



Dominion Mining Limited

A.C.N. No. 000 660 864

***HOLLETON WEST PROJECT
GROUP ANNUAL REPORT
(C128/2006)***

From 01 March 2007 to 28 February 2008

**South West Mineral Field
Map Sheets: Hyden SI50-4 1:250,000
Pederah 2632 & Hyden 2633 1:100,000**

Distribution

Department of Industry and Resources
Dominion Mining Limited Perth

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1.0 SUMMARY

Exploration activities for the period 01 March 2007 to 28 February 2008 for six Exploration Licences are being reported.

The tenements are located in the Western Gneiss Terrane of the southwest Yilgarn Province, lying within the Lake Grace Terrane as described by Wilde et al., (1996).

Granite and felsic to mafic granulites and gneisses, graphitic schists and ultramafic rocks occur as scattered outcrops and subcrops throughout farming paddocks on the tenement area.

During the reporting period, bedrock drilling to test surface geochemical anomalies was carried out on E70/2614, E70/2622 & E70/2623. A total of 170 aircore and 23 RAB holes were drilled.

2.0 INTRODUCTION

This report documents all exploration work carried out on Exploration Licences E70/2614, E70/2621 E70/2622, E70/2623, E70/2624 and E70/2739 by Quadrio Resources Pty. Ltd., a wholly owned subsidiary of Dominion Mining Limited for the period 01 March 2007 to 28 February 2008.

The tenements covered in this report lie within the South West Mineral Field on the western side of the Hyden (SI50-4) 1:250,000 geological sheet.

2.1 *Location and Access*

Sole land use in the area is agriculture, including a variety of grain crops, sheep and some cattle. The farming properties are generally around 5,000 to 10,000 acres in size. Due to the freehold nature of the majority of the land covering the tenement, other than gazetted public roads, access agreements were negotiated with land owners to enable RAB and aircore Drilling.

The sealed Kondinin-Hyden Road provides the major east-west access and Hyden-Mt Walker Road provides north-south access through the tenement area. Numerous other unsealed shire roads provide quite extensive access throughout the tenement area.

The Hyden town site is located within the central part of the tenement area and has a population of approximately 190 people (1991 census), [Figure 1](#). Most services and amenities are available including a Caravan Park and motel and chalet accommodation.

2.2 *Tenure*

Exploration Licence E70/2614 was granted on 17 February 2004, E70/2621 and E70/2622 were granted on 9 March 2006, E70/2623 and E70/2624 were granted on the 13 February 2006 and E70/2739 was granted on the 27 June 2005 to Quadrio Resources Pty. Ltd., a wholly owned subsidiary of Dominion Mining Limited (ACN 000 660 864). The tenements have been combined into Group Report C128/2006. [Figure 1](#) outlines the location of all tenements.

The tenements lie within the South West Mineral Field of Western Australia and are each comprised of the maximum size of 70 graticular blocks. The tenement group covers part of the Narembeen, Kondinin and Kulin Shires.

3.0 **GEOLOGY**

3.1 *Regional Geology*

The project area is located in the Western Gneiss Terrane of the southwest Yilgarn Province.

The southwest Yilgarn is comprised of three main terranes each with a separate geological history (Wilde et al., 1996):

1. The western Balingup Terrane comprised of the Balingup Metamorphic Complex in the south and the Chittering Metamorphics to the north (mostly older than 3000Ma). These rocks are interpreted as being derived from odd trough facies greywacke and pelitic sediments.
2. The central Boddington Terrane comprised of mostly granite (~2640Ma) and two young greenstone belts (Saddleback and Morangup) formed between 2650Ma and 2670Ma.
3. The eastern Lake Grace Terrane comprised of granulite facies granitic gneisses, gneissic remnants of greenstone belts (~2790 Ma), charnockitic granites (~2640 Ma) and post-tectonic granites (~2580 Ma).

The Jimperding Metamorphic Complex straddles the Boddington Terrane and the Lake Grace Terrane. This observation may be the result of thrust sheets originally derived from the Lake Grace Terrane but subsequently emplaced in the Boddington Terrane during assembly of the crustal blocks (Wilde et al., 1996).

