-16.2	0.01	--	1500	10	52	99	380
HS6 16.2-18.0	<0.01	--	105	15	12	560	240
HS6 18.0-19.0	<0.01	--	150	10	4	700	240
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm
DET.LIM	0.01	0.01	2	5	3	4	10
SCHEME	FA1	FA1	IC1E	IC1E	IC1E	XRF1	XRF1

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243046

Job: 6AD0945
O/N:

inal

ANALYTICAL REPORT

SAMPLE	Au	Au Dp1	Zn	Bi	Mo	Sn	W
HS6 19.0-20.0	0.01	--	2500	20	51	93	190
HS6 20.0-21.0	0.01	--	97	15	52	80	280
HS6 21.0-22.0	0.02	--	8600	100	34	360	820
HS6 22.0-23.0	<0.01	--	86	15	81	155	90
HS6 23.0-24.0	<0.01	--	125	15	40	400	260
HS6 24.0-25.0	<0.01	--	150	15	64	520	105
HS6 25.0-26.0	<0.01	--	57	5	53	47	195
HS6 26.0-27.0	<0.01	--	2900	10	51	89	200
HS6 27.0-28.0	<0.01	--	125	5	185	260	380
HS6 28.0-29.0	<0.01	--	125	<5	130	155	380
HS6 29.0-30.0	<0.01	0.01	760	140	32	560	220
HS6 30.0-31.0	<0.01	--	130	<5	66	420	280
HS6 31.0-32.0	<0.01	--	240	<5	86	580	580
HS6 32.0-33.0	<0.01	--	120	<5	50	760	580
HS6 33.0-34.0	<0.01	--	125	80	<3	900	20
HS6 34.0-35.0	0.06	0.06	185	380	40	1000	420
HS6 35.0-36.0	2.03	2.07	440	1.24%	76	2600	820
HS6 36.0-37.0	0.43	0.42	400	6900	160	2100	380
HS6 37.0-38.0	0.07	--	320	820	61	1200	880
HS6 38.0-39.0	0.02	--	170	540	51	2000	480
HS6 39.0-40.0	0.07	0.08	220	560	87	1500	1200
HS6 40.0-41.0	0.05	--	640	1200	66	1100	500
HS6 41.0-42.0	0.06	--	2800	940	46	1500	860
HS6 42.0-44.0	0.12	0.10	2800	1100	46	1500	840
HS6 80.0-82.0	0.18	0.16	980	600	38	2400	720
HS6 82.0-84.0	0.12	0.10	680	720	100	2200	920
HS6 84.0-86.0	0.04	--	1500	700	155	2100	1300
HS6 86.0-88.0	0.02	--	260	580	200	1900	660
HS6 88.0-90.0	0.01	--	175	340	240	3900	360
HS6 90.0-92.0	0.03	--	150	360	340	1600	1200
HS6 92.0-94.0	0.01	0.02	160	300	260	2600	1200
HS6 94.0-96.0	0.02	--	135	480	640	1500	2800
HS6 96.0-98.0	0.04	--	96	320	860	2300	2000
UNITS	ppm	ppm	ppm	ppm	ppm	ppm	ppm
DET.LIM	0.01	0.01	2	5	3	4	10
SCHEME	FA1	FA1	IC1E	IC1E	IC1E	XRF1	XRF1
UPPER SCHEME				XRF1			

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243047

MINERAL CHEMISTRY

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Mr Lindsay Newnham
Newnham Exploration & Mining Services
PO Box 132
RIVERSIDE TAS 7250

FINAL ANALYSIS REPORT

Your Order No:

Our Job Number : 6AD1233

Sample rec'd : 15/03/96
No. of samples : 89

Results reported : 25/03/96

Report comprises a cover sheet and pages A:1 to 2,B:1 to 2

This report relates specifically to the samples tested in so far that the samples as supplied are truly representative of the sample source.

Approved Signature:

for
Alan Ciplys
Manager - Mineral Chemistry
AMDEL LABORATORIES ADELAIDE

Report Codes:
N.A. - Not Available.
L.N.R. - Listed But Not Received.
I.S. - Insufficient Sample.

Distribution Codes:
CC - Carbon Copy
EM - Electronic Media
MM - Magnetic Media

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Job: 6AD1233A
O/N:

