

EPM 14255
REPORT FOR THE PERIOD ENDING
29TH JULY 2010

BY
N. F. STUART

PREPARED FOR D. WILSON et al.
N. F. STUART and ASSOCIATES, NOVEMBER 2010

CONTENTS

	page
Summary	3
1. Introduction	4
2. General Geology	4
3. Mining and Exploration History	4
4. Exploration Activity During Period Under Review	6
5. Conclusions	7
6. References	8

LIST OF FIGURES

Figure 1. EPM 14255, General Location

Figure 2 EPM 14255, General Geology

SUMMARY

EPM 14255 is located some 20 km west of Proserpine in north-eastern Queensland and much of it is hilly and well vegetated.

The general geology consists of volcanics and sediments of the Early Permian Carmilla Beds intruded by granitoids of the Cretaceous Hectate Granite Suite.

Numerous old mine workings (mostly for gold) are scattered throughout the EPM area with the Dittmer mine area being the major “show”. Limited modern exploration by companies occurred during the late 1960’s up to the late 1980’s.

Work during the period under review consisted of reconnaissance geology, prospecting traverses, inspection of old workings and location and organizing of core from previous drilling in the area.

1. INTRODUCTION

Exploration Permit Minerals (EPM) 14255 is located near Dittmer, some 20 kilometres west of Proserpine in north-east Queensland (Figure 1). The topography is quite hilly in many places and is well vegetated. In the lower areas access is reasonable with minor roads and farm tracks, but in the hilly areas access can be limited and difficult.

The EPM was granted on the 29th July 2006 and presently consists of two sub-blocks.

2. GENERAL GEOLOGY

EPM 14255 is situated on the eastern margin of the Cretaceous Hecate Granite, where it intrudes Late Carboniferous diorites and the Early Permian Carmila Beds. The Carmila Beds consist of a suite of dacites, andesitic pyroclastics and lavas and some sediments. The general geology of the area is shown in Figure 2 and a good summary is contained in the Explanatory Notes for the 1:250,000 Bowen Geological Sheet (Paine and Cameron, 1972) and the earlier report on the sheet area (Clarke, Paine and Jensen 1968).

The Dittmer mine area consists of a number of old mines and workings located within the recent M.L. application areas (10340, 10341) shown in figure 2. Locally the main rock types in the Dittmer Mine area are andesitic lavas and pyroclastics. There is some outcropping diorite and dyke rocks are common. The main, auriferous Dittmer Vein occupies a fissure striking NNE and dipping 55 degrees west. At surface the vein can be traced for some 550 metres and ranges in thickness from 0.3m to +/- 2.0m. The vein consists of quartz with gold, pyrite and lesser chalcopyrite. Calcium and iron carbonates are present in some places. The gold is fine grained and associated with the sulphides.

3. MINING AND EXPLORATION HISTORY

Numerous old gold mining prospects are scattered throughout the EPM area (figure 2), but the Dittmer Mine area (and its associated workings) is by far the largest of the old workings. The mine was discovered in 1934 and worked intermittently up until 1970.

From 1935 to 1951 recorded production was 1,696 kg of gold, 728 kg of silver and 300 tonnes of copper. The tonnage mined during this period was 17,400 giving an average gold grade of 97 g/t (about 54,000 ounces). A further 38.97 kg of gold was produced between 1968 and 1970 (average grade of 150 g/t Au). References are available in Paine and Cameron, 1972.

Modern exploration work commenced in 1962 with CRA Exploration Pty. Ltd. carrying out stream sediment geochemical sampling in their search for copper deposits.

St. Joseph Phelps Dodge Exploration Pty. Ltd. searched for base metals in the general area under their Authority to Prospect (A to P) 451M in 1967 (Phelps Dodge Pty. Ltd. 1968). In 1969 Carpentaria Exploration Co. Pty. Ltd. explored the general area under A to P 637M. They outlined anomalous areas of copper and molybdenum, but follow-up drilling did not discover anything of economic interest (Carpentaria Exploration Co. Pty. Ltd. 1971). Mines Administration Pty. Ltd. In association with Associated Mining Ltd. explored the area in 1972 (A to P 1022M) and carried out geological mapping, stream sediment sampling, soil geochemical sampling and some percussion drilling (Davies, 1973). However none of the holes intersected significant base metal mineralisation, which was their target. It should be noted that gold was not generally targeted during the exploration of the area during this period.

