



28 Lawson Crescent, Thomastown, Vic.3074

P.O. Box 80, Bundoora, Vic. 3083

Email: info@mountrommel.com

Web : www.mountrommel.com

NSX INFORMATION RELEASE

ALLENDALE – PART B (5th December, 2013)

The Madame Berry system is famous for both the mine-to-mine richness of its gold, and for an absence of any large quartz source to explain gold in such abundance.

Mining showed that a super-abundance of barren, rounded quartz boulders were *already* distributed along these channels. Those quartz rocks and clays formed the traps for gold particles. Sedimentation areas in those same ancient channels were iron-rich, and in some instances sufficiently gold-rich “cemented” wash warranted mining and crushing.

In search for a source, the recent geophysical data delineates a location near Bunyan’s shaft. Downstream of that location, it can be postulated that the flushing action of flood events dispersed and accumulated gold.

The evidence in mine records shows this erosion cycle going on for a geologically extended period of time. The cycles of erosion may be recognised by the horizons of gold enrichment as were found in mine workings of the Kingston Park mine, at different distances above the gutter. For example –

- rich wash found **up 14 ft 6 inches** (description in Half Year Report, 31 December, 1877, published 30 January, 1878);
- new discovery, **up 18 feet**, 24 December, 1877;
- splendid wash **up 24 feet** (see 30 January, 1878);
- large washdirt boulders, **up 40 feet**, interspersed with visible gold, 20 May, 1878, which by 31 July, 1878, was known to extend to the south.

This last discovery was described as terminated against a clay bank, still within the old claim area of Kingston Park. It remains of particular interest, as the most upstream gold enrichment zone mined, deposited when the valley was *already infilled* to a depth of 12 metres.

This mined-out zone (which is not the same as the area in which gold might have been dispersed) was given as 400 feet north-south by 120 feet wide, located in the north-west corner of the old Kingston Park claim. This area is about 400 to 600 metres downhill and NNW of the location recently delineated by geophysics.

1. THE PURPOSE OF THIS INFORMATION RELEASE

There is, in the archives files of the former Company, Golden Heritage, analytical evidence which supports the prospect that upstream erosion of a (sulphide?) body carrying gold continued up to the time when basalt lava flows buried the landscape.

Some evidence is also visual, exists in photos (as below), and in core trays retained at Allendale. The evidence is in hole EX98-02, an angle hole drilled under the Ristori lead, where it intersected a wide zone of tight, repeated folding.

For the purpose of this Information Release, the interesting facts are those for part of hole EX98-02 below the basalt, where it passes through the last valley-fill sediments.

The collar of hole EX98-02 is located about 1,150 metres north of the zone recently delineated by geophysics. The core in these trays has always been regarded as unusual. The earthy material of the core is acidic, so much so that the core trays noticeably became eaten away during normal storage. Other trays in this hole (or other holes) were not affected in this destructive way. These changes were so marked the trays were re-photographed in February 2010, and the materials sampled for analysis – see the following Table.

Figure 1 of this information release provides the photo record.

Figure 2 places the drilling event in context. It includes an inset photo showing that character of material at depths to 52.4 metres. At this point (the bedrock interface) a metre of core was “lost”.

The extract of analytical data in the Table below shows very fine trace gold exists in the last stages of valley-fill material. The data for iron shows it to be both mobile, in valley-fill, and coming from local bedrock, as evident in photos.

