

**28 Lawson Crescent, Thomastown, Vic.3074**

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

Email: [info@mountrommel.com](mailto:info@mountrommel.com)

Web : [www.mountrommel.com](http://www.mountrommel.com)

17 April 2015

## **CLUNES DRILLING (MIN 5391)**

Four holes were drilled at the south end of MIN 5391, commencing 23 January 2015 to 1 March 2015. The assay data which follows relates only to those holes. Some of this data is repeated, given again here for convenience.

The tabulated assays are only those relating to the same recognized quartz/quartz breccia formation, it being apparent across all four holes, and earlier holes, CD06-05 etc, and including CD07-04

### **CD15-01**

Total depth 146.7 metres

Azimuth – approx 280°M, Dip 72.5 degrees

HQ core, half cut for sampling; sample length 0.5m

Fire assay procedure, detection limit 0.01 ppm Au

In hole depth (m)		Initial assay	Duplicate assay	Repeat assay
From	To	ppm Au (equiv g/t)	ppm Au	ppm Au
126.5	127.0	0.06	-	-
127.0	127.5	2.12	-	2.28
127.5	128.0	0.81	-	-
128.0	128.5	1.69	-	1.90
128.5	129.0	8.27	-	7.77
129.0	129.5	0.78	0.83	-
129.5	130.0	0.04	-	-
130.0	130.5	1.23	-	1.63
130.5	131.0	12.00	-	13.50
131.0	131.5	0.92	-	-
131.5	132.0	1.29	-	1.39
132.0	132.5	0.15	-	-

#### **Notes:**

- 1) Assays not reported for CD15-01 extend the investigation by assay above and below the above interval. At this time no element geochemistry has been requested for samples from this hole.
- 2) Where a sample weight exceeds 3kg, the coarse crush (to reduce to 1 to 2mm particle size) may be as two parcels, to recombine. Where the sample weight is less than 3kg, after coarse crushing the whole sample is pulverised such that 85% passes 75 micron particle size – made ready for assay procedure. In the case of hole CD15-04, every sample prepared for the laboratory (at the core shed) was weighed, and none exceeded 2kg.
- 3) When a sample is pulverised, the first cut of the bowl of pulverised material goes into a marked packet. This material is used for the Initial assay, and for any needed Repeat assay. Periodically a second cut out of the bowl goes into a second marked packet, being the material held for use as a duplicate assay. The balance of all unused material is retained, held as separate reject samples – may be used for further work (stored).

## CD15-02

The position of the intercept below is down-dip, about 35 metres to the **east** of the intercept in hole CD15-01

Total depth 153.6 metres

Azimuth 279.8 to 282°M

Dip @ 50m 80.8, @150m 80.1 degrees

---

HQ core; half cut for sampling; sample length 0.5m

Fire assay procedure, detection limit 0.01 ppm Au

In hole depth (m)		Initial assay	Duplicate assay	Repeat assay
From	To	ppm Au (equiv g/t)	ppm Au	ppm Au
144.0	144.5	0.01	-	-
144.5	145.0	0.25	-	-
145.0	145.5	2.41	-	-
145.5	146.0	56.0	-	55.50
146.0	146.5	23.40	-	20.30
146.5	147.0	3.02	-	3.44
147.0	147.5	2.46	-	2.38
147.5	148.0	0.09	-	-

Petrological investigation of samples from core in hole CD15-02, at depths 145.25m, 145.50m and 146.0m, is in process. No visible gold occurs in either the hand specimen or under the microscope. In all other petrological aspects, the nature of mineralisation is as observed in year 2007. The gold content is defined by assay.

## CD15-03

This position of the intercept below is about 20 metres updip to the **west** of the intercept in hole CD15-01.