The Boddington mining centre (Saddleback Greenstone Belt) is the only large scale economic gold mineralization that has been documented in the southwest Yilgarn province.

The boundary between the Boddington and Lake Grace Terranes is marked by seismic activity, particularly on the Perth 1:250,000 sheet and to a lesser extent on the Dumbleyung 1:250,000 sheet. Minor seismic activity is common in the Badgebup-Gnowangerup area. The Terrane boundary coincides with the strike of gold mineralization at Badgebup (Jinkas Hill and Dingo Hill open cuts) (Tetlaw, 1994) and is clearly visible on the AGSO 1:1,000,000 gravity image.

The old Griffins Find gold mine (Griffins Find and Griffins North open cuts) has been documented approximately 15km west of Lake Grace in the Lake Grace Terrane.

A significant but unmined gold deposit has also been defined at Tampia Hill 12km south east of Narembeen in the Lake Grace Terrane originally by BHP and later by Nexus Minerals.

Large areas of the southwest Yilgarn are obscured by regolith particularly on the Kellerberrin, Corrigin, Newdegate and Dumbleyung 1:250,000 sheets.

3.2 Prospect Geology

The tenement area covers an arcuate strip of ground approximately 75 to 50 km wide surrounding the Hyden town site.

The tenement group lies within the Lake Grace Terrane as described in regional geology 3.1. The majority of land is regolith covered. Scattered outcrops and subcrops indicate the presence of granite and felsic to mafic granulites and gneisses, metasediments and ultramafic rocks.

E70/2614 covers a northerly striking aeromagnetic anomaly which appears to be related to a BIF/ultramafic sequence which is offset to the east in the central part of the tenement by a later east-west Proterozoic dolerite dyke. This feature may be prospective for nickel mineralisation.

E70/2739 covers the northern extent of the northerly striking aeromagnetic anomaly covered in E70/2614. This anomaly arches to the west and is not present in the north of the tenement.

E70/2621, E70/2622, E70/2623 and E70/2624 are predominantly regolith covered. Where outcrop is present and drilling has been carried out bedrock has been identified as primarily granite and felsic granulite and gneiss with some mafic granulite and gneiss and minor porphyry. These tenements are prospective for gold.

4.0 EXPLORATION

4.1 Previous Exploration

No mining activity prior to grant to Quadrio Resources Pty Ltd has been recorded on the tenements covered in this report.

The only documented open file data is Item Number 3345 covering the northern part of E70/2614. According to a former property owner, Dick Lane, reconnaissance nickel exploration was carried out by Carr Boyd Minerals during the nickel boom some 30 to 35 years ago although the work has never been reported. Reconnaissance

bedrock RAB drilling and ground magnetometer work has also been conducted by the previous property owner over a considerable amount of time but nothing has been reported officially.

Geochemical sampling on the tenements prior to the reporting period involved reconnaissance road side sampling at 500 metre spacings along gazetted roads. Follow up infill surface and auger sampling at 100 metre spacings on anomalous values greater than 3 ppb Au returned several anomalous samples.

In the previous reporting period auger sampling was carried out at 50 metre spacings to follow up on anomalous values obtained from previous roadside sampling. A total of 829 auger samples were collected on tenements E70/2621, E70/2622 and E70/2623. Preference was given to collecting nodular calcrete, although rare in some areas, or in the absence of calcrete, laterite, lag and then soil.

A maximum value of 380 ppb Au was returned from the western side of E70/2622. A number of samples in this area returned assays above 100ppb Au in calcrete and carbonate clay samples.

18 interface drill holes were completed in a previous reporting period on E70/2614. This work did not identify any significant mineralisation.

4.2 Work Completed and Results

193 RAB and aircore holes were drilled for 7480m over the reporting period. The location of work carried out is outlined in [Figure 2](#).

