

16 November 2013

## GENERAL RELEASE – ALLENDALE EL 3821

In the week ending 15 November 2013, geophysical contractors to the Company ( Zonge, of Adelaide ) carried out further ground geophysics within EL 3821, south-east of Allendale, and north of Stag Road. The program comprised two quite different types of survey activities - firstly, completion of the series of CSAMT traverses through the selected area, and then a *mise à la masse* survey.

Both programs were completed as planned, and are known to have produced clean data, of good quality. The results in prepared form should be available for the forth-coming AGM.

Further information is given below.

### (1) The additional CSAMT work.

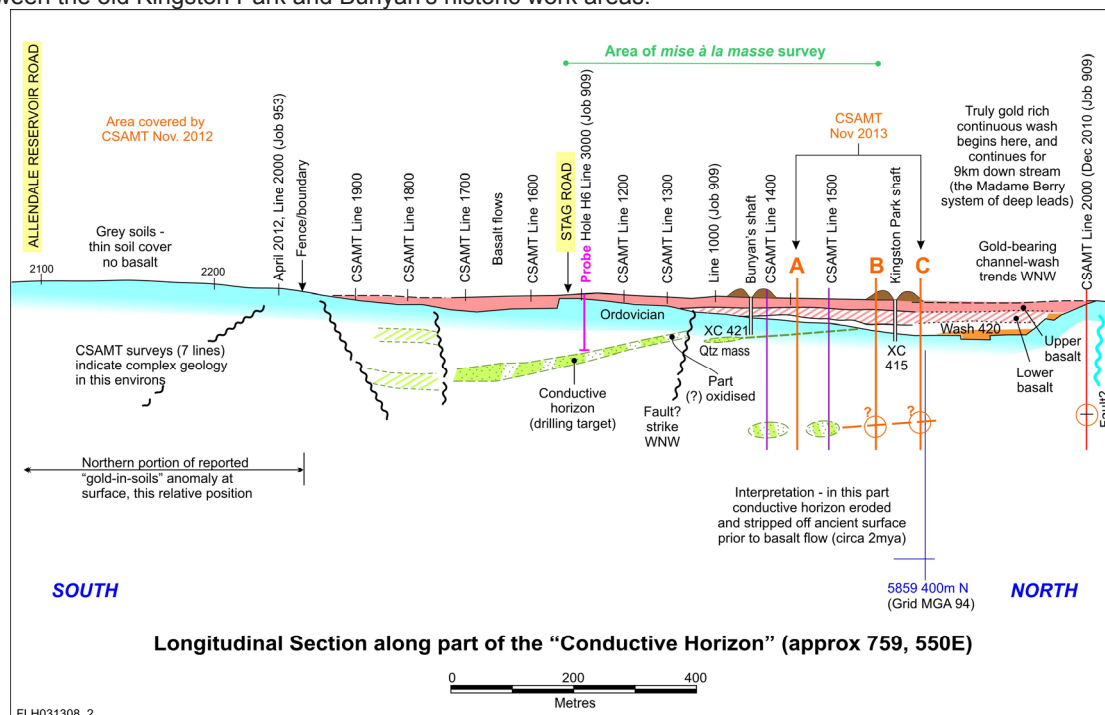
Since year 2007 the Company has from time to time carried out geophysical investigations in the strip of land width 800 metres, extending east from the old De Murska shaft site, Allendale, and all the way south to beyond Allendale Reservoir Road, a north-south distance of about 1,800 metres. Progressively, this strip of land has increasingly become the preferred location for ongoing exploration within EL 3821.

The line-by-line coverage of CSAMT in this area when reviewed at October, 2012 by Hugh Rutter, consulting geophysist, could be noted as having two areas in which the coverage lacked completion. That is, closer spaced CSAMT traverses would assist interpretation of the whole if completed in two sections - one section near Allendale Reservoir Road, and the other between two successful deep lead workings of year 1877, about 400 hundred metres north of Stag Road.

In year 2012 entry compensation arrangements made with the 5 relevant landowners. This step enabled the southern series of traverses to be completed during November, 2012.

The outcome of that work was an initial suggestion by H.Rutter about the character of an apparent CSAMT anomaly. These "first-time" results were tabled at the AGM at Ballarat last year.

The drawing below shows that, to the north of Stag Road, coverage would be improved by CSAMT traverses between the old Kingston Park and Bunyan's historic work areas.



During the week of 15 November 2013, the CSAMT traverses, at positions marked A, B, and C on the drawing, were carried out satisfactorily. The entire zone to the south-east of Allendale, in the most prospective section of EL 3821, now has good quality geophysical coverage, the equal of any by any exploration Company. The Company believed there would be value in carrying out in addition an older, under-utilized geophysical technique known as *mise à la masse*, in association with the CSAMT work. Preparations to do so were made in June 2013.

## **(2) The *mise à la masse* survey**

This is a direct reading technique. The specified area for work allows geophysical investigation of the ground from below the basalt, upwards, for about one-third of the total area of interest south-east of Allendale.

Application of the method relies on the competent placement of a two-metre long stainless-steel probe in a drill hole, at a useful depth, the probe to act as one of a pair of current electrodes. The probe - where shown on the above drawing - was inserted in Hole H6 bored June 2013, at depth 92 metres ( AHD 397 metres ) the necessary wires being carefully brought to surface. The hole collar and wiring since then has been protected by a specially-made locked box.

The commercial risk associated with application of this method is that the Company bears the cost of bringing to site a geophysical contractor, to attempt a survey based on the unknowable character of the quality of wire connection to probe, or probe contact down-hole. That is - the probe is fixed at an earlier time, and is immovable thereafter. The success of the survey is dependent on the placement of that probe. In this case, every part of the survey functioned as designed and planned, giving satisfaction.

The probe was placed as shown on the drawing, near where the CSAMT data indicated there may be a conductive mass to investigate. As noted in the Comments section below, at that point the probe position is above the apparent conductive horizon. That said, interpretation in vogue is for a south-plunging conductive horizon - meaning the electrical excitation via this probe should pass across the anticipated conductive zone further north.

When placed as is, the probe is 18 to 20 metres below the depth of any workings in the old mines.

The current input at depth 92 metres is passed through the Ordovician rock mass, its oxidation zone, to the ancient surface, then through the overlying basalts to be measured - in varying millivolts - at the surface.

In this *mise à la masse* survey, seven (7) lines of each length 600 metres were traversed, the line space being about 75 metres. Measurements were taken along each traverse line, at intervals of 25 metres. All these recordings are related to readings at the same time at a "benchmark" pot, placed about 150 metres north of the grid ( the constancy check ).

## **(3) Comments.**

\*\* The same *mise à la masse* survey could be set up for repeat use, to cover the ground south of Stag Road. At present, Directors see no particular advantage in carrying out such work, the drill hole objectives further south being apparent.

\*\* The probe placed at depth 92 metres is positioned down hole H6, within a vein quartz horizon, some 10 metres above a zone logged geologically as with abundant quartz.

\*\* The base of oxidation (HyLogging data June 2013) appears to be at depth 86 metres, or well above the probe depth position.

The outcomes of these two types of surveys should be available for Members discussions on Saturday, 23 November, 2013.

On behalf of Directors,

F.L.Hunt.