Final

ANALYTICAL REPORT

243048

	SAMPLE	Au	Au Dpl	Zn	Bi	Mo
SD40	1.2-2.1	<0.01	<0.01	44	100	4
SD40	2.1-3.0	0.01	--	38	50	6
SD40	3.0-4.0	<0.01	--	39	65	6
SD40	4.0-5.0	<0.01	--	70	85	6
SD40	5.0-6.0	0.01	--	44	145	8
SD40	6.0-7.0	<0.01	--	47	125	8
SD40	7.0-8.0	0.02	--	83	220	6
SD40	19.5-20.5	0.01	--	120	200	<3
SD40	27.0-28.0	0.03	--	43	25	<3
SD40	47.5-48.5	0.01	--	11	<5	4
SD41	0.0-1.5	0.01	--	130	80	<3
SD41	1.5-2.2	0.03	--	94	480	4
SD41	2.2-3.0	0.03	--	99	300	6
SD41	3.0-4.0	0.02	--	145	160	6
SD41	4.0-5.0	0.01	--	71	300	4
SD41	5.0-6.0	0.01	--	73	120	6
SD41	6.0-7.0	0.01	--	32	115	4
SD41	7.0-8.0	<0.01	--	17	20	6
SD41	8.0-9.0	<0.01	--	19	25	4
SD41	9.0-10.0	<0.01	--	25	85	6
SD41	10.0-11.0	<0.01	<0.01	37	130	4
SD41	11.0-12.0	<0.01	--	46	220	6
SD42	0.0-2.3	0.58	0.44	89	280	<3
SD42	2.3-3.5	0.01	--	61	<5	6
SD42	3.5-4.5	0.01	--	66	<5	6
SD42	4.5-5.5	0.01	--	90	<5	6
SD42	5.5-6.5	0.01	--	165	<5	<3
SD42	26.0-27.0	0.01	--	105	<5	6
SD42	27.0-28.0	<0.01	--	37	<5	6
SD42	28.0-29.0	<0.01	--	46	<5	6
SD42	29.0-30.0	<0.01	--	105	10	6
Fairmont SD42	30.0-31.0	<0.01	--	90	30	8
SD42	31.0-32.0	<0.01	--	56	<5	<3
SD42	32.0-33.0	<0.01	--	66	20	6
SD42	33.0-34.0	<0.01	--	55	5	6
HS6	44.0-46.0	0.02	--	150	680	52
HS6	46.0-48.0	<0.01	--	90	500	40
HS6	48.0-50.0	0.12	0.13	150	680	38
HS6	50.0-52.0	0.10	--	160	360	36
Hugo HS6	52.0-54.0	0.16	0.15	185	520	44
HS6	54.0-56.0	0.14	0.15	195	880	22
HS6	56.0-58.0	0.04	--	135	320	14
HS6	58.0-60.0	0.10	0.11	180	400	8
HS6	60.0-62.0	0.05	--	1500	640	16
HS6	62.0-64.0	0.05	--	180	740	4
HS6	64.0-66.0	0.13	0.12	160	600	18
HS6	66.0-68.0	0.09	--	200	660	16
HS6	68.0-70.0	0.14	--	460	780	18
HS6	70.0-72.0	0.09	--	300	560	20
HS6	72.0-74.0	0.32	0.35	180	1400	67
	UNITS	ppm	ppm	ppm	ppm	ppm
	DET.LIM	0.01	0.01	2	5	3
	SCHEME	FA1	FA1	IC1E	IC1E	IC1E

243049

amdel

Job: 6AD1233A
O/N:

inal

ANALYTICAL REPORT

	SAMPLE	Au	Au Dp1	Zn	Bi	Mo
HS6	74.0-76.0	0.07	--	170	480	64
HS6	76.0-78.0	0.10	--	165	680	66
HS6	78.0-80.0	0.05	--	780	360	105
HS6	98.0-100.0	0.08	--	165	680	180
HS6	100.0-102.0	0.01	--	200	500	100
HS6	102.0-104.0	0.11	0.11	240	600	125
HS6	104.0-106.0	0.08	--	240	420	180
HS6	106.0-108.0	1.06	--	75	2400	380
HS6	108.0-110.0	0.07	--	69	300	93
HS6	110.0-112.0	0.16	0.14	65	240	380
HS6	112.0-114.0	0.16	0.18	87	640	16
HS6	114.0-116.0	0.50	0.41	67	480	195
HS6	116.0-118.0	0.25	0.12	69	130	150
HS6	118.0-120.0	0.07	--	110	65	520
HS6	120.0-122.0	0.02	--	105	35	300
HS6	122.0-124.0	0.01	--	95	170	28
HS6	124.0-126.0	0.06	--	100	280	28
HS6	126.0-128.0	0.04	--	220	70	1600
HS6	128.0-130.0	0.04	--	280	25	1100
HS7	15.0-16.0	<0.01	--	11	10	30
HS7	21.5-23.5	<0.01	--	5	<5	8
HS7	31.5-32.5	<0.01	--	400	10	8
HS7	39.0-40.0	<0.01	--	115	10	4
HS7	50.0-51.0	<0.01	--	37	10	65
HS7	51.0-52.0	<0.01	--	65	10	8
HS7	63.0-64.0	0.01	--	76	5	12
HS7	70.0-71.5	<0.01	--	61	15	6
HS7	87.5-89.0	0.11	<0.01	45	<5	12
HS7	91.0-92.0	<0.01	--	51	<5	10
HS7	93.5-95.5	<0.01	--	280	20	12
HS7	97.0-98.0	<0.01	--	85	<5	4
HS7	99.0-100.0	<0.01	--	100	5	56
HS7	105.5-107.0	<0.01	--	200	<5	6
HS7	114.0-115.5	<0.01	--	61	5	12
HS7	116.0-117.5	<0.01	--	40	<5	34
HS7	117.5-119.0	<0.01	--	55	<5	65
HS7	119.0-120.5	<0.01	--	36	5	30
HS7	124.5-126.0	0.01	--	120	<5	6
HS7	128.0-129.5	<0.01	--	16	<5	10

