



Model complements lively exploration scene

By Tania Winter

The past five years has definitely put Tasmania back on the mining and exploration map and, in 2008, exploration expenditure by resource companies is expected to topple last year's record of \$38.1 million.



Dr Geoffrey Green

HAND-IN-HAND WITH THE resurgence in activity has been a \$16 million investment by the Tasmanian and Australian governments in developing new geophysical and geological information on the state for industry use.

According to Dr Geoffrey Green, managing geologist of Mineral Resources Tasmania's (MRT) metallic minerals and geochemistry division, the government had also developed a world-first 3D geological model and prospectivity analysis of the entire state.

"The 3D model involved a unique partnership between government and the mining industry, with mine-scale resource information supplied by the private sector integrated with MRT's regional geological information," Dr Green said.

It was developed by a team drawn

from the Predictive Mineral Discovery Cooperative Research Centre at the University of Melbourne, Fractal Technologies Pty Ltd, Geoscience Australia, MRT and the ARC Centre of Excellence in Ore Deposits at the University of Tasmania.

It is due to be updated in the latter stages of the government's latest initiative – the TasExplore project, a four year \$5.06 million program of geoscientific data acquisition and promotion.

A new 200 metre line spaced aeromagnetic and radiometric survey over the prospective parts of north east Tasmania and the Furneaux Group has been flown and that data is now available.

"The geology of central northern Tasmania has been updated and is currently being compiled and geological

upgrades of North East Tasmania and King Island are underway," Dr Green noted.

All of this comes at a time when Tasmania's highly diversified mining sector is enjoying a strong revival, providing about 50% of the state's export income.

In 2006/07 the value of production from the metallic minerals sector climbed to \$922 million, while the non metallic minerals sector came in at \$49 million, construction materials \$52 million and metallurgical products reached \$1.8 billion.

MRT also maintains a library, which currently holds some 550 kilometres of core mostly from past exploration drilling and selected core from old mine leases. The library was expanded in 2005/06 at a cost of \$500,000.

Part of the resurgence in activity is also due to higher commodity prices, especially in the niche commodities of tungsten and tin.

New listings

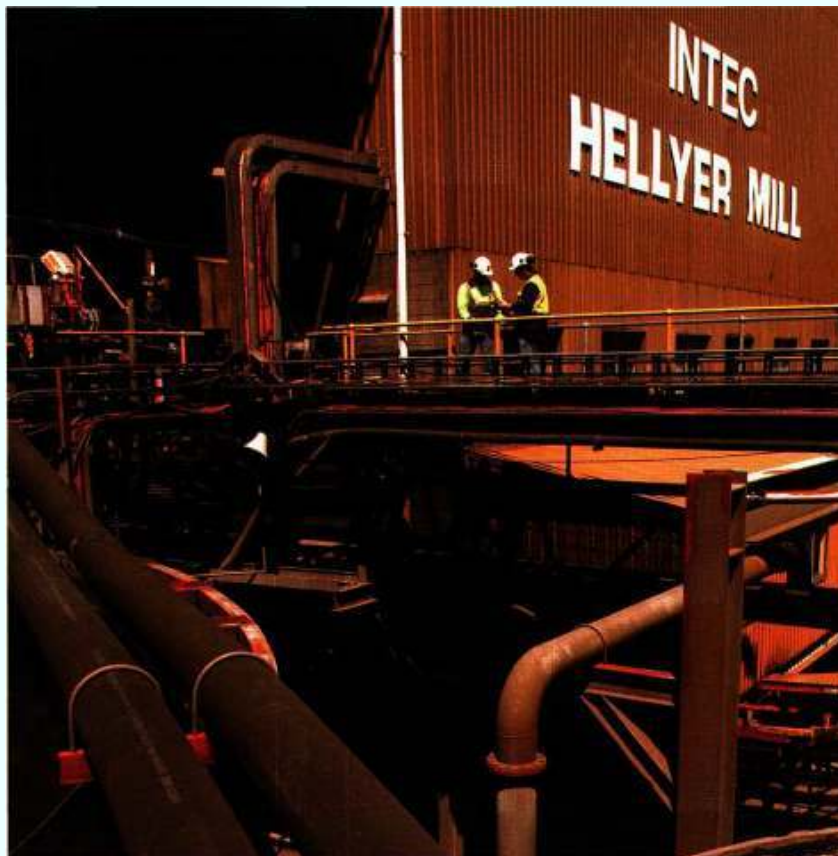
In addition, the past five years has seen 16 new listings on the ASX or AIM by companies with assets in Tasmania.

