

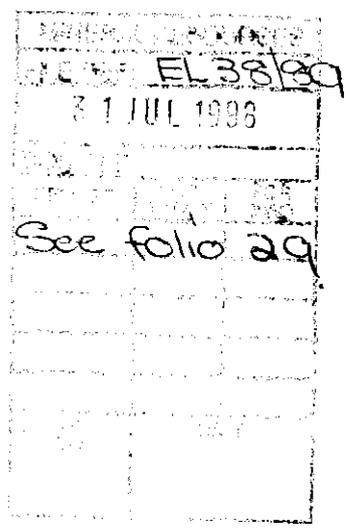
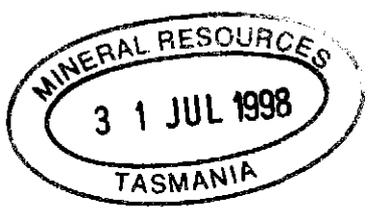
98-4190

522001

Eighth Annual Report for the period ending 28 February 1998,

EL38/89 Zeehan 4

1:250 000 Mapsheet Queenstown SK55-05, Tasmania, Australia



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Date: July 1998

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 Allegiance Mining

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 Chief Geologist - Eastern District

98-4190

ANNUAL REPORT - EL 38/89
 ZEEHAN 4 - RIO TINTO
 T MCCONACHY

Report No: 24010

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Abstract

No exploration was carried out during the period. Rio Tinto sought unsuccessfully to attract a joint venture partner to further exploration of its 90% equity in the exploration license.

Monitoring and consolidation of all work relating to rehabilitation of drill holes was completed to the satisfaction of Mineral Resources Tasmania.

A decision was made to apply for a Retention Lease surrounding a zinc resource at Grieves Siding. Once this is lodged, EL 38/89 will be relinquished in full.

List of Plans

Plan No.	Title	Scale
Tv1105	EL 38/89 Zeehan 1 Location Plan	1:100,000

1. Conclusions and Recommendations

1. Rio Tinto was unsuccessful in its attempt to attract a joint venture partner to further exploration within EL 38/89 and its regional zinc carbonate search.
2. A decision was made to lodge an application for a Retention Lease over a zinc resource at Grieves Siding, where much of Rio Tinto's work had been focussed.
3. Following lodgement of this proposed Retention Lease, EL 38/89 will be relinquished.
4. Rehabilitation of 29 diamond drill holes was successfully completed to the satisfaction of Mineral Resources Tasmania.

2. Introduction

EL38/89 was granted to Major Mining Ltd., on the 30th March 1990. Rio Tinto Exploration (formerly CRAE Pty Limited) entered into a Joint Venture Agreement with Major on the 23rd April 1991. In late 1993 Major Mining divested its interest in the Joint Venture to Allegiance Mining, with the exploration tenements transferred to Rio Tinto (90%) and Allegiance (10%) as tenants in common on 22nd January 1994.

EL 38/89 covers 9 km² located 12km south of Zeehan on the Tasmanian West Coast (Plan Tv1105). During the period under review, the eighth year of tenure, Rio Tinto has a statutory requirement to spend \$18,000.

Rio Tinto's principal commodity of interest is zinc within the Ordovician Gordon Limestone.

The main prospect is at Grieves Siding, which commanded all work undertaken for 1996 and 1997.

This report details all exploration conducted within EL 38/89 by Rio Tinto for the period 1/3/97 to 28/2/98.

3. Previous Work

Most of Rio Tinto's effort has been aimed at the Grieves Siding prospect. Details of this work can be found in previous detailed reports as shown in references.

4. Work Completed during the Current Period

No exploration was undertaken. Rio Tinto sought unsuccessfully to attract a joint venture partner to pursue further exploration.

It was therefore decided to lodge a Retention License Application around the Grieves Siding resource and once that is in place to relinquish EL 38/89 in full.

4.1 Environmental Monitoring and Consolidation

Monitoring and consolidation of all work relating to rehabilitation of drill holes (27 cored holes) was completed during the reporting period, to the satisfaction of Mineral Resources Tasmania.

All drill sites are on button grass plains or on already disturbed gravel pits. All drill sumps have been back-filled, and access tracks ameliorated. Natural vegetation was dragged over disturbed areas to promote natural revegetation (refer Table 2 for details).