UNITS	ppm	ppm	ppm	ppm	ppm
DET.LIM	0.01	0.01	2	5	3
SCHEME	FA1	FA1	IC1E	IC1E	IC1E

243050

amdel

Job: 6AD1233B
O/N:

inal

ANALYTICAL REPORT

	SAMPLE	Sn	W
HS6	44.0-46.0	2300	400
HS6	46.0-48.0	1100	600
HS6	48.0-50.0	1700	500
HS6	50.0-52.0	2300	320
HS6	52.0-54.0	1600	700
HS6	54.0-56.0	2000	400
HS6	56.0-58.0	3200	320
HS6	58.0-60.0	4100	175
HS6	60.0-62.0	2300	320
HS6	62.0-64.0	3900	540
HS6	64.0-66.0	1700	320
HS6	66.0-68.0	2200	580
HS6	68.0-70.0	2200	560
HS6	70.0-72.0	2400	400
HS6	72.0-74.0	1800	1100
HS6	74.0-76.0	1700	820
HS6	76.0-78.0	1600	860
HS6	78.0-80.0	1600	1900
HS6	98.0-100.0	3200	2400
HS6	100.0-102.0	1600	2700
HS6	102.0-104.0	1400	1100
HS6	104.0-106.0	940	1100
HS6	106.0-108.0	760	800
HS6	108.0-110.0	660	220
HS6	110.0-112.0	740	5300
HS6	112.0-114.0	780	65
HS6	114.0-116.0	340	780
HS6	116.0-118.0	280	580
HS6	118.0-120.0	300	1300
HS6	120.0-122.0	220	440
HS6	122.0-124.0	280	135
HS6	124.0-126.0	220	420
HS6	126.0-128.0	175	1600
HS6	128.0-130.0	200	620
HS7	15.0-16.0	49	70
HS7	21.5-23.5	15	35
HS7	31.5-32.5	94	95
HS7	39.0-40.0	79	70
HS7	50.0-51.0	26	30
HS7	51.0-52.0	58	40
HS7	63.0-64.0	79	130
HS7	70.0-71.5	34	40
HS7	87.5-89.0	30	40
HS7	91.0-92.0	22	20
HS7	93.5-95.5	360	90
HS7	97.0-98.0	8	25
HS7	99.0-100.0	26	15
HS7	105.5-107.0	110	50
HS7	114.0-115.5	80	40
HS7	116.0-117.5	20	30
	UNITS	ppm	ppm
	DET.LIM	4	10
	SCHEME	XRF1	XRF1

amdel

243051

Job: 6AD1233B
O/N:

inal

ANALYTICAL REPORT

	SAMPLE	Sn	W
HS7	117.5-119.0	63	40
HS7	119.0-120.5	55	30
HS7	124.5-126.0	260	80
HS7	128.0-129.5	71	30
	UNITS	ppm	ppm
	DET.LIM	4	10
	SCHEME	XRF1	XRF1

96-3930

ANNUAL REPORT - MOINA - RL 8810
P.E. 21/10/96 - ACACIA METALS
C.R.MACKAY

NEWNHAM EXPLORATION AND MINING SERVICES

R.L. 8810 — MOINA AREA
HUGO SKARN PROJECT
DRILLING DATA and
GEOLOGICAL INTERPRETATION

DRAWN: L.A.Newnham
DRAFTSPERSON:
DATE: May 96
FILE No.
SCALE: 1: 1,000 (0m — 60m)
FIG. No. 2

5 cm

243052

LEGEND

- Access roads
- Drill hole collars R.L.'s shown are metres A.S.L.
- Creeks
- Joint Venture boundary
- Outcrop of Shepherd and Murphy Lodes
- Outcrop boundary Gordon Limestone : Moina Sandstone west of Bismuth Creek Fault.
- Skarn contours west of Bismuth Creek Fault (F.W.)
- Skarn FW contours east of Bismuth Creek Fault
- Hugo Fault outcrop
- Hugo Fault contours
- Bismuth Creek Fault, FaultA, FaultB Surface outcrops.
- Tb : Tertiary basalt
- Og : Gordon Limestone
- Om : Moina Sandstone
- Oc : Roland Conglomerate
- Cv : Cambrian volcanics

APPENDIX 2

RL8810 - HUGO PROJECT
FURTHER DRILLING PROPOSAL

NEWNHAM EXPLORATION AND MINING SERVICES

Serving the Minerals Industries.

243054

Lindsay Newnham B.Sc., F.A.I.M.M.
Consulting Geologist
Trading as Newnham Exploration and Mining Services

Office: "Elterwater"
West Tamar Highway
Exeter
Tasmania 7275

Postal Address: PO Box 132
Riverside
Tasmania 7250

Phone: (003) 94 3434
Mobile: (018) 38 6229
Fax: (003) 94 3435

Dave, I have sent a copy to Tim McConachy. Craig

MEMO TO: R Morritt - Titan/Goldstream
C Mackay - Acacia

FROM: Lindsay Newnham

SUBJECT: R.L. 8810 Hugo Project - Further Drilling Program

DATE: July 4, 1996

The two drilling programs completed by Titan/Goldstream on the Hugo project have not produced the encouraging results hoped for on the basis of earlier drilling in the area.

