ANNUAL REPORT

EXPLORATION LICENCE 8096

24th September, 1993

to

23rd September, 1994

Licensee: Ashton Mining Limited
Operator: Ashton Mining Limited
Sheet Reference: 1:250,000 Mount Young (SD 53-15)
Submitted to: Department of Mines and Energy
DARWIN

Author:

T.H. Reddicliffe
ASHTON MINING LIMITED
24 Outram Street
WEST PERTH WA 6005.

CR 94/767

DME LIBRARY
29 JAN 1996
SCANNED

October, 1994
Report Number: 51069
CONTENTS

SUMMARY (i)

1.0 INTRODUCTION 1

2.0 DIAMOND EXPLORATION PROGRAMME 1
   2.1 Data Review 1
   2.2 Gravel Sampling 2
   2.3 Laboratory Procedure 2

3.0 EXPLORATION EXPENDITURE 2

4.0 CONCLUSIONS AND RECOMMENDATIONS 3

5.0 PROPOSED PROGRAMME AND BUDGET 3

FIGURES

Figure 1. Tenement Location Plan
Figure 2. Sample Location Plan

APPENDICES

Appendix 1. Statement of Expenditure
SUMMARY

During the period 24th September, 1993 to 23rd September, 1994 Ashton Mining Limited, on behalf of the Australian Diamond Exploration Joint Venture (ADE JV), carried out an exploration programme over Exploration Licence 8096. This report provides details of work undertaken on the licence during the reporting period.

Ashton undertook a gravel sampling programme during the first year of tenure. A total of two samples were collected and are currently undergoing analysis at Ashton's laboratory. Results are awaited.

Exploration expenditure for the reporting period amounted to $11,195 against a covenant of $25,000.
1.0 INTRODUCTION

Exploration Licence 8096 was granted to Ashton Mining Limited on 24th September, 1993, for a period of six years. The licence covers an area of 11 blocks and is located on the Mt Young (SD 53-15) 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.

This report provides a summary of work undertaken by Ashton Mining during the reporting period 24th September, 1993 to 23rd September, 1994. A statement of expenditure is included in this report.

2.0 EXPLORATION PROGRAMME

2.1 Data Review

Prior to commencing field work, a comprehensive data review of results and previous exploration in the tenement area was undertaken. This highlighted areas which had not been adequately explored. Proposed gravel sample locations were then selected and plotted in the office on the Tawallah Range 1:100,000 map sheet.
FIGURE 1
EXPLOITATION LICENCE 8096
LOCATION MAP

ASHTON MINING LIMITED
ADE JOINT VENTURE

OCTOBER, 1994
2.2 **Gravel Sampling**

During the first year of tenure, Ashton implemented a gravel sampling programme within the licence area. A total of two samples were collected and forwarded to Ashton's Perth laboratory for analysis. Processing of these samples is underway, however results will not be available until the next reporting period.

Sample locations are shown on Figure 2.

2.3 **Laboratory Procedure**

The samples are being 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 tetrabromomethane with a specific gravity of 2.96. The concentrates will then be 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 23rd September, 1994 amounted to $11,195. A detailed breakdown of expenditure is given in Appendix 1.
4.0 CONCLUSIONS AND RECOMMENDATIONS

Additional stream sampling in the unsampled portions of the exploration licence is recommended. The extent of this work will also be dependant upon the outcome of the 2 samples collected in this period.

5.0 PROPOSED PROGRAMME AND BUDGET

The proposed programme and budget for the period 24th September, 1994 to 23rd September, 1995 is as follows:

- Assessment and interpretation of sample results when available.
- Further gravel sampling and follow-up of positive results.
- Possible airborne geophysical surveys.

Budget:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geoscientist/Professional</td>
<td>1,500</td>
</tr>
<tr>
<td>Field Support/Office Staff</td>
<td>2,300</td>
</tr>
<tr>
<td>Other Contractors</td>
<td>200</td>
</tr>
<tr>
<td>Travel/Accommodation/Meals</td>
<td>1,500</td>
</tr>
<tr>
<td>Field Supplies</td>
<td>1,000</td>
</tr>
<tr>
<td>Equipment Hire</td>
<td>1,000</td>
</tr>
<tr>
<td>Vehicles</td>
<td>800</td>
</tr>
<tr>
<td>Helicopter Charter</td>
<td>2,200</td>
</tr>
<tr>
<td>Fixed Wing Air Charter</td>
<td>3,000</td>
</tr>
<tr>
<td>Geophysical Survey</td>
<td>4,200</td>
</tr>
<tr>
<td>Laboratory</td>
<td>2,000</td>
</tr>
<tr>
<td>Drafting</td>
<td>50</td>
</tr>
</tbody>
</table>

Sub-total: 19,750
10% Overheads: 1,975

TOTAL: $21,725
APPENDIX 1

Statement of Expenditure
## STATEMENT OF EXPENDITURE

**EXPLORATION LICENCE 8096**

For the period
24th September, 1993 to 23rd September, 1994

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geoscientist/Professional</td>
<td>1,556</td>
</tr>
<tr>
<td>Field Support/Office Staff</td>
<td>2,098</td>
</tr>
<tr>
<td>Travel/Accommodation/Meals</td>
<td>1,213</td>
</tr>
<tr>
<td>Field Supplies</td>
<td>1,670</td>
</tr>
<tr>
<td>Operating Costs</td>
<td>1,257</td>
</tr>
<tr>
<td>Vehicles</td>
<td>751</td>
</tr>
<tr>
<td>Freight/Storage</td>
<td>1,533</td>
</tr>
<tr>
<td>Drafting</td>
<td>40</td>
</tr>
</tbody>
</table>

Sub-Total                           | 10,109 |

10% Overheads                        | 1,010  |

**Total:**                            | **$ 11,119** |