RELINQUISHMENT REPORT

EXPLORATION LICENCE 8133

24th September, 1993 to 12th January, 1996

Licensee:

Ashton Mining Limited

Operator:

Ashton Mining Limited

Sheet Reference:

1:250,000 Bauhinia Downs (SE 5E-03)

Submitted to:

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SUMMARY

During the period 24th September, 1993 to 12th January, 1996, Ashton Mining Limited, on

behalf of the Australian Diamond Exploration Joint Venture (ADE JV) carried out an

exploration programme over Exploration Licence 8133. On 12th January, 1996 the exploration

licence was reduced from 347 square kilometres to 173 square kilometres. This report provides

details of all work undertaken on the relinquished portion of the licence.

A gravel sampling programme was undertaken in the first year of the licence. Further gravel

samples and a single loam sample were collected in the second year. A total of 19 gravel

samples and one loam sample were collected in the relinquished area. Three samples returned

a positive result but results were disappointing.

Exploration expenditure for the reporting period amounted to \$ 31,425.

KEYWORDS

Diamond exploration; Gravel sampling; Loam sampling; Indicator minerals; Chromite; Microdiamonds

LOCATION

Bauhinia Downs (SE5303); Glyde (6164)

1.0 INTRODUCTION

Exploration Licence 8133 was granted to Ashton Mining Limited on 24th September, 1993, for a period of six years. The licence is located on the Bauhinia Downs (SE53-03) 1:250,000 map sheet. A tenement location map is shown in Figure 1. The target for exploration within this licence is diamond bearing kimberlitic intrusives.

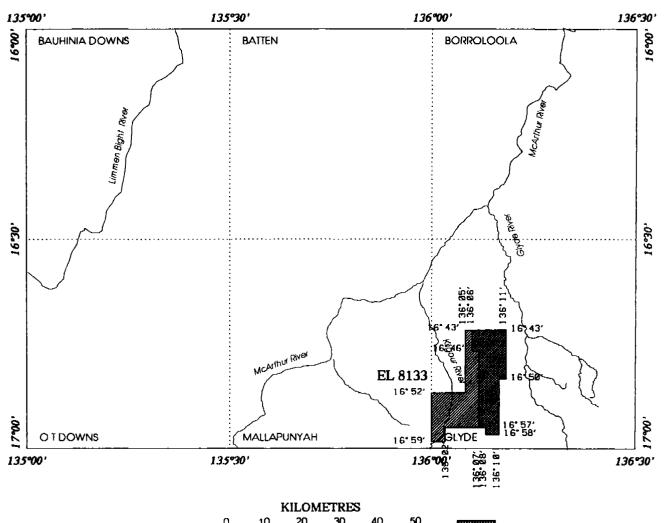
On 12th January, 1996, in accordance with Section 48 of the Northern Territory Mining Act, EL 7642 was reduced from 108 blocks (346.68 square kilometres) to 54 blocks (173.34 square kilometres).

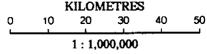
This report provides a summary of all work undertaken by Ashton Mining over the relinquished portion of the licence. A statement of expenditure is included in this report.

2.0 EXPLORATION PROGRAMME AND RESULTS

2.1 Data Review

Prior to commencing field work, a comprehensive data review of results and previous exploration in the tenement area was undertaken. Proposed sample locations were then selected and plotted in the office on the Glyde 1:100,000 map sheet.



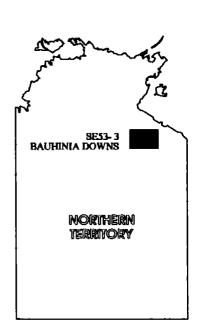




Retained portion



Relinquished portion



ASHTON MINING LIMITED A.D.E. JOINT VENTURE

EXPLORATION LICENCE 8133
FIGURE 1
LOCATION MAP
PARTIAL RELINQUISHMENT

APRIL, 1996

2.2 Sampling

During the first year of the licence, Ashton implemented a gravel sampling programme.

A total of 16 gravel samples was collected within the relinquished area. Two samples contained a microdiamond and one sample contained a single chromite grain. The other samples were all negative.

In the second year a loam sample, BAU03859, and three gravel samples were collected within the relinquished area. All were negative.

All samples were sent to Ashton Mining's Perth laboratory for analysis. Sample locations are shown in Figure 2 and a detailed list of results can be found in Appendix 1.

2.3 Laboratory Procedure

The samples are processed by the Ashton Mining Limited Laboratory in Perth, where they are concentrated by Wilfley Table and heavy liquid separation techniques.

The heavy liquid used is tetrabromethane with a specific gravity of 2.96. The concentrates are then screened into various size fractions, further concentrated by magnetic and electrostatic separation techniques and a comprehensive grain by grain examination carried out on the minus 1.0mm plus 0.425mm fractions.

3.0 EXPLORATION EXPENDITURE

Exploration expenditure for the period 24th September, 1993 to 22nd December, 1995 over the relinquished area amounted to \$31,425. A detailed breakdown of expenditure is given in Appendix 2.

