

98-4237

546001

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

MINERAL RESOURCES
- 9 NOV 1998
TASMANIA

EL17/97 MONTAGU

MINERAL RESOURCES
EL17/97
See folio 29

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

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Volume 1 of 1

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&
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Pacific Nevada Mining Pty. Ltd. November 1998

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Mineral Resources

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ANNUAL REPORT-MONTAGU
EL 17/97 - PACIFIC NEVADA
R REID/S WESTBROOK

CONTENTS

1.0	Introduction	1
1.1	LOCATION AND ACCESS	1
1.2	TENURE AND LAND USAGE	1
2.0	Geology	1
3.0	Exploration Potential and Philosophy	1
4.0	Work conducted	2
5.0	Expenditure	2
6.0	References	2

LIST OF FIGURES

Figure 1 Location of Exploration License 17/97, Montagu.

LIST OF PLATES

Plate 1 Stream Sediment Sample Locations.

Plate 2 Rock Chip Sample Locations.

Plate 2B Rock Chip Analyses.

LIST OF APPENDICES

Appendix 1 Sample location and analytical data tables.

1.0 Introduction

This annual report covers exploration activities on Exploration License 17/97 – Montagu 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 17/97 covers 247 km² and is located approximately 20km west of Smithton in northwest Tasmania (Fig 1). Access to the area is by well formed roads and forestry tracks.

1.2 TENURE AND LAND USAGE

Land covered by EL 17/97 predominantly comprises privately owned farm land and forest. An area of State Forest is situated at the far eastern margin of the EL. RAP's (Recommended Area's for Protection) exist at Marcus Hill and near West Montagu, along the Montagu River.

2.0 Geology

The geology of EL17/97 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. N-S trending fold domes dominate the structure of the area and are cut by numerous faults, which in one case have caused rotation of a fold dome to a NNE-SSW trend.

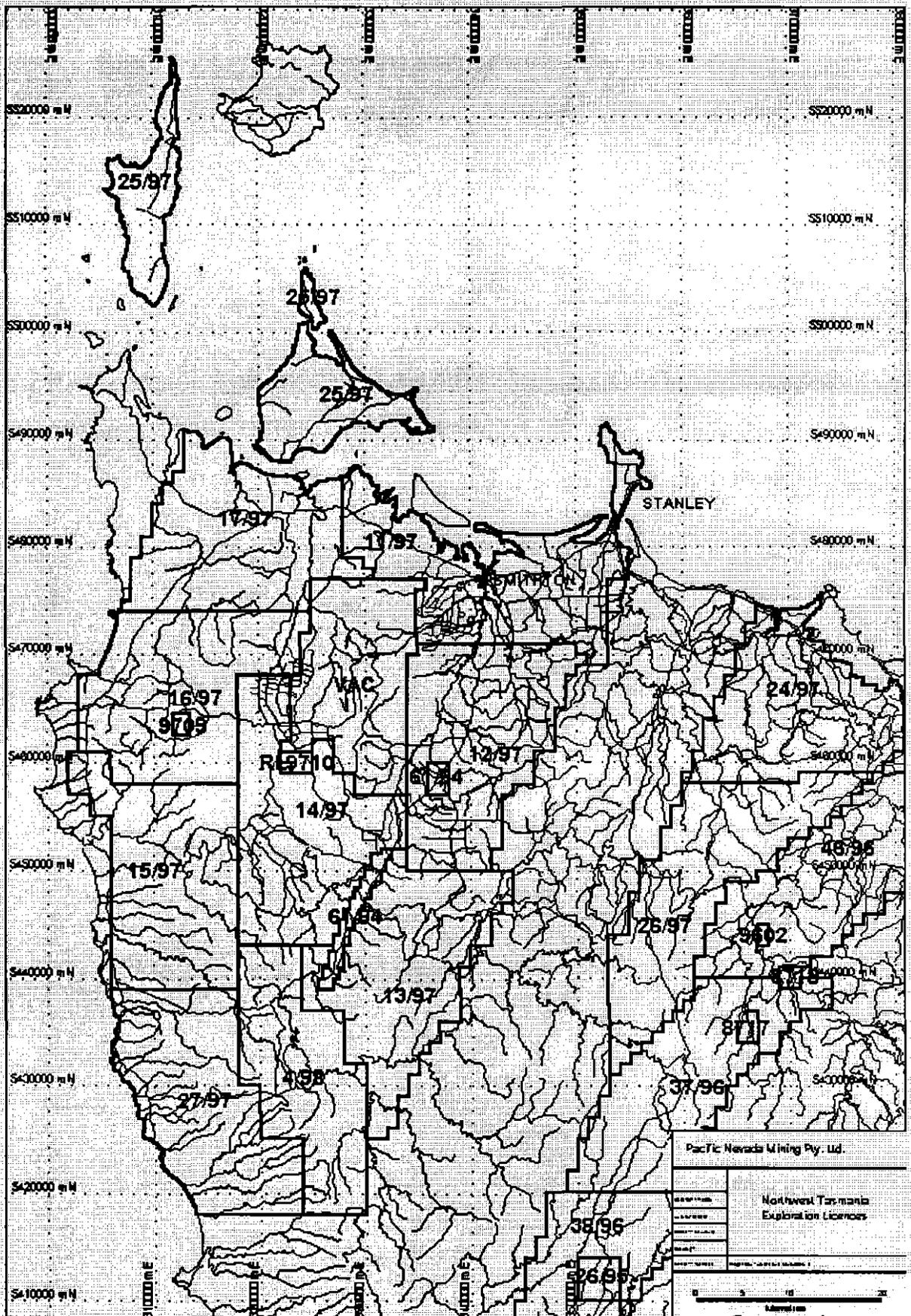
East of EL17/97 the Togari Group is disconformably overlain by the Scopus Formation, which forms the uppermost unit of the Smithton Synclinorium and comprises interbedded mudstone, siltstone and lithicwacke (Seymour and Calver, 1995).