5. Expenditure

Expenditure for the reporting period is \$5,662 bringing total expenditure within EL 38/89 to \$1,045,950. Details are shown in the following table.

Table 1
EL 38/89 Zeehan 4
Expenditure Table

	2/3/97 - 1/3/98	31/3/90 - 1/3/98
Drilling	0	518,970
Contractors	200	26,397
Laboratory	0	82,818
Rent & Property	170	25,847
Payroll & Benefits	1,787	196,747
Field & Transport	229	61,111
Travel & Accommodation	0	20,078
Computing & Professional	370	9,327
Office & Miscellaneous	789	10,756
District Administration	793	38,435
Regional Indirects	996	52,251
Sub Totals	5,333	1,042,736
Tenement Payments	329	3,214
Totals	5,662	1,045,950

6. References

- | | | |
|----------------------------|------|--|
| Parkinson, RG | 1993 | Zeehan No 4 EL 38/89, Tasmania.
Report on Exploration for the Third Year
of Tenure 1/3/92 to 28/2/93.
CRAE Report No. 18647 |
| Parkinson, RG | 1994 | Zeehan No 4 EL 38/89, Tasmania.
Report on Exploration for the Fourth Year
of Tenure 1/3/93 to 28/2/94.
CRAE Report No. 19635 |
| Parkinson, RG | 1995 | Zeehan No 4 EL 38/89, Tasmania.
Report on Exploration for the Fifth Year of
Tenure 1/3/94 to 28/2/95.
CRAE Report No. 20613 |
| Tear, SJ | 1996 | Zeehan No 4 EL 38/89, Tasmania.
Report on Exploration for the Sixth Year of
Tenure 1/3/95 to 28/2/96.
CRAE Report No. 21169 |
| Tear, SJ
& Russell, SAJ | 1997 | Zeehan No 4 EL 38/89, Tasmania.
Report on Exploration for the Seventh
Year of Tenure 1/3/96 to 28/2/97.
CRAE Report No. 22210 |

7. Location

Queenstown	SK55-5	1:250,000
Pieman	7914	1:100,000
Zeehan	7914-S	1:50,000

Keywords

Tasmania, Ordovician, Gordon Limestone, Zeehan, Siderite, Zinc, Helicopter-borne
Magnetics, Syn-sedimentary faulting, Basin Analysis. Diamond drilling.

