

CR#27247

Exploration Data Centre



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EPM 5187 "MANUMBAR"

EXPLORATION REPORT FOR THE PERIOD

25/1/94 TO 24/1/95

CONFIDENTIAL

By

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CONTENTS

SUMMARY

- 1.0 INTRODUCTION
- 2.0 TITLE
- 3.0 LOCATION AND ACCESS
- 4.0 EXPLORATION DURING THE PERIOD 25/1/94 TO 24/1/95
 - 4.1 GEOCHEMISTRY
 - 4.1.1 BLEG STREAM SEDIMENT GEOCHEMISTRY
 - 4.1.2 SOIL GEOCHEMISTRY
 - 4.2 COSTEANING
 - 4.3 DRILLING
- 5.0 CONCLUSIONS AND RECOMMENDATIONS

APPENDICES

- Appendix 1 Stream Sediment/BLEG Sample Data Sheets & Assays
- Appendix 2 Soil Sample Data Sheets & Assays
- Appendix 3 Rock Chip Sample Data Sheet & Assays
- Appendix 4 Costean Sample Assay Ledgers
- Appendix 5 Drill Logs

LIST OF FIGURES

Figure 1	Location and Regional Geology	1:250,000
Figure 2	BLEG Stream Sediment Sample Locations and Au Results	1:25,000
Figure 3	Soil Sample Locations and Au Results	1:2,500
Figure 4	Soil Sample Traverse and Rock Sample Location Map	1:25,000
Figure 5	Costean Location Map	1:5,000
Figure 6	Costean 1 Cross Section	1:100
Figure 7	Costean 2 Cross Section	1:100
Figure 8	Costean 3 Cross Section	1:100
Figure 9	Costean 4 Cross Section	1:100
Figure 10	Costeans 5 & 6 Cross Sections	1:100
Figure 11	Costean 7 Cross Section	1:100
Figure 12	Costean 8 Cross Section	1:100
Figure 13	Costean 9 Cross Section	1:100
Figure 14	Costeans 10 & 11 Cross Sections	1:100
Figure 15	Drill Hole Location Map	1:500
Figure 16	Cross Section 4500E	1:500
Figure 17	Cross Section 4520E	1:500
Figure 18	Cross Section 4540E	1:500
Figure 19	Cross Section 4560E	1:500
Figure 20	Cross Section 4580E	1:500
Figure 21	Cross Section 4600E	1:500
Figure 22	Cross Section 4620E	1:500
Figure 23	Cross Section 4660E	1:500
Figure 24	Cross Section 4680E	1:500
Figure 25	Cross Section 4700E	1:500

LIST OF FIGURES cont.

Figure 26	Cross Section 4720E	1:500
Figure 27	Cross Section 4740E	1:500
Figure 28	Cross Section 4760E	1:500
Figure 29	West Lode Longitudinal Section	1:500

SUMMARY

EPM 5187 was granted to CRAE on 25/1/88. It currently covers 11 sub-blocks. Cornwall Resource Corporation NL is now responsible for exploration of this tenement under an agreement with CRAE. At the time of granting there were no known mineral occurrences within the EPM, however, it was considered to be prospective for gold mineralisation.

The EPM is located 30 km SSW of Kilkivan in SE Queensland.

A program of BLEG stream sediment geochemistry was undertaken to test Cornwall's technique and check results and compare with CRAE's technique. Cornwall's sampling confirmed the main anomalous zone identified by CRAE with values of the same order of magnitude. This anomalous zone measures 3.5 km x 1.5 km and is possibly open to the ESE.

A trial B-horizon soil geochemical program was done over a zone of known gold mineralisation on the West Lode which confirmed that the technique worked. Both reconnaissance and selected grid based lines of samples were taken in subsequent work. An anomalous zone was identified 30 metres north of the known trend of the West Lode. Three strongly anomalous zones were identified on grid line 4400E. One is 80 metres west of the most westerly intersection on the West Lode, the second is 50 metres to the north and the third is a further 100 metres to the north.

Costeaning was undertaken to test for near surface gold mineralisation under the proposed waste dump area in ML 50059 and to test gold in soil geochemical anomalies. No gold anomalous zones were found under the waste dump area. A 3.5 metre wide zone (3.0 m true width) averaging 6.3 g/t Au was intersected in the second zone on line 4400E and a 1 m wide zone containing 0.54 g/t Au was intersected in the third zone, the first zone has not been tested. No other costeans contained anomalous gold although some carbonate veins were found.

A 25 hole drilling program was undertaken on the West Lode to test to a depth of 40 metres below surface. This program confirmed gold mineralisation to at least 40 metres depth in some sections of the lode and a flat easterly plunge. The lode pinches and swells as did the Main Lode which was recently mined.

A resource estimate, using the polygonal method, to a depth of 40 metres below surface indicated 79,000 tonnes at a diluted grade of 7.4 g/t Au (high grades cut to a maximum of 20 g/t Au). The lode is open to the west, down dip and down plunge to the east.

1.0 INTRODUCTION

EPM 5187, D'Aguilar 2, was granted to CRA Exploration Pty. Limited (CRAE) on 25/1/88 in respect of 43 sub-blocks. Of these sub-blocks 32 have since been relinquished leaving 11 for the seventh year of tenure. Figure 1 shows the location of the tenement.

At the time of granting there were no known mineral occurrences within the tenement. However, the area was considered prospective for porphyry-related, shear hosted or vein stockwork style gold mineralisation in basement rocks. In addition, the Triassic volcanics were considered prospective for hydrothermal/epithermal precious metal mineralisation.

During the period covered by this report an agreement was reached between CRAE, Waraluck Limited and Cornwall Resource Corporation NL (Cornwall) under which Cornwall would be responsible for the exploration of EPM 5187.