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

EL17/97 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)



98-4237

FIGURE 1.

5 cm

4.0 Work Conducted

Exploration during 1998 involved reconnaissance stream sediment (Bulk (BCL), minus 80 mesh and panned concentrate sample types) and rock chip sampling surveys in conjunction with geological mapping. Sample totals are 16 -80#, 12 panned concentrate, 11 BLEG and 109 rock chip's. Both stream sediment and rock chip values were variable, although predominantly low. The areas' low topographic relief hampered stream sediment sampling. Sample location data and analysis reports are appended.

One significant prospect (Illawong Plains) has been identified where a significant fault zone cuts a folded sequence of the Togari Group. Rock chips bearing up to 328ppm Cu and 527ppm Zn were collected and Savage Resources previously obtained soil values up to 905ppm Cu and 335ppmZn from this prospect.

Of interest is an area of probable bog-iron/spring mound ironstones occurring along Redbank Road, which return rock chip values ranging up to 407ppm Zn and 779ppm As.

5.0 Expenditure

Geology	\$39,712
Geophysics	\$586
Administration	\$4,030
Total Expenditure	\$44,327

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.

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APPENDIX 1
EL17/97 MONTAGU

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

80#	East (AMG)	North (AMG)	Au	Cu	Pb	Zn	Ni	Fe	Mn	Co	As
6630603	319170	5462700	3	174	-3	218	106	12.8	1788	68	-1
6930622	324820	5484560	-1	27	4	31	20	2.25	301	8	-1
6930623	324640	5484650	-1	23	5	44	47	2.77	282	13	2
6930624	322210	5482330	-1	27	8	24	23	0.89	73	5	-1
6930625	321190	5483000	-1	9	5	5	12	0.58	246	3	-1
6930626	327060	5477240	-1	7	6	8	5	0.29	22	3	-1
6930907	323260	5481150	-1	26	3	44	44	1.47	109	8	-1
6930908	323300	5481340	-1	36	4	60	32	3.11	374	5	-1
6930909	324260	5482030	-1	7	-3	17	13	1.06	638	5	-1
6930910	324600	5480370	1	3	-3	4	4	0.34	30	-2	-1
6930911	324100	5480760	-1	3	-3	4	4	0.23	45	-2	-1
6930912	322040	5480730	-1	17	-3	40	26	3.79	175	5	-1
6931027	321770	5478340	-1	13	-3	20	21	0.75	53	13	5
6931031	324060	5476750	-1	20	-3	84	37	3.73	1703	23	4