Buddha Gold mines N.L. (and later in Joint-venture with Homestake Gold Ltd.) explored the area from around 1984 (Kern and Buckland, 1984). They carried out aero-magnetic and radiometric surveys with follow-up ground surveys, rock chip sampling, geochemical sampling in identified anomalous areas, petrographic studies and detailed geological mapping of “areas of interest”. In 1987 Cyprus Minerals Australia Co. undertook exploration activities on A to P 4646 (Torrey, 1987). They completed literature reviews, geochemical surveys, rock chip sampling and some drilling.

4. EXPLORATION ACTIVITY DURING PERIOD UNDER REVIEW

Exploration during the period under review was hampered by an unusually wet season which severely restricted access to most of the tenement area.

Prospectors were engaged to traverse on foot across the tenement at regular intervals where panning of stream sediments was undertaken in the gullies encountered. Also, the ground traversed was searched for float of gossanous material or other interesting and potentially mineralized rock. Several outcrops of such rock were discovered and samples “dolloed” and panned on the spot. Some showed positive results with specks of gold showing in the pan. It is planned to follow up these locations for further work and precise plotting of locations when the weather improves.

Field work was also undertaken to explore along strike from known old mine workings. This work showed that extensions to the lode systems occurring in the Carmilla Beds were present and could be traced for some distances. Old workings occurring in the Hecate Granite were also inspected for extensions and positive indications. However in this area the prospects seemed to be limited and further work on them is not recommended. The results of this work are shown on Figure 2.

Inspections were also carried in the areas of the Mining Lease Applications to be sure all was in order.

Drill core from earlier drilling work was located, rehabilitated and prepared for inspection and possible relogging by a geologist.

Discussions were held with several, well funded groups with a view to organizing a farm-out or Joint-Venture agreement on the property. Results of these discussions are pending.

5. CONCLUSIONS

EPM 14255 is located some 20 km west of Proserpine in north-eastern Queensland.

The general geology consists of volcanics and sediments of the Early Permian Carmilla Beds intruded by granitoids of the Cretaceous Hectate Granite Suite.

Numerous old mine workings (mostly for gold) are scattered throughout the EPM area with the Dittmer mine area being the major “show”.

Work during the period under review consisted of prospecting traverses, gold panning, dollying, inspections of old workings and location of old core and rehabilitation thereof.

6. REFERENCES

Carpentaria Exploration Co. Pty. Ltd. 1971, "Co. Report on A to P 637" (unpub.)

Clarke D. E., Paine A. G. L. and Jensen A. R. 1968. "Geology of the Proserpine Sheet area, Queensland" Bur. Min. Res. Aust. Rpt. 144.

Davies E. R. 1973 "Annual Report for 1973, A-P 1022M, Kelsey Creek near Proserpine, Qld." Unpub. Co. Rpt. To Dept. Mines Qld., CR 4498, Mines Administration Pty. Ltd.

