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1.0 Introduction

This annual report covers exploration activities on Exploration License 16/97 – Marrawah during the period 5th December, 1997 to 5th December, 1998. The basic data is presented and will be further detailed in reporting at the end of tenure year 2.

Field work was undertaken during the period April to November, 1998.

1.1 LOCATION AND ACCESS

Exploration license 16/97 covers 248 km² in the area surrounding the township of Marrawah, northwest Tasmania (Fig 1). Access to the area is by well formed roads.

1.2 TENURE AND LAND USAGE

The area largely comprises private property with some Crown Land and State Forest. The Arthur-Pieman Protected Area and Bond Tier Forest Reserve are also included.

2.0 Geology

The geology of EL16/97 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. Immediately east of EL16/97 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

EL16/97 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)

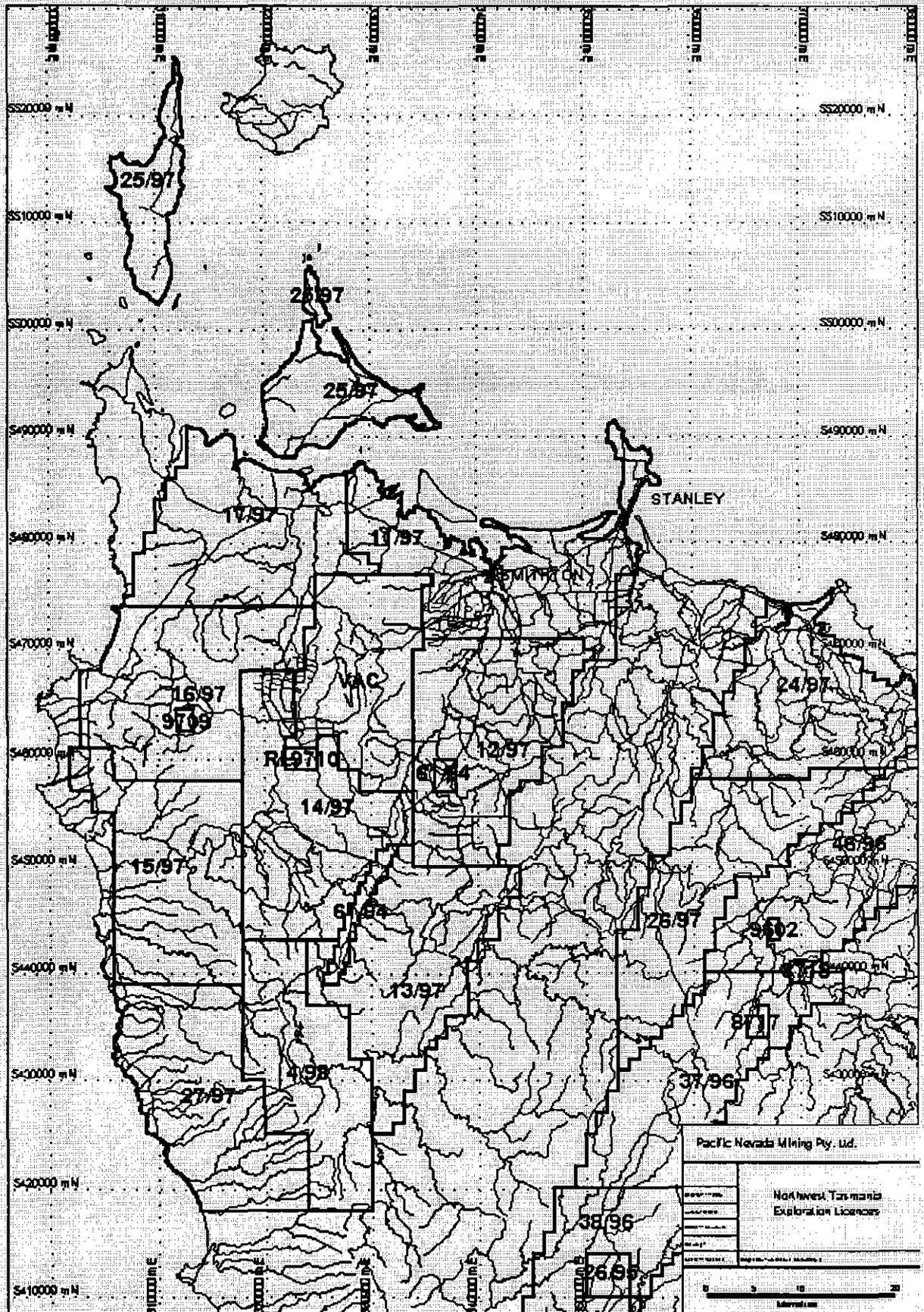


FIGURE 1.

98-4236

ANNUAL REPORT-MARRAWAH
EL 16/97 - PACIFIC NEVADA
R REID/S WESTBROOK

5 cm

4.0 Work Conducted

Pacific Nevada Mining Pty. Ltd. conducted regional scale exploration on Marrawah (EL16/97). The area's prospectivity was assessed via geological mapping and collection of 5 panned concentrate, 6 bulk and 5 -80# stream sediment samples. Sample location data and analysis reports are appended.