ppb *ppm*

Bulk	East (AMG)	North (AMG)	Au	Cu	Pb	Zn
6620600	319170	5462700	-0.05	7.68	-0.3	13.7
6920620	324820	5484560	-1	0.01	-1	-1
6920621	324640	5484650	-1	-1	-1	-1
6920622	322210	5482330	-1	0.02	-1	-1
6920623	321190	5483000	-1	-1	-1	-1
6920624	327060	5477240	-1	-1	-1	-1
6920907	323260	5481150	12.8	3.4	-0.3	6.3
6920908	323300	5481340	13.6	0.82	-0.3	0.3
6920909	324260	5482030	2.99	0.42	-0.3	3.4
6920910	324600	5480370	2.6	0.38	-0.3	-0.01
6920911	324100	5480760	2	0.19	-0.3	2.6
6920912	322040	5480730	7.65	2.23	-0.3	17.1
6921027	321770	5478340	20.6	1.01	-0.3	1.4
6921031	324060	5476750	5.49	1.43	-0.3	3.5

ug

Pancon	East (AMG)	North (AMG)	Au
6610603	319170	5462700	-1
6910623	321190	5483000	-5
6910624	327060	5477240	-5
6910907	323260	5481150	-5
6910908	323300	5481340	-5
6910909	324260	5482030	-5
6910910	324600	5480370	-5
6910911	324100	5480760	-5
6910912	322040	5480730	-5
6911028	324060	5476750	23.09

