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CLUNES GOLDFIELD -- WHOSE STORY ?

This is the fourth and last in this series of articles.

Discovery of what became *three* of the principal gold mines of Victoria, plus advances made in mining, and milling methods, all took place beneath the lava cap, where the town of Clunes now stands. The discoveries developed into significant industrial advances of the time, leading to material developments to advantage the business of mining in all goldfields of Victoria. So far, only small monuments stand to acknowledge these grand achievements.

It is a fact that the mines of Clunes, although worked for gold to moderate depths (with very profitable results) were never worked with the same persistence and capital as those at Ballarat. More recently, the use of diamond drilling has substantially extended the life of similar Victorian gold deposits at Stawell, at Ballarat, and at Fosterville.

Mount Rommel has described already ([see NSX Release 30 June, 2015](#)) its intent to expand the prospects so evident at Clunes today. Council, the Shire of Hepburn thought differently, apparently without appropriate regard for the true story of Clunes. The Company have already indicated there is a practical alternative to working through Council-owned land – see diagram below.

It is also a fact that literally "miles" of underground tunnels were opened below Clunes. Concerned mine managers at the time of sudden closure (1893) went to considerable trouble to ensure the positions of underground workings were properly surveyed. The Government stepped in, to enable some of those surveys to be published (September, 1891).

The positions of these old workings tell us that the veins found in years past were branch-like, splitting to become multiple veins in one horizon, and up and down the mineralized structure. There were known to be two to five ore-bearing veins, in a zone often only 50 metres wide. These worked veins, while semi-continuous, vary in thickness from one metre to over 20 metres. There is ample evidence at Clunes, and elsewhere, that this type ore vein habit produces large tonnages of mineralized ground.

The multiplicity of veining is due to the branching characteristic. It is satisfactory to record the same kind of branching was intersected by drilling in 2006, 2007, and again in 2015.

Given the circumstances of mine closure in 1893, drilling results show how "lost" potential can indeed be regained from work at surface. In year 2006, drilling for Mount Rommel intersected what we now know to be a zone of split veins, carrying good gold values. The position, at 30 metres horizontally west of any previous workings, defined a new discovery.

In year 2007, additional drilling in that vicinity found the discovered zone to have unexpected, considerable width, and to dip to the east at about 45 degrees. The dip and position were indicative of a gold-bearing structure open to continuation. In addition, gold values were intersected beneath, where holes passed through a footwall contact.

Drilling in February - March 2015 expanded this discovery, showing it to carry significantly elevated gold values over workable widths, continuing south and to depth. The original company, Port Phillip, simply failed to pick up the presence of this parallel structure. Subsequent drilling produced evidence reinforcing the exceptional value of the southern part of MIN 5391.

Re-opening a goldfield like Clunes is an ambitious project. It requires confidence about prospective returns for investment. Recent history on other Victorian projects shows that confidence is most likely to establish itself through drilling which expands drilled-off gold-bearing zones.
That is - *How far does it go?*

The evidence from all along the 2,800 metres of Clunes goldfield is that -

- (1) ore-shoots extend to the depth worked so far - over 300 vertical metres - so what is deeper is simply not known, and
- (2) recorded ore-shoots often have both a depth and a horizontal extent.

The greater the **enlargement** of the gold-bearing zone **in the immediate vicinity of the holes drilled at Site D, in February - March 2015**, the more likely it will be that mining occurs.

The solution - drill again, but from Site D, rather than land owned by others.

On June 9, 2015, the Company press release to NSX includes a sectional drawing, showing the trace of holes were drilling to be agreed with Council. *Remove entirely such holes*. Instead, drill a controlled vertical hole from Site D, to below the depth of intersection of CD06-06 (as shown on the diagram). There is sufficient room to locate the controlled vertical hole close to the boundary of MIN 5391. Daughter holes off the parent hole at depth can be directed to cross the extent of the mineralization, west of the parent hole.

