

(1) Here insert name, address, and occupation of person making the declaration.

I, (1) David Cameron Lane
of 21 Counsel Street, Zeehan, 7469
Exploration Manager

(2) Here insert matter declared to. Where the matter is long it should be set out in numbered paragraphs.

do solemnly and sincerely declare (2)

that the report attached hereto titled
"EL 59/94 Mt Agnew Annual Report
January 11, 1997 to January 15, 1998"
is a true and accurate report of
exploration carried out on EL 59/94
for the period stated, except that
some accounts have not yet been
received and have therefore not been
paid.

MICROFILMED
FICHE No.014580-

And I make this solemn declaration by virtue of the Section 132 of the Evidence Act 1910 conscientiously believing the statements contained herein to be true in every particular.

(3) Signature of person making the declaration.

(3) David Lane

Declared at Zeehan the 15th

day of January 1998 before me

(4) Signature of person before whom the declaration is made.

(4) L R Gillett

(5) Here insert title of person before whom the declaration is made.

(5) JP 01298

TABLE OF CONTENTS

1. LIST OF FIGURES
2. TENEMENT INFORMATION
3. SUMMARY OF WORK COMPLETED 1997-98
4. DETAILS OF SURVEYS
5. CONCLUSIONS AND RECOMMENDATIONS
6. REFERENCES
7. APPENDIX
 - 7.1 Field Data Records
 - 7.2 Petrography report from Ralph Bottrill
 - 7.3 Expenditure 1997-1998

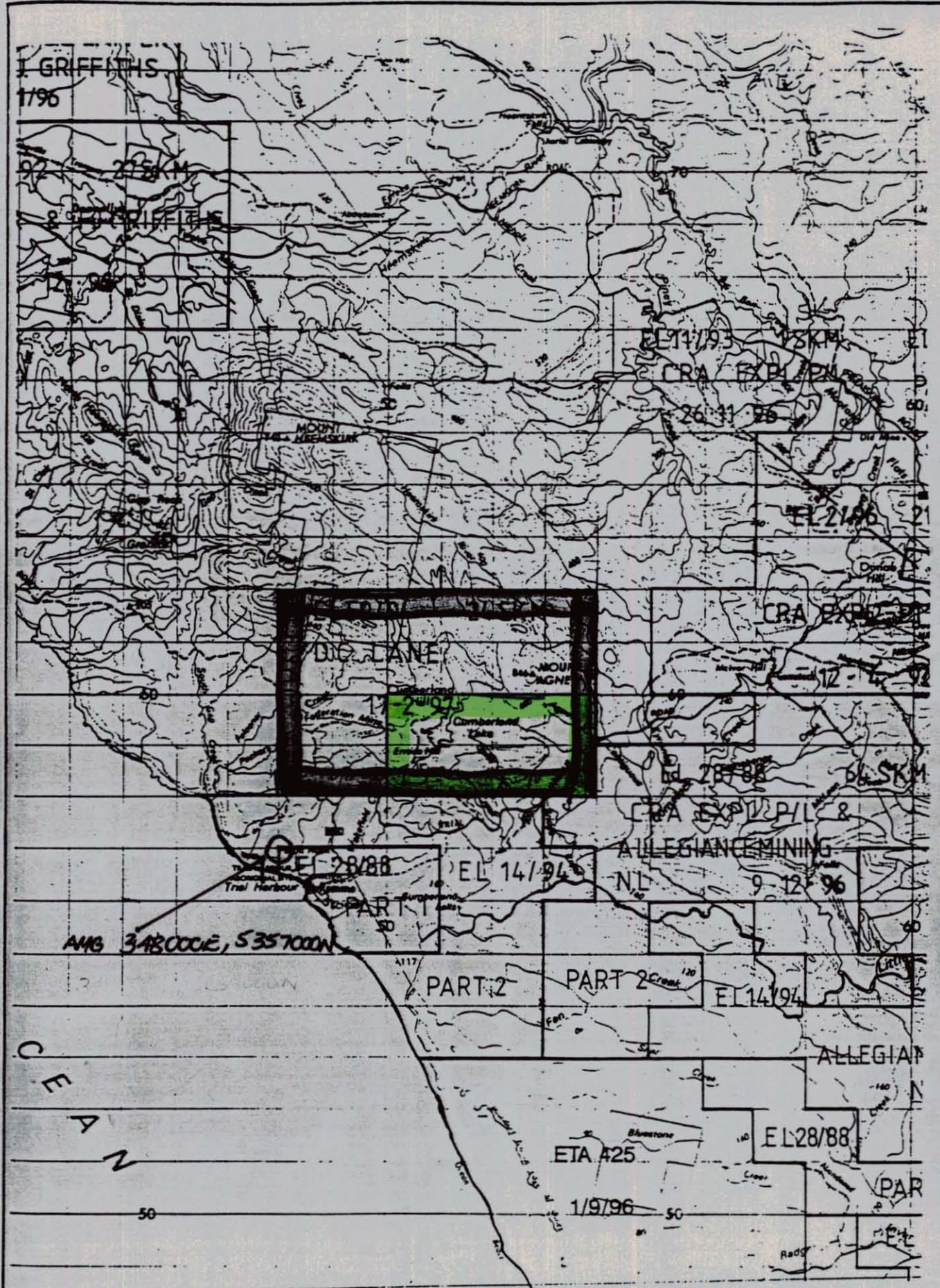
1. LIST OF FIGURES
1. Locality Map
2. Principal Prospects
3. Globe Mine Area