This report was prepared by Cornwall on behalf of CRAE. It gives details of the exploration carried out during the period 25/1/94 and 24/1/95 and is presented in fulfilment of the statutory conditions attached to the Exploration Permit.

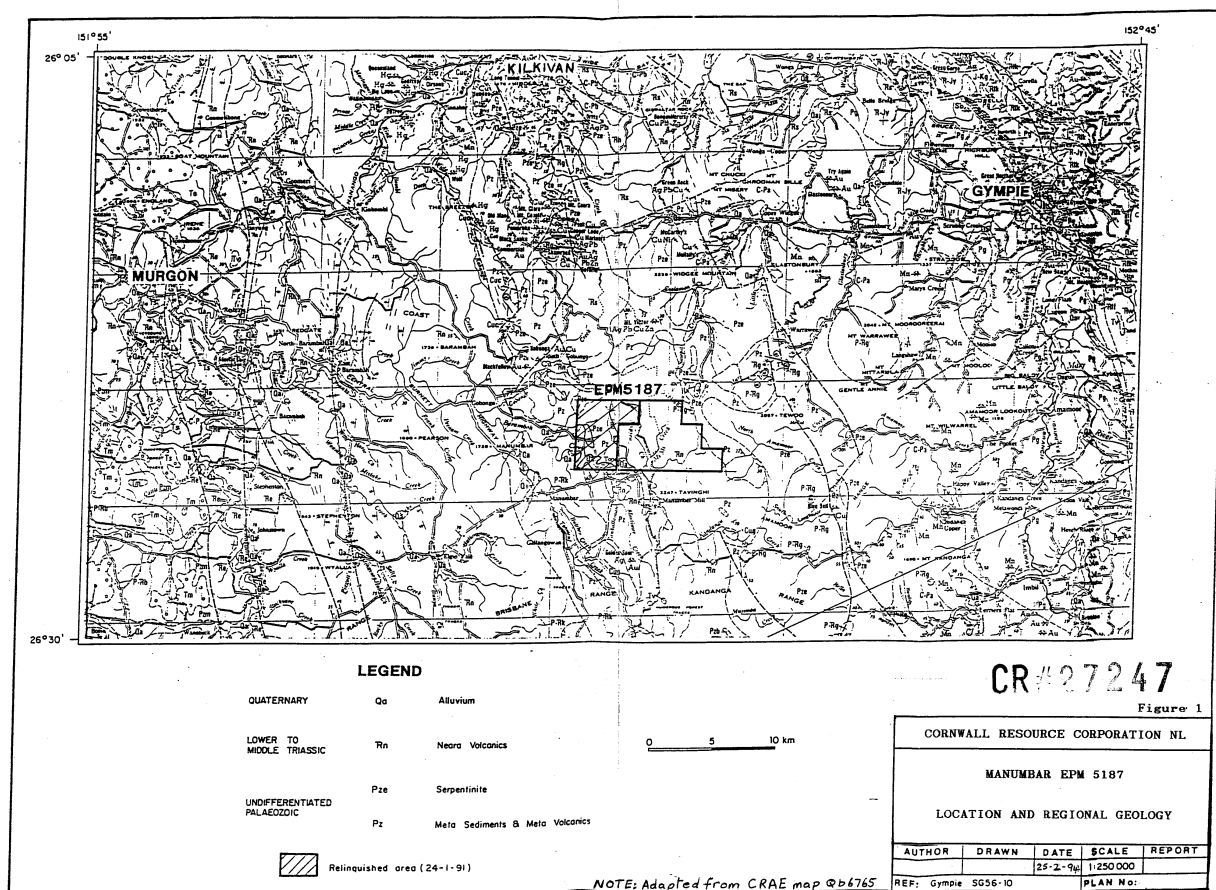
2.0 TITLE

EPM 5187 was granted to CRAE on 25/1/88 in respect of 43 sub-blocks. Twentyfive sub-blocks were relinquished after the first year of tenure and a further seven after the third year of tenure. Eleven sub-blocks remain under title for the seventh year of tenure. As a result of successful exploration one mining lease ML 50059 was granted in December 1993 and following further success a second mining lease MLA 50099 was applied for in November 1994.

3.0 LOCATION AND ACCESS

EPM 5187 is located 30 km SSW of the town of Kilkivan in SE Queensland. Kilkivan is about 230 km north of Brisbane by road. The major part of the EPM is within State Forest 639.

Access to the EPM is by moderate standard bitumen and gravel roads. Within the EPM access is quite good with a network of Forestry tracks, however, a 4WD vehicle is required on some sections of these tracks especially during wet weather.



4.0 EXPLORATION DURING THE PERIOD 25/1/94 TO 24/1/95

Exploration during the period was undertaken by Cornwall under the agreement with CRAE and Waraluck. The work involved BLEG stream sediment geochemistry, soil geochemistry, costeaning and drilling.

4.1 GEOCHEMISTRY

In order to be confident that Cornwall's geochemical sampling techniques were giving results which would identify gold mineralisation a program of BLEG stream sediment sampling, mostly at sites previously sampled by CRAE, and a program of soil geochemical sampling, including an orientation survey, to more accurately locate gold anomalous zones were undertaken.

4.1.1. BLEG STREAM SEDIMENT GEOCHEMISTRY

At least two series of BLEG stream sediment samples were taken by CRAE of which showed anomalous results but some of these anomalies were not confirmed by followup sampling. In order to check the results of the CRAE BLEG work a series of BLEG samples were taken from areas known to be anomalous, areas expected to be at background levels and areas of conflicting previous results, see Figure 2.