As to forecasts of what ground is gold-bearing - attached find a letter from year 1903 which sets down the character of these gold deposits. The letter provides a useful explanation. In year 2016, the use of parent and daughter holes provides a way to recover a spread of results, to diminish uncertainty.

Directors intend to secure funds to undertake additional drilling at Site D later this year. A notice to that effect will appear shortly.

F.L.Hunt,
MIE Aust. CPEng., MAusIMM
For Directors, Mount Rommel Mining Ltd.

P.S. Those persons seeking to inform themselves about wedging as a technique may refer to the following article (1983).
<http://www.saimm.co.za/Journal/v083n07p164.pdf>

← MIN 5391 →

EL 5492
Mount Rommel Mining Ltd
(Granted for next 5 years)

Approx collars CD06-04, -05, -06

Historic "East Vein"
surface workings (1857)

Position of old
Port Phillip South shaft
(backfilled)

Drill rig on bench
at collar CD15-01

Scenic Drive



Possible drill site
use requires Council
approval, not given
in 2015

TO TEST
FURTHER SOUTH

About 40m south
of completed holes.
Test by wedge
off controlled
vertical hole

Hole series
completed
Jan - Mar 2015

HOLE CD15-03
HOLE CD15-04
HOLE CD15-01

INCOMPLETE HOLE CD15-02

FEB 2015 RESULT

To the North
CD06-06

**OBJECTIVE -
DRILLING TO CONFIRM
EXPANSION
OF GOLD-BEARING
FORMATIONS**

PROJECTED TRACE OF HOLE

MIN 5391

BOUNDARY

EAST

50 metres below surface

100 metres below surface

POSITION OF
OLD MAN VEIN

In Council land

"East Vein"
worked out
before 1893

STOPPED OUT - OLD MAN VEIN
Continues down to 10L (890 feet)

DISCUSSION.

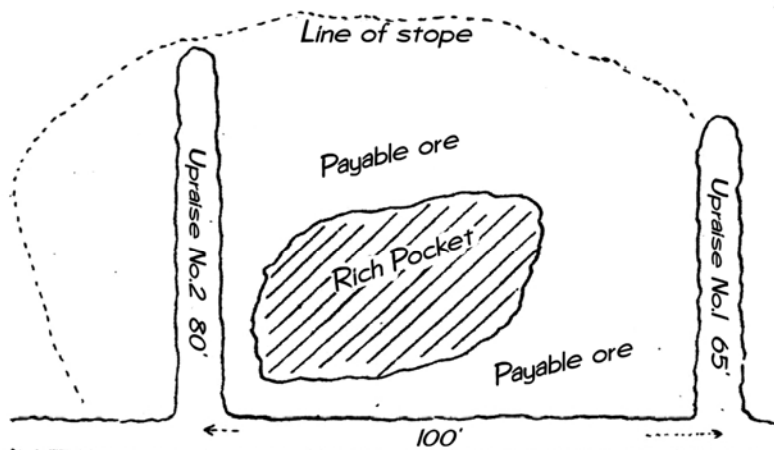
Readers are invited to use this department for the discussion of questions arising in technical practice or suggested by articles appearing in the ENGINEERING AND MINING JOURNAL.

ORE DEVELOPED.

The Editor:

Sir.—Referring to the discussion regarding "Ore Developed," kindly allow space for this bit of experience from actual practice.

There had been blocked out on three sides, a piece of ground as shown in sketch. The result of



sampling showed the block to be of payable ore, though with but a small margin of profit remaining, above mining and milling expenses. Upon stoping the ground, there was encountered a pocket of ore within 6 ft. of the upraise No. 2 which carried a value three times that of the result of sampling the block, and which amounted to about one-third of that of the whole piece of ground.

This is a reverse, though more desirable case than the ones referred to in Mr. Collins' article of February 24, in which the ground might have been poorer instead of richer. It, however, illustrates the same principle of uncertainty, with which we have to deal.

JOHN C. TREADWELL.

Sahuayacan, Mexico, April 6, 1903.