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18 April 2016

MANY HAVE UNDERSTOOD HOW GOLD BENEFITS RESIDENTS OF CLUNES.
(Third in a series of articles explaining developments at Clunes)

MEMBERS OF CLUNES BOROUGH COUNCIL, 1902.



Cr. S. J. Cooper. Cr. Wm. Barkell.
Cr. Wm. Richards. Cr. Wm. Blackband.

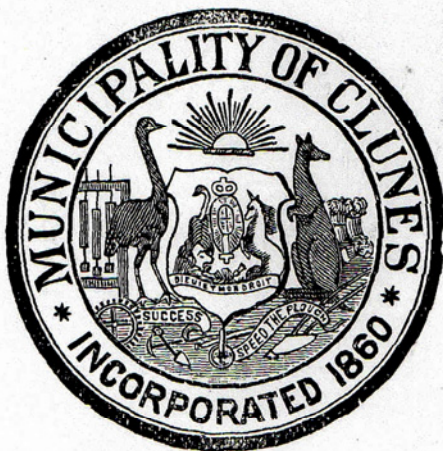


The Mayor (Cr. W. J. Martindale, J.P.)
Cr. John F. Phillips. Cr. John Gribbin.
The Town Clerk (Harry E. Sando, C.E.)
Cr. Philip Rowe. Cr. Wm. Turnbull.

To All Whom It May Concern.

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WE, the Councillors of the Municipality of the Borough of Clunes, in the State of Victoria, Australia, with a view of bringing under the notice of mining investors and capitalists generally the great undeveloped resources of the Clunes Quartz Goldfield, have much pleasure in presenting for their consideration the information contained in this pamphlet, for the accuracy of which we vouch, as far as the past is concerned. Any of the information other than that of which we have had personal knowledge, has been carefully compiled from published records. We have no hesitation in recommending the Clunes field as a perfectly legitimate one for investment. Notwithstanding the great quantities of stone already taken out with payable results, it will be seen from the facts set forth in the following pages that there still exists vast quantities available from the levels already opened up, which will pay handsomely with modern gold-saving appliances, to say nothing of the splendid prospects offered for deeper exploration; in fact, the field would have few equals if properly worked. Should any investor, or company of investors, require further information, we will be pleased to comply with their request.



W. J. MARTINDALE, Mayor.

WM. BLACKBAND	} Councillors
J. F. PHILLIPS	
S. J. COOPER	
JOHN GRIBBIN	
WM. RICHARDS	
WM. BARKELL	
PHILIP ROWE	
W. TURNBULL	

HARRY E. SANDO, C.E.,
Town Clerk & Engineer.

Town Hall, Clunes, June 28th, 1902.

There is no other goldfield in Australia so disrupted during production, with a yield history of over 1,300,000 oz. gold, yet with minimal deeper investigation. The normal continuity found in goldfields of this type in Victoria remains open to conjecture.

In 1902, a decade after the gold mines of Clunes were forced into closing, the (then Borough) Councillors on behalf of the residents of the time, set out to ensure records of events in their lifetime were able to be retrieved at any future time. The intent to do so is recorded in a brief statement published *The Argus* newspaper, Melbourne. The outcome is a document carrying this General Invitation shown here, the whole document being available at the State Library of Victoria. The reference is -

THE CLUNES MINES - Past History and Future Prospects. Ed. A.J.Giddings, for the Councillors, Borough of Clunes.....S 622.342.

There is plenty of evidence in this pamphlet to confirm people of Clunes were directly assisting the South Clunes United mine to keep on working.

Records on Open File at Archives Victoria reveal in detail where the final steps in gold development at Clunes took place, and by whom. Plans of the last surveys of underground workings become quite important when related to surface street and lot positions. Those plans are also needed to allow corporate archives - like those held at Archives Victoria - to be translated for use in modern exploration. Certain original plans are available for inspection, by application to our Company.

The under-signed has at least a decade of work experience using plans similar to these old plans. The method of recording is quite familiar, a "*standard practice*" for over 100 years. I have reviewed the original drawings. Workings were continuous between the railway station at Clunes, and Albert Street. About 1,000 metres of that distance, in the heart of this goldfield, is wide open to new findings, as demonstrated by 2015 drilling results, north of Creswick's Creek.

Modern exploration for new gold at Clunes began in year 1947. Geologist A.A.C. (Bert) Mason in his book "*No Two the Same*" tells of finding the plans industry uses today. Back in 1947, those invaluable plans were found stored in rolls, under the stage of the Town Hall, Clunes. Mason went on to apply - on behalf of North Broken Hill Limited - for 4 Special Gold Mining leases to cover an area six hundred chains north-south by one hundred and twenty chains wide, in all 7,200 acres. These applications were made early in year 1948, to encompass the field. Almost continuously since the 1940's one party or another has held tenure over the Clunes Goldfield, including the township itself.