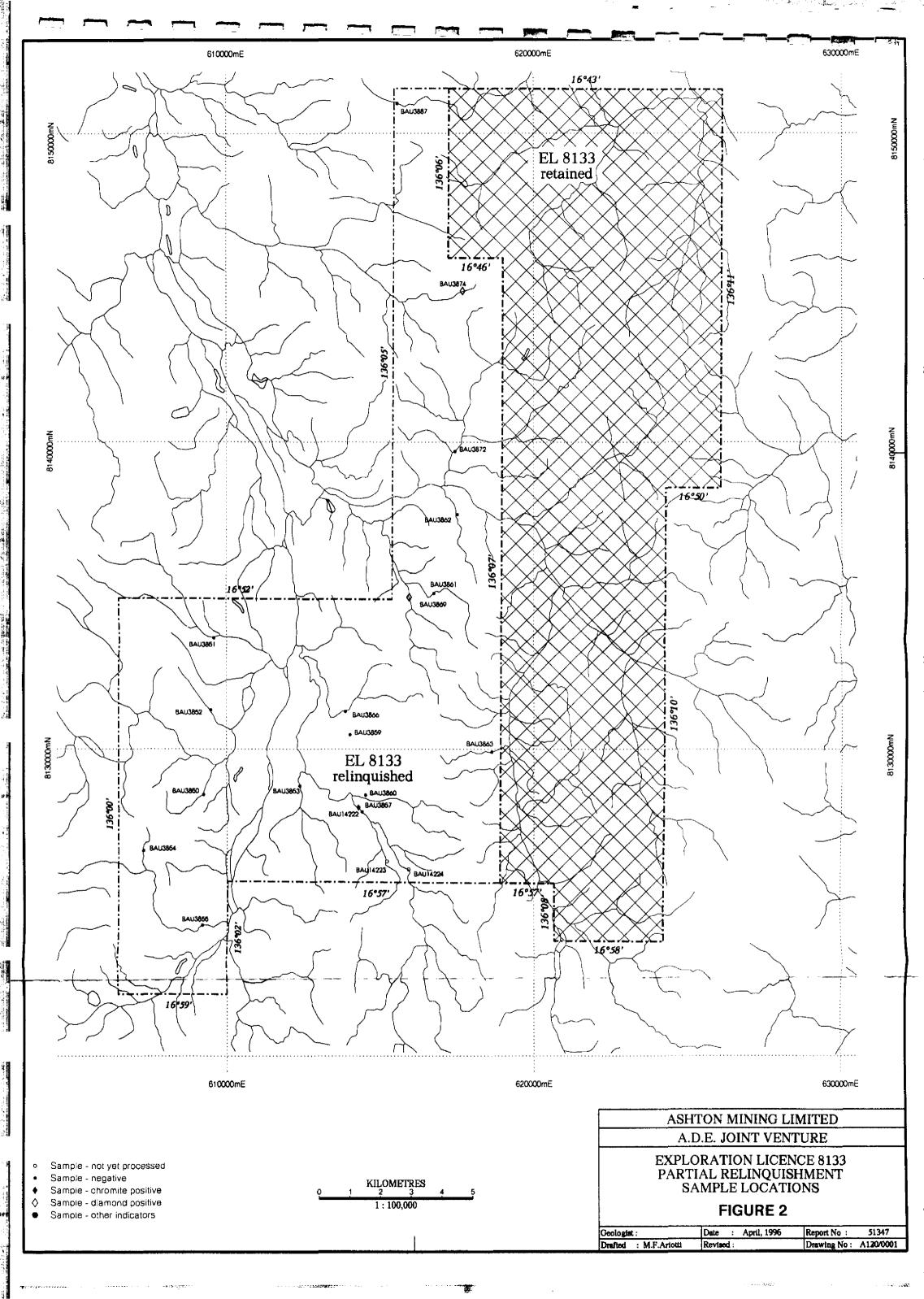
4.0 CONCLUSIONS AND RECOMMENDATIONS

Results are discouraging and no further work is warranted in this area therefore partial relinquishment of EL 8133 was recommended.

5.0 REFERENCES

Reddicliffe, T H (Oct-1994) Annual report, Exploration Licence 8133, 24th September, 1993 to 23rd September, 1994. Ashton Mining Limited. Report No.51071

Ong, N (Sep-1995) Annual report, Exploration Licence 8133, 24th September, 1994 to 23rd September, 1995. Ashton Mining Limited. Report No.51347



APPENDIX 1

Sample Results

EL 8133 RESULTS

Sample	Туре	Result	Diamonds Macro	Micro	Chromite	Other
BAU03850	G	neg	-	-	-	_
BAU03851	G	neg	-	-	_	-
BAU03852	G	neg	-	-	-	-
BAU03853	G	neg	•	_	-	-
BAU03854	G	neg	-	-	-	-
BAU03855	G	neg	•	-	-	-
BAU03859	LR	neg	-	-	•	-
BAU03860	G	neg	-	-	-	-
BAU03861	G	neg	-	-	-	-
BAU03862	G	neg	-	-	-	-
BAU03863	G	neg	-	-	-	-
BAU03866	G	neg	-	-	-	-
BAU03869	G	POS	-	1	-	-
BAU03872	G	neg	-	-	-	-
BAU03874	G	POS	-	1	-	-
BAU03887	G	neg	-	-	40	-
BAU14222	G	neg	-	-	_	-
BAU14223	G	neg	-	=	-	_
BAU14224	G	neg	-	-	-	-
BAU03857	G	POS	-	-	1	-

Note: G = Gravel sample, LR = Loam sample

APPENDIX 2

Statement of Expenditure

STATEMENT OF EXPENDITURE

EXPLORATION LICENCE 8133

Relinquishment Report

for the period 24th September, 1993 to 23rd September, 1995

Geoscientist/Professional	2,203
Field Support/Office Staff	3,318
Travel/Accommodation/Meals	2,077
Field Supplies	2,541
Operating Costs	2,419
Equipment Hire	1,778
Vehicles	1,556
Freight/Storage	1,635
Helicopter Charter	8,667
Laboratory	2,179
Drafting	196
Sub-Total	28,569
10% Overheads	2,856
TOTAL:	\$ 31,425