4.2.1 Gridding

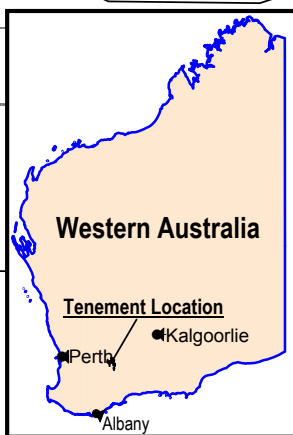
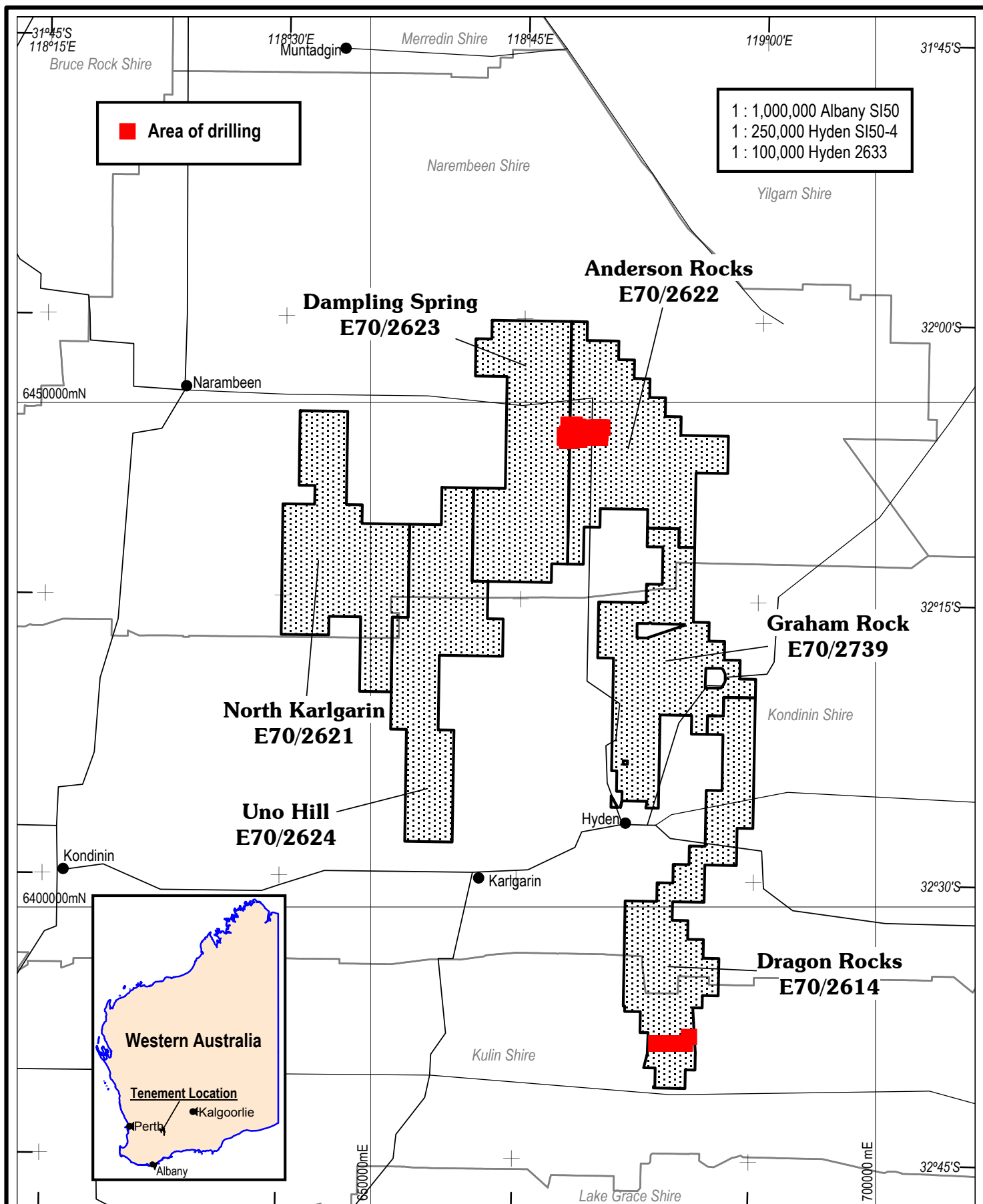
All data is relative to the MGA GDA94 datum. Locations were determined using a Garmin GPS II plus ($\pm 5\text{m}$ accuracy). All MGA co-ordinates are quoted relative to the GDA94 datum.