Total depth 133.9 metres

Azimuth 268°M Dip 65 degrees

---

HQ core; half cut for sampling; sample length 0.5m

Fire assay procedure, detection limit 0.01 ppm Au

In hole depth (m)		Initial assay	Duplicate assay	Repeat assay
From	To	ppm Au (equiv g/t)	ppm Au	ppm Au
116.0	116.5	0.05	0.02	-
116.5	117.0	5.75	-	6.05
117.0	117.5	10.20	-	-
117.5	118.0	0.06	-	-
118.0	118.5	0.01	-	-
118.5	119.0	2.37	-	-
119.0	119.5	1.21	-	-
119.5	120.0	5.95	-	-
120.0	120.5	0.03	-	-
120.5	121.0	0.73	-	-
121.0	121.5	0.12	-	-
121.5	122.0	0.19	-	-
122.0	122.5	0.38	0.41	-
122.5	123.0	5.74	-	-
123.0	123.5	5.46	-	-
123.5	124.0	0.26	-	-

## CD15-04

The position of the intersection below is about 12 metres to the **west** of the intercept in hole CD15-01  
Total depth 155.0 metres  
Azimuth 267°M, Dip 69 degrees

---

### THIS INTERVAL HQ CORE QUARTER CUT FOR SAMPLING PURPOSES

Sample length (consistent) 0.5m

Fire assay procedure, detection limit 0.01 ppm Au

#### FIRST QUARTER CUT

In hole depth (m)		Initial assay ppm Au (equiv g/t)	Duplicate assay ppm Au	Repeat assay ppm Au
From	To			
120.0	120.5	0.13	-	-
120.5	121.0	15.10	-	23.30
121.0	121.5	0.07	-	-
121.5	122.0	0.02	-	-
122.0	122.5	20.80	-	23.30
122.5	123.0	1.53	-	-
123.0	123.5	0.02	-	-
123.5	124.0	0.66	-	-
124.0	124.5	0.27	-	-
124.5	125.0	1.57	-	1.41
125.0	125.5	0.93	-	-
125.5	126.0	0.19	-	-

#### SECOND QUARTER CUT

In hole depth (m)		Initial assay ppm Au (equiv g/t)	Duplicate assay ppm Au	Repeat assay ppm Au
From	To			
120.0	120.5	As above	-	-
120.5	121.0	35.60	-	29.90
121.0	121.5	0.01	-	-
121.5	122.0	0.03	-	-
122.0	122.5	3.21	-	4.24
122.5	123.0	0.27	-	-
123.0	123.5	0.03	-	-
123.5	124.0	0.07	0.07	-
124.0	124.5	0.13	-	-
124.5	125.0	0.11	-	-
125.0	125.5	0.47	0.55	-
125.5	126.0	10.20	-	10.90

