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EL 2427

GLENGYLE

PARTIAL SURRENDER REPORT FOR THE PERIOD 9/9/97 TO 15/5/99

Submitted by

Goldstream Mining NL
1999

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PRIMARY INDUSTRIES AND RESOURCES SA

GOLDSTREAM MINING N.L.
A.C.N. 009 129 560

Partial Surrender Report

E.L. 2427 "GLENGYLE"

May 1999

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Date: May 1999

Copies to: PIRSA (2)
GDM – Perth
GDM – Adelaide

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1. Summary

Regolith sampling has been restricted within the relinquished area of E.L. 2427 due to transported overburden and lack of suitable sampling medium. As a result exploration efforts have focussed on the interpretation of aeromagnetic data and identification of possible drill targets.
A lack of anomalous geochemical results and difficulties associated with gaining access to some of the magnetic anomalies has led to the decision to relinquish the area included in this report.

2. Introduction

Exploration Licences 2427, is situated on the eastern Eyre Peninsula approximately 20 km north of Port Lincoln. Figure 1.

The area was identified as having potential to host iron oxide hosted copper/gold within the Middleback Jaspilites of the Palaeoproterozoic Hutchison Group. The potential for shear-hosted polymetallic Au and base metal mineralisation is also recognised.

The tenement is entirely on freehold and perpetual leasehold cropping and grazing properties. Access is via a regular network of all weather gravel and sealed public roads.

3. Tenure

Exploration licence 2427 "Glengyle" was granted to Goldstream Mining ("Goldstream") on the 9th September 1997 to explore for gold and base metals. In March 1999 a partial of relinquishment was completed reducing the tenement area from 506 km^2 to 223 km^2. A twelve-month extension of term has been approved and the tenement is due to expire on the 8th September 1999.

4. Geology

Basement rocks within the tenements comprise quartzites, schists, carbonates, iron formations and mafic volcanics of the Palaeoproterozoic Hutchison Group. These have been intruded by Palaeoproterozoic Lincoln Complex granitoids. A major NE/SW trending shear, Kalinjala Mylonite Zone, thought to be synchronous with the Yarlbrinda shear, transects the east of the tenement.
Ferruginous laterites are well developed over the eastern part of the tenements while extensive aeolian and fluvial sediments cover the low-lying southern parts.

5. Previous Exploration

Prior to the current tenure the relinquished area was explored for a variety of mineralisation styles including, ultramafic hosted Ni/PGE/Au, Broken Hill style Pb/Zn, uranium, iron ore and graphite. A comprehensive summary of earlier exploration within the relinquished area covered by E.L. 2427 can be found in PIRSA ENV 8477.

6. Current Exploration

Conventional regolith geochemical sampling has been restricted over the relinquished area due to a lack of suitable regolith material. Some laterite/lag sampling has been possible in areas of higher relief in the north, while Bridgewater Formation and transported regolith have hampered sampling efforts in the south. In order to overcome problem associated with regolith sampling, aeromagnetic data has been used to focus exploration efforts.