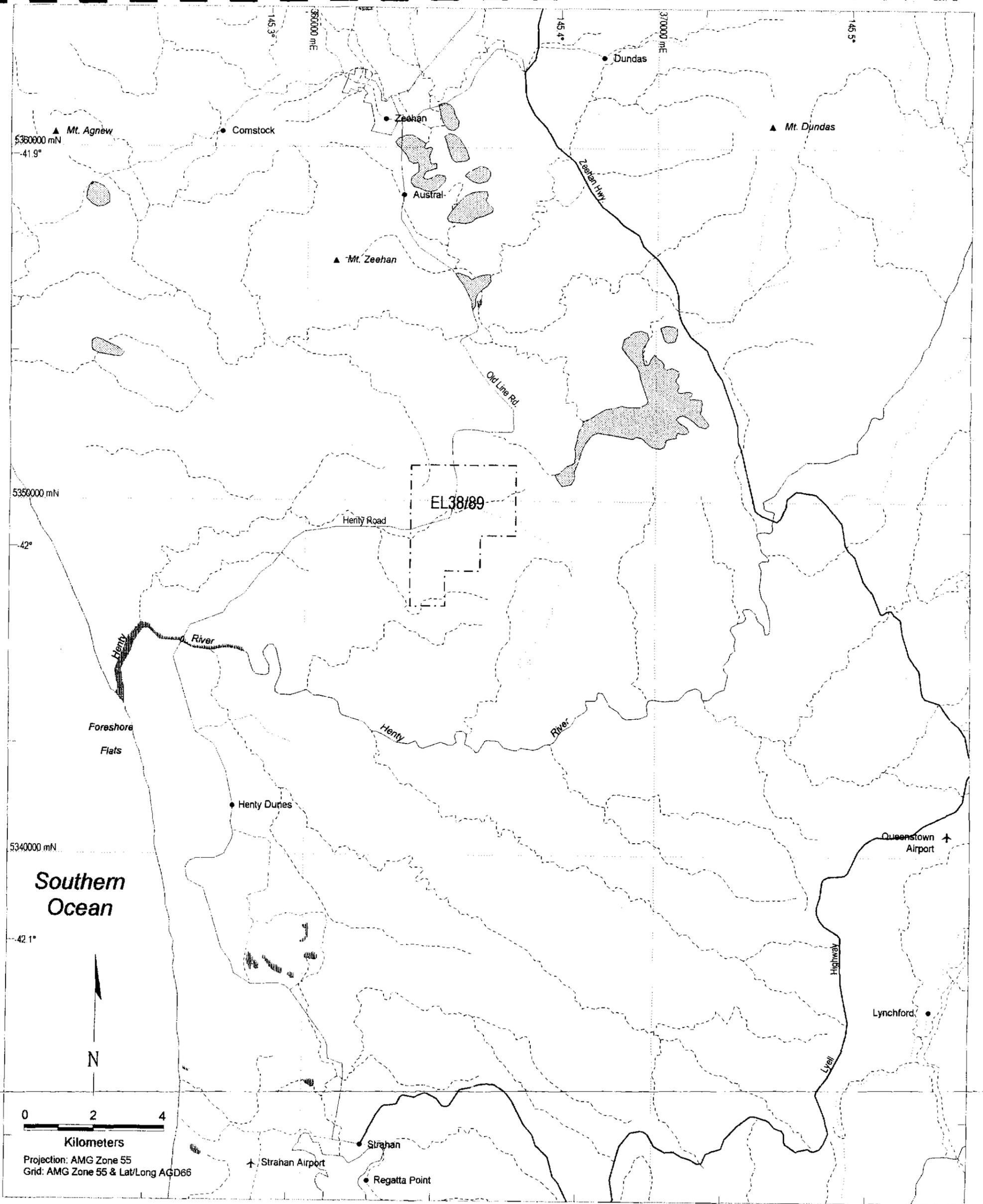
DPO Register

Nil

Table 2

Re

Drill Hole ID	Prospect	EL	Easting	Northing	Total Depth (m)	Rehabilitation Conducted
DD93ZG104	Grieves	38/89	364714	5349646	36.7	All drill sites were on button grass plains and on gravel pits. Drill sumps and access tracks were back filled, and native vegetation was dragged over disturbed areas to promote natural regeneration.
DD93ZG105			364513	5349249	40.9	
DD93ZG106			364638	5349752	161	
DD93ZG107			364566	5349512	175	
DD93ZG209			364441	5349350	124.2	
DD93ZG358			364353	5349283	121.5	
DD93ZG359			364493	5349296	79	
DD93ZG360			364492	5349296	85	
DD93ZG361			364564	5349375	99	
DD93ZG362			364643	5349422	99.2	
DD93ZG363			364643	5349422	130	
DD93ZG364			364692	5349675	88.5	
DD93ZG365			364692	5349677	113	
DD95ZG401			363300	5349287	26.85	
DD95ZG402			363302	5349266	35	
DD95ZG403			364759	5349842	154	
DD95ZG404			364758	5349843	178.5	
DD95ZG405			364757	5349844	279.7	
DD95ZG406			364608	5349542	183.6	
DD95ZG407			364607	5349543	120	
DD95ZG408			364606	5349543	152.2	
DD95ZG409			363347	5348375	92.5	
DD95ZG410			363673	5348834	199	
DD95ZG411			363685	5349091	154	
DD95ZG412			364072	5349079	120	
DD95ZG413			363690	5349350	300	
DD95ZG414			364773	5349760	113	
DD95ZG415			364844	5349904	136.6	
DD96ZG416			364520	5349495	242.5	



Location Diagram

SK55-20 NW-Tas		
Conical Rocks 7814	Plenan 7914	Sophia 8014
	Cape Sorell 7913	Franklin 8013
SK55-22 SW-Tas		

Mapsheet Reference

Legend

- Town
- ▲ Mountain
- - - EL Boundary
- Perennial Drainage
- - - Non-Perennial Drainage
- Highway
- Secondary Road
- Minor Road
- Track
- Railway
- Lake
- Swamp
- Urban

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IN COLOUR**

CRA EXPLORATION PTY. LIMITED	
5 cm	
EL38/89 Zeehan 4	
Location Plan	
Author: Simon Tear	Reference: SW Tasmania SK55-22
Drawn: Tony Sargeant	File Name: Tv1105.wor
Date: December 1995	Report No: 22210
Scale: 1:100,000	Plan No: Tv1105

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