



OreTeck
Mining Solutions

Tenement Review and Exploration Strategy- EL007328 Elaine

Client: Red Rock Australasia

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Revision:	0

2 Regional Geology

EL007328 is located within the Bendigo-Ballarat Zone of the Lachlan Fold Belt of south eastern Australia. The Bendigo-Ballarat Zone has an average width of 100 km and extends between the Avoca and Mt William Faults. Ordovician turbidite sediments of the Castlemaine Supergroup. The thick sequence of sediments consists of folded N-S striking (result of E-W compression) interbedded turbidite deposits of sandstones and siltstones.

2.1 Local Geology

EL007328 is located predominately to the west of the Williams Creek Fault. The sediments consist of sandstones, siltstones, shales and mudstones that have been intruded and partially metamorphosed by Devonian granitoids that are found in outcrop in the Lal Lal area just north of the tenement boundary. The sediment package has been tightly folded into NNW-ESE trending fold axis. These formations are flanked to the east and west by younger sediments and Tertiary volcanics. The outcropping Ordovician sediments in the Elaine-Mt Doran could be part of an 'exposed' domal structural, probably anticlinal (Foster, 2013).

2.2 Mineralisation

The south eastern corner of EL007328 terminates to the west of the historic Elaine and Mount Doran goldfields. Due to a lack of mining on the tenement, the mineralisation review was conducted on these goldfields. The summary below is based on work by Foster, 2013. His review showed that quartz hosted primary gold mineralisation occurs within sandstones, siltstones, shales and mudstones of Ordovician Age. Quartz reefs occupy fissure zones that are parallel to the strike of the sediments. Gold mineralisation has been observed in bedded and laminated vein sets, spurry formations and minor saddle reefs. These zones of gold mineralisation appear concentrated at the intersection of graphitic/pyritic shales and the quartz reefs. An example of the nature of the reef systems can be obtained from historical records of the Jaberro Mine, located east of Elaine:

The main reef was ~ 50 cm wide with variable strike, ranging from NE to N, dipping 70 degrees to the west. Host lithologies consisted of sandstone, siltstone and pyritic black shales. Three shafts were sunk to a maximum depth of 67 m. Several shoots were mined to ~30 m below surface, with grades averaging 1 oz/t.

Historical records are deficient, although it is believed that some 300 tonnes of ore were mined after 1932 when the mine re-opened.

3 Mining History/Production

The tenement has little recorded historical mining and production data. A small section to the east encompasses the northern extension of the Mt Doran-Elaine goldfields with a cluster of unnamed shafts. The Mt Doran-Elaine Goldfields have incomplete recorded historical production figures. At Elaine, 5170 tonnes at an average grade of 23.6 g/t for 3922 ounces Au was recorded, whilst at Mt, Doran 431 tonnes averaging 31.3 g/t for 433 ounces was recorded (Foster, 2013).

The grade across the area was variable as shown by records from individual mines within the Elaine Field. Production of 316 tonnes averaging 16.8 g/t Au for 171 ounces was recorded

from Cleary's whilst at the Western or Great Western Mine (on the outskirts of Elaine) 80.3 tonnes averaging 3.3 g/t for 9 ounces Au was recorded as being mined (Foster, 2013).

3.1 Nearby Mining Activity

No current mining activity occurs close to the tenement.

4 Exploration History

Most exploration activity in the area has been focussed on the Mount Doran/Elaine goldfields with minimal work outside of the footprint of the goldfields.

4.1 Malanti Pty Ltd- Golden Hills Mining NL, 1996

Twenty-six reverse circulation drill holes (total 1,233 m) were completed across the Elaine and Mt Doran Goldfields. A total of 298 drill cuttings were analysed for gold over 3 m intervals. Drilling concentrated on historical and reef mining targets and soil anomalies. Holes MD1 to MD10 were drilled on EL007328 (Figure 1). Holes MD1-3 targeted a north-south striking reef on the eastern margin of the northern extension of the Mount Doran goldfield. Holes MD4-10 targeted a reef to the south east than the one targeted with holes MD1-3. Declination of holes was mostly to the east at 60 degrees. Low anomalous values were obtained in several holes. Details are listed in Table 1.

Table 1. Results of RC drilling on EL007328. Cut off 0.1g/t. (Foster et.al 1996)

Hole ID	Dip	Azimuth	From (m)	Sig Int (g/t Au)	Total depth (m)
MD1	-60	103		No Significant Results	45
MD2	-60	108	39	6m @ 0.43 g/t	45
MD3	-60	265		No Significant Results	51
MD4	-60	084		No Significant Results	51
MD5	-60	073	0	6m @ 0.13 g/t	6
MD6	-60	072	45	6m @ 0.41 g/t	75
MD7	-60	067		No Significant Results	45
MD8	-60	075		No Significant Results	45
MD9	-60	078		No Significant Results	45
MD10	-60	076		No Significant Results	45

Prior to the drilling in 1996, exploration in this area of the tenement has been mostly restricted to reviewing geophysics and literature researches due to a lack of outcrop over a large portion of the tenement.

5 Exploration Strategy

The exploration strategy for this tenement focuses on the northerly extension of the Mount Doran goldfields that is covered by the tenement. Several un-named shafts exist in the target area. The following strategy is recommended:

- Review and advance existing mapping of the section of tenement that covers the Mount Doran northern extension

- Follow up mapping project results with a first pass east-west geochemical sampling program over prospective areas followed by a tighter spaced program over any anomalous areas if identified - estimated 100 samples (\$25,000)
- East-west costeaning project if anomalous areas are identified in the geochemical sampling program - estimation duration of 4 days - \$18,000

6 References

- FOSTER, R.D. 2013. Minico Pty Ltd. EL5133. Elaine Project. Partial relinquishment report, 7 March, 2013.
- FOSTER, R.D. & HOLLIS, J.D. 1996. Golden Hills Mining NL. EL 3278 Lal Lal Project. Annual report for the period ending 18 September 1996.