Scope remains on the central-eastern section of the deposit for a modest sized deposit (say 1 Mt) of moderate Zn grade (10%) with variable but significant amounts of Bi and Au.

The attractiveness of such a deposit rests with its location. Infrastructure is excellent, the steep topography would facilitate easy underground access, and there are two potential zinc mills to the south along the adjacent highway.

The potential resource area is shown on the attached plan. It is influenced by the following drill holes:

SMD 13:	17m. 8.6 Zn, 0.1-0.2 Bi, >0.1 Au, incl. 10m 1 g/t
SMD 16:	4m. 4.2 Zn, 1.67 Au; 13m. 4.4 Zn, 0.47 Au 5m. 10.7 Zn 6m. 0.72 Au
SMD 24:	9m. 0.73 Au 6m. 1.72 Zn, 0.87 Au
HS 002:	5m. 1.73 Au
HS 001:	10m. 0.4 Au, 0.52 Bi
HS 6:	83m. 0.15 Au

Clearly, maximum encouragement is generated by SMD 13. It is proposed that this potential resource could be demonstrated by three further cored holes, preceded by one hole adjacent to SMD 13 (see plan).

The purpose of this initial hole would be to obtain assurance about the validity of the SMD 13 intersection.

Hence the program would involve drilling hole 1 adjacent to SMD 13 and whilst hole 2 was in progress, rapidly split and assay hole 1, before hole 2 was completed.

If the results of hole 1 supported SMD 13 results, then holes 3 and 4 would be drilled.

If hole 1 results did not support SMD 13, then holes 3, 4 would not be drilled.

Prior to any further drilling at Hugo, it is proposed that existing drill sites be located by Licenced surveyor so that future drilling can be located on an accurate base map. (This work is currently in progress.)

Thus, the program provides for a minimum 300 m. HQ-NQ coring and a maximum 600 m.

The following are budget notes and cost estimates:

Drilling:

300 m.	HQ-NQ drilling	$85/m	25,500
600 m.	HQ-NQ drilling	$80/m	(48,000)

Mobilisation/demob:

$1,000 each way	2,000

Site Construction & Movement:

Hire of excavator to construct drill sites and move between sites $500/site	1,000
	(2,000)

Consumables:

Trays, saw, bags, etc.	$5/m.	1,500
		(3,000)

Assaying:

50 samples/hole at $20/sample		2,000 (4,000)

Surveying:

3 field days and plotting		4,000

Petrology/Mineralogy:

Only if Hole 1 encouraging		2,000

Management:

Planning, approvals, etc	1 week	
Supervision, logging	1.5-3 weeks	
Collation	1 week	
Assistant: splitting, reporting	1 week	9,000 (13,500)

Travel:

3-5000 kms @ $0.35/km		1,000 (1,500)

BUDGET ESTIMATE	**$48,000**
	($80,000)

Yours sincerely

Lindsay Newnham

Morr-HugoFurtherDrill

242057

DIAMOND DRILLING (TAS.) PTY. LTD.
A.C.N. 009 531 471
P.O. Box 105,
ZEEHAN,
Tasmania 7469
Telephone (004) 71 6339
Facsimile (004) 71 6585

27th June 1996

Mr Lindsay Newnham
Newnham Exploration and Mining Services
P.O. Box 132
Riverside TAS 7250

Dear Lindsay

Re : Proposed Drilling - Hugo Project Moina

Thank you for inviting us to tender, it is appreciated. In essence, I have updated our previous contract. There is no increase in our schedule of rates.

Because the Program is so small, I will be forced to charge 4 man hours per day travelling time of the 6 man hours spent travelling. This equates to $152.00 per day or approximately $5.00 per metre. I apologise for this, but it is necessary when there is only one to two weeks work involved. However, should the program extend to 500 - 600 metres, then I would not charge travelling time.

The U.D.R. 250 is available for this work. If successful, we would required 5 working days notice prior to starting date, to organise crew.

Again thank you.