2. TENEMENT INFORMATION

EL 59/94 was issued to David Lane on February 17, 1995. The Licence area originally comprised 36 square kilometres of unoccupied Crown Land and State Forest - Multiple Use Forest Land.

The northern portion (12 square kilometres) of this area was relinquished in January 1996. A further 16 square kilometres was relinquished in January 1997, leaving 8 square kilometres.

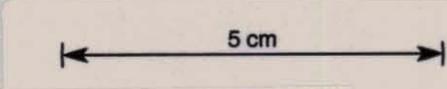
Figure 1 is a locality map.



AMG 348000E, 535700N

C
E
A
N

13 44 45 46 47 48 49



AMG REFERENCE POINTS ADDED

NEWNHAM EXPLORATION AND MINING SERVICES

E.L. 59/94
HEEMSKIRK PROJECT
LOCATION PLAN

0 km 4 | Scale: 1:100,000

Drawn: L.A.N. | Date: Sept. 96 | Figure: 1

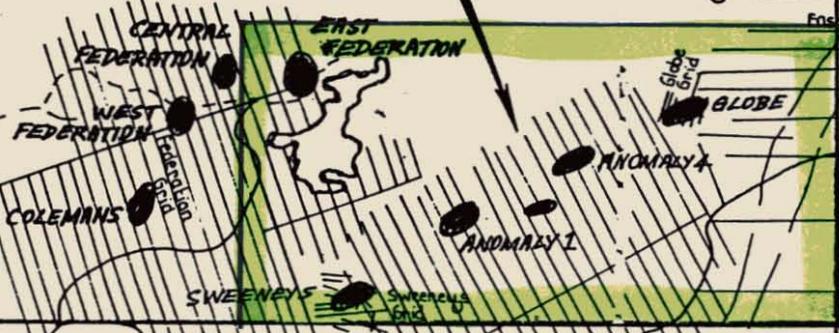
Dg
(Heemskirk Granite)

E.L. 59/94

AGNEW GRID

Federation area

▲ Mt. Agnew



NEWNHAM EXPLORATION AND MINING SERVICES

**E.L. 59/94
HEEMSKIRK PROJECT**

PRINCIPAL PROSPECT LOCATIONS

10 km.	2	Scale: 1:50,000
Drawn:	Date: Sept 96	Figure: 32

421002

3. SUMMARY OF WORK COMPLETED

3.1 General

An attempt was made to interest a Melbourne-based syndicate in the project. Their response was negative.

3.2 Globe Mine

Preliminary petrographic analysis was completed by Ralph Bottrill at MRT.