These have included Frontier Resources Ltd, Lefroy Resources Ltd, Jaguar Minerals Ltd, Van Dieman Mines Plc, Metals X Ltd, Gujarat NRE Resources NL, Bass Metals Ltd, Stellar Resources Ltd, Icon Resources Ltd, Greatland Gold Plc, Pluton Resources Ltd, Stonehenge Metals Ltd, Zeehan Zinc Ltd, Boss Energy Ltd, KUTh Energy Ltd and Macquarie Harbour Mining Ltd.

Other companies such as Columbus Metals Ltd are hoping to float in the near future.

Meantime, Zinifex Ltd has accelerated exploration and development at its Rosebery mine, while Allegiance Mining NL has announced significant increases in resources at its Avebury nickel operation.

In addition, the Beaconsfield gold mine is now back in full production and Beaconsfield Gold NL is embarking on an



Intec's Hellyer site is well known throughout the Tasmanian mining industry.



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aggressive regional exploration program, having purchased the exploration properties of Lefroy Resources, which has had some exploration encouragement with the discovery of a possible new reef – the South Pinafore – which returned a drill intersection of two metres grading 14.5 grams/tonne gold.

Meanwhile, Stellar Resources has intersected potentially high tonnage, low grade, copper mineralisation in 10 holes at its Alpine prospect, located 10 km south of Corinna, in a north east trending zone of about 500m by 250m.

Assays from the last four holes of that round of drilling included 55m at 0.35%, 30m at 0.50%, 16m at 0.62% and 24.7m at 0.53% copper.

Stellar has also completed the first three holes at the St Dizier tin prospect and all holes intersected mineralisation.

Stonehenge Metals has announced an inferred resource of 562,000 tonnes of 0.5% tin, 1.4% zinc and 36.4 g/t silver for the Sweeney prospect at Trial Harbour.

The resource extends to the surface and is open in all directions, and bulk sampling for metallurgical testing and a preliminary scoping study are planned.

Zeehan Zinc has established a resource

of 2.1 million tonnes at 1.6% zinc, 5.2% lead and 46 g/t silver for the Oceana mine near Zeehan. It has also made a new discovery at the Boss lode on the Comstock mining lease.

Boss has an inferred resource of 1.392 Mt at 3.4% lead, 2.8% zinc and 69 g/t silver.

Jaguar Minerals has recorded further assays of zinc mineralisation in the contact zone between granite and ultramafics at the Wilson River prospect, while Gujarat NRE Resources released an inferred resource of 6.9 Mt at 38.2% magnetite for the Nelson Bay River prospect near Temma.

Bulk test sampling has indicated that a bulk concentrate suitable for the heavy media market can be produced and further drilling will be undertaken.

Another explorer, Minemakers Ltd, has completed a 13 hole RC drilling program at the Aberfoyle mine, with significant tin intersections returned in seven holes.

Venture Minerals Ltd is also drilling the Mount Lindsay magnetite-tin skarn deposit near Renison Bell with a view to establishing an iron ore resource, and has reported iron intersections of up to 54m at 33.5% and 46m at 36.9%.



Exploration spending by resource companies in the island state is set to surpass \$38 million in the coming 12 months.