M.L.'s 77-86

1987 ANNUAL REPORT

FLUORITE PROSPECTS

JINKA PLAINS, N.T.

CENTRAL PACIFIC MINERALS N.L.

REPORT NO. N.T. 267

JULY 1988

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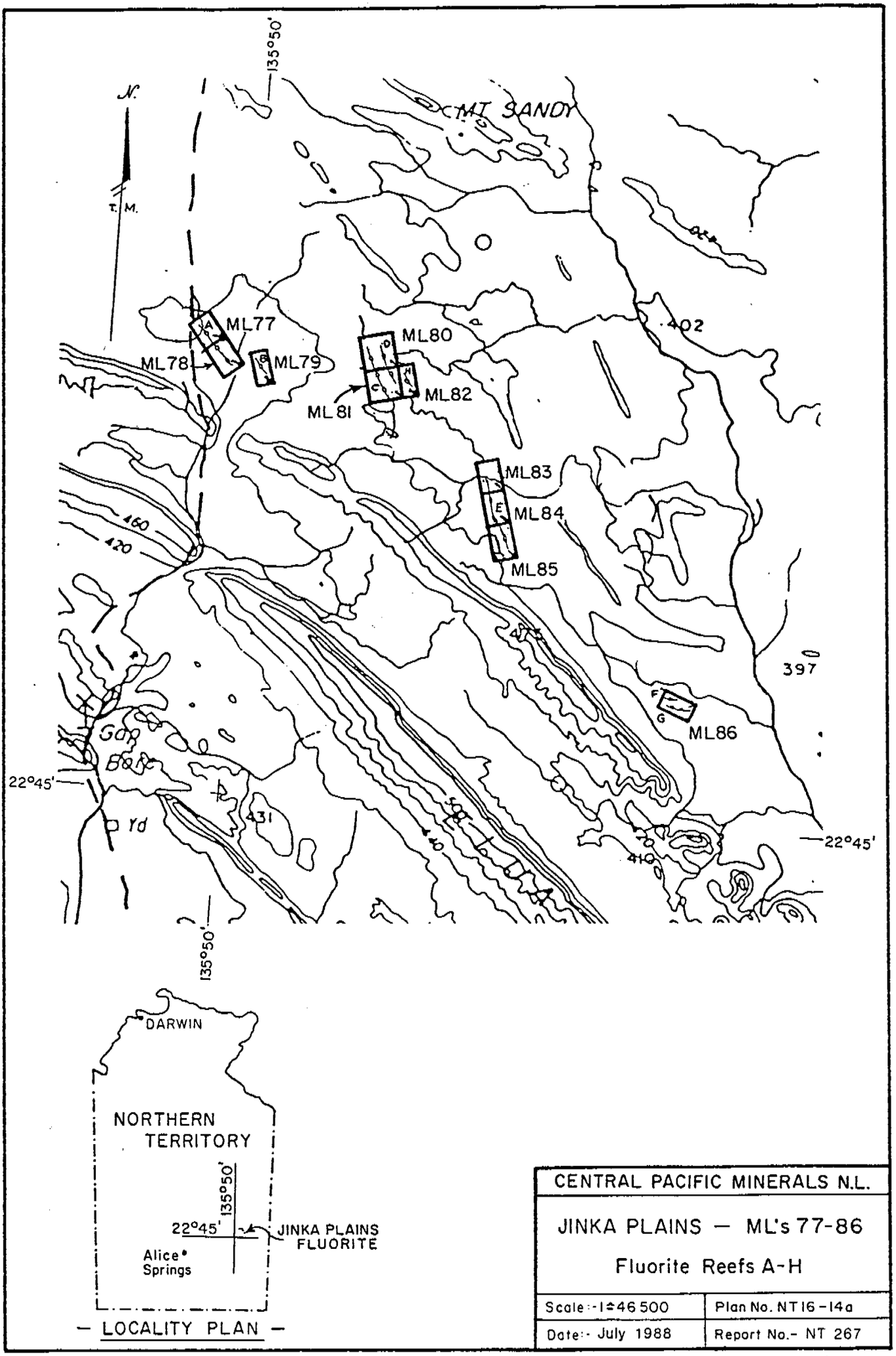
MAP 1 - Locality Map of ML's 77-86



CENTRAL PACIFIC MINERALS N.L.	
JINKA PLAINS — ML's 77-86 Fluorite Reefs A-H	
Scale:- 1:46 500	Plan No. NT16-14a
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MAP I

1. INTRODUCTION

Central Pacific Minerals N.L. is the holder of ML's 77-86 inclusive, covering a number of fluorite reefs (Map 1) located in the Jinka Plains area, about 340 kms by road northeast of Alice Springs, Northern Territory.

Investigations were carried out during the period 1970-1973. These have been reported previously.

In 1985 an assessment of the prospect was conducted for Central Pacific Minerals. This report is a summary of the past work and the 1987 programme.

2. INVESTIGATIONS UNDERTAKEN 1970-1973

During the period 1970-1973, Central Pacific Minerals N.L. undertook the following investigations:-

- Regional geological mapping on the Huckitta 1:250,000 sheet area which led to the discovery of the fluorite mineralization.

- 1:250 scale mapping of eight reefs (labelled A to H).

- Channel sampling of the three largest reefs (A, C and E).

- Costeaning of reefs A, C and E.

- Percussion drilling of reef E.

- Diamond drilling of reef E.

This work has been previously reported to the Department of Mines by Ransom (1970), Hill (1972) and Pietsch (1972). Ivanac and Pietsch (1975) published a paper on the fluorite deposits. Hill (1972) concluded that the inferred reserves contained in Reefs A, C and E to a depth of 30 metres, are 250,000 short tons of 37% CaF_2. The estimate is conservative since Hill based his calculations on 853 metres aggregate length of reef. Hill further stated that 600 metres of fluorite reef remained to be tested on Reefs A, C and E and that comparable grades and tonnages could be expected.

Possible markets for fluorite in Australia were sought in four principal areas:

1. As a flux in the steel-making process.

2. For the manufacture of artificial cryolite used in aluminium production.

3. As a source of fluorine for uranium hexafluoride.

4. In the dental industry and as a component of toothpaste.

Preliminary studies were made of the price and source of fluorite used in the steel-making process in Australia and preliminary negotiations were commenced with a previous South Australian Government with respect to the third option but this has not been continued with the present Government.

The 1970's price of fluorite was found to be insufficient to commence mining at that time (the main difficulty being high transportation costs).

A fifth possible use of the mineral is in production of "acceptable" fluorocarbons (A.J.M., 1988).

3. INVESTIGATIONS UNDERTAKEN 1985-1986

During 1985 Claude Lupis & Associates Pty Ltd, mining and metallurgical consultants, prepared an assessment of the Jinka Plains fluorite prospect. This was forwarded as an addendum to the 1985 Annual Report for ML's 77-86.

During 1986 the mineral leases were visited and the corner posts and name plates were renewed to the current Mining Act specifications.

4. 1987 PROGRAMME

A review of world markets was concluded, the results again confirmed the assessment of Claude Lupis & Associates Pty Ltd in their 1985 study. The market price of fluorospar has remained static since 1984 at approximately A$200 to A$220 for acid grade material (L.J.I.M., 1987).

5. CONCLUSIONS

With the present market situation development of a fluorite project at Jinka Plains is not economically feasible. A major price increase or a more suitably located market will warrant a new assessment. The potential development of new fluorocarbons may lead to increased demand for fluorospar, and this will also be monitored.

It is intended that the resource be kept under review pending such developments.

6. REFERENCES

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