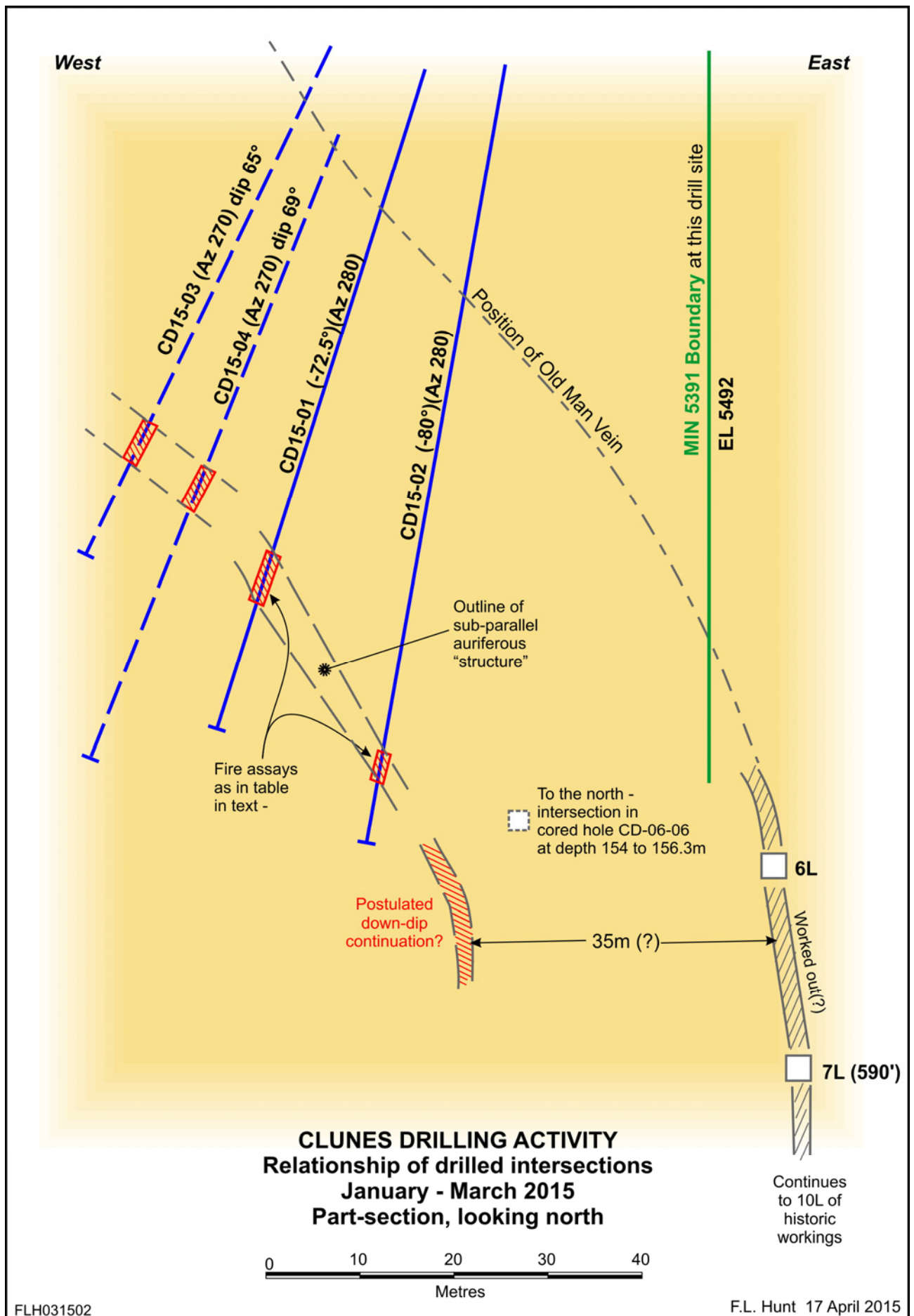
It should be noted that the initial discovery hole CD06-05 is about 40 metres north of the above group of holes, at a position "between" CD15-01 and CD15-04. Assays as follows