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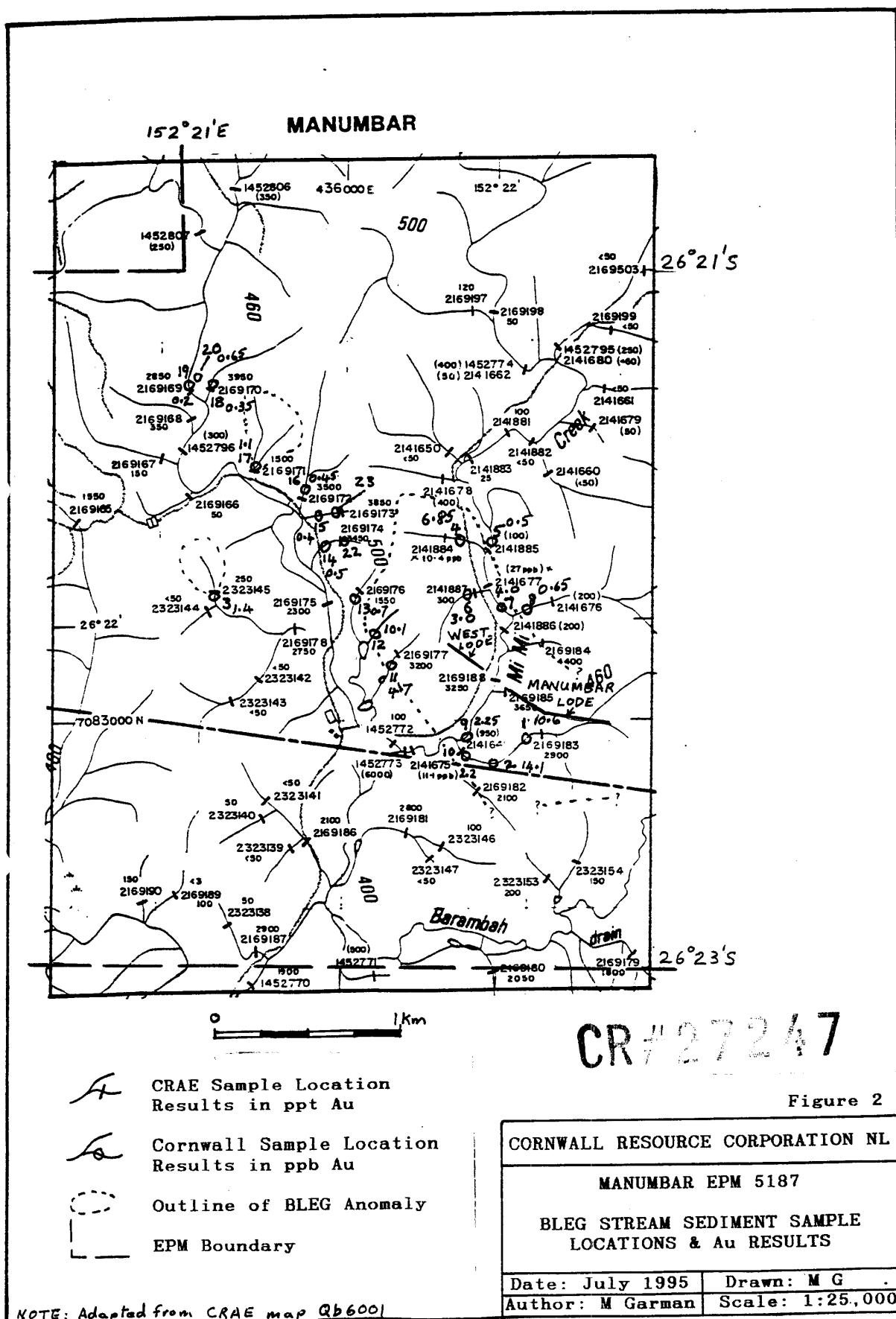
TABLE 1 - COMPARATIVE BLEG STREAM SEDIMENT RESULTS

CORNWALL		CRAE	
Sample No.	Au ppb	Sample No.	Au ppb
MBLM 3	1.4	2323145	0.25
MBLM 4	6.95	2141884	10.4
MBLM 5	0.5	2141885	0.1
MBLM 6	3.0	2141887	0.3
MBLM 7	4.0	2141677	27.0
MBLM 8	0.65	2141676	0.2
MBLM 9	2.25	No Sample	
MBLM 10	2.2	214164	0.95
MBLM 11	4.7	2169177	3.2
MBLM 12	10.1	No Sample	
MBLM 13	0.7	2169176	1.55
MBLM 14	0.5	No Sample	
MBLM 15	0.4	No Sample	
MBLM 16	0.45	2169172	3.5
MBLM 17	1.1	2169171	1.5
MBLM 18	0.35	2169170	3.95
MBLM 19	0.2	2169169	2.85
MBLM 20	0.65	No Sample	
MBLM 21	0.3	2169173	3.85
MBLM 22	0.2	2169174	3.45

The CRAE results for samples beginning with 214 correlate reasonably well with the Cornwall results except for 2141887 which is only one tenth of the Cornwall result, in this case the Cornwall result is probably more representative as there is known gold mineralisation at the headwaters of the creek. The CRAE results for samples beginning with 216 correlate poorly with the Cornwall results and are generally an order of magnitude higher than the Cornwall results. It is also anomalous results from the batch beginning with 216 that were often not confirmed by CRAE followup sampling, see Figure 2. It is considered most likely that there was some problem with the analyses of the 216 series of samples. Based on the known mineralisation and the distribution of results it appears that for BLEG samples taken by the Cornwall sampling technique values in excess of 2.0 ppb Au are strongly anomalous and likely to be indicating areas of significant gold mineralisation. However, values of 0.5 - 1.9 ppb Au may turn out to be significant and until more is known of the BLEG geochemistry of the area they should also be followed up. These lower values are almost certainly significant in broad spaced sampling programs on larger creeks.