Stream sediment analyses predominantly returned low order values. Of interest is a site where 18 grains of osmiridium and 2 grains of gold were panned from chromite-rich creek sediments at Hays Tier.

5.0 Expenditure

Geology	\$18,909
Geophysics	\$588
Administration	\$1,950
Total Expenditure	\$21,446

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.

545006

PACIFIC NEVADA PTY LTD
PO BOX 7214 Cloisters Square
Perth WA 6850

APPENDIX 1
EL16/97 MARRAWAH

SAMPLE LOCATION
AND
ANALYTICAL DATA TABLES
5-12-97 TO 5-12-98

Prepared by: Robert Reid, Senior Geologist
Pacific Nevada Mining Pty. Ltd. November 1998

ppb
ppm

80#	East (AMG)	North (AMG)	Au	Cu	Pb	Zn	Ni	Fe	Mn	Co	As
6630606	314500	5466500	-1	7	3	75	71	1.36	285	10	-1
6630607	318580	5467930	-1	66	4	175	55	6.05	455	23	-1
6830600	316320	5461710	-1	8	10	29	36	0.85	66	-2	-1
6830601	316150	5464070	-1	24	12	96	230	4	629	49	-1
6830608	319320	5468300	-1	33	5	96	51	3.89	749	19	1
6830914	314690	5468120	-1	5	4	25	25	0.6	62	3	-1
6931028	317940	5471120	3	18	-3	73	56	4.78	128	11	5
6931029	317960	5471080	1	21	5	188	87	4.75	699	25	2
6931030	317020	5471820	-1	12	-3	40	16	0.89	173	5	1

ppm

ppb

Bulk	East (AMG)	North (AMG)	Au	Cu	Pb	Zn
6620604	318580	5467930	-0.05	4.19	2.29	0.2
6820602	319900	5462680	1.2	14.66	-0.3	19.2
6820603A	314500	5466500	-0.05	0.28	1.72	0.38
6820605	319320	5468300	0.34	3.5	-0.3	8.77
6820914	314690	5468120	3.7	1.78	-0.3	1.1
6921028	317940	5471120	5.72	1.04	-0.3	3.3
6921029	317960	5471080	8.78	2.22	-0.3	13.3
6921030	317020	5471820	3.5	3.57	-0.3	2.2

