

ARADON PTY. LTD.

Reg. Office :

7 Ferguson Street, Rockhampton,
Queensland, Australia. 4700

Phone : (079) 34 7183

5-5-93.

DEPARTMENT OF MINES AND ENERGY

G.P.O. Box 2901.

DARWIN. 0801.

NORTHERN TERRITORY.

THE PRINCIPAL REGISTRAR.

ADDITIONAL INFORMATION AS REQUESTED FOR ANNUAL REPORT, FOR
EXPLORATION LICENCE 7603.

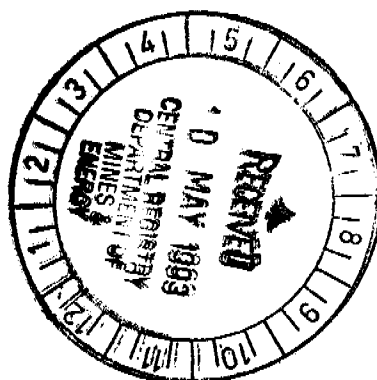
YOURS FAITHFULLY



DON KAYES.

 11.5.93

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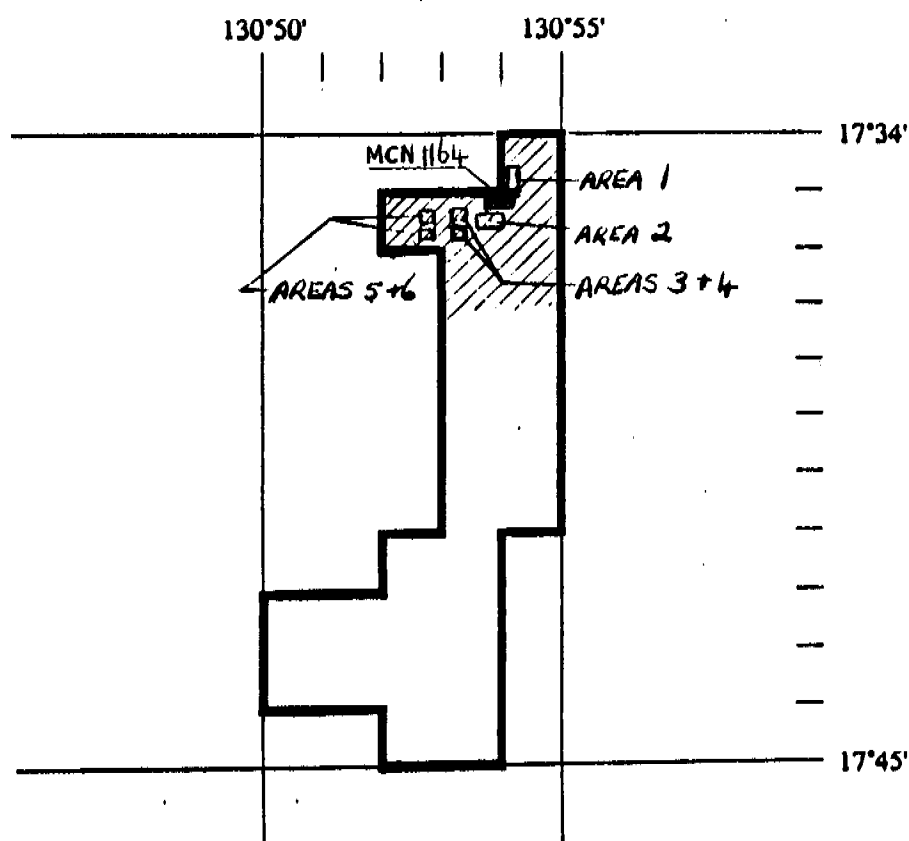


Proprietors of —
Mt. Hay Gemstone Tourist Park, Wycarbah, Qld. 4702.

Manufacturers of :—
Gemstone Products and Souvenirs
Pewter Products — Figurines — Miners, Animals,
Birds.

PREHNITE SAMPLE LOCATIONS (SURFACE) 1ST YEAR, 1991-1992

SAMPLES GATHERED FROM 6 AREAS SHOWN.
TAKEN FOR CUTTING AND POLISHING TO TEST
FOR SUITABILITY AS SEMI-PRECIOUS GEMSTONE
TO ADD TO PRODUCT RANGE OF ARADON PTY. LTD.



EL7603
26 BLOCKS
84 sq kms

RESULTS: THE MATERIAL CUTS WELL AND ACCEPTS A SATISFACTORY POLISH. AS THE MATERIAL HAS A MASS CRYSTAL STRUCTURE THE FINISH CAN HAVE DULL SECTIONS DUE TO THE VARIOUS POSITIONS OF EACH CRYSTALS STRUCTURE.

AS THE FINISH IS SATISFACTORY WE FEEL THAT THIS SHOULD HELP TOWARDS MARKET ACCEPTANCE AS SPECIMENS, WITH POLISHED FACES.