Because most of the creeks in the area of interest do not have an active sediment load the material sampled was silt/clay from the channel or from the top of the bank where it was a large active creek with an alluvial flat. This procedure was adopted so that a uniform medium was sampled and appears to have given consistent results.

The area outlined on Figure 2 contains all the plus 2 ppb Au BLEG samples taken by Cornwall. This area contains both the Manumbar and Manumbar West orebodies and appears to be open to the southeast. Further testing is required to identify the source of the anomalous gold in samples MBLM 4 (6.85 ppb), 11 (4.7 ppb) and 12 (10.1 ppb). MBLM 4 is draining an area north of any known gold mineralisation and MBLM 11 and 12 are draining the western side of the ridge and all the gold sources known to date are on the eastern side of the ridge. These three samples have values equivalent to samples MCLM 1 (10.6 ppb) and MCLM 2 (14.1 ppb) taken from the creek draining the Manumbar orebody. Initial followup of these three samples will be by ridge and spur soil geochemistry as it is most unlikely that there would be any outcropping evidence of mineralisation. This sampling will not be easy due to the rugged terrain and extensive forest and lantana. The area to the southeast of the anomalous BLEG samples will also be tested but again it is a difficult area to explore because of the steep terrain and unusual stream pattern.



4.1.2 SOIL GEOCHEMISTRY

CRAE used a number of soil geochemical techniques which created some confusion in the interpretation of results. The samples are reported as being B-C horizon. Analytical techniques included bulk leach of 50 - 60g samples and AAS analysis of 50g samples at ALS and similar methods at AAL. When looking at the results on a batch basis the variability caused by the different techniques is very evident. It can generally be expected that BLEG analyses will give lower results than AAS analyses.

In order to develop a standard technique for future soil geochemical sampling programs orientation sampling over a known mineralised zone was undertaken. The medium sampled was B horizon clay where possible. Where there was no B horizon the sample was taken as close as possible to the A-C horizon interface. The samples were not screened in this initial test, unless there were significant number of rock fragments, as the intention was to develop a practical field technique. This sampling technique in conjunction with AAS analysis to give a 1 ppb detection limit, viz. ALS method PM 204, gives a good anomaly to background contrast. The samples were taken at 10 metre intervals and, in view of the results achieved, it is considered unlikely that a significant mineralised zone would be missed at this sample spacing. Sampling at 20 metre intervals would also be effective but a lower anomaly threshold would have to be used and infill samples taken when weakly anomalous samples were found.

The orientation soil sample lines are on 4540E and 4600E over the Manumbar West Lode, see Figure 3. On line 4540E background values of 1 and 2ppb Au were found upslope from the lode and values of 418 and 242 ppb Au were found in the immediate vicinity of the lode. On line 4600E a background value of 4 ppb Au was found about 25 metres south of the lode, while about 15 metres north of the lode, up hill, a value of 3 ppb Au was found and in the immediate vicinity of the lode there was a value of 147 ppb Au. These values demonstrate that the technique adequately identifies the position of the lode. Values of between 20 and 99 ppb Au generally flank the >100ppb Au indicating the lode.

On both of the orientation lines a second anomalous zone appeared about 30 metres north of the known lode. On line 4540E this second anomaly contained 132 ppb Au and on line 4600E it contained 78 ppb Au. These two zones have not yet been tested by costeaning.

On line 4400E soil samples have been taken at 10 metre intervals from 5030N to 5320N. These samples indicated three strong anomalies, they are: 341 ppb at 5100N, 640 ppb at 5140N and 204 ppb Au at 5210N. All have supporting values of between 20 and 99 ppb Au. The anomaly at 5100N is directly along strike from the orientation line anomalies on the West Lode, however, there does not appear to be a parallel anomaly 30 metres to the north. This anomaly has not yet been tested.

The anomaly at 5140N was tested by costeaning which showed that the source was a 3 metre wide gold bearing zone containing 6.4 g/t Au, see Figure 14. showing Costean 10. This lode is trending about 080°mag and does not appear to be related to the anomaly 30 metres north of the West Lode which is trending at about 110°mag. More work is required to determine the extent of the lode. The anomaly at 5210N was tested by costeaning and two zones of potential were intersected, one was a small shear zone with fine quartz veining but gold values were low, the other was a 1 metre wide highly altered zone containing a few pieces of calcite, this zone contained 0.5 g/t Au. While this value is not very high it may be a weak part of a significant lode and testing for along strike extensions will be undertaken. This lode is also striking at about 080°mag.

Other soil geochemistry has involved the extension of sampling on line 4600E to 5340N, a weakly anomalous zone was indicated at 5230N and 5240N with values of 25 ppb and 24 ppb Au respectively, further soil sampling to the east and west will be undertaken to determine whether this is a weak part of a coherent anomaly. A short line of soil samples was taken on Cornwall grid line 4460E between 4910N and 4980N to test a BLEG soil anomaly identified by CRAE, the highest value found was 15ppb Au which is not considered to be anomalous. A line of soil samples was taken on line 4200E to test the projection of some CRAE soil anomalies, no anomalous values were indicated. Samples MSM 121 and 122 were also taken on line 4200E to try to confirm a CRAE soil BLEG anomaly of 10.2 ppb Au, although the peg at their sample site was located it was not possible to get a good sample and the results of the samples taken were not anomalous. Further soil sampling will be undertaken in this vicinity. Four soil samples, MSM 111 to MSM 114, were taken from the edge of the road at about 4700E 5300N where some decomposed carbonate was exposed by the grader, the results were not anomalous.