APPENDIX - EL16/97

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ug

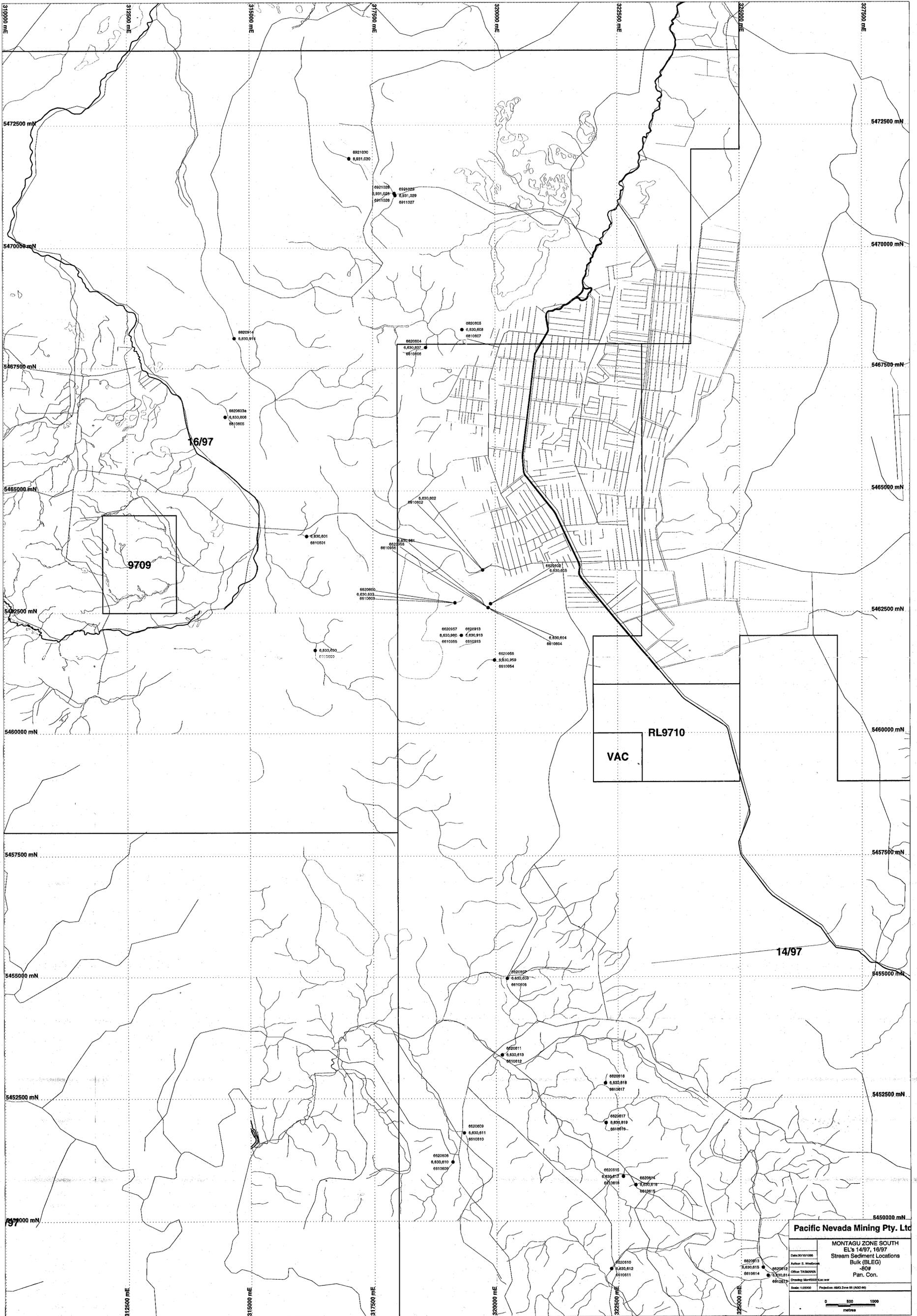
Pancon	East (AMG)	North (AMG)	Au
6610606	318580	5467930	8
6810600	316320	5461710	-1
6810601	316150	5464070	-1
6810605	314230	5466790	0
6810607	319320	5468300	-1
6911026	317940	5471120	-5
6911027	317960	5471080	-0.15