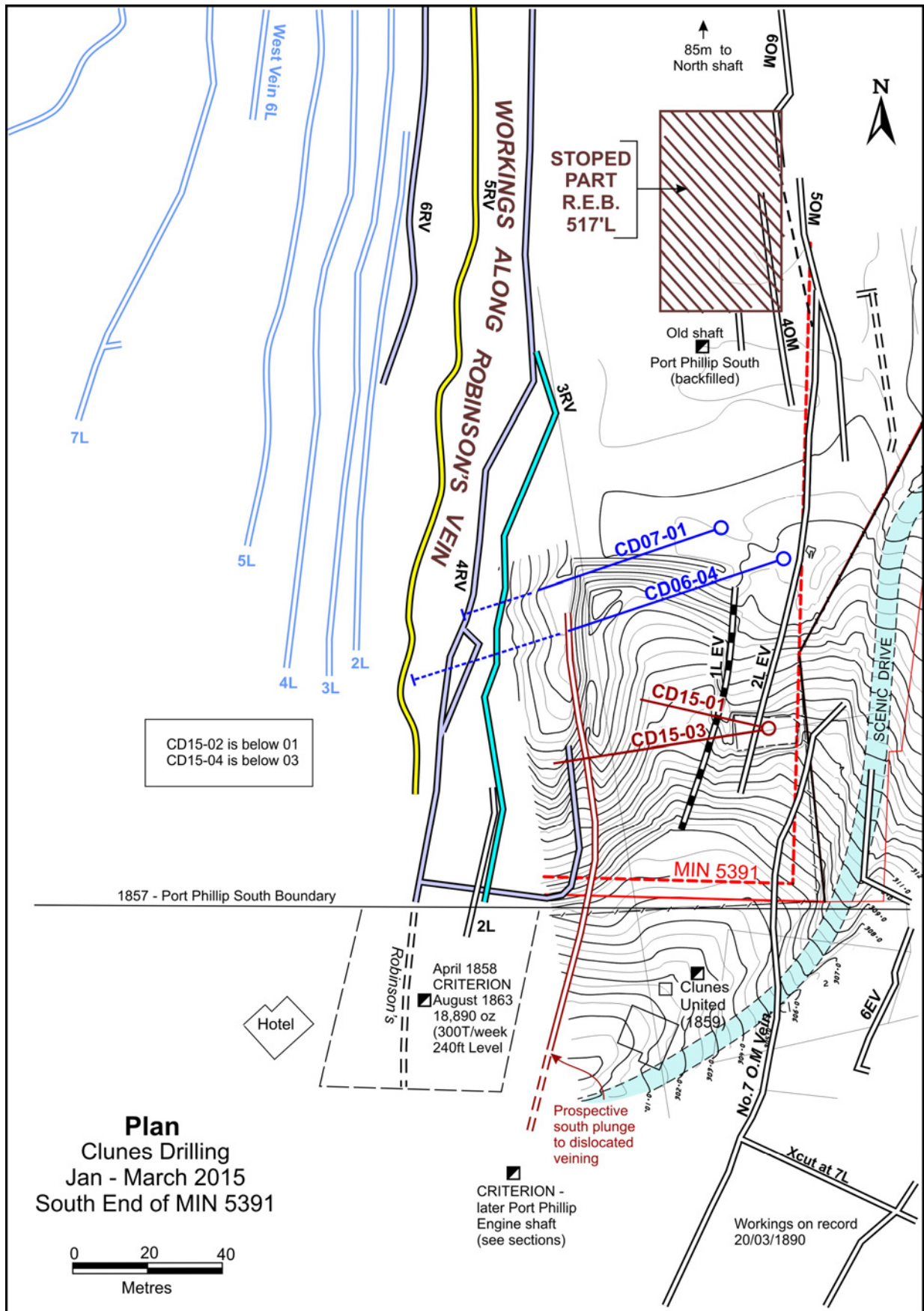
## CD06-05

(Varied intervals taken for sampling – data reported to Company 6 Feb 2007)

In hole depth (m)		Initial assay ppm Au (equiv g/t)	Duplicate assay ppm Au	Repeat assay ppm Au
From	To			
138.4	139.0	5.57	5.74	5.97
139.0	139.8	1.62	-	1.81
139.8	140.2	7.28	11.53	8.63
140.2	140.6	23.08	17.53	18.93
140.6	141.4	1.62	1.50	1.47
And in the lower group				
147.8	148.3	9.60	-	9.13
148.3	??	2.20	1.56	1.49

Arsenic is at exception levels (high) in two intercepts, 138.4 – 139.0 and also 147.8 to 148.3 of hole CD06-05.





### **Material information known to the writer.**

The JORC code requires the following -

"The Competent Person must not remain silent on any material matter for which the presence or absence of comment could affect the public perception or value of the mineral occurrence."

For over 100 years the mining of gold in Victoria was commercially based on the custom and practice of production. Either weekly or fortnightly, mine gold yields were published and each six months audited accounting records delivered the outcomes - profit or loss.