A line of soil samples, Traverse 3, was taken along a ridge, approximately on line 5680E between about 4920N and 5100N to test for an easterly extension of the main Manumbar Lode. These samples were taken at 20 metre intervals. The best result was MSM 77 with 16 ppb Au and most samples were <1 ppb Au. As these samples were at 20 metre intervals infill samples were taken 10 metres either side of MSM 77. The infill samples MSM 94 and 95, contained 62 ppb and 134 ppb Au respectively. These results suggest some discrepancy between the original batch and the infill batch. It is suspected that the original results may be low as the background values are mostly <1 ppb Au and other results in this area generally have background values of about 3 - 4 ppb Au. If this is the case then these results are anomalous and warrant followup. It is proposed to take additional soil samples on parallel lines in this vicinity to confirm the anomaly and if the results are positive test the anomaly by costeaning.

Two other areas were tested by soil geochemistry, these are on CRAE Grid 89/1 which is to the northwest of the Manumbar Lode. The areas tested had shown anomalous BLEG soil geochemistry and this work was aimed at confirming these anomalies. Traverse 1 consisted of four samples, 20 metres apart, over the approximate area of CRAE sample 2534865 5 ppb Au (BLEG). The result was not confirmed with all samples containing 1 or <1 ppb Au. Traverse 2 consisted of ten samples, 20 metres apart, over the area of CRAE sample 2535087 11.8 ppb Au (BLEG). The line of samples trended magnetic north approximately over CRAE's sample line and the highest value was 6 ppb Au again not confirming CRAE's anomaly. See Figure 4 for the locations of the soil sample traverses.

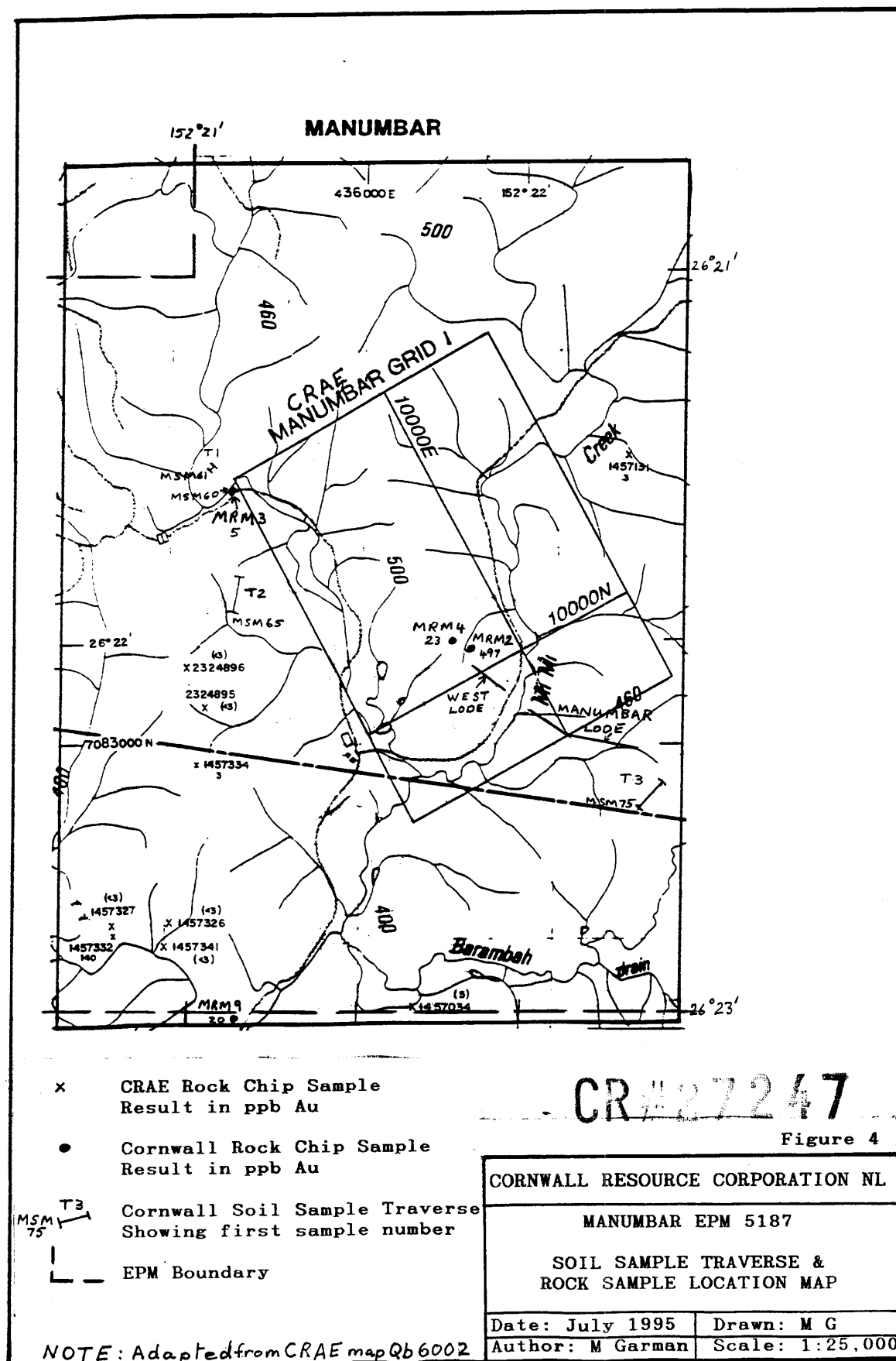
B-horizon soil geochemistry has been shown to be a very effective method of locating gold mineralised zones in the Manumbar area.