6.1. Laterite/Lag Geochemistry

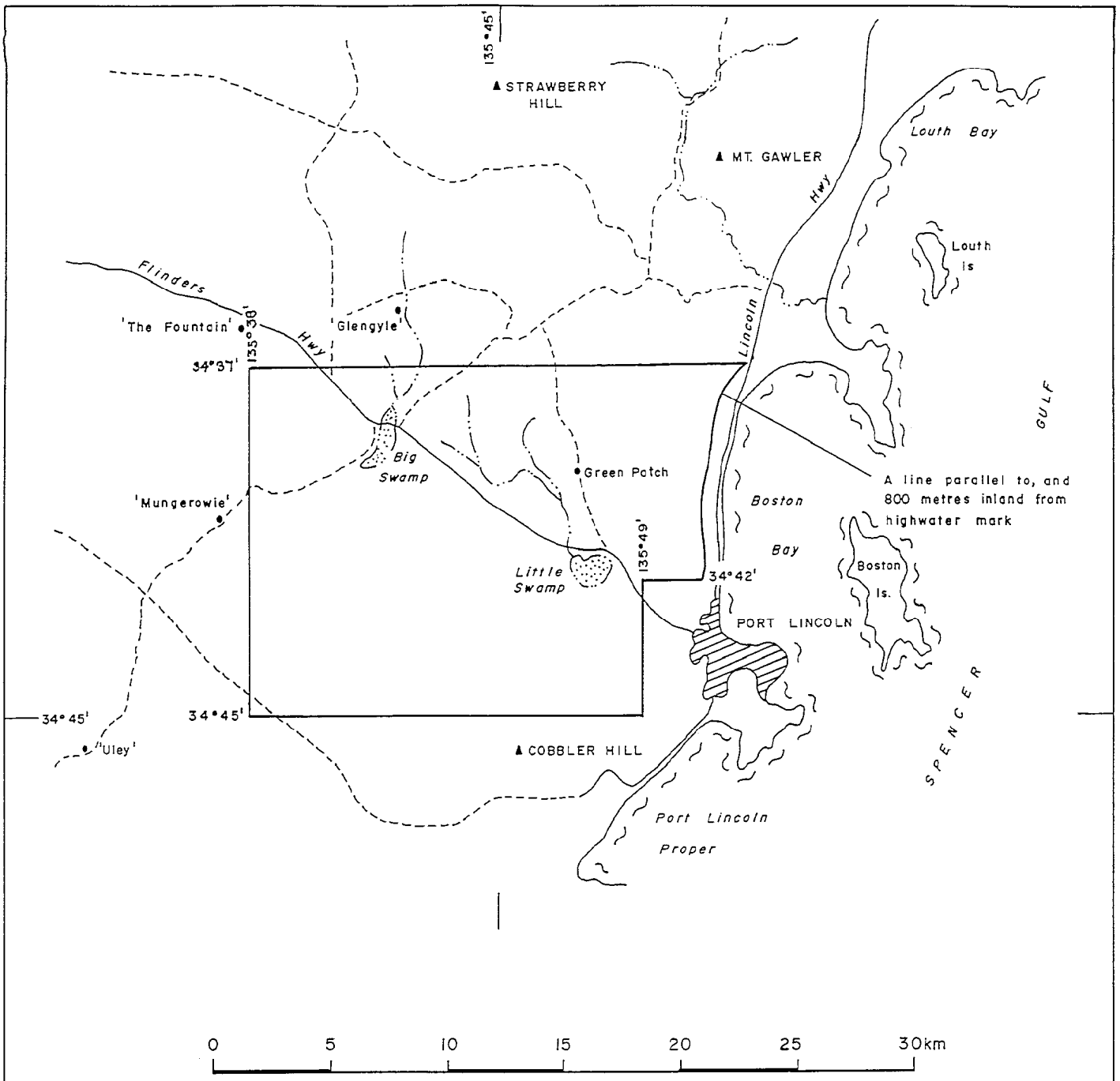
Thirty-six laterite samples were collected within the relinquished area and assayed for Au, As, Fe, Cu, Ni, Pb and Ag. Samples were collected along roadsides at a nominal spacing of 400m and at 200m over areas identified from aeromagnetic data. No significant gold or base metal results were returned. Sample data is included in this report as Appendix 1 and Plate 1.

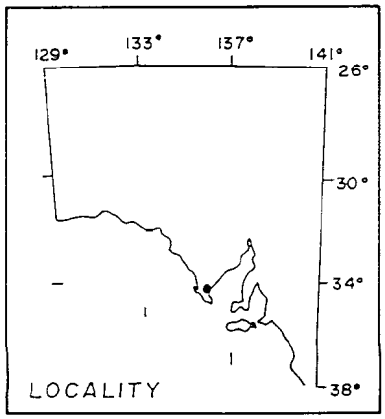
6.6 Geophysics:

Goldstream commissioned Southern Geoscience Consultants (SGC) to reprocess and interpret current aeromagnetic and gravity data of the western and southern Eyre Peninsula. A series of 1:100 000 scale map sheets produced included TMI imagery, regional gravity, detailed basement geological interpretation and potential drill targets. The relinquished area of E.L 2427 is covered by the report which is included as Appendix 4 in E.L. 2254 "Cummins " 1998 annual report.

7. Conclusions

While limited laterite sampling within the relinquished area failed to return any anomalous gold or base metal results, some scope remains for more detailed regolith sampling over the area. Previous drilling indicates that thicknesses of cover sequences and transported material is not excessive and traverses of shallow drill holes may be a viable regional sampling method. A number of magnetic anomalies, identified by Southern Geoscience Consultants, are untested and the potential of economic mineralisation associated with banded irons, and large regional shears remains.