Thus funding was developed, then continued, based on confidence to undertake underground development, then progressive proof of likely return.

Yields in this historical context are actual gold, not forecasts. In contrast, the JORC Code use of words such as "inferred" or "indicated" is to *forecast* a yield.

The tabulation above in every way demonstrates great gold tenor variance, coupled with an undeniable gold presence. These facts of the tabulation confirm that this series of holes have passed through a very traditional type of Central Victorian gold deposit. For that reason, its further development towards a gold deposit is most likely to come about through drilling which generates more like results, and for that reason, leads to confidence in commencing underground development.

The Company role is to outline those formations which warrant underground access and close investigation.

### **Title**

The mineral of value according to assay is gold. The table shows gold is sometimes abundant within a particular host formation. The drawings confirm that the whole of the known value is within MIN 5391, for the present.

The law of Victoria sets a term of licence, and also ensure that term cannot be varied by the Minister. In this instance the term of MIN 5391 ends in 2017, and to the extent that the future is not clear, the title has limited certainty as to security.

### **Potentially economic mineralization**

There is no resource, and none should be implied. However, there can be no denial of the presence of gold. The tabulation of assays is what in the Central goldfields of Victoria should be anticipated where formations approach the stage of significant development - the present situation.

The writer believes these results, coupled with the circumstance shown on the cross section, points to a requirement to investigate by diamond drilling the ground to the immediate east of the two holes -- CD06-06 and CD15-02. Those holes are 40 metres apart north-south. Prospective development down dip might be shown sufficiently by one deeper hole some 50 metres below the assay interval seen in the above table, for hole CD15-02.

The same prospectivity extends to the north at least 160 metres, arising from evidence of similar material intersected towards the end of 1996 RCPD hole MCR 4 (MIM).

Any additional drilling need not be limited to the area of MIN 5391.