APPENDIX - EL17/97

Apb

Apm

Rock	East (AMG)	North (AMG)	Au	Cu	Pb	Zn	Ag	As	Ba	Co	Fe	Ca	K	Mg	Mn	Na	P	Ti	Zr	Ni
6940642	318583	5476395	-1	-5	-50	-5	-5	19	54	-5	6350	50	15400	1820	17	250	-30	578	64	-10
6940655	319170	5462700	-1	74	-50	213	-5	23	213	86	129000	23500	2800	18700	4870	36200	1100	16100	81	118
6940657	325380	5482920	-1	7	-50	-5	-5	-10	10	-5	2400	227000	-500	134700	134	300	100	100	-5	-10
6940658	325350	5482920	1	7	-50	-5	-5	-10	10	-5	3800	198000	-500	118500	193	800	100	274	-5	-10
6940659	325340	5482930	1	8	-50	-5	-5	-10	8	-5	4700	203000	1100	124200	152	400	100	219	-5	-10
6940660	325330	5482950	-1	10	-50	-5	-5	-10	8	-5	3300	213000	1700	128800	141	400	100	186	-5	-10
6940661	325330	5482980	-1	9	-50	-5	-5	-10	34	9	11300	156000	2600	101100	617	450	150	273	5	-10
6940662	325040	5484670	-1	30	-50	122	-5	33	189	38	105000	2550	33900	31300	864	3950	500	7720	109	133
6940663	324980	5484590	-1	37	-50	109	-5	38	200	-5	91600	950	28800	18200	524	6800	450	5920	99	107
6940664	324840	5484580	5	229	-50	139	-5	42	86	44	119000	32700	2800	28100	1760	39100	1100	15200	100	69
6940665	324640	5484700	-1	35	-50	190	-5	23	299	57	130000	2500	22200	29300	1190	35700	900	5360	70	253
6940666	324600	5484790	-1	18	-50	23	-5	-10	-5	11	87600	102000	500	3700	1700	1700	400	6130	36	16
6940667	324600	5484800	1	147	-50	163	-5	33	82	47	108000	26200	3700	26800	1470	37500	1250	17400	68	66
6940668	324560	5484930	2	311	-50	115	-5	29	40	37	116000	41300	2900	23800	2300	32600	1000	13200	93	59
6940678	323730	5480440	-1	26	-50	63	-5	370	28	9	507100	250	-500	1840	473	100	1150	1470	20	37
6940679	322060	5477820	-1	18	-50	109	-5	315	87	6	138100	300	2100	1150	81	100	900	341	8	34
6940680	322140	5478000	-1	31	20	407	-5	779	28	23	530600	300	-500	2140	61	150	1450	219	7	137
6940681	322140	5478000	-1	8	-50	32	-5	41	13	7	39300	300	-500	450	111	-50	150	163	-5	26
6940682	321800	5478160	-1	33	-50	121	-5	438	23	23	538800	350	-500	2840	262	250	2000	146	6	327
6940683	322490	5475820	10	73	20	75	-5	77	244	16	64500	1500	21200	11300	971	4100	600	3830	83	64
6940684	319620	5475100	-1	95	25	131	-5	65	78	24	43500	250	3300	2850	37	200	3150	9020	317	354
6940687	324620	5484720	4	328	-50	119	-5	38	90	40	99100	54700	1500	34400	1750	35500	950	13500	67	62
6940688	324530	5484940	3	100	-50	81	-5	29	91	28	93000	24600	2900	16700	1060	52100	1050	14500	100	52
6940689	324520	5485000	2	28	-50	114	-5	29	2320	44	85200	2750	38000	27100	1400	32600	250	2220	42	131
6940690	324450	5485130	-1	42	-50	112	-5	28	257	15	91600	950	23900	19400	450	10800	300	5270	94	116
6940691	324310	5485200	-1	29	-50	17	-5	479	376	10	299300	2300	-500	3030	8200	1600	500	358	-5	17
6940692	324360	5484950	7	22	-50	61	-5	58	242	11	61700	24200	10300	35600	519	34800	650	9600	105	54
6940693	324400	5484620	-1	31	35	33	-5	15	953	-5	24300	6600	27600	4050	311	34700	450	3180	245	-10
6940694	321320	5484180	-1	12	-50	527	-5	32	241	16	104400	51900	12000	13000	4230	6600	1600	8080	78	-10
6940695	321800	5478170	-1	60	20	102	-5	514	30	30	530100	750	-500	3410	455	400	1950	363	8	285
6940742	323250	5481170	-1	13	35	91	-5	280	50	7	574000	150	350	810	256	16000	2350	892	22	31
6940743	323240	5481170	-1	22	-50	14	-5	-10	24	-5	46200	5450	300	620	319	1100	100	1480	11	-10
6940744	323210	5481170	-1	6	13	18	-5	80	15	-5	116000	100	350	360	196	3300	150	348	-5	13
6940745	324260	5482070	-1	36	39	90	-5	37	248	-5	106000	250	27300	14900	494	7450	700	7590	126	89
6940746	324100	5480760	-1	-5	-50	191	-5	6	429	86	161000	1050	27100	17200	4830	9650	750	6990	44	230