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EL 2427 - GLENGYLE

Location plan

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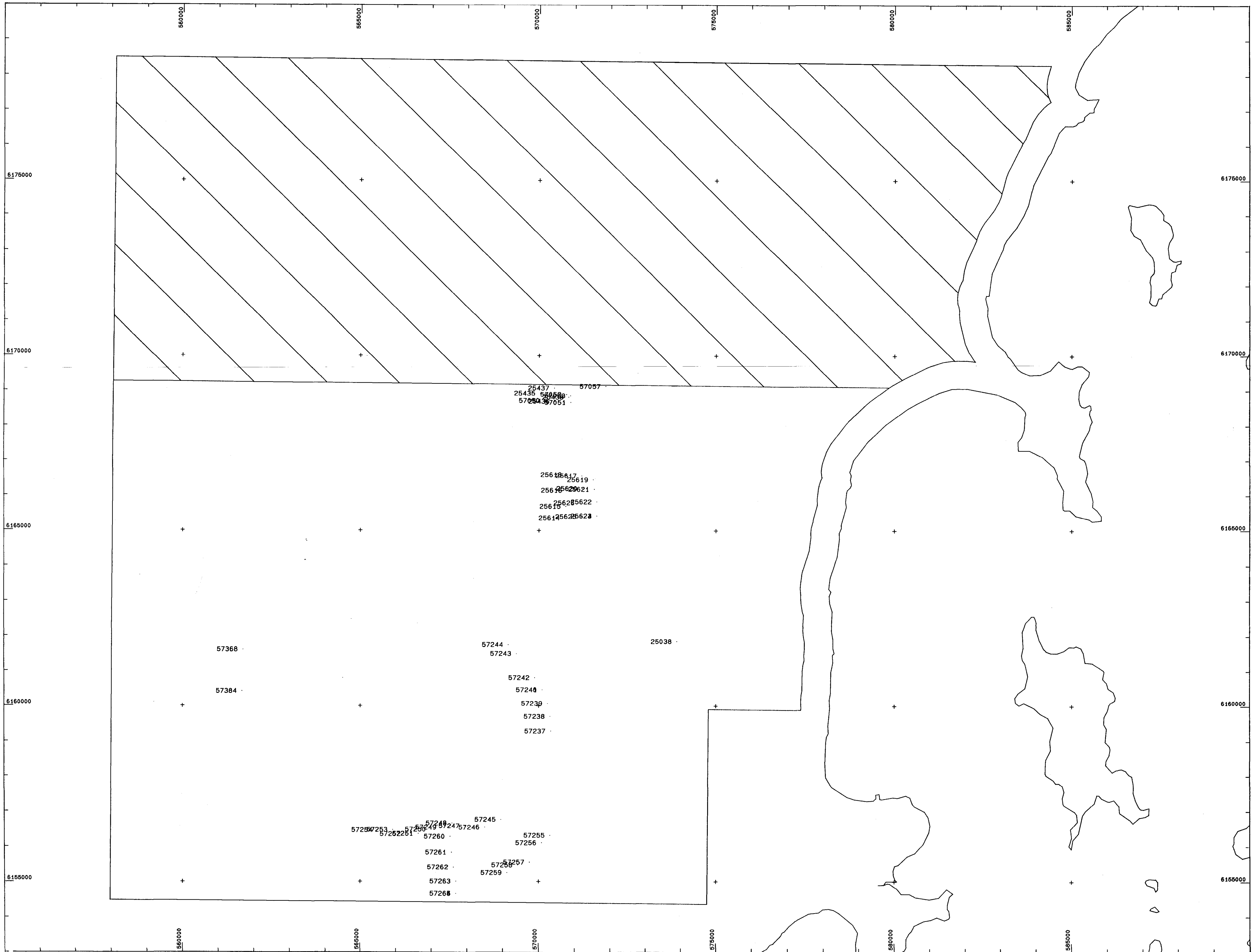

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Glengyle E.L. 2427
Lag/laterite Geochemistry
Sample Numbers