Yours sincerely,

Peter Sharp
Manager

96-3930

ANNUAL REPORT - MOINA - RL 8810
P.E. 21/10/96 - ACACIA METALS
C.R.MACKAY

NEWNHAM EXPLORATION AND MINING SERVICES

R.L. 8810 — MOINA AREA
HUGO SKARN PROJECT
DRILLING DATA and GEOLOGICAL INTERPRETATION

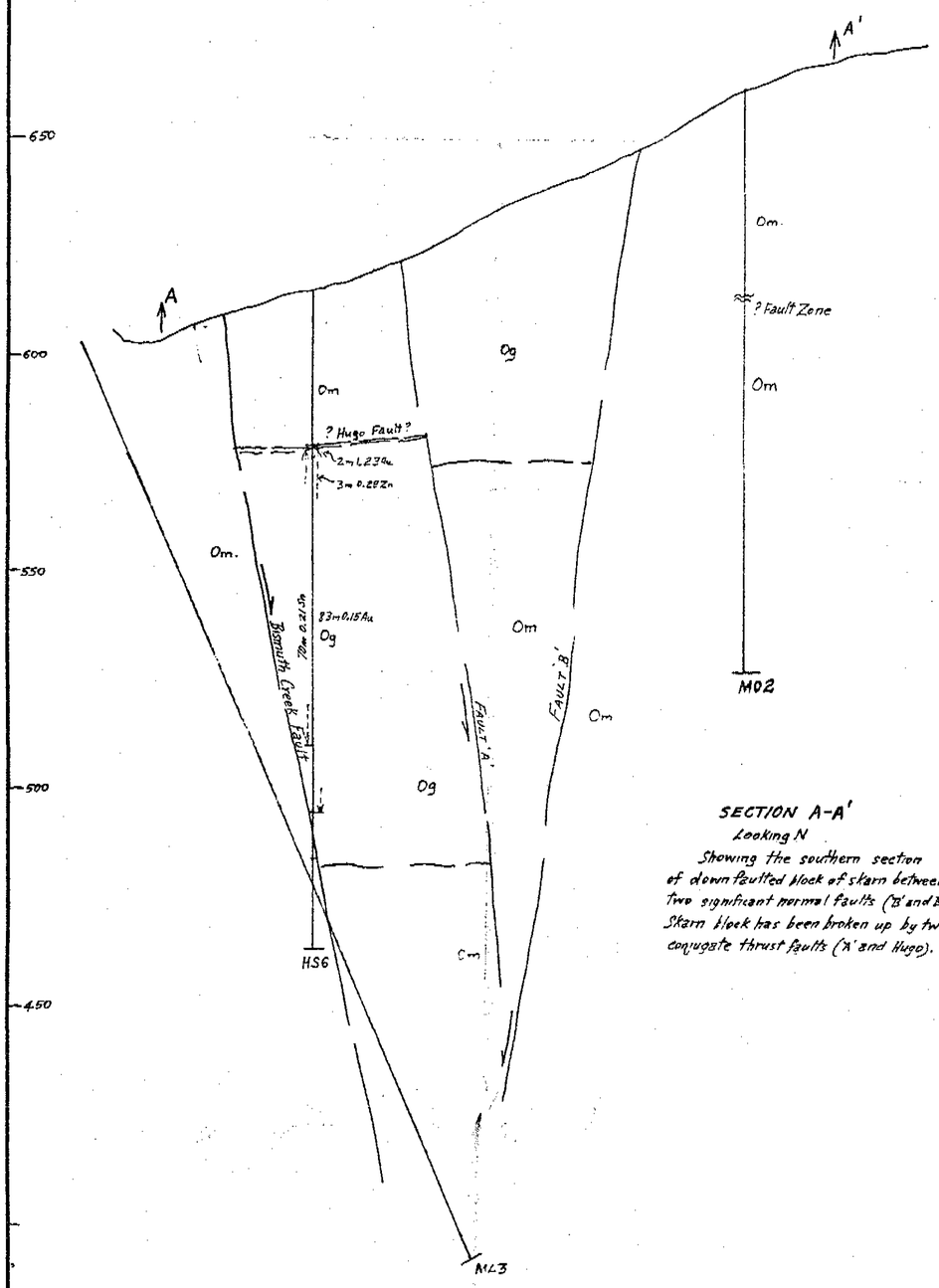
DRAWN: L.A.Newnham
DRAFTSPERSON:
DATE: May 96
FILE No.
FIG. No. 2

SCALE: 1: 1,000 (0m, 60m, 5cm)