On-ground work was limited to the completion of a self-potential survey.

3.3 Environmental

No work was carried out which caused any environmental impact. Sweeneys and Globe mines were mapped for weeds.

4. DETAILS OF SURVEYS

4.1 Globe Mine

4.1.1 Preliminary petrographic analysis was carried out by Ralph Bottrill at MRT. His assessment was that silver mineralisation was possibly miargyrite(?). There was no trace of tetrahedrite (silver-rich) in the samples submitted.

$(AgSbS_2)$ ←

4.1.2 A self-potential survey was completed. The instrument used for this survey was a TPS LC80A pH-mV meter (high-impedance), in an insulated box, with non-polarising electrodes (Cu-CuSO₄).

Results are included in Appendix 7.1. Stations are shown in Figure 3.

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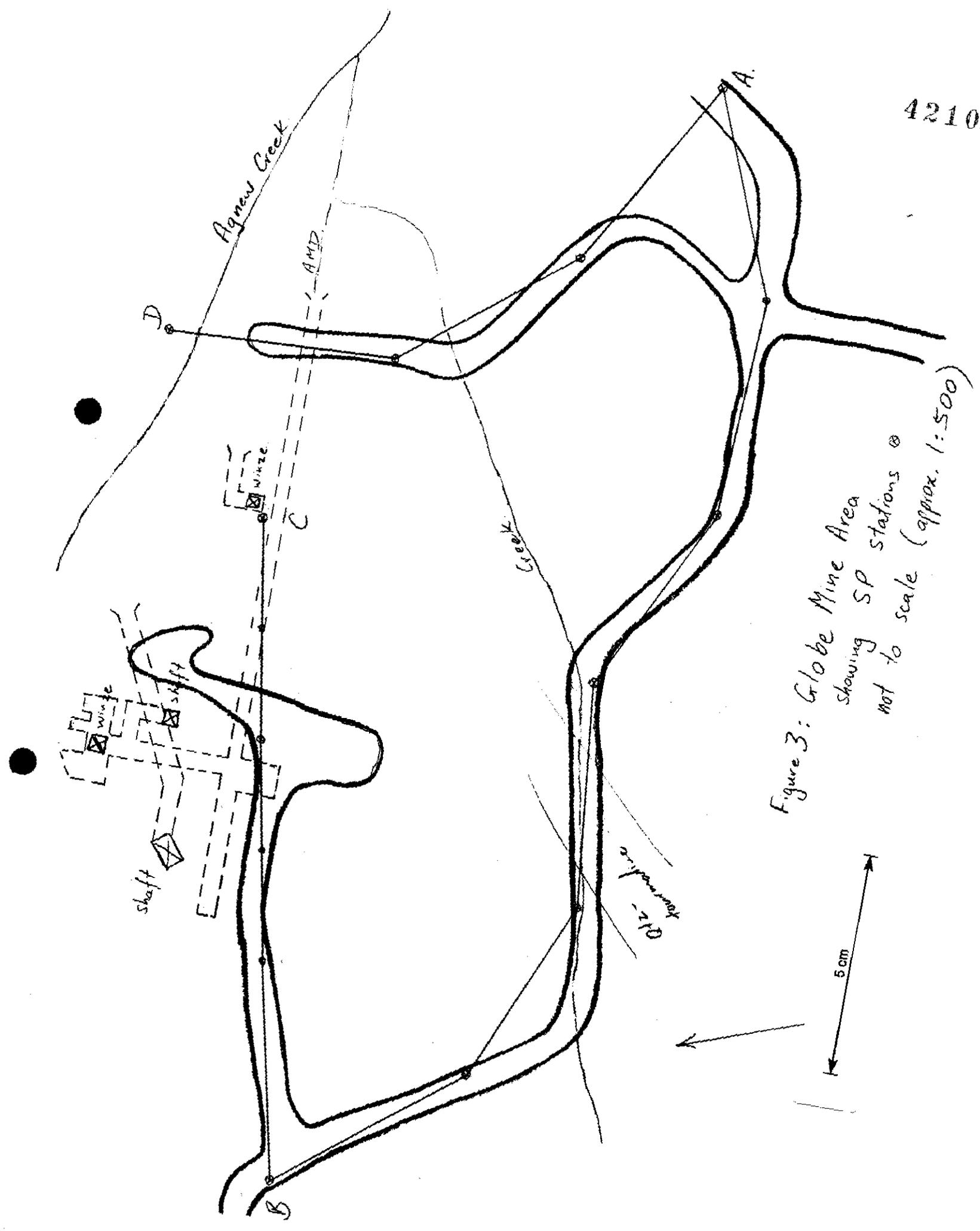