APPENDIX - EL16/97

ppb
ppm

Rock	East (AMG)	North (AMG)	Au	Cu	Pb	Zn	Ag	As	Ba	Co	Fe	Ca	K	Mg	Mn	Na	P	Ti	Zr	Ni
6940610	317040	5462600	1	66	-50	118	-5	13	316	41	84000	600	18300	35900	658	10600	700	9870	149	280
6940611	317000	5462460	-1	70	-50	147	-5	28	509	40	85300	2300	18500	52400	657	11800	900	10400	152	358
6940669	317140	5464520	1	91	-50	66	-5	33	138	29	156000	200	30900	39330	1230	3750	550	9250	64	48
6940670	315650	5468600	-1	72	-50	42	-5	28	72	-5	108600	350	3900	3040	104	100	900	18300	318	44
6940671	315760	5468620	-1	61	25	27	-5	41	503	-5	52100	300	32400	6600	55	300	-30	11200	185	20
6940672	316330	5468700	-1	25	-50	114	-5	32	655	25	67800	500	30100	22400	381	600	450	4230	142	116
6940673	318240	5468380	-1	187	-50	115	-5	21	773	124	102500	350	25700	8280	2350	1200	950	12600	124	90
6940674	318260	5468380	3	43	-50	141	-5	28	269	99	139300	10100	6700	9870	3200	17000	550	7610	61	68
6940675	318250	5468380	-1	17	-50	83	-5	23	595	36	93700	45900	12700	20500	1220	17300	500	7760	77	125
6940676	319380	5468100	-1	41	-50	18	-5	49	220	7	80000	150	41700	2550	147	6000	200	9960	116	30
6940677	318930	5468260	-1	178	-50	228	-5	47	623	94	170800	300	4500	12500	8150	1450	800	16100	70	194
6940685	316864	5468999	-1	26	20	97	-5	21	34	17	58400	37000	1100	16800	857	28300	750	6200	174	45
6940686	318850	5473550	-1	47	-50	78	-5	34	168	-5	108700	400	23400	11900	162	6500	350	3930	81	65