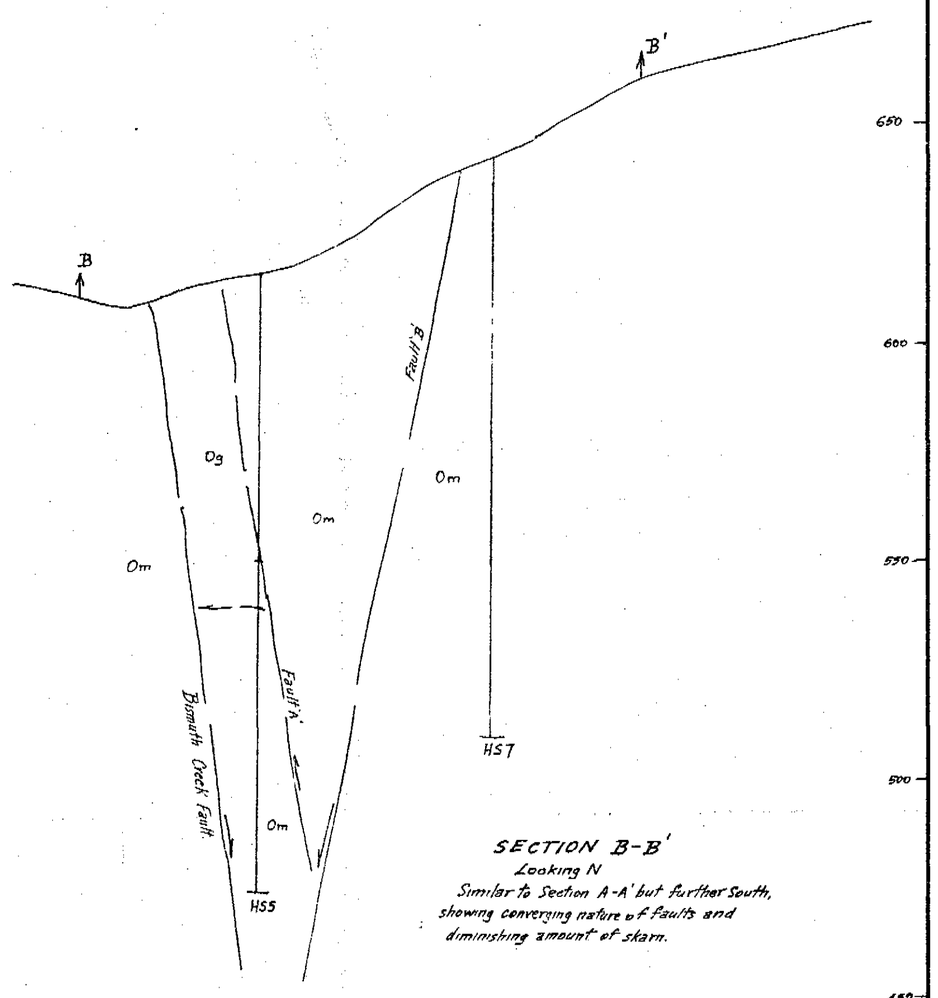
243058

LEGEND

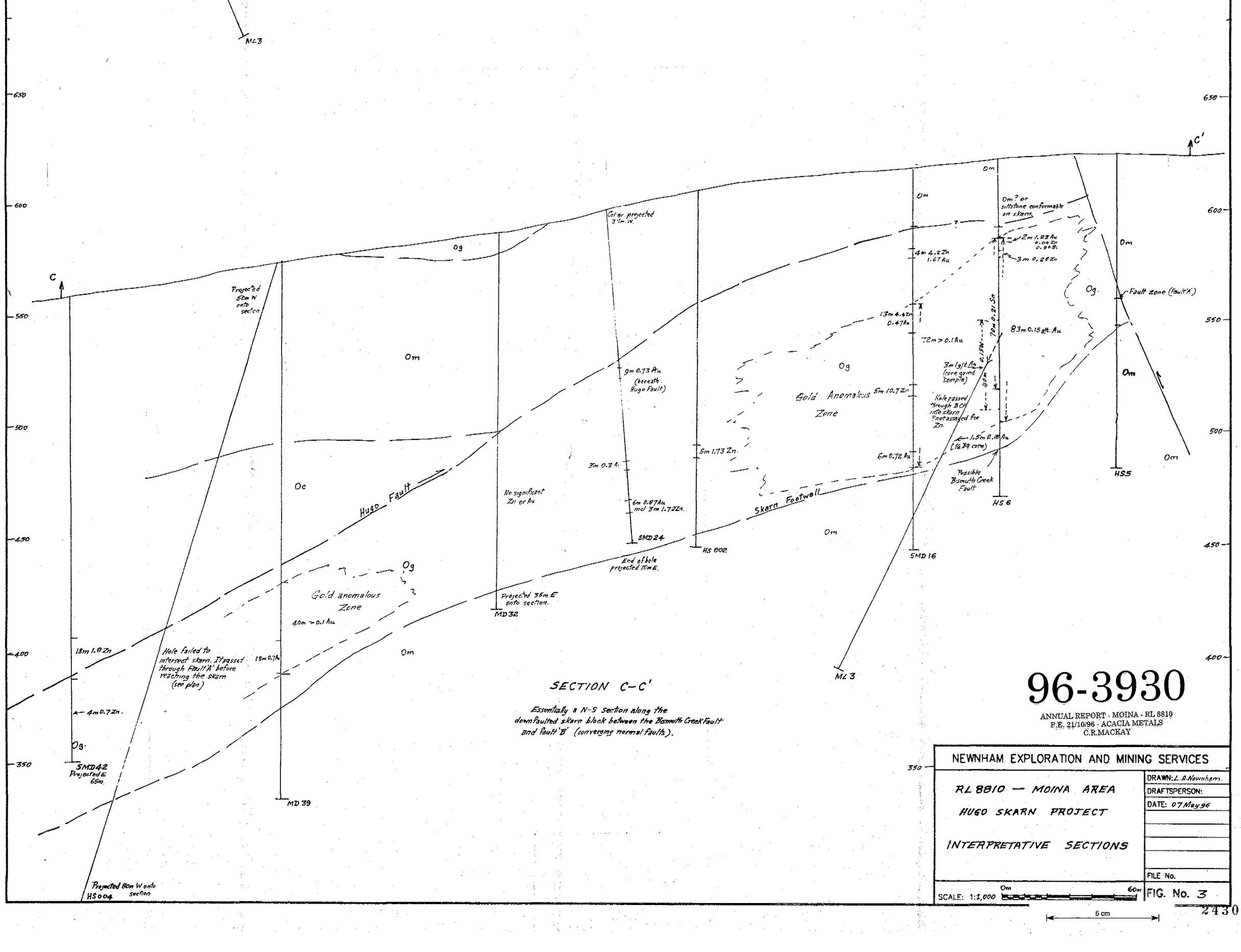
- Access roads
- HS6 — Drill hole collars R.L.'s shown are metres ASL.
- Creeks
- Joint Venture boundary
- Outcrop of Shepherd and Murphy Lodes
- Outcrop boundary Gordon Limestone : Moina Sandstone west of Bismuth Creek Fault.
- Skarn contours west of Bismuth Creek Fault (F.W)
- Skarn FW contours east of Bismuth Creek Fault
- Hugo Fault outcrop
- Hugo Fault contours
- Bismuth Creek Fault, Fault A, Fault B Surface outcrops.
- Tb : Tertiary basalt
- Og : Gordon Limestone
- Om : Moina Sandstone
- Oc : Roland Conglomerate
- Ev : Cambrian volcanics