Due to active cropping and grazing in the work area a permanent baseline and cross lines could not be pegged for exploration field work. All grid locations were marked with pin flags and were removed on completion of each phase of work.

4.2.2 Interface Drilling

Drilling was carried out on E70/2614, E70/2622 and E70/2623 during the reporting period. [Plate 1](#) illustrates drilling locations on E70/2622 and E70/2623 and [Plate 2](#) represents drilling on E70/2614.

A summary of drilling completed on each tenement is illustrated in [Table 1](#).



1 : 500,000



Dominion Mining Limited

Holleton West tenements Index Map

SOUTHWEST YILGARN PROJECT

STATE: **W.A.**

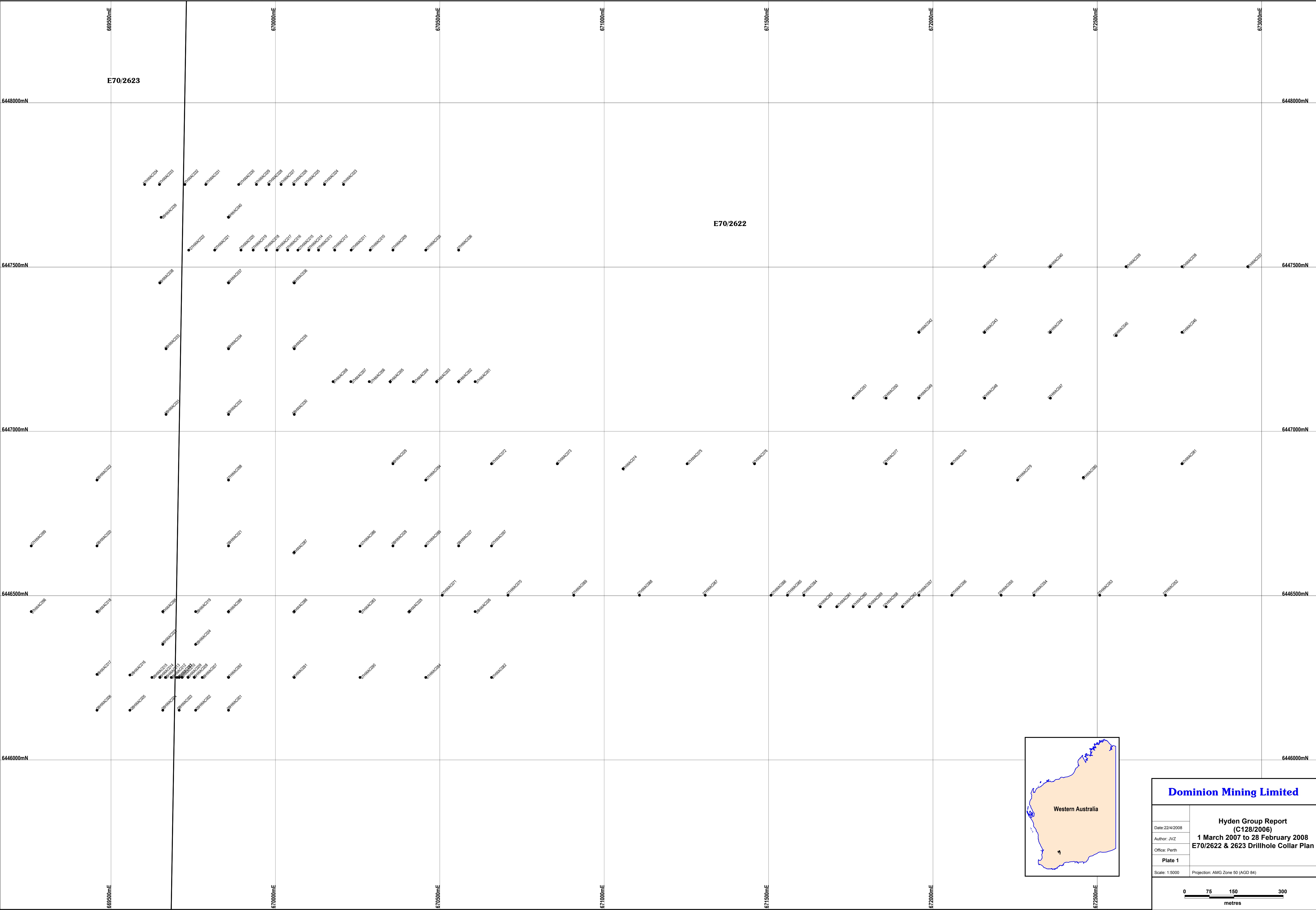
ORIGINATOR: **S.Till** Date: **08/06**

DRAWN: **J.V.Z.** Date: **08/06**

Revision: **N.K.** Date: **05/07**

AGD 84 (AMG, Zone 50)