545010



Pacific Nevada Mining Pty. Ltd

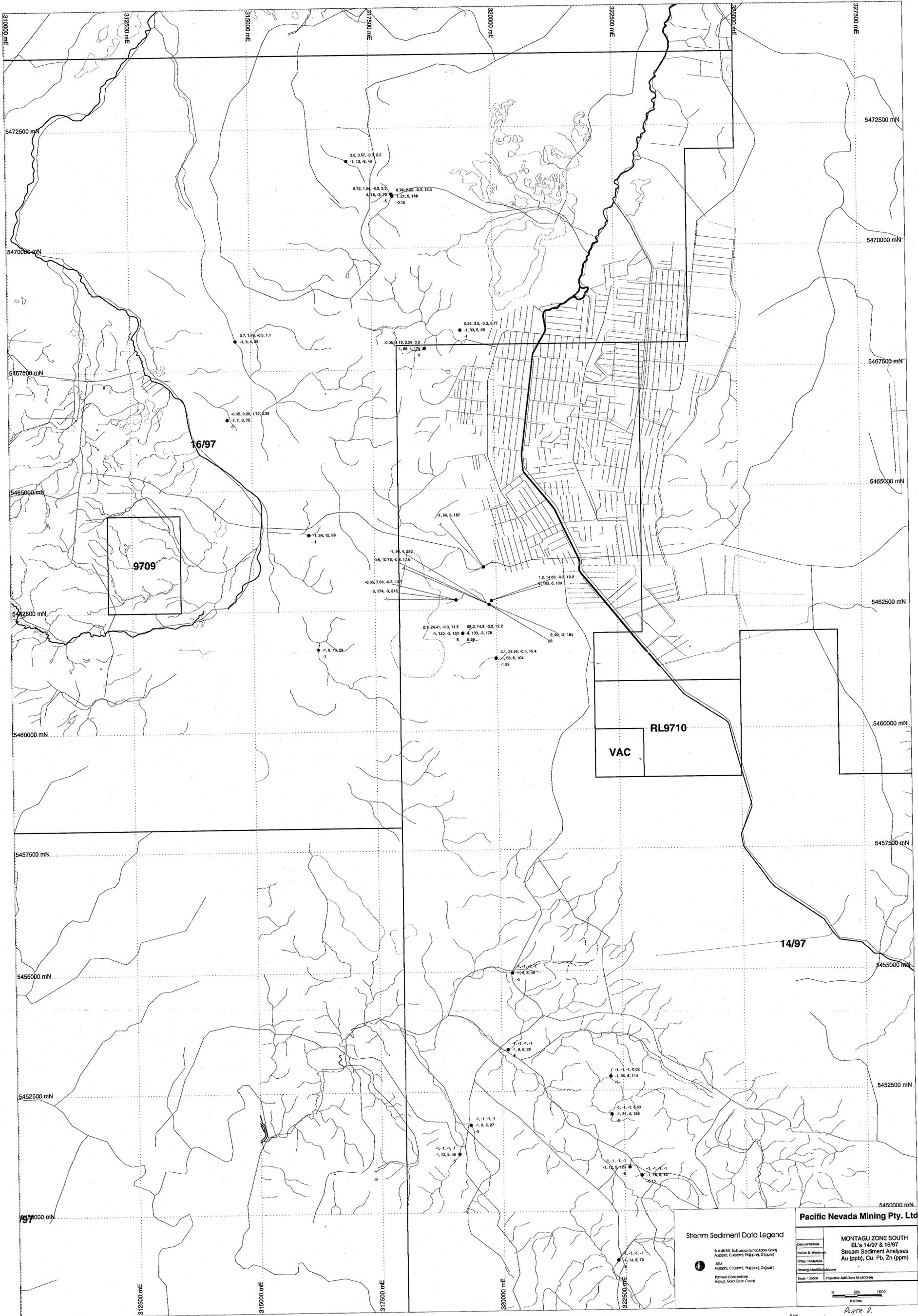
MONTAGU ZONE SOUTH
EL's 14/97, 16/97
Stream Sediment Locations
Bulk (BLEG)
-B0#
Pan. Con.

Date: 20/10/1998
Author: S. Webber
Office: TASMANIA
Drawing: MAF5502.dwg
Scale: 1:25000
Project: AM3 Zone 95 (A0304)