Redbank Rd

Illawong Plains

Illawong Plains

546011

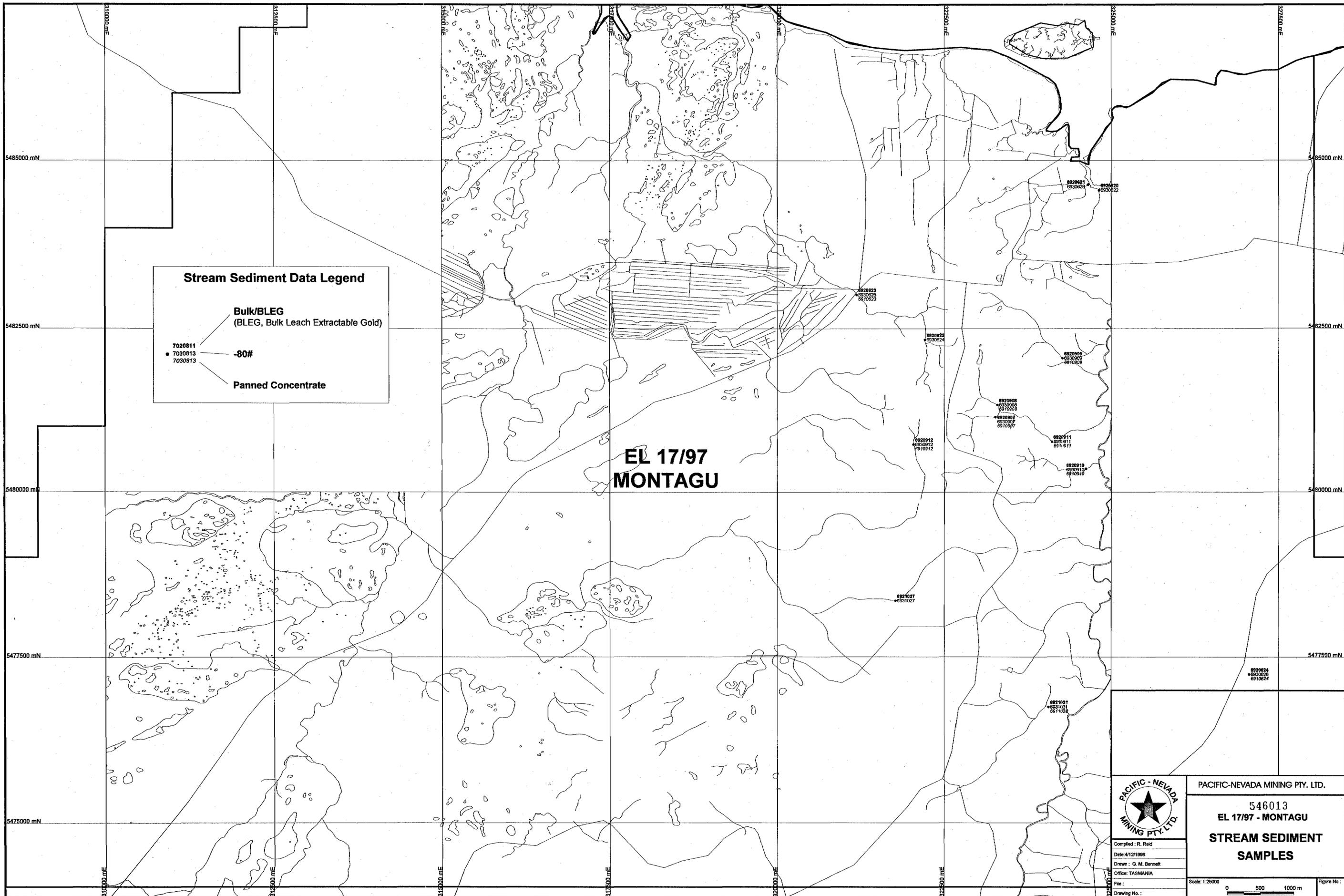
APPENDIX - EL17/97

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
6940750	324640	5484650	-1	-5	11	44	-5	8	822	26	122000	1250	50000	9570	247	22200	450	10700	194	118
6940753	324000	5485000	-1	43	-50	115	-5	30	328	43	95600	28100	11900	52800	1900	33500	600	7560	150	169
6940753	324000	5485000	-1	24	-50	7	-5	11	1000	10	11500	100	48200	4980	53	450	50	1680	174	11
6940792	310500	5479300	-1	5	-1	17	-1	21	85	14	34300	88100	18400	53500	3000	150	350	1500	68	15
6940793	310000	5479200	-1	7	-1	25	-1	-1	127	18	26100	11400	31900	12600	357	600	300	2400	143	14

546012



Stream Sediment Data Legend

Bulk/BLEG
(BLEG, Bulk Leach Extractable Gold)