A4 SCALE: 1 : 500,000 FIGURE No: 2 PLAN No: S203A-Ta17-R2



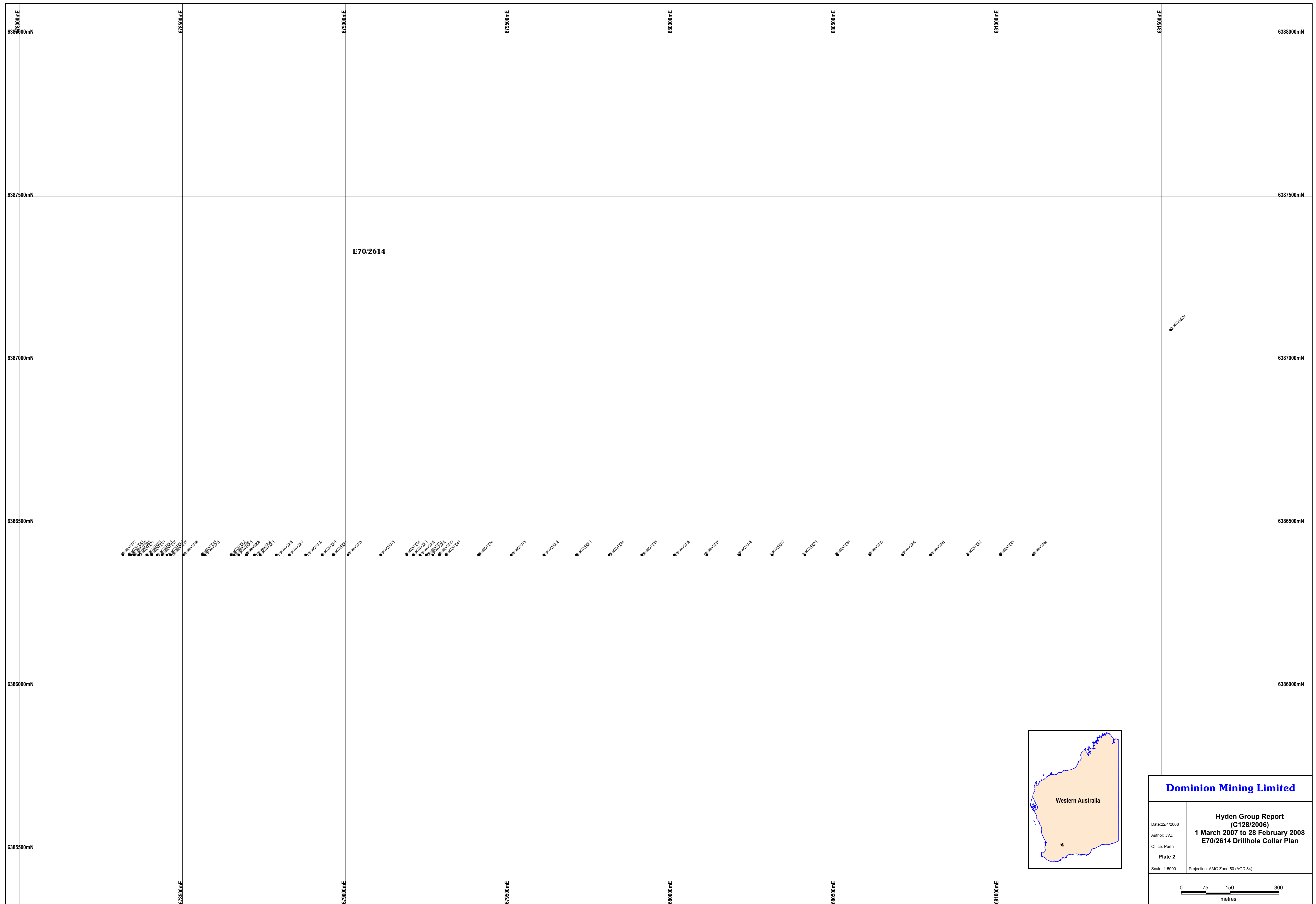


Table 1. Activity Summary

| TenementNumber | TenementName | Hole Type | Total Holes | Total Metres | Total Samples |
|----------------|-----------------|-----------|-------------|--------------|---------------|
| E70/2614 | Dragon Rocks | AC | 31 | 860 | 295 |
| E70/2614 | Dragon Rocks | RAB | 23 | 512 | 117 |
| E70/2622 | Anderson Rocks | AC | 115 | 5406 | 1840 |
| E70/2623 | Dampling Spring | AC | 24 | 702 | 241 |

Aircore drilling on E70/2622 and E70/2623 targeted anomalous gold identified in surface sampling from previous years. Gold mineralisation may be the results of several en echelon north-west orientated shears passing through both the felsic gneiss stratigraphy and internal granites. It is difficult to identify reasons for the gold mineralisation in this region. No significant alteration has been identified, and some of the bedrock gold appears to be within granites. Minor correlation has been made with increased schistosity and gold grade, but more work is required. Highlights of drilling results are outlined in Table 2.

Table 2. Summary of drill results on E70/2622 and E70/2623

| Hole_Id | mFrom | mTo | Width (m) | Au (g/t) | Comments |
|-----------|-------|-----|-----------|----------|----------------|
| 07HWAC093 | 27 | 28 | 1 | 4.57 | Bottom of hole |
| 07HWAC085 | 27 | 30 | 3 | 2.06 | |
| 08HWAC024 | 36 | 39 | 3 | 1.86 | |
