

MICRONISED MINERAL SOLUTIONS PTY LTD

ABN: 67 126 378 318

Annual Technical Report: MLN-30231

Micronised Mineral Solutions Pty Ltd.


Date April 17th 2018



DORISVALE BARITE MINE:

Licences are covered by NT Portion 1167, Perpetual Pastoral Lease 1066, which is known as the Dorisvale Station.

Name of operators; Micronised Mineral Solutions Pty Ltd – MLN-30231

	Author	Reviewed by	Approved by
Date	April 17 th 2018		
Name	Leon Tarrant	Leon Tarrant	Leon Tarrant
Signature			

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Report Summary

Target Commodity Barite:

No mining or exploration activities were undertaken over MLN - 30231 during 2017. Maintenance works undertaken on site include weed management, track and access maintenance, repairs to fencing, general housekeeping around the broader area.

Marketing of barite with the oil & gas exploration companies were undertaken in 2017 with only small amount of interest shown in a bare market.

The company was able to establish minor sales with New Park Drilling Fluids and products were sold into exploration operations in the Beetaloo Basin.

It is the intention of the new lease holders Micronised Mineral Solutions Pty Ltd to continue marketing of drilling grade barite and calcium carbonate products in 2017-18 and in particular to achieve greater utilisation of the East Arm based milling facilities.

Micronised Mineral Solutions Pty Ltd continue to be registered with Santos Oil & Gas as a supplier via their Achilles system. This procurement system is accessed by a broader group of exploration and oil and gas producers in addition to Santos.

Exploration and ore recovery 2017

Due to low exploration activity in the oil & gas sectors no sampling or mining activities are planned for the first half of 2018 over MLN- 30231

A crude barite feedstock inventory is still held by Micronised Minerals and provided by Capricornia Mining & Resources and represents the remaining stockpile from their mining project undertaken in 2004. These feedstock formed part of our drilling grade barite sales to New Park Drilling in 2016.

Project Summary and Improvements

In the late 1960's Tex Moar of Pine Creek discovered the Dorisvale Barite prospects. In 1969 Mineral Deposits Ltd undertook preliminary investigations. In 1970 under the direction of Laurie Johnson a consultant geologist, Tex Moar pegged the Rosemarie and Jessie Mack mineral leases, 5.5 miles from the then Dorisvale Station.

Laurie Johnson, with Tex Moar as his assistant undertook the pegging and early geological evaluation of the Dorisvale area. This included costeaning, sampling and drilling, which enabled them through their evaluation to target the Rosemarie and Jessie Mack for mining. A total of 21 mineral leases were pegged originally, of those only these two covering the mine remain.

Capricornia Mining and Resources Pty Ltd and Commercial Minerals have acquired those mineral leases, the Dorisvale Barite Mine, and re-established a tradition of Dorisvale partners.

The appointed operators Midglex Pty Ltd have taken a bulk sample and commenced rehabilitation of the site in the latter half of 1999.

From the original report provided by Laurie Johnson in the early 1970's these two leases were reported as covering 202,000 tonnes of barite in the Pony Pocket area.

In 1974 titles were transferred to Baroid Australia Pty Ltd from the then Dorisvale partners. Baroid undertook mining and recovered 58,925 tonnes of bulk ore.

The final shipment of 20,000 tonnes was delivered to the wharf without proper grade control; subsequently it did not come up to specification when it arrived at its destination in the Middle East. The internal management conflict within Baroid over this shipment, along with a downturn in the drilling industry generally resulted in Baroid ceasing activities at Dorisvale.

These reports would then suggest a balance of 143,075 tonnes of Barytes on the Dorisvale Mine. However in August 2001 Capricornia Mining & Resources undertook an extensive drilling program of 1300 metres. This drilling proved up 357,000 metric tonnes of high grade ore to a depth of 40m.

In 1993 these leases were returned by Baroid to the Dorisvale partners; Moar, Casey and Drake who in turn have transferred them to the current partners who took a bulk sample last dry season to evaluate the mine for reopening.

In 1998 and 1999 negotiations between the proponent and Commercial Mineral resulted in a royalty Agreement between the current Co-tenants, with the proponent assuming responsibility for the assessment and production from the leases.

In September 1999 Capricornia Mining & Resources PL undertook costeaning and bulk sampling activities on the leases including the screening of stockpiles, left by the Baroid operation. Over the preceding years two recovery programs were undertaken to extract ore from the existing stockpiles and spoil heaps surrounding the mine pit. A further 4,000 metric tonnes of average grade ore was recovered as a result of these programs.

Continuing production of ore from the site indicate that industrial grade Barite can be viably produced from the deposit.

New lease holders Micronised Mineral Solutons Pty Ltd have on file a current mine management plan.