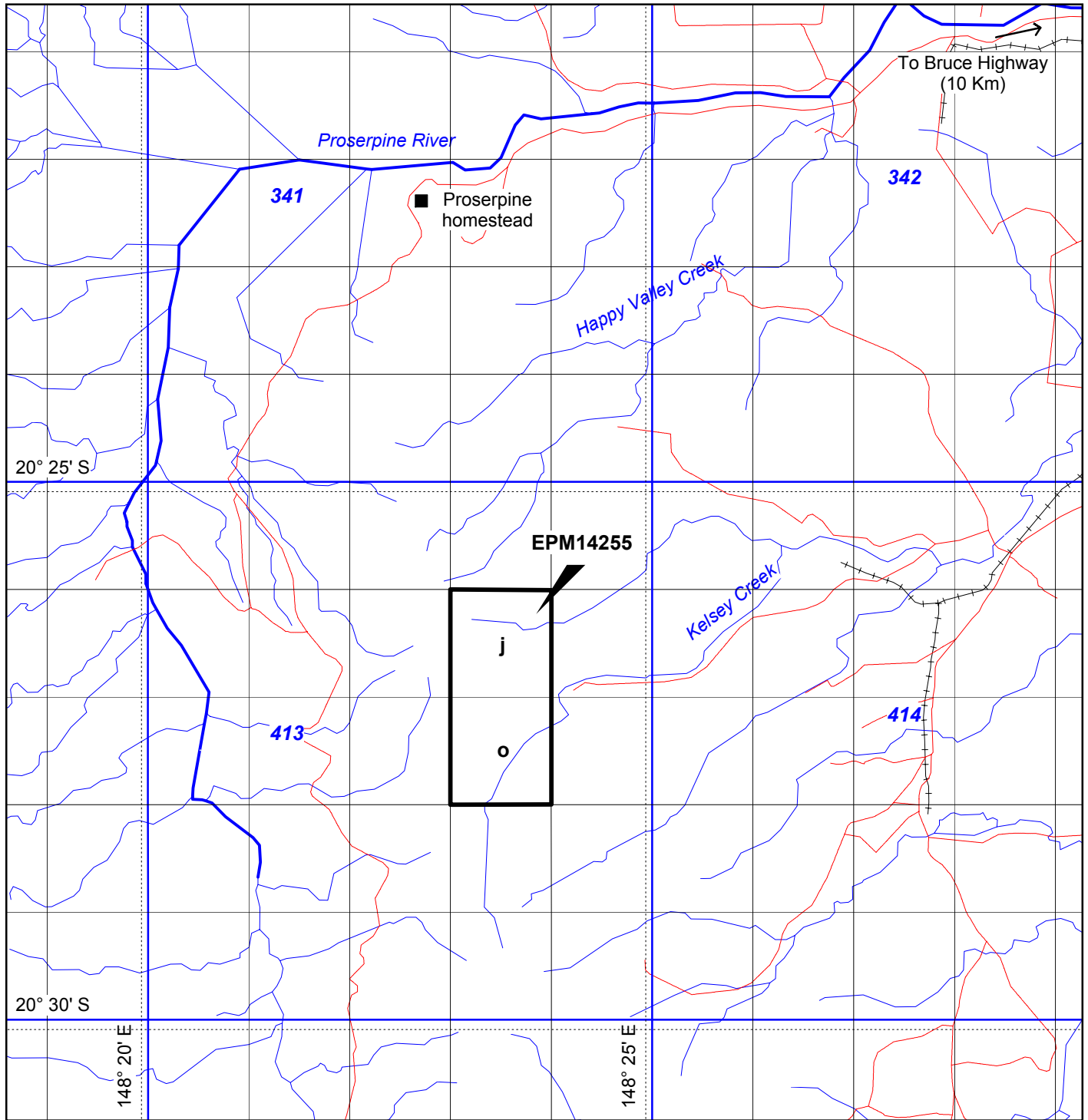
Kern R. R, and Buckland R. 1984. "A's to P 2132m, 3285M, (Dittmer), Report for the Six months Ended 5/10/84". Unpub. Co. Rept. to Dept. Mines Qld., Homestake Gold Ltd., CR 14343

Paine A. G. L and Cameron R. L. 1972 "1:250,000 Geological Series – Explanatory Notes, Bowen, Queensland, Bur min. Res. Aust and Dept. Mines Qld.

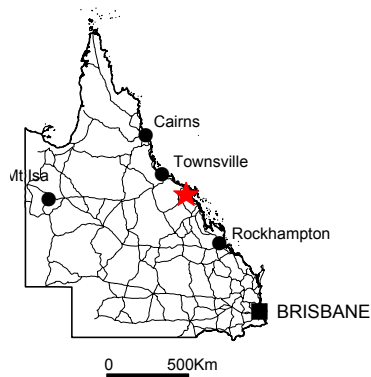
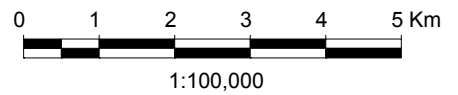
Phelps Dodge Pty. Ltd. 1968. "Company Report on A to P 451M to Dept. Mines, Qld. Unpub.

Torrey C. 1987. "A-p 4646M, Proserpine, Progress Report for Six Months to 15/9/87" unpub. Rept. To Dept. Mines Qld. CR 17244

Stuart N. F. 2010 "EPM 14255, Report for the Period Ending 29th July 2009" Unpub. Report to Dept. Employment, Economic Development and Innovation