Goldstream Mining
Adelaide

PLATE 1

SR 263
GDM Rept 053

Appendix 1
Laterite/Lag Geochemical Data

Lag/laterite Sample Data

Sample No.	Easting	Northing	E.L. No.	Au (ppb)	As (ppm)	Cu (ppm)	Ag (ppb)	Fe (%)	Ni (ppm)	Pb (ppm)
25038	573890	6161850	2427	1	15	2	<0.1	18	2	27
25435	570040	6168930	2427	<1	<5	5	<0.1	24	13	33
25436	570440	6168700	2427	<1	<5	2	<0.1	33	13	25
25437	570430	6169080	2427	<1	5	6	<0.1	28	15	37
25438	570830	6168820	2427	<1	5	165	<0.1	32	5	35
25439	570830	6168820	2427	<1	<5	160	<0.1	27.5	8	31
25614	570725	6165360	2427	<1	20	<1	<1	27	15	27
25615	570750	6165690	2427	<1	20	3	<1	19	13	26
25616	570790	6166150	2427	<1	20	2	<1	16.5	6	28
25617	571200	6166570	2427	<1	20	10	<1	23.5	20	41
25618	570780	6166600	2427	2	15	3	<0.1	17.5	10	31
25619	571520	6166450	2427	<1	<5	60	<0.1	23.5	11	36
25620	571220	6166200	2427	<1	<5	3	<0.1	37	15	22
25621	571550	6166180	2427	<1	<5	7	<0.1	29.5	10	29
25622	571620	6165820	2427	<1	15	21	<0.1	29.5	11	37
25623	571620	6165420	2427	<1	10	2	<0.1	35	9	10
25624	571620	6165420	2427	<1	15	2	<0.1	30	10	10
25625	571190	6165400	2427	<1	15	2	<0.1	37	8	11
25626	571140	6165790	2427	<1	10	2	<0.1	31	12	14
57050	570170	6168720	2427	<1	10	10	<0.1	24	8	29
57051	570890	6168670	2427	<1	10	45	<0.1	26	8	23
57052	570770	6168900	2427	<1	10	10	<0.1	17	10	19
57053	570880	6168860	2427	1	10	52	<0.1	30	6	22
57057	571870	6169130	2427	<1	25	5	<0.1	11.6	12	24
57237	570340	6159280	2427	<1	<5	39	<0.1	45	79	18
57238	570320	6159700	2427	<1	10	10	<0.1	36	3	56
57239	570250	6160070	2427	<1	10	1	<0.1	7.4	1	15
57240	570100	6160460	2427	<1	<5	2	<0.1	23	8	18
57241	570100	6160460	2427	1	5	2	<0.1	21	15	18
57242	569890	6160810	2427	<1	10	2	<0.1	11.8	19	22
57243	569380	6161500	2427	1	10	3	<0.1	15	14	31
57244	569150	6161750	2427	1	25	2	<0.1	14	10	34
57245	568950	6156760	2427	<1	25	2	<0.1	13	12	19

Sample No.	Easting	Northing	E.L. No.	Au (ppb)	As (ppm)	Cu (ppm)	Ag (ppb)	Fe (%)	Ni (ppm)	Pb (ppm)
57246	568500	6156540	2427	<1	25	2	<0.1	30	10	28
57247	567940	6156580	2427	<1	35	2	0.1	22.5	5	30
57248	567580	6156660	2427	<1	15	2	<0.1	33	2	21
57249	567290	6156540	2427	<1	15	2	<0.1	25.5	7	22
57250	567000	6156480	2427	1	5	2	<0.1	15.5	5	27
57251	566640	6156360	2427	<1	10	2	<0.1	26	3	35
57252	566290	6156350	2427	1	10	2	<0.1	29	2	36
57253	565920	6156470	2427	1	5	3	<0.1	24	5	45
57254	565490	6156460	2427	<1	10	2	<0.1	26	3	34
57255	570320	6156310	2427	1	15	9	<0.1	26	<1	27
57256	570090	6156100	2427	<1	55	37	<0.1	41	23	36
57257	569750	6155550	2427	1	30	10	<0.1	25.5	<1	48
57258	569420	6155470	2427	1	20	2	0.1	15	<1	35
57259	569120	6155250	2427	1	5	4	<0.1	28	5	29
57260	567530	6156280	2427	<1	15	2	<0.1	27	<1	24
57261	567570	6155830	2427	1	10	2	<0.1	18	9	19
57262	567620	6155410	2427	1	<5	1	<0.1	21	6	24
57263	567690	6155010	2427	<1	<5	3	<0.1	39	5	31
57264	567690	6154660	2427	<1	5	3	<0.1	23.5	6	35
57265	567690	6154660	2427	<1	5	2	<0.1	24	4	36
57368	561700	6161610	2427	<1	20	2	<0.1	23	21	23
57384	561670	6160420	2427	<1	10	2	<0.1	20	8	21