Field Work Report 2017

1 SITE NAME – OPERATOR NAME DORISVALE BARITE MINE – MICRONISED MINERAL SOLUTIONS PTY LTD	
3 Lease - 30231	2 MMP REFERENCE MR

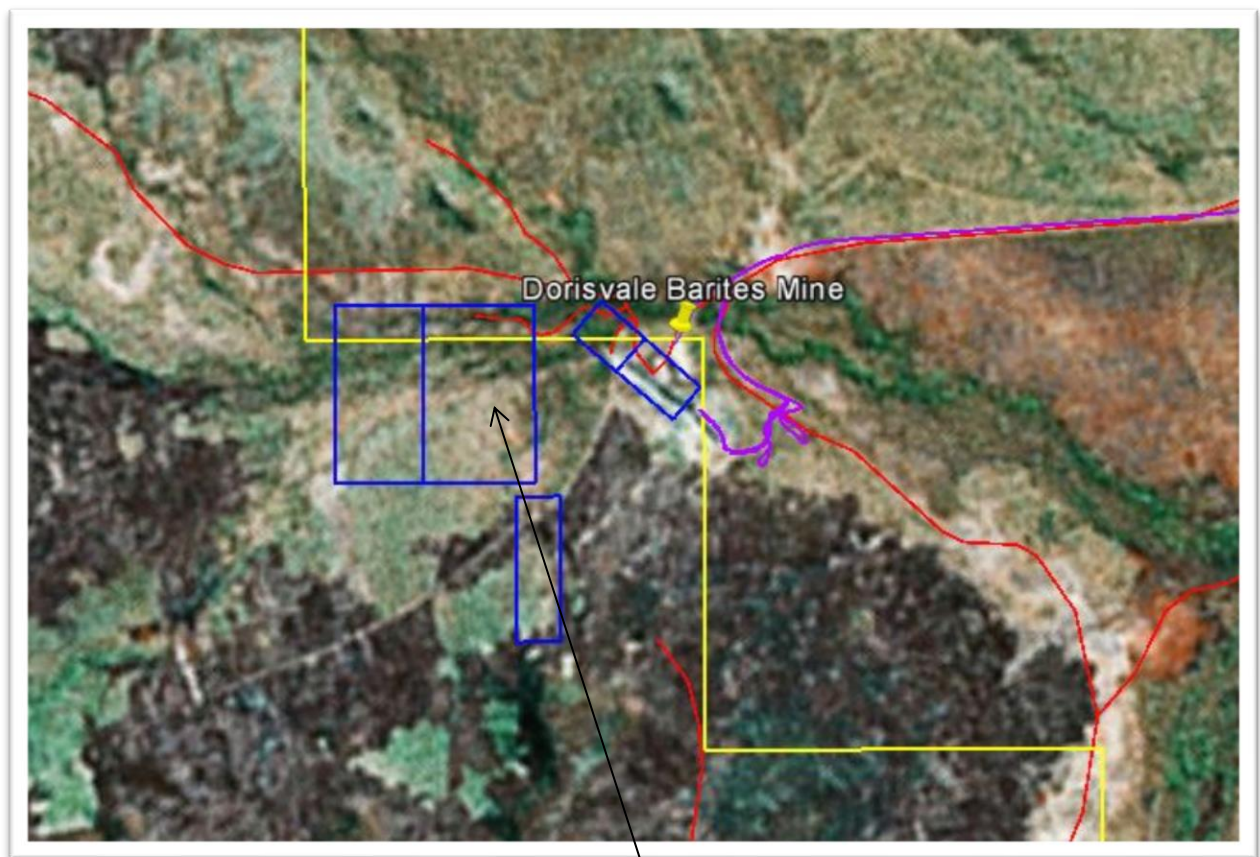
Authorisation Issued ☒ Yes ☐ No
Tenements Granted ☒ Yes ☐ No

Authorisation Number 822-01

3 TENEMENTS

MLN-30231

1. SITE DIAGRAM



MLN-30231

It is intended that environmental management including weed spraying, the erection of new signage around the perimeter of the mine area, erosion control and the general housekeeping on and around the mine pit and infrastructure will continue in 2018.

It is the company intention to continue the active marketing of drilling grade barite in Northern Australia and the Sth East Asia region.

Negotiations have been taken with Halliburton and Baker Hughes for commencement of barite sales into the North Australian markets. To date no markets have been secured.

Representative from Micronised Mineral Solutions Pty Ltd, Leon & Alex Tarrant attended site on between July and November and undertook the following works.

General housekeeping in and around infrastructure, pit water sampling for PAF potential of the exposed pit rock and tailings. Independent analysis of pit water by Intertek Darwin collected pit water analysis provided only low level metals and sulphate returns. All pit water results returned lower dissolved metals than upstream water tests for Pony Pocket Creek and are within ANZECC species protection guidelines.

No mineral disturbances have been undertaken over the MLN lease area 30231.