ANNUAL REPORT
EL 7195

For the period 28/02/91 to 27/02/92

Submitted to: Department of Mines & Energy
Mineral House
Darwin

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Ashton Mining Limited
24 Outram Street
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Our Ref: AADE 1992/5

March 1992
1. **SUMMARY**

Ashton Mining Limited, on behalf of the ADE Joint Venture, has assumed all exploration rights to the tenement EL 7195 from Aberfoyle Resources Ltd.

The ADE Joint Venture activities are directed towards diamond exploration. However, this tenement is one of several included in a joint venture agreement with BHP Minerals which allows BHP Minerals to explore for base metals.

2. **INTRODUCTION**

Exploration Licence 7195 was granted to Aberfoyle Resources Ltd on the 28th February, 1991, for a period of 12 months. It covers an area of 1,513 square kilometres and is located on the Calvert Hills and Robinson River 1:250,000 map sheets (Figure 1).

On the 28th February, 1991, Ashton Mining Limited, on behalf of the ADE Joint Venture assumed all rights to EL 7195 from Aberfoyle Resources Ltd.

The target for exploration within the licence is primarily diamond bearing kimberlitic intrusives, however, through an agreement with BHP Minerals, base metal exploration will also be undertaken.

3. **EXPLORATION PROGRAMME**

A. **Diamond Exploration**

(i) Data Review

A comprehensive review of all previous work undertaken in the tenement area has been completed. This has resulted in several areas being highlighted for the follow-up and investigation of previously reported indicator minerals.

The TM landsat scene covering EL 7195 has been studied to select structural and geomorphic features which could represent kimberlitic intrusives. Some twenty targets have been highlighted for field investigation.

Areas of very low relief and poor drainage were also highlighted since these could contain preserved intrusives which have not shed significantly into the present drainages.
(ii) Field Programme

A field programme of stream sampling has been planned which will commence in the second quarter of 1992. This sampling programme will concentrate on poorly drained areas of low relief which were highlighted during the review. It is envisaged that 100 stream samples will be collected.

Field investigation of selected structural and geomorphic features will also be undertaken at this time.

B. Base Metal Exploration

(i) Joint Venture

A joint venture with BHP Minerals which allows them to explore EL 7195 for base metals began on the 1st January, 1992.

(ii) Data Review

BHP Minerals is currently reviewing data pertaining to EL 7195 with a view to implementing a field programme in the second quarter of 1992.

3. EXPLORATION EXPENDITURE

The total exploration expenditure for this reporting period was $21,871. A detailed breakdown is shown below.

<table>
<thead>
<tr>
<th></th>
<th>ADEJV (Diamond Exploration)</th>
<th>BHP Minerals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour</td>
<td>9,800</td>
<td>2,225</td>
</tr>
<tr>
<td>Field Support</td>
<td>3,200</td>
<td>-</td>
</tr>
<tr>
<td>Fuel</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Helicopter Charter</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Drafting</td>
<td>250</td>
<td>218</td>
</tr>
<tr>
<td>TM Imagery</td>
<td>1,760</td>
<td>-</td>
</tr>
<tr>
<td>Geophysics</td>
<td>2,170</td>
<td>-</td>
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<tr>
<td>Miscellaneous</td>
<td>300</td>
<td>200</td>
</tr>
<tr>
<td>JV Management</td>
<td>1,748</td>
<td>-</td>
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<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>$19,228</strong></td>
<td><strong>$2,643</strong></td>
</tr>
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5. PROPOSED PROGRAMME AND BUDGET

A. ADE JV

(i) Work Programme
   . Continued review of data.
   . Reconnaissance stream sampling.
   . Investigation of structural and geomorphic features selected from the TM landsat imagery.

(ii) Budget
    A budget of $20,000 will be required to complete this work.

B. BHP Minerals

(i) Work Programme
   . Continued review of data.
   . Reconnaissance geochemical sampling.
   . Field mapping.
   . Possible limited airborne geophysical survey.

(ii) Budget
    A budget of $20,000 will be required to complete this work.

The total envisaged expenditure for the next reporting period will be $40,000.
FIGURE I
LOCATION MAP

A.D.E. JOINT VENTURE / AUSTRALIAN DIAMOND EXPLORATION NL
1:1,000,000
MARCH, 1992