| 07HWAC015 | 60 | 61 | 1 | 1.71 | Bottom of hole |
| 08HWAC015 | 27 | 30 | 3 | 1.04 | |
| 07HWAC071 | 27 | 30 | 3 | 1.03 | |
| 08HWAC028 | 54 | 55 | 1 | 1.02 | Bottom of hole |

RAB and aircore drilling on E70/2614 was designed to test the nickel prospectivity of a northerly striking aeromagnetic anomaly interpreted as BIF/ultramafic related. Ground magnetics, 1:250,000 GSWA geological mapping, local outcrop mapping and surface geochemistry were utilised in defining a traverse that aimed at optimally testing the magnetic feature. Table 3 summarises peak results of this drilling.

Table 3. Summary of drill results on E70/2614

| Hole ID | mFrom | mTo | Width (m) | Cu (ppm) | Ni (ppm) | Comments |
|-----------|-------|-----|-----------|----------|----------|-------------------|
| 08HWAC089 | 12 | 24 | 12 | 1327 | 263 | |
| | 30 | 38 | 8 | 299 | 757 | |
| 08HWAC090 | 18 | 45 | 27 | 264 | 1449 | To Bottom of hole |

The drilling programme has revealed a mixed succession of interpreted ultramafic and mafic volcanics with interbedded pelitic sediments and a central granite separating the western and eastern margins. The metamorphic gradient appears to vary from a dominant upper amphibolite facies to a lesser granulite facies at the western margin.

Drilling has not conclusively resolved the dip of the stratigraphy. At this stage the dip could be either steep to the east or flat to the west. Additional holes are required. Geological interpretation is shown in [Figure 3](#).