SECTION A-A'
Looking N
Showing the southern section of down faulted block of skarn between two significant normal faults ('A' and Bcre). Skarn block has been broken up by two conjugate thrust faults ('A' and Hugo).



SECTION B-B'
Looking N
Similar to Section A-A' but further South, showing converging nature of faults and diminishing amount of skarn.



SECTION C-C'

Essentially a N-S section along the downfaulted skarn block between the Bismuth Creek Fault and Fault 'B' (converging normal faults).

96-3930

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P.E. 21/10/96 - ACACIA METALS
C.R.MACKAY

NEWNHAM EXPLORATION AND MINING SERVICES

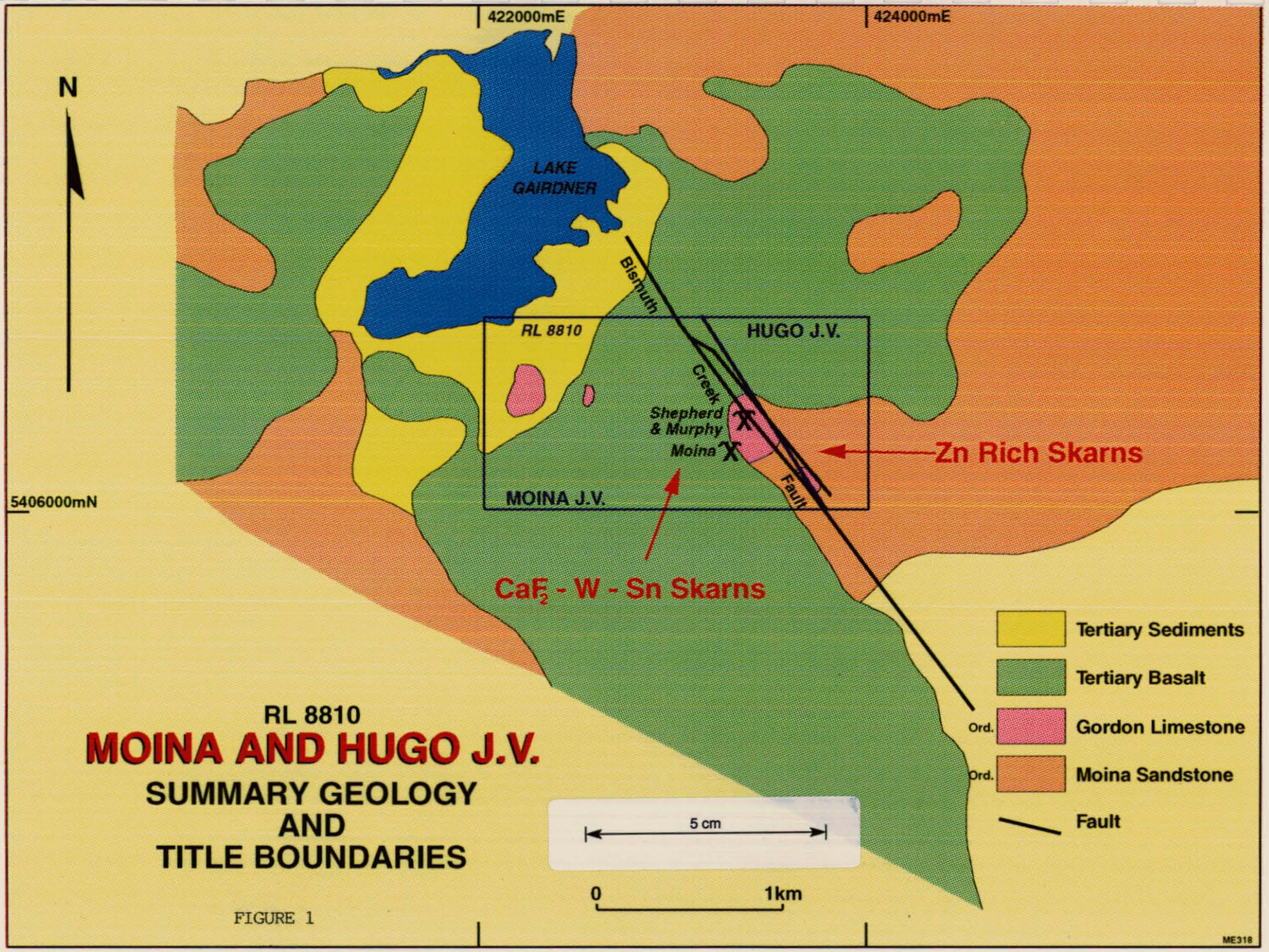
RL 8810 — MOINA AREA
HUGO SKARN PROJECT
INTERPRETATIVE SECTIONS

DRAWN: L.A.Newnham.
DRAFTSPERSON:
DATE: 07 May 96
FILE No.
FIG. No. 3

SCALE: 1:1,000 (0m – 60m)