4.1.3 ROCK CHIP SAMPLING

Four rock chip samples were taken from the EPM during this period, See Figure 4 for locations. Sample MRM 2 was taken from approximately 5130N 4450E on the Cornwall grid. It consisted of fracture fill crystalline quartz fragments located to the south of CRAE drill hole MB 1. The assay of 0.497 g/t Au indicates that this quartz is associated with gold mineralisation. This is the same northing as the soil geochemical anomaly parallel with the West Lode. Followup to determine the significance of this sample will be undertaken. Sample MRM 3 was taken from a creek crossing of Mynyea Creek at about AMG 7084300mS 435400mE. The sample consisted of calcite and minor light grey clay which was outcropping on the southern side of the crossing. This sample contained only 0.005 g/t Au suggesting a barren calcite vein.

Sample MRM 4 consisted of red jasper and minor quartz float from approximately 5135N 4380E on the Cornwall grid. This is in the general vicinity of the western extension of the West Lode. The value of 0.023 g/t Au does not appear to suggest associated gold mineralisation but very little is known of the gold content of jasper found in the vicinity of the gold mineralisation in this area. The gold content of jasper may be able to be developed into a useful exploration tool as there are often jasper fragments on the surface in areas where there is no outcrop.

Sample MRM 9 is located at about AMG 7081600mS 435600mE. The sample represents a large outcrop of quartz veined jasper. It is situated on the north side of the track under a large tree. The value of 0.006g/t Au indicates that this jasper is unlikely to be associated with gold mineralisation.



4.2 COSTEANING

Costeaning has been used to test for mineralisation under the area of the proposed waste dump within ML 50059 and to test for gold mineralisation associated with soil geochemical anomalies. The costeans were dug with a 35 tonne Samsung excavator. They were dug to refusal or the limit of digging.

The three costeans on line 5000E, C1 to C3, Figures 6 - 8, were to test for the presence of gold mineralisation under the area of the proposed waste dump. None of these costeans contained any indications that the area tested had any potential for near surface gold mineralisation.

Costean C4, Figure 9, was to test an area of weakly gold anomalous soil geochemistry identified by CRAE and where some calcite bearing outcrop and float had been found. At the southern end of the costean three zones of shearing with traces of calcite were noted in a 9 metre wide interval. In the central part of the costean two zones containing calcite or decomposed calcite were noted in a 10 metre wide interval. At the northern end of the costean are two zones of a hard white, grey and green carbonate rich rock (scarn like appearance). None of these zones contained significant gold values which confirmed the result of CRAE drill hole MB 5 which was drilled under this area.

Costeans C5 and C6, Figure 10, were dug to try to test the significance of the auger drilled geochemical anomaly on CRAE Traverse B. However, it is considered unlikely that the anomaly was tested as the depth to bedrock was beyond the reach of the excavator in the most likely part of the target area. Where these costeans reached bedrock there were traces of altered trachyandesite and minor decomposed calcite veinlets but none contained anomalous gold values. This anomaly will be confirmed by bedrock auger sampling and if it is positive will be tested by drilling.

Costean C7, Figure 11, was dug to test a moderate soil geochemical anomaly identified by CRAE and partially tested by them with drill holes MB 2 and MB 9. Two zones in this costean appeared to have some potential for gold mineralisation. At the southern end of the costean a small shear zone with minor quartz veining was noted and about 33 metres from the south end a minor, slightly more iron rich, shear zone with rare traces of quartz veining was noted. Neither of these zones contained significant gold values. Near the eastern end of this costean the rock type changes from trachyandesite to light creamy grey porphyritic rhyolite?. The contact was measured at 345° mag with a dip of 47° to the east. At 60 metres from the southern end of the costean there is a light grey tuffaceous shale band which strikes 000° mag and dips 27° to the east. This is one of the few places where accurate dips and strikes have been able to be taken in what is essentially a volcanic terrain.

Costean C8, Figure 12, was dug to test a projected CRAE soil geochemical gold anomalous zone. An altered trachyandesite zone was sampled at the southern end of the costean and a zone containing some decomposed calcite and some probable altered trachyandesite was sampled at the northern end of the costean.

Neither of these zones contained gold values that would suggest the presence of near surface associated gold mineralisation. The central section of this costean contained two thin beds of well laminated tuffaceous shale. Bedding was measured at 000° mag with a dip of 36° to the east. This is very close to the dips and strikes measured in costean C7 which suggests a reasonably consistent bedding attitude in this area. The tuffaceous shale beds are cut off sharply at the 41 metre mark from the southern end of the costean. This may be a fault but there is very little evidence of shearing at the cut off point.

Costean C9, Figure 13, was dug to test a projected anomalous gold in soil geochemical anomaly identified by CRAE and the projection across the small creek of the rock chip gold anomalous zone associated with minor quartz veining. There were no obvious mineralised zones intersected by the costean. Traces of a green quartz were noted over a 12 metre zone towards the northern end of the costean. Assays of samples from this zone did not contain anomalous gold values.

At this point of the exploration program it had become evident that following up CRAE geochemical anomalies was not producing much success. Therefore, additional soil geochemical sampling was undertaken prior to doing more costeaning. Soil geochemical sampling on Cornwall Grid line 4400E produced three strongly gold anomalous zones.

Two of the three anomalies on line 4400E were tested by costeans C10 and C11, see Figure 14. Costean C10 was dug to test a soil geochemical anomaly of 640 ppb Au (this sample location was also sampled by CRAE and they got an even higher result of 1.64 ppm). The costean intersected altered trachyandesite with secondary carbonate in the southern half and at 12 metres from the southern end a massive calcite vein was intersected, patches of calcite also occurred in the interval 10 to 12 metres. North of 12.5 metres the rock changed to a hard, dark grey, strongly jointed trachyandesite. The interval 9.0 to 12.5 metres (3.5m) averaged 6.34 g/t Au, the lode is trending at 080° mag and dipping 83° S, the true width of the lode is approximately 3.0 metres. Further testing is required to determine the extent of this lode system.