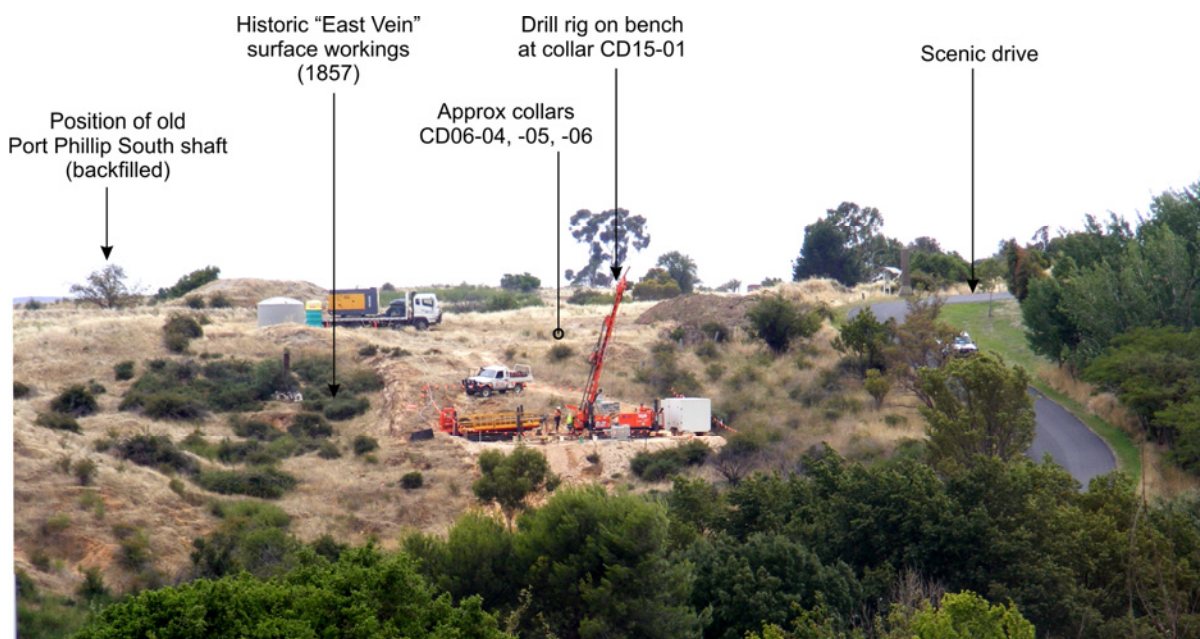
### **Further drilling activity**

The drilling of holes in this location is not straight-forward, due to the rules applying in Victoria, and to the site topography. The following picture reminds readers of the site environs. The drilling of a hole collared 50 or 60 metres to the east will require community / Council decisions of an unusual kind in the Shire of Hepburn.

Other sites are under active consideration.

A public conversation with the community is planned to take place at Clunes on Wednesday, 29<sup>th</sup> April, 2015.





## Conclusion

The tabulated assays given in this public report represent excellent examples of the type of material mined by the former Port Phillip Company.

The included plan shows where that historic Company mined a portion only of this same formation. On the plan, this area is marked as "R.E.B." The drilling of Company hole CD07-04 enabled the similar formation at the north end of that stoped ground to be investigated by two kinds of assay - conventional fire assay, and in July, 2009 as Neutron Activation Analysis, at Becquerel Labs., Canada. This work adds support to the notion that the formation is more extensive than thought before year 1893.

A de-construct of the mine plans of that time shows worked ground around this vicinity, but not beyond it. All the recent drilling has confirmed those plans to be correct as to locations of worked ground, and, of course, unworked ground provides the material of interest.

The true width of this formation appears to exceed 2.5 metres. The gold values are variable over quite an extent - there may be two intervals which merge. The possibility is that the steeper dip sections narrow the width, and more tightly define the workable limits. Further drilling could test the down-dip prospects.

The writer has examined numerous periods of fortnightly gold yields (and grades) of the adjacent former South Clunes United gold mine. The overall period of data examined extended from April 1885 to June 1894. This information provides adequate evidence of what constitutes commercial operations at the time. The evidence is that this one gold-bearing formation probed by the four tabulated holes, and tested by the four earlier Company holes, is the equal of any formation mined by the old South Clunes United Company. Accordingly, it is reasonable to believe its delineation represents a significant step towards re-development to the Clunes goldfield. There are gold-bearing sections in other holes with less apparent continuity which await evaluation.

Geophysics carried out in November 2014 remains under discussion.

## References

See various reports to NSX by the Company, for example, that of 12 March, 2015.

For earlier reports, go to NSX. At base of current Announcements list, click on "More Announcements", and locate information in period from 18 October, 2006 to mid-2007.

## Compliance Statement

*The information made public by the above Report includes the results of development drilling for the purposes of expanding the area of known gold mineralization. The purpose of the work is to find gold, and so add value to the shareholdings of Members of the Company. The work has immediate commercial purpose.*

*The holes were directed in azimuth by the writer, F.L.Hunt, who by activity and experience considers himself to be a Competent Person within the meaning of the JORC Code, and is a current Member of the Australasian Institute of Mining and Metallurgy. The writer asserts his competence to prepare such public Reports.*

*Mr. F.L.Hunt is Chairman and a Shareholder in the Company which is the holder of current mining and exploration rights at Clunes, and for whom the work has relevance.*

*In no way does either F.L.Hunt or the Company state that JORC-compliant ore exists within these mineral holdings at Clunes. What is stated is the assay data for a particular area, and its relationship to like data. The continuity characteristics of the auriferous structure outlined in this Report are under investigation by the writer, on behalf of the Company, and are on-going. Further assay data pertaining to this location is anticipated for public release shortly.*



F.L.Hunt  
MAusIMM  
Director  
MOUNT ROMMEL MINING LTD