Filed reports to companies by Mason describe why Clunes remains of special interest to explorers for gold. The question for explorers is – ***Why does so much gold occur in this particular location?***

North Broken Hill Ltd. passed tenure rights to the former WMC. Part of that early work as fore-runner to WMC at Clunes included mark-up on those original plans of the first survey control grid. Today this same grid has been of use in specifying the ground positions of the six 1974 / 1975 diamond drill holes - see text below.

Mount Rommel have archived the actual drill core from that 1974 work, along with available written (assay) records, provided to Mount Rommel by previous WMC senior staff. The work and data from many other explorers has been reviewed, to accumulate the knowledge available today.

We are interested in future prospects, not just history. However, **history provides a very direct guide to the position of the probable central part of the deeper Clunes Goldfield.**

Mason prepared formal reports on the Clunes Goldfield, for company purposes. In these, specifications are given for the early control grid origins. Later (in 1973) geologists for WMC re-assessed early work, coming to much the same conclusion as Mason - see WMC file report, K/1246 (year 1976).

The Abstract, report K/1246, recognizes a 400 metre north-south gap of substance in the old South Clunes United mine work, defined as between 19,700N and 21,000N. (feet) on the early control grid. This gap length is about the same distance as the length of MIN 5391, north of Creswick's Creek. The gap was well understood by the last manager of the old South Clunes United mine, year 1893.

The east-west grid line position "21,000N." of this control grid passes across the concrete floodway, Creswick's Creek.

The line of "19,700N." passes just north of Alliance Street, near Templeton Street.

I have reviewed the relevant original drawings - there is indeed a gap to test.

The drilling completed to the north of Creswick's Creek by Mount Rommel Mining Ltd. since 2006 confirms a most effective way to position holes, to test this type of mineralized ground. Less effective *for present-day purposes* is the test layout of 6 holes as by WMC in 1974 / 1975. These holes are shown positioned on the posters released to NSX, 14 April, 2016.

The group of 6 holes include CD40. This hole is (I believe) positioned too far to the west, thus unable to test the trend of historic workings, known active up to mine closure.

In making its application for (now granted) EL 5492, the Company illustrated its intent, subject to access arrangements yet to be agreed with local residents. One diagram used in the application is that marked as Figure 4, shown below.

The rocks below Clunes became gold-bearing perhaps 400 million years ago. Whatever happened then remains in much the same place, but probably distorted - except where mined out.

The State Government brought drilling to the Goldfields of Victoria in the mid-1880's, including to Clunes. On Poster 1 (see NSX, 14 April, 2016) the series of holes shown on the lower right were all drilled by Government, as were those south and west of the old Lothair mine, also marked on the Poster.

These days Government asks Industry to provide and pay for information collected about underground matters - including sources of water. Drilling is the tool normally used for these investigations. Licences issued by Government were assumed to represent encouragement to search for gold and minerals. The collection of underground data grows little in value where the act of drilling is deliberately frustrated or denied - as in 2015, by the Council, the Shire of Hepburn. This comment applies at present to EL 5492.

The Council did vote. The effect of that 2015 vote requires Councillors, Hepburn Shire, be presented with an opportunity, in 2016, to review reasons for apparently frustrating economic activity. The Company Directors have always anticipated its activity would prove beneficial to landowners at Clunes, continuing drilling until early December, 2015.

Mount Rommel is preparing to put before Council, Hepburn Shire, a second request to consider an alternate site, for sub-surface investigation purposes. Control surveys for additional site definition are intended during the coming week.

F.L.Hunt
Chairman

The map displays the East Vein Prospect area with several key features:

- Drill Holes:** CP101, CP102, CP103, CP104, CP105, CP106, CP107, and CP108 are marked along the top. CP107 is noted as drilled on 13/11/84.
- Geological Features:**
 - Overlying basalt (thickness 40 metres):** Indicated by a green bar at the top right.
 - Palaeo surface:** Indicated by an orange line.
 - Ordovician rocks:** Indicated by a light blue area.
- Lode Structure:**
 - East Vein Prospect:** A dashed line labeled "East Vein Prospect" with "Fact" (Facture) markers.
 - Middle Lode Structure:** A dashed line labeled "Middle Lode Structure" with "Fact" markers.
 - East Vein Prospect:** A dashed line labeled "East Vein Prospect" with "Fact" markers.
- Ground Status:** A large black box labeled "TOTALLY UNTESTED GROUND" covers the bottom right portion of the map.
- Other Labels:**
 - "Lode structure not reached by CP107"
 - "146-152 m Elevated As. values at East Vein position, trace Au."
 - "300m" and "330m" markers on the bottom right.
 - "6L (573 ft)", "7L (677 ft)", "8L (785 ft)", and "9L (852 ft)" markers on the right side.

This diagram confirms holes by WMC in 1984 were sited too far west to locate primary mineralisation continuing beyond workings known at time of sudden shut-down (17 October 1893)



FIGURE 4