PARTIAL RELINQUISHMENT REPORT

EXPLORATION LICENCE 9110
"Mallapunyah West"

4th July, 1995 to 3rd July, 1997

Licensee: Ashton Mining Limited

Operator: Ashton Mining Limited

Sheet Reference: 1:250,000 Bauhinia Downs (SE53-03)

Submitted to: Department of Mines and Energy, Darwin

Copies to: Ashton Mining Limited - Perth Office
Ashton Mining Library

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SUMMARY

During the period 4th July, 1995 to 3rd July, 1997, Ashton Mining Limited, on behalf of the Australian Diamond Exploration Joint Venture (ADE JV) carried out an exploration programme over Exploration Licence 9110. In May 1997, the licence was reduced from 6 blocks to 3 blocks. This report provides details of work undertaken on the relinquished portion of the licence.

Ashton's work programme within the relinquished portion of EL 9110 included data review and aerial photography. Aerial photographic surveys were undertaken in the Kilgour/Mallapunyah region in the 1996 field season. A single flight run was made over the relinquished portion of the licence. No other field work was completed in this area, as exploration programmes were focused in the southern part of EL 9110.

Exploration expenditure for the relinquished area amounted to $3,731.
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Figure 1. Tenement Location Map
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Appendix 1. Statement of Expenditure
1.0 INTRODUCTION

This report details exploration activities carried out by Ashton Mining over the relinquished portion of Exploration Licence 9110 for the period 4th July 1995 to 3rd July, 1997. Ashton Mining Limited is manager of the licence on behalf of the Australian Diamond Exploration Joint Venture (ADEJV). Parties to the ADEJV are Ashton Mining Limited and Aberfoyle Resources Limited.

Exploration Licence 9110 was granted to Ashton Mining Limited on the 4th July, 1995 for a period of six years. The licence, originally covered an area of six blocks, but was partially relinquished to three blocks in May 1997. The tenement is located on the Bauhinia Downs (SE53-03) 1:250,000 map sheet. A tenement location map showing the relinquished and retained areas is shown in Figure 1.

A statement of expenditure is included in this report.

2.0 DIAMOND EXPLORATION

2.1 Data Review

Prior to commencing field work, a comprehensive data review of previous exploration and open file results in the tenement area was undertaken. This highlighted areas which had not been adequately explored. Proposed sample locations were selected and plotted in the office on the Mallapunya 1:100,000 map sheet. All selected sample sites fell within the retained portion of the licence.
2.2 Aerial Photography

Aerial photographic surveys were flown within the Kilgour/Mallapunyah region, encompassing EL 9110. One flight run was flown over the relinquished portion of the licence (see Figure 2). This survey was undertaken by Qasco Northern Surveys with colour photos being obtained at a scale of 1:10,000.

3.0 EXPLORATION EXPENDITURE

Exploration expenditure for the period 4th July, 1995 to 3rd July, 1997 over the relinquished area amounted to $ 3,731. A detailed breakdown of expenditure is given in Appendix 1.

4.0 CONCLUSIONS

Ashton's exploration programmes have been focused in the southern portion of EL 9110, due to its proximity with adjoining EL 7642, where significant results have been obtained. Future programmes will continue to be undertaken in this area. As field work is not focused within the northern portion of the licence, relinquishment was recommended.

5.0 REFERENCES


APPENDIX 1

Statement of Expenditure
# Statement of Expenditure

**Exploration Licence 9110**

Relinquishment Report

For the period
4th July, 1995 to 5th July, 1997

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Geoscientist/Professional Staff</td>
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</tr>
<tr>
<td>Field Support/Office Staff</td>
<td>622</td>
</tr>
<tr>
<td>Other Contractors</td>
<td>254</td>
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<td>Aerial Photography</td>
<td>1,760</td>
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<tr>
<td>Drafting/Computing</td>
<td>311</td>
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<td><strong>Sub-Total</strong></td>
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<tr>
<td>Overheads</td>
<td>339</td>
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<tr>
<td><strong>Total:</strong></td>
<td><strong>$3,731</strong></td>
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