-80#

Panned Concentrate

7020811
 ● 7030813
 7030813

**EL 17/97
MONTAGU**

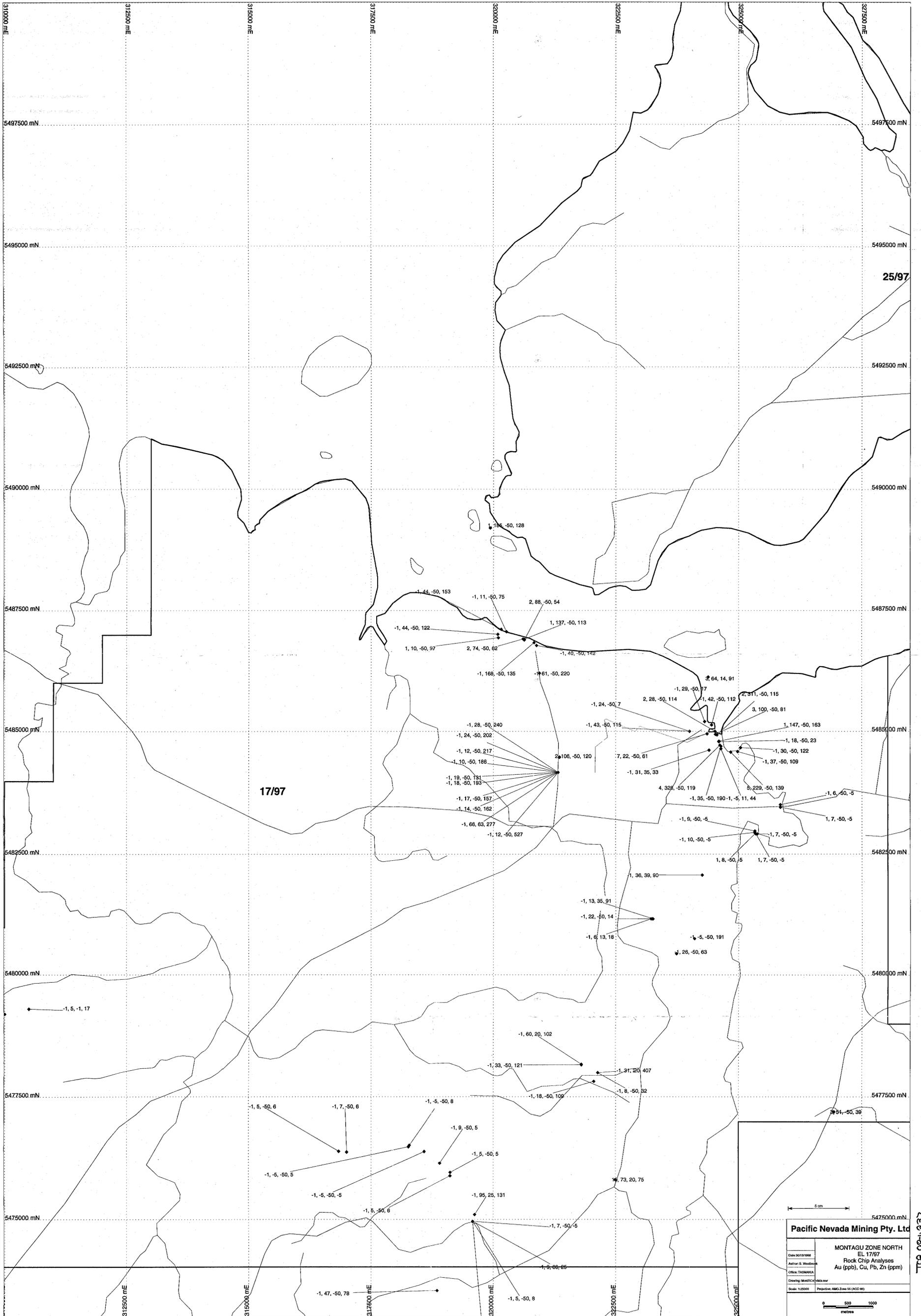


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546013
 EL 17/97 - MONTAGU
**STREAM SEDIMENT
 SAMPLES**

Compiled: R. Reid
 Date: 4/12/1998
 Drawn: G. M. Bennett
 Office: TASMANIA
 File:
 Drawing No.:

Scale: 1:25000
 0 500 1000 m
 Figure No.:



Pacific Nevada Mining Pty. Ltd

**MONTAGU ZONE NORTH
EL 17/97
Rock Chip Analyses
Au (ppb), Cu, Pb, Zn (ppm)**

Date: 30/10/1998
Author: S. Westwood
Office: TASMANIA
Drawing: MONTAGU
Scale: 1:25000
Projection: AMG Zone 56 (AGD 86)

0 500 1000 metres

5 cm

TCA 98-1437