2. OTHER DRILLING

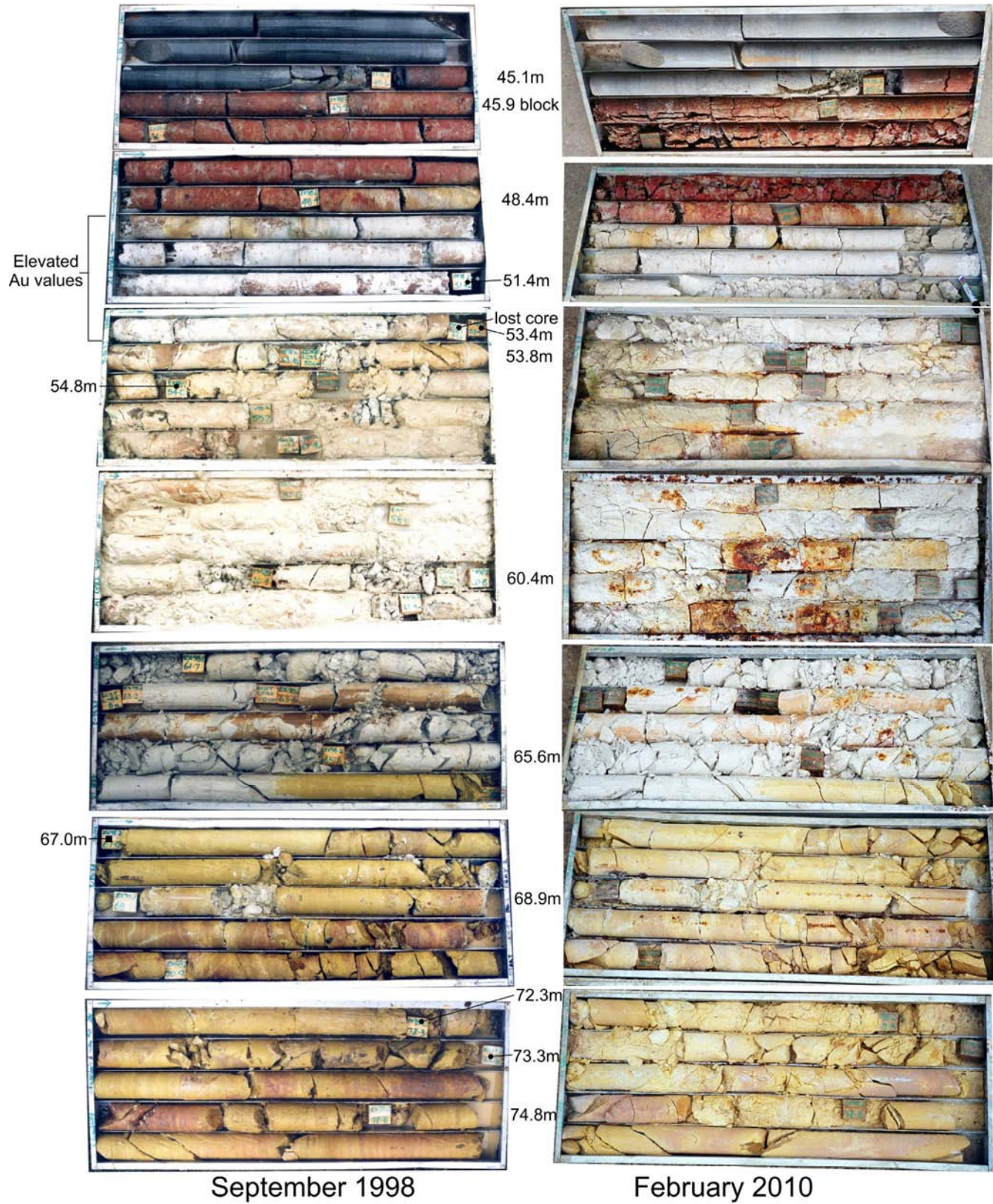
Down-slope to the north of the prospect recently delineated by geophysics, there is only one other hole which probes this filled-in valley. That hole was drilled by the Government, in year 1927.

This hole, numbered ‘148’, is about 1,100 metres due north of the prospect (at Bunyan’s) and 460 metres east of hole EX98-02. The surface level at both hole sites is about the same. The Government hole, a vertical hole, records a basalt thickness of 35.7 metres, below which is 4 metres of clay (not analysed), then bedrock.

The hole ‘148’ is located about 300 metres north of the old De Murska shaft, which passed through 47.5 metres of basalt. The figures show hole ‘148’ to have been positioned at a location probably beyond the influence of erosion flushes in the Madame Berry headwaters.

Apart from Bunyan’s shaft itself, there are no drilled holes anywhere within 200 metres of the prospect delineated by geophysics.

Drill Core
Drillhole EX98-02 Allendale



FLH031004_1

FIGURE 1
NSX Information Release December 2013



September 1998

The Courier, Ballarat,
Saturday, October 17, 1998 P5



Golden Heritage Mining NL driller Craig Burgess checks his equipment during exploration at Allandale.

Gold search in heart of town

By KEN HILL

Gold exploration drilling centred on the former lucrative main leads around the Allandale district is now focussing on the township itself.

A drilling rig from Golden Heritage Mining NL on the Smeaton Rd is probing into the De Murska lead at depths of up to 700 metres in a bid to find the quartz source that should yield paydirt.

Company principal Fred Hunt said yesterday the long-term project included a tenement of 49 square kilometres — roughly equivalent to the size of Ballarat.

Three famous leads of last century, De Murska, Restore (named after opera singers) and Madame Berry (the Governor of Victoria's wife) were being explored.

The Madame Berry lead yielded 386,000 ounces in the 1880s.

"We are starting to narrow in the source," Mr Hunt said.

The Allandale leads were the only place left in Victoria where there was no known quartz source for the gold leads.

But Golden Heritage was nearing the quartz source, and would be "pretty happy if we achieve even a 10 per cent return".

FIGURE 2
NSX Information Release December 2013

FLH031004_2

3. AFTER CLOSURE OF BUNYAN'S MINE

This mine ceased activities due to lack of gold in the alluvials which exist on the west side of the claim, and south of the shaft position. The circumstances are described in the Half Year Reports of the Company, published 3 September, 1877.