Costean C11 was dug to test a soil geochemical anomaly of 204 ppb Au. The whole costean was in moderately altered trachyandesite, and at 11 metres from the southern end of the costean there is a small shear zone with fine parallel quartz veinlets. This shear zone trends 87° mag and dips 78° south. A 0.5m sample over the shear zone contained only 0.12 g/t Au. At 20 metres from the southern end of the costean is a zone about 1 metre wide of highly altered trachyandesite containing some lenses of calcite. This zone trends at 87° mag and dips 78° south. A 1 metre sample over this zone contained 0.54 g/t Au. Given the pinching and swelling nature of the Manumbar lodes it is quite possible that this zone is part of a significant lode system. Further testing is required both along strike and down dip. Costean Sample Assay Ledgers are in Appendix 4.

Where assay results are shown on the costean sections to one decimal place they were assayed at Waraluck Ltd's laboratory at the Shamrock Mine. The limit of detection for gold analysis by their standard method is 0.1 g/t Au. Where results are shown to two decimal places the assays were done at ALS Pty.Ltd's. Brisbane laboratory using a method with a limit of detection of 0.01 g/t Au. Caution should be used in accepting Waraluck assays of less than about 0.4 g/t Au as being anomalous as it is close to the limit of detection and check assays by ALS on some samples in this range have shown that they were actually much lower and not anomalous, see some costean sample ledgers. Previous experience has shown that Waraluck's gold assays compare well with outside laboratory checks.

This costeaning program has been successful in identifying two potential new lode systems on the Manumbar field.

4.3 DRILLING

A 25 hole drilling program was undertaken to test the Manumbar West Lode. The drill rig used was a Gardner Denver Hydraulic Blast Hole Drill with an automatic sample splitter attached. This drill was previously used for ore control drilling and infill drilling on the Manumbar Main Lode and gave results comparable with other sampling techniques such as in pit channel sampling.

The aim of the program was to test the lode to a depth of about 40 metres below surface with two holes per line on lines 20 metres apart.

The holes were drilled at 60°. Lode intersections varied with up to 8 metres of strongly calcite bearing material and because the lode dips at between 70°S and 85°N the best intersection is equivalent to about 6 metres horizontal lode width. Most holes satisfactorily intersected the lode although some holes became damp or intersected moderate water immediately the hole hit the footwall of the lode.

The best intersection, uncut assays, is 7.0m x 70.6 g/t Au down hole at 25 metres below surface. This drilling program indicates that this lode pinches and swells to a greater extent than the Main Lode, which was recently mined, but the average width and grade are higher in the West Lode. The lode is open to the west and at depth. See Table 2 for a summary of the drill intersections. The drill holes are shown in cross section on Figures 16 to 28 and Figure 29 is a longitudinal section.

A preliminary resource estimate by the polygonal method indicates a resource of 79,000 tonnes at a diluted grade of 7.4 g/t Au (high grades cut to a maximum of 20 g/t Au) and includes 1.0 m horizontal width dilution and a minimum horizontal width of 2.0 m. This estimate is to a depth of 40 m below surface. Further drilling is required to test below 40 m from surface. The zone tested by the drilling has a strike length of 260 m.

TABLE 2 - SUMMARY OF MANUMBAR WEST LODGE DRILL INTERSECTIONS

HOLE No.	INTERSECTION	DOWN HOLE START DEPTH
MW 1	8.0 m x 12.9 g/t Au	14 m
MW 2	4.0 m x 1.9 g/t Au	40 m
MW 3/3A	8.0 m x 3.8 g/t Au	8 m
MW 4	7.0 m x 70.6 g/t Au	28 m
MW 5	6.0 m x 8.4 g/t Au	18 m
MW 6	No intersection of lode. Drill well beyond lode projection.	
MW 7	2.0 m x 2.0 g/t Au	6 m
MW 8	4.0 m x 2.8 g/t Au	28 m
"	4.0 m x 4.9 g/t Au	36 m
MW 9	10.0 m x 7.8 g/t Au	18 m
MW 10	Water at 59.5m. 58.0 - 59.5m 0.3 g/t Au Lode ?	
MW 11	2.0 m x 1.8 g/t Au	8 m
MW 12	2.0 m x 1.8 g/t Au	22 m
MW 13	10.0 m x 8.8 g/t Au	16 m
MW 14	4.0 m x 1.3 g/t Au	36 m
MW 15	4.0 m x 12.0 g/t Au	14 m
MW 16	2.0 m x 3.5 g/t Au	40 m
MW 17	4.0 m x 3.8 g/t Au	10 m
MW 18	2.0 m x 65.0 g/t Au	26 m
MW 19	8.0 m x 16.8 g/t Au	12 m
MW 20	Hit water at 10.0 m. Lode not reached.	
MW 21	2.0 m x 0.9 g/t Au	6 m
MW 22	3.0 m x 90.2 g/t Au	32 m
MW 23	4.0 m x 2.3 g/t Au	12 m
MW 24	Hit water at 21.5 m. Lode not reached.	
MW 25	4.0 m x 1.6 g/t Au	6 m

Drill Logs are in Appendix 5.

5.0 CONCLUSIONS AND RECOMMENDATIONS

BLEG stream sediment geochemistry adequately identifies gold anomalous areas associated with the gold lodes in the Manumbar area and considered highly probable that as yet undiscovered lodes exist within the BLEG anomalous area. B-horizon soil geochemistry with a sample spacing of 10 metres for detailed work or 20 metres for reconnaissance is successful in identifying none outcropping gold lodes in this area.