0 500 1000
metres

Scale 1:25000

TCR 98-4336



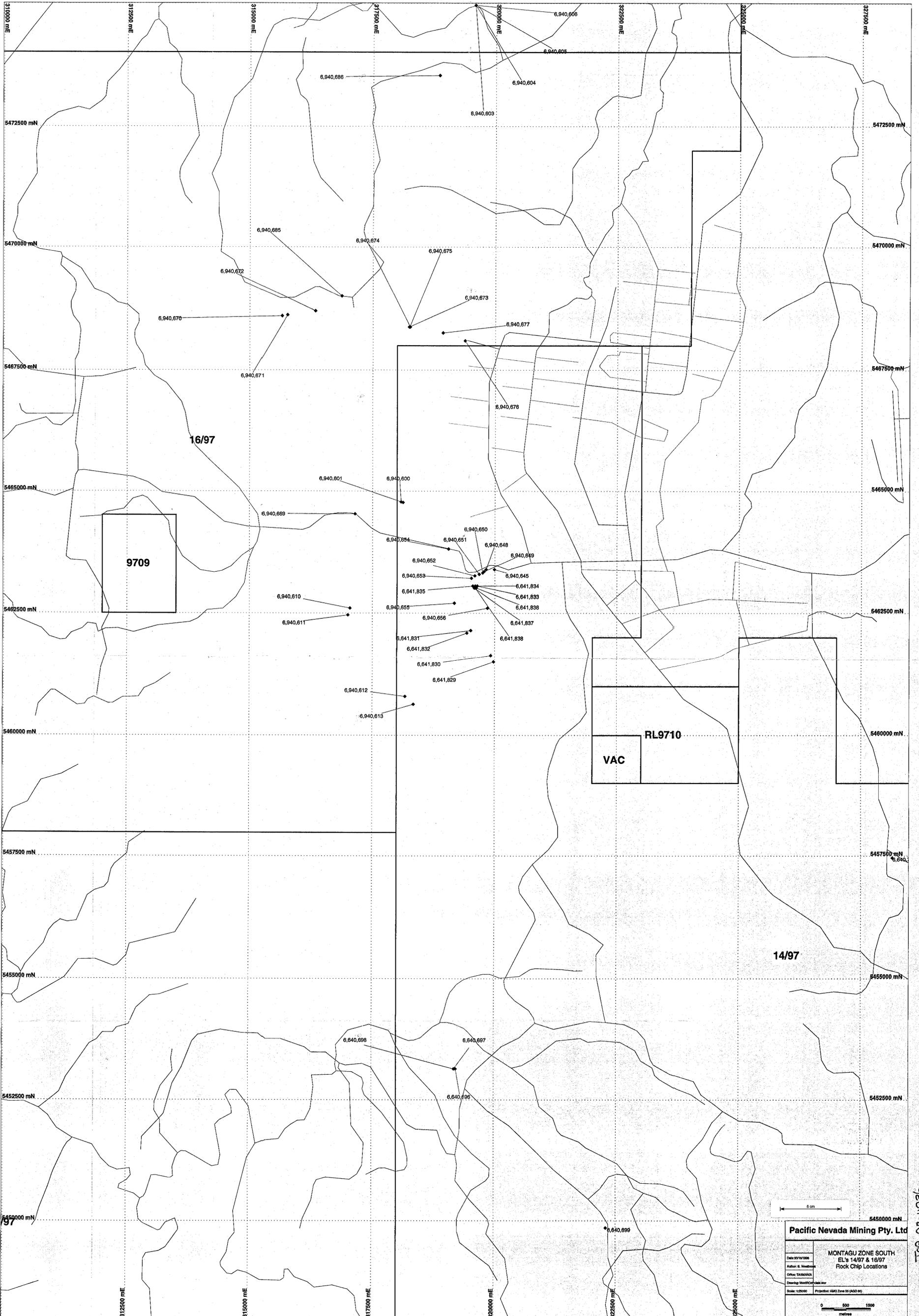
Stream Sediment Data Legend

- Bulk (Au, Cu, Pb, Zn) (ppb)
- Au (ppb)
- Cu (ppb)
- Pb (ppb)
- Zn (ppb)
- Filtered Concentrate (ppm)
- Avg. Gals/Gram Count

Pacific Nevada Mining Pty. Ltd	
Date: 20/10/1998	Author: S. Woodhouse
Client: TAMBORA	Project: MONTAGU ZONE SOUTH
Scale: 1:25000	Project: AMG Zone 95 (AGD98)

14/97 2.