REPORT OF SAMPLES TESTED (YEAR 1).

PREHNITE:-

SAMPLE AREA 1: SAMPLE SIZE - ONLY SMALL PIECES FOUND
UP TO 50mm.

QUALITY - NOT GOOD, VERY LITTLE COLOUR,
CUTS GOOD, ACCEPTS GOOD POLISH.

SAMPLE AREA 2: SAMPLE SIZE - ONLY SMALL PIECES, MAINLY FOUND
IN CREEK AND BANKS, UP TO 100mm.

QUALITY - FAIR, MORE COLOUR TO PALE GREEN,
CUTS GOOD, ACCEPTS GOOD POLISH.

SAMPLE AREA 3: SAMPLE SIZE - SMALL, MEDIUM AND LARGE SIZES
UP TO 250mm PLATES

QUALITY - FROM NOT GOOD TO FAIR, SOME AS
SPECIMEN MATERIALS ALTHOUGH WEATHER
AFFECTED. SMALLER PIECES HAD BETTER
QUALITY. CUTS GOOD, ACCEPTS GOOD POLISH.

SAMPLE AREA 4: SAMPLE SIZE - SMALL AND MEDIUM UP TO 125mm PLATES
MANY SMALL PIECES LESS THAN 50mm

QUALITY - FAIR, AGAIN THE SMALL PIECES ARE
THE BETTER QUALITY.
CUTS GOOD. ACCEPTS GOOD POLISH.

SAMPLE AREA 5: SAMPLE SIZE - ONLY SMALL PIECES UP TO 75mm
LIGHT COLOUR

QUALITY - NOT GOOD AND FAIR TOGETHER
CUTS GOOD AND ACCEPTS GOOD POLISH.

SAMPLE AREA 6: SAMPLE SIZE - SIMILAR TO AREA 5

QUALITY - CUTS GOOD, ACCEPTS GOOD POLISH

EXPLORATION LICENCE 7603 - ARADON PTY. LTD.

BREAKDOWN OF EXPENDITURE FOR 1991-1992.

WAGES:

PREPARATION FOR TRIP $2 \times \text{MEN} \times 1 \text{ WEEK}$
 $= 2 \times \$450 \times 1 = \$ 900.00$

DURATION OF TRIP $3 \times \text{MEN} \times 2 \text{ WEEKS}$
 $= 3 \times \$450 \times 2 = \$2,700.00$

AFTER TRIP MAINTENANCE $2 \times \text{MEN} \times 1 \text{ WEEK}$
 $2 \times \$450 \times 1 = \$ 900.00$

WAGES TOTAL: $\$4,500.00$

ACCOMMODATION, FOOD AND SUNDRIES:

TOTAL: $\$2,789.88$

FUEL:

TOTAL: $\$1,086.76$

1991-1992 FIELD TRIP - TOTAL EXPENSES $=$ $\$8,376.64$

AS THIS SUM IS LESS THAN THE \$19,000 INDICATED FOR EXPENDITURE IN THE 1991-1992 YEAR AN APPLICATION FOR "VARIATION TO COVENANT" HAS BEEN LODGED WITH THE ANNUAL REPORT.

EXPLORATION LICENCE 7603 - ARADON PTY. LTD.

PROPOSED WORKS PROGRAM. YEAR 2 (1992-1993)

WE PLAN TO WORK A 2-4 WEEK EXPLORATION SCHEDULE WITH THE FOCUS ON THOSE AREAS WE GAINED OUR SAMPLES FROM IN OUR YEAR 1 PROGRAM. WE INTEND TO EXCAVATE TEST TRENCHES TO A DEPTH OF APPROX. 3 METRES USING A BACKHOE. THIS WOULD ENABLE US TO TAKE SAMPLES AND WE COULD COMPARE THESE WITH THE SAMPLES TAKEN FROM THE SURFACE WHICH TEND TO BE MORE WEATHERED. ALL EXCAVATION WOULD BE BACKFILLED AND TOPSOIL THEN REPLACED. HAVING COMPLETED TESTING IN THOSE 6 AREAS AS SHOWN ON MAP OF SAMPLE LOCATIONS WE WOULD THEN CONTINUE ACROSS THE REST OF THE LICENCE AREA.

WE ANTICIPATE AN EXPENDITURE SIMILAR TO THE PREVIOUS YEARS, HOWEVER, WE WOULD DIVIDE THIS BETWEEN THE E.L. AND THE MINERAL CLAIM, THE APPLICATION WAS LODGED IN THE 1ST YEAR, IF IT IS GRANTED WITH SUFFICIENT TIME FOR OUR 2ND YEAR EXPLORATION FIELD TRIP.

EXPENDITURE WOULD BE A MINIMUM OF \$6,000 FOR YEAR 2.