Costeaning has been successful in identifying two potential new lode systems on the Manumbar field.

The 25 hole drill program on the Manumbar West Lode, combined with the previously reported costeaning program, was successful in delineating a resource estimated at 79,000 tonnes at a diluted grade of 7.4 g/t Au (high grades cut to a maximum of 20 g/t Au) between the surface and 40 metres depth.

Reconnaissance soil geochemistry should be undertaken to identify additional gold anomalous areas indicated by BLEG stream sediment geochemistry.

Detailed grid based soil geochemistry should be undertaken to extend known gold anomalous zones and those identified from the reconnaissance work and wide spaced soil geochemistry by CRAE.

Costeaning is recommended for initial testing of soil geochemical anomalies as it identifies the exact location of the lode which then permits more accurate collaring of drill holes to test for gold mineralisation at depth.

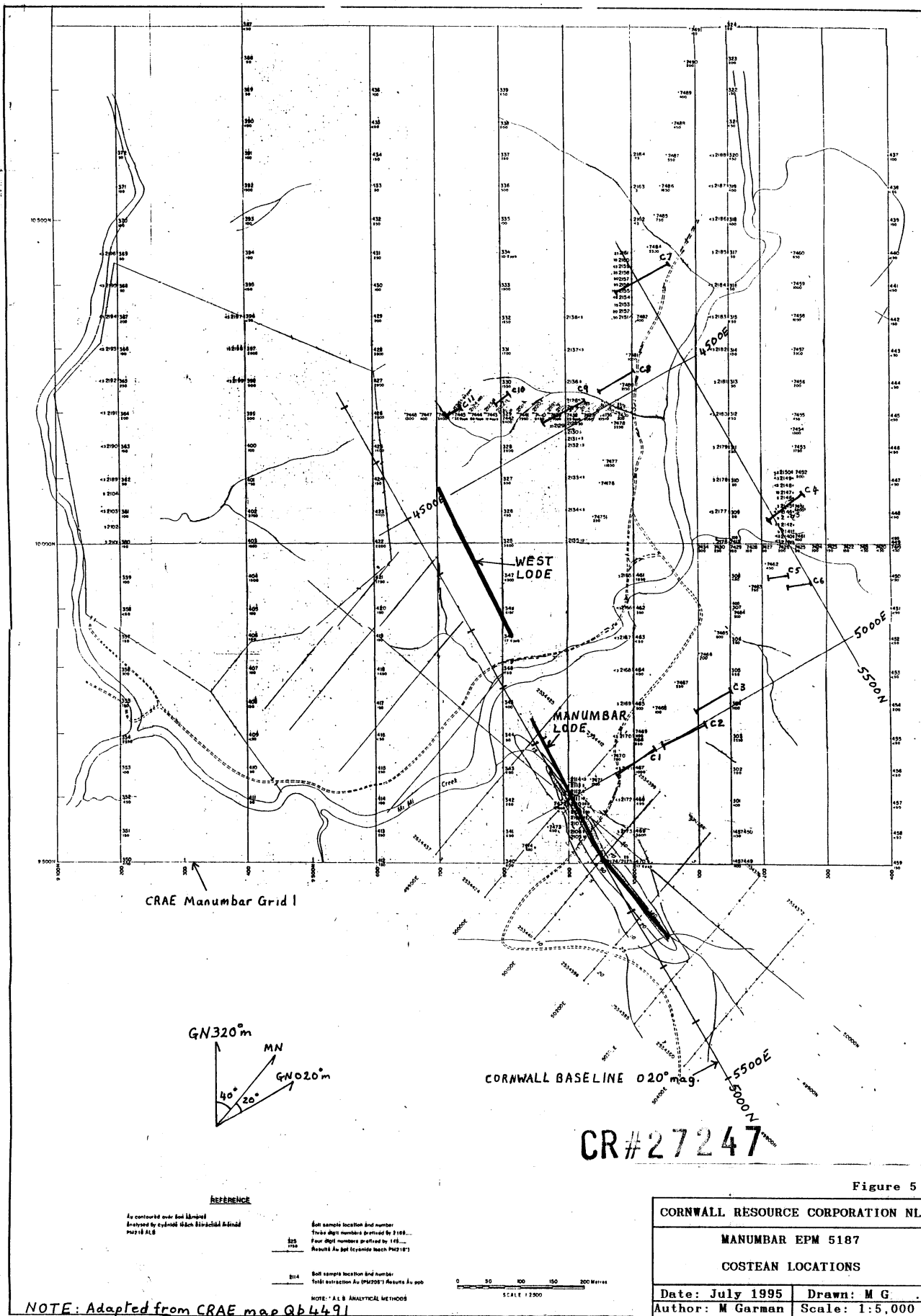


Figure 5

CORNWALL RESOURCE CORPORATION NL	
MANUMBAR EPM 5187	
COSTEAN LOCATIONS	
Date: July 1995	Drawn: M G
Author: M Garman	Scale: 1:5,000

MANUMBAR COSTEANS

LEGEND

	Hard dark grey Trachyandesite?
	Weathered, dark brown-grey to yellow-brown Trachyandesite?
	Highly weathered, light grey and yellow-brown Trachyandesite?
	Weathered, pinkish-brown Trachyandesite?
	Decomposed, orange, altered Trachyandesite?
	Highly weathered, decomposed, altered? Trachyandesite?
	Light grey siltstone (tuffaceous?)
	Porphyritic
	Calcite
	Secondary calcite

NOTE: Grid coordinates are for Cornwall Grid
i.e. Grid North is 020° mag.

CR#27247