Figure 3: Globe Mine Area
showing SP stations
not to scale (approx. 1:500)

5. CONCLUSIONS AND RECOMMENDATIONS

- 5.1 Results of the self-potential survey yielded little additional information. Self-potential picked up the quartz-tourmaline greisen exposed on the tracks, but did not reveal any other near-surface mineralisation.
- 5.2 An attempt was made to interest a Melbourne-based syndicate in the South Heemskirk project. Their response was negative. There was no interest shown in either tin or silver, and zinc mineralisation was too low grade. My Tasmanian contact for this group was Peter Newport of Mawsons Road, Camdale (telephone 03-64 333 958).
- 5.3 With metal prices continuing to be depressed, there seems little prospect for developing a small scale mining operation around the known mineralisation at South Heemskirk. While there have been some isolated high-grade assays, the mineralisation is essentially too low grade, with little scope for any tonnage by high-grading (Peter Olubas - personal comment).
- It is therefore proposed to relinquish the area.
- 5.4 Since expenditure falls short of the required \$8000 for this year, application will therefore need to be made to include last years over-expenditure.
- 5.5 The work which was carried out this year caused little impact on the environment.
- 5.6 If required, the main adit at the Globe mine will be flooded. Most equipment has already been removed from the Globe Mine area.
- 5.7 While the licence area appears to be largely free of weeds, there is a potential problem due to the spread of Pampas Grass, Elisha's Tears, Gorse and Broom along the Trial Harbour Road.

The Pampas infestation was originally reported to the then West Coast Weeds Coordinator (Eddie Talbot) in June 1996. At that time it was largely confined to the area around the Zeehan Cemetery. It has since spread to cover an area of over one kilometre along the road.

Since each Pampas seed head contains about 100,000 seeds and these can be carried by the wind over distances of up to 25 km, there is potential to infest other areas along the Trial Harbour Road and around Zeehan, including the area covered by EL 59/94. The prevailing wind in the area is South Westerly, but the direction of

spreading is in a westerly direction along the road, indicating that vehicular movements are perhaps a mechanism for spreading.

6. REFERENCES

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7. APPENDIX

7.1 Field Data Records - Self-potential survey

Appendix 7.2



Mineral Resources Tasmania

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DATE: 16/1/97
PAGES INCLUDING
THIS COVER PAGE: 1

Message

David

A preliminary report on the Globe Mine samples. I will be away for the next two weeks (from Monday).

The samples are mostly quartz-tourmaline greisen, with minor zircon.

Ore minerals (all <1%) include pyrite, cassiterite, sphalerite and boulangerite (a copper lead antimony sulphide). There is a trace of a probable silver-antimony sulphide (miargyrite?, AgSbS₂), one of the ruby silver group.

Historic reports (Blisset, 1962) lists silver rich tetrahedrite, galena and chalcopyrite. These minerals were not confirmed in the samples studied here.

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Appendix 7.3

EL 59/94 Mt Agnew

Expenditure January 11, 1997 to January 15, 1998

Geophysics		
Self-potential survey		\$455
Geochemistry		
NAA analysis (reported last year)		\$231
Environmental		
Weed mapping		\$120
Administration		
Insurances		\$312
EL renewal & rental		\$540
Service fee (Bank Guarantee)		\$200
Other		
4WD hire		\$233
Annual Report preparation		\$300
TOTAL		\$2,391