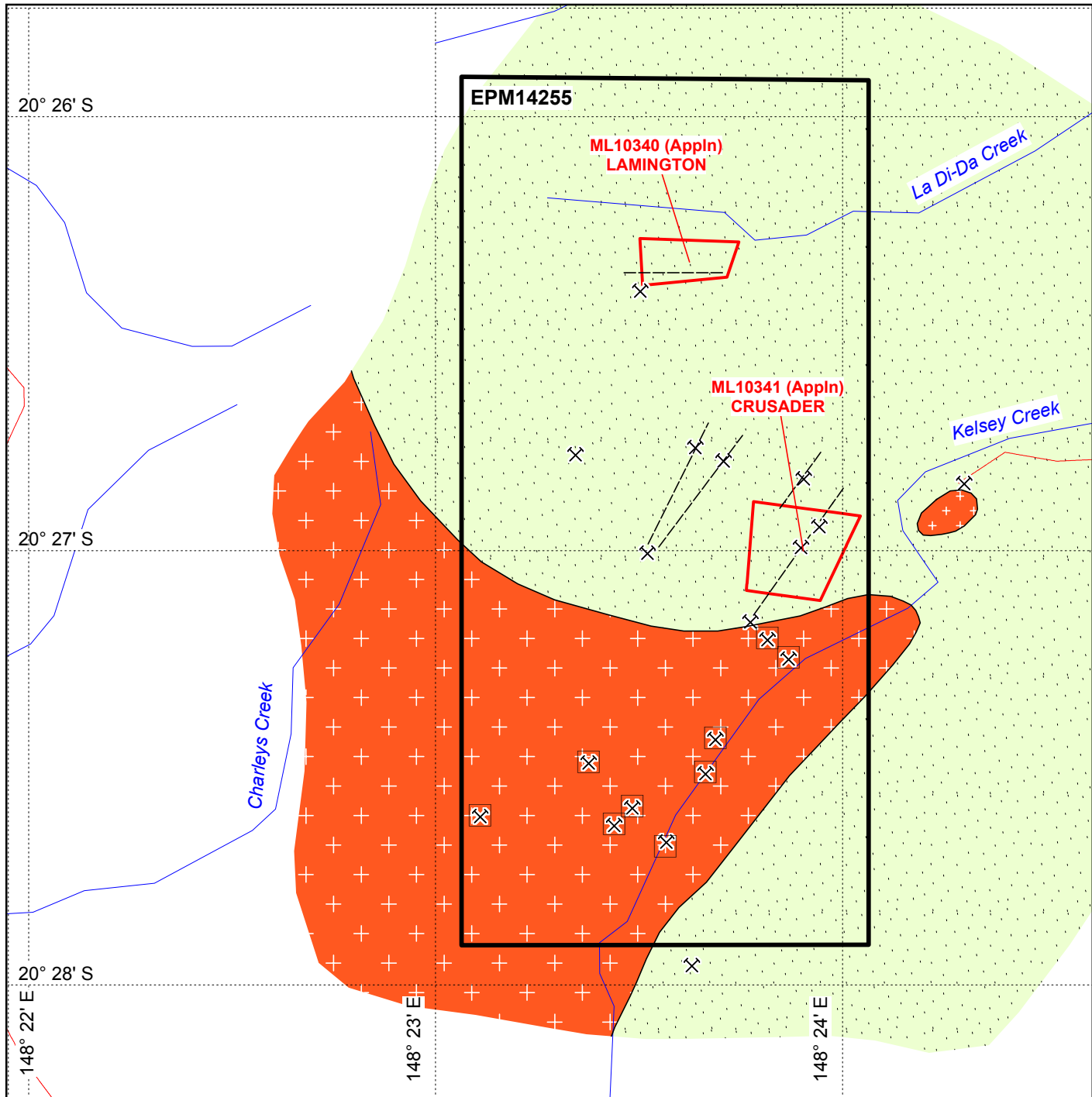


Note: Sub block information from
 "Clermont" block identification map
 Series B (1: 1,000,000)



QUEENSLAND
 INDEX MAP

D. WILSON ET AL			
EPM14255		DITTMER	
GENERAL LOCATION			
COMPILED BY	N.F. STUART	DEC 10	SCALE 1: 100,000
DRAFTED BY	K.J. CORRIE	DEC 10	Proj.: LATLONG GDA94
REVISED			DWG No :
			FIGURE 1



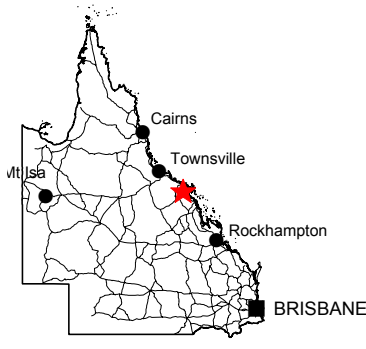
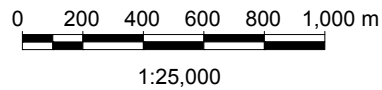
LEGEND

- Road
- Creek
- Old diggings (mostly gold)
- Lode extension (approx.)
- Workings inspected and considered less prospective

GEOLOGY

- Hecate Granite (lower Cretaceous)
- Carmila Beds (Lower Permian)

- dacite and andesite pyroclastics and lavas, some sediments



QUEENSLAND INDEX MAP

D. WILSON ET AL

EPM14255 DITTMER

GENERAL GEOLOGY

COMPILED BY	N.F. STUART	DEC 10	SCALE 1: 25,000	FIGURE 2
DRAFTED BY	K.J. CORRIE	DEC 10	Proj.: LATLONG GDA94	
REVISED			DWG No :	