5 cm

243059



RL 8810

MOINA AND HUGO J.V.

SUMMARY GEOLOGY AND TITLE BOUNDARIES

FIGURE 1

243060

PLATE 1 **Shaft cap, fencing and signage: Main Shaft Shepherd and Murphy Mine**

PLATE 2 **Shaft cap, fencing and signage: Main Shaft Shepherd and Murphy Mine**

PLATE 3 **Shaft cap, fencing and signage: No.5 Vent Shaft Shepherd and Murphy Mine**

PLATE 4 **Shaft cap, fencing and signage: No.5 Vent Shaft Shepherd and Murphy Mine**

243063

PLATE 5 **Fencing, signage and grid on No.3 Adit Shepherd and Murphy Mine**

PLATE 6 **Warning sign on road beneath eastern open stopes Shepherd and Murphy Mine**

PLATE 7 **Warning sign and fencing around No.6 Lode stopes Shepherd and Murphy Mine**

PLATE 8 **Warning sign at entrance to No.1 Adit Shepherd and Murphy Mine**

PLATE 9 **Warning sign at entrance to "unnamed adit" Shepherd and Murphy Mine**

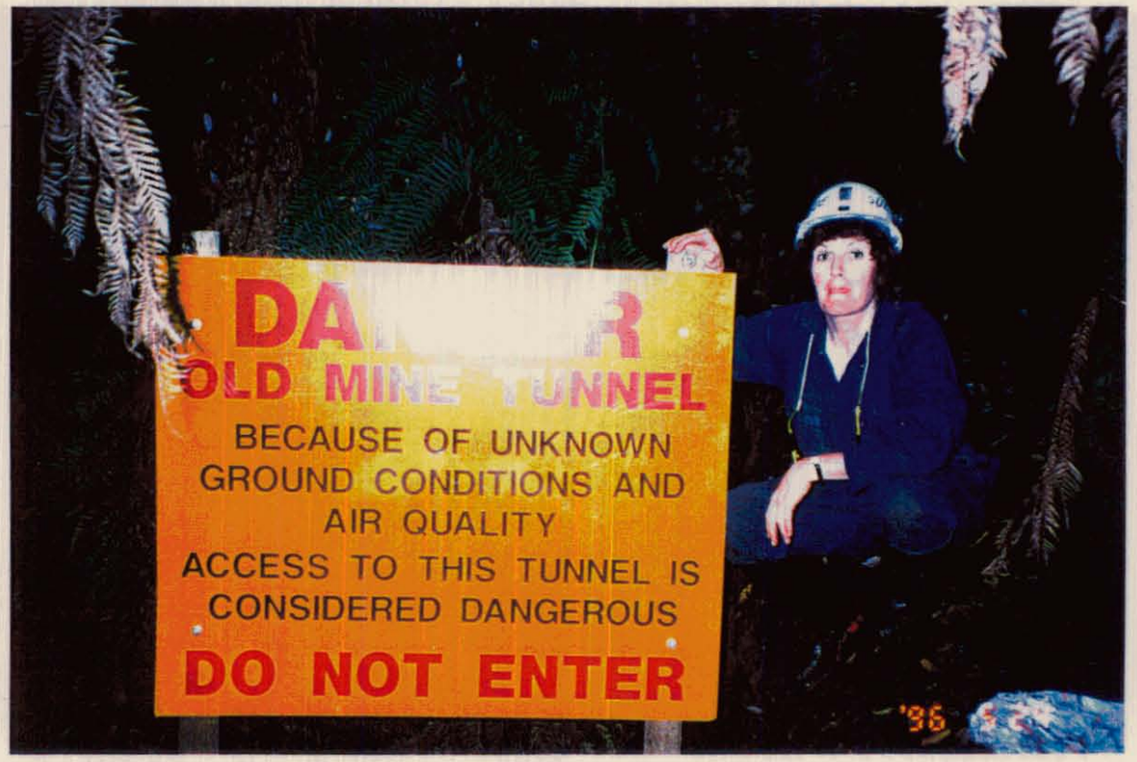


PLATE 10 **Warning sign at entrance to No.2 Adit Shepherd and Murphy Mine**

PLATE 11 **Warning sign at entrance to No.4 Creek Drive Shepherd and Murphy Mine**

PLATE 12 **Warning sign on north side of mill foundations Shepherd and Murphy Mine**

PLATE 13 **Warning sign on south side of mill foundations Shepherd and Murphy Mine**