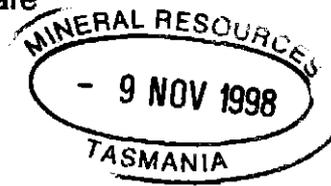


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EL15/97 ARTHUR RIVER

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FICHE No. 014853

REPORT ON EXPLORATION ACTIVITY 05-12-97 TO 05-12-98

Volume 1 of 1

MINERAL RESOURCES		
EL15/97		
- 9 NOV 1998		
SEARCHED	INDEXED	FILED
See folio 35		

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ANNUAL REPORT-ARTHUR RIVER
EL 15/97 - PACIFIC NEVADA
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Figure 1 Location of Exploration License 15/97, Arthur.

1.0 Introduction

This annual report covers exploration activities on Exploration License 15/97 – Arthur during the period 5th December, 1997 to 5th December, 1998.

1.1 LOCATION AND ACCESS

Exploration license 15/97 covers 248 km² in the area east of the Arthur River township and including drainage of the Arthur and Nelson Bay River's in northwest Tasmania (Fig 1). Access to the area is by a well formed gravel road to Arthur River and a limited number of forestry tracks.

1.2 TENURE AND LAND USAGE

The area comprises State Forest, Private Property, the Arthur-Pieman Protected Area, 2 forest reserves and Crown Land.

2.0 Geology

The geology of EL15/97 consists of two principal components, being the Mesoproterozoic Rocky Cape Group and the unconformably overlying Neoproterozoic Togari Group. The latter is a sequence of clastic sedimentary rocks, mafic volcanics, dolomite and chert forming most of what is termed the Smithton Synclinorium. The Togari Group is disconformably overlain by the Scopus Formation, which forms the uppermost unit of the Smithton Synclinorium and comprises interbedded mudstone, siltstone and lithicwacke (Seymour and Calver, 1995).

Readers are referred to Brown (1989) and Seymour and Calver (1995) for a more detailed description of the geology.

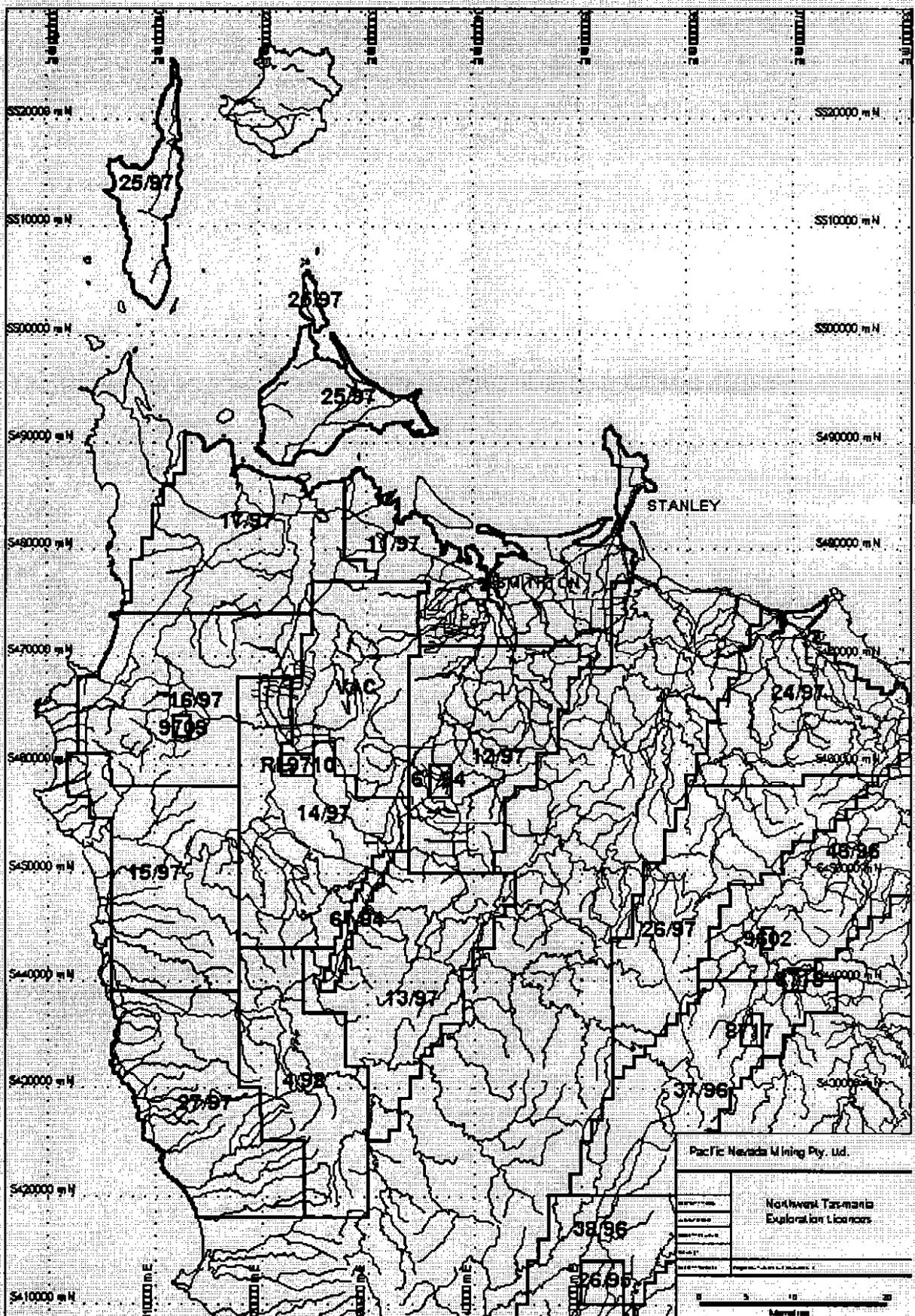
3.0 Exploration Potential and Philosophy

EL15/97 is one of numerous exploration licenses held by Pacific Nevada in northwest Tasmania, which are being collectively explored for the following potential ore deposit target types:-

- Proterozoic iron-formation Au (Homestake model)
- Proterozoic iron-formation Cu-Au pipes (Selwyn/Starra)
- Proterozoic sediment-hosted Cu (eg. Kupferschiefer/White Pine)

4.0 Work Conducted

Minimal work was conducted on this lease during its first year of tenure. Work comprised a review of existing data. Regional stream sediment sampling and geological mapping will commence during year 2 of license



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FIGURE 1

5 cm

tenure. Target area's identified are likely to be assessed via grid-based soil sampling and follow up geophysical surveys prior to drill testing.

5.0 Expenditure

Geology	\$16,107
Geophysics	\$588
Administration	\$1,670
Total Expenditure	\$18,365

NB: Geochemical expenditure is included within the Geology category.

6.0 References

- Brown, A. V., 1989. Geological atlas 1:50000 series. Sheet 21 (7916S).
Smithton. Explanatory. Report. Geological. Survey.
Tasmania.
- Seymour, D. B., and Calver, C. R., 1995. Explanatory notes for the Time-Space Diagram and Stratotectonic Elements Map of Tasmania. Report Tasmanian Geological Survey 1995/01.