The important fact (for the moment) is that prior to closure all materials underground were salvaged, for sale. The confirmation record is found in the *Creswick Advertiser*, 1 October, 1877. Thus, there should be no sub-surface material present to today affect the readings of electrical methods of geophysics.

At the date of Bunyan's mine closure, the enrichment zone 12 metres above the gutter level in the NW corner of the adjoining Kingston Park claim had not been found. The southern end of that zone abruptly ceases : its uphill southern "continuation" remains unknown, not tested by drilling in either Lot 9 or Lot 16, Parish of Spring Hill.

4. TABLE OF ANALYSES

This is an extract of data received in March 2010, following analyses to investigate why the core trays from old hole EX98-02 were disintegrating. The reference is BE007500. The detection limit for gold by the method used is 1 ppb. Analyses included tests for the presence of Cu, Pb, Zn, As and Sb – no values of which were anomalous.

Sample interval (m)	Au (ppb)	Fe (%)
45.1 – 45.9	24	5.34
45.9 – 46.4	74	5.29
46.4 – 47.4	126	5.29
47.4 – 48.4	151	5.23
48.4 – 49.4	205	1.75
49.4 – 50.4	166	0.16
at 51.4 (lost core)	326	0.23
51.4 – 53.4	193	0.33
53.4 – 54.8	27	0.44
54.8 – 55.7	15	0.40
55.7 – 57.4	9	0.54
57.4 – 57.8	31	0.56
57.8 – 58.8	6	0.60
58.8 – 59.6	3	0.76
59.6 – 60.4	6	0.53
60.4 – 61.4	19	0.60
61.4 – 63.2	2	0.18
63.2 – 64.4	2	0.11
64.4 – 65.6	2	0.07
65.6 – 67.0	3	0.51
67.0 – 68.0	6	1.63
68.0 – 68.9	9	1.93

Sample interval (m)	Au (ppb)	Fe (%)
68.9 – 69.9	156	2.39
69.9 – 70.9	11	3.01
70.9 – 71.5	2	3.45
71.5 – 72.5	5	3.09
72.5 – 73.3	LLD	2.34
73.3 – 74.8	2	2.94
74.8 – 75.8	4	2.80
No deeper analyses, this set.		

These trays have yet to be sampled, to assess for pH and thus comparative acidity of the silt, clay and rock intervals.

5. FOLLOW-UP INVESTIGATIONS AT ALLENDALE (year 2014)

The next requirements are those to do with gaining approval for variation of the existing Work Plan. Experience suggests this paper compliance process may require several months.

The intended Work Plan would be principally for diamond drilling aimed at recovering drill core from the bedrock in the immediate vicinity of the former Bunyan's shaft.

The Bunyan's area is the most southern of the shaft sites nominated on the Victorian Heritage Inventory. In year 2007 the Company sought, and obtained, a clearance from Heritage Victoria for drilling nearer Stag Road. Given all this new geophysical information, application is again being made (currently) for similar clearance.

No geophysical method could locate gold in eroded detritus transported as colluvial soil, on a hill-slope. It is that kind of layer which (probably) was repeatedly flushed into the ancient stream system. In volume, such postulated detritus probably extended over a substantial area, otherwise the material would be insufficient to generate a gold enrichment for at least 200 lineal metres, as did occur – see records, Kingston Park, 31 July, 1878.

Commonsense therefore suggests that any new Work Plan include a capacity to drill away from heritage inventory areas, and to the north-north-west of the Bunyan's environs. Any review of the geophysical prospect at once draws attention to the 400 metre space in open paddocks, between the area of that prospect and the zone where gold enrichment is recorded in the Kingston Park mine workings. The overlying basalt is estimated to have a thickness of about 35 metres.

At a later date, the Company should seek to complete the geophysics (*mise à la masse* and SP) to the south of Stag Road, taking advantage of the same down-hole electrode.

There has been test work to illustrate why evidence of gold enrichment at different horizons may be related to source rocks. The test work was carried out by Jacques B. Wertz (Columbia Univ. NY) and published in 1949. The abstract is available on *Google*. The diagrams and text of this work are informative. The reference is *Economic Geology*, Volume 44, pages 193 to 209, titled *Logarithmic Pattern in River Placer Deposits*.

F. L. HUNT

Director, Mount Rommel Mining Ltd.

The information in the above statement relates to exploration results, and is based on information compiled by F.L. Hunt, who has current membership of The Australian Institute of Mining and Metallurgy, and

- *is the Executive Director of the Company,*
- *has sufficient relevant experience to qualify as a Competent Person as so defined under the J.O.R.C. Code.*