TCR 98-4436

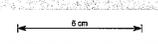


9709

RL9710
VAC

14/97

97

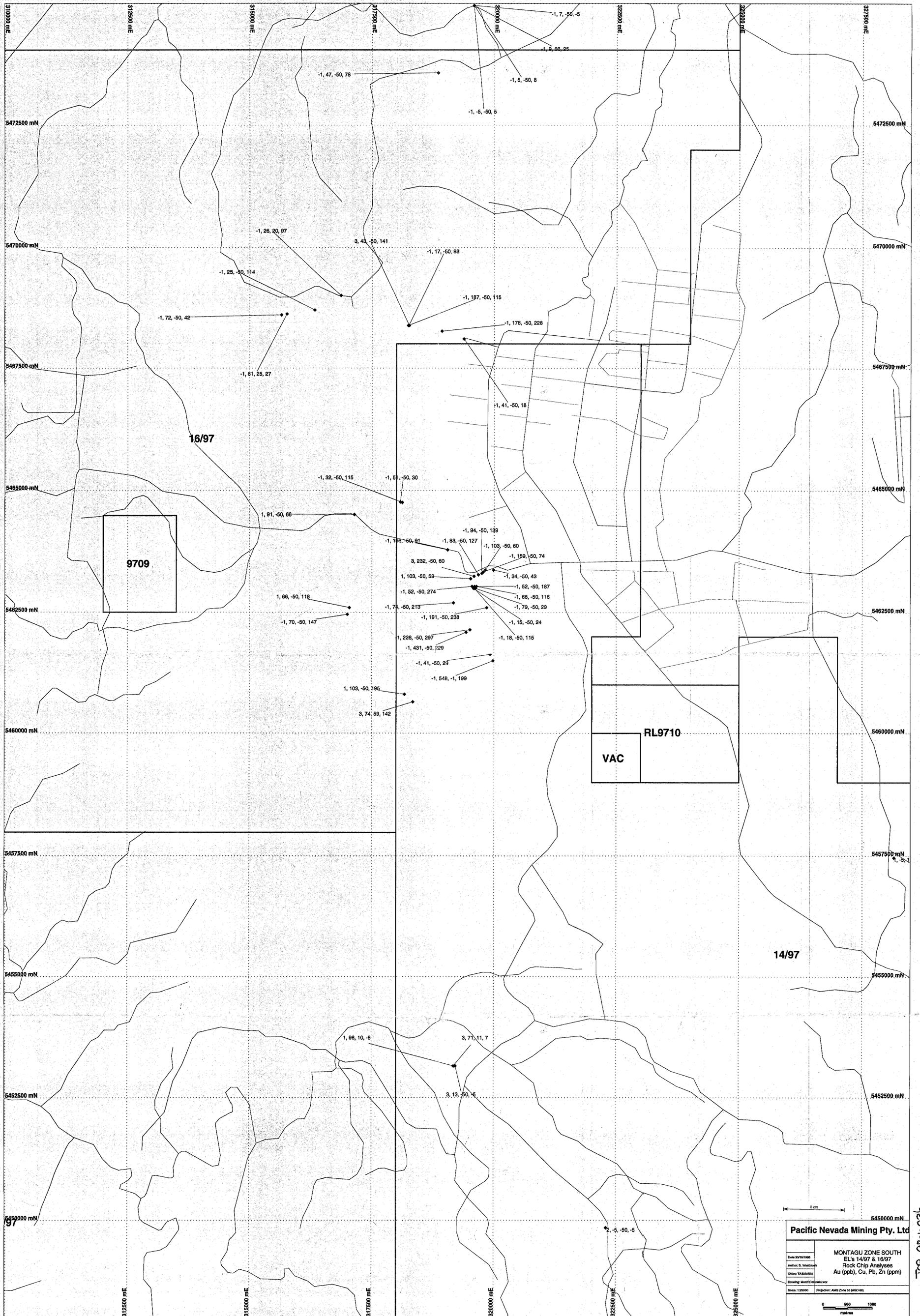


Pacific Nevada Mining Pty. Ltd

Date: 20/10/08	MONTAGU ZONE SOUTH
Author: S. Newman	EL's 14/97 & 16/97
Client: TANMAY	Rock Chip Locations
Drawing: MontaguZoneSouth	
Scale: 1:5000	Proprietor: AMI Zone 96 (2450 96)

0 500 1000
metres

96-14-4266



5 cm

Pacific Nevada Mining Pty. Ltd

Date: 30/09/08
 Author: S. Whittaker
 Client: TARMAC
 Drawing: M08/02/08/08
 Scale: 1:25000 Project: AMO Zone 85 (AMC 6)

MONTAGU ZONE SOUTH
 ELs 14/97 & 16/97
 Rock Chip Analyses
 Au (ppb), Cu, Pb, Zn (ppm)

0 500 1000
 metres

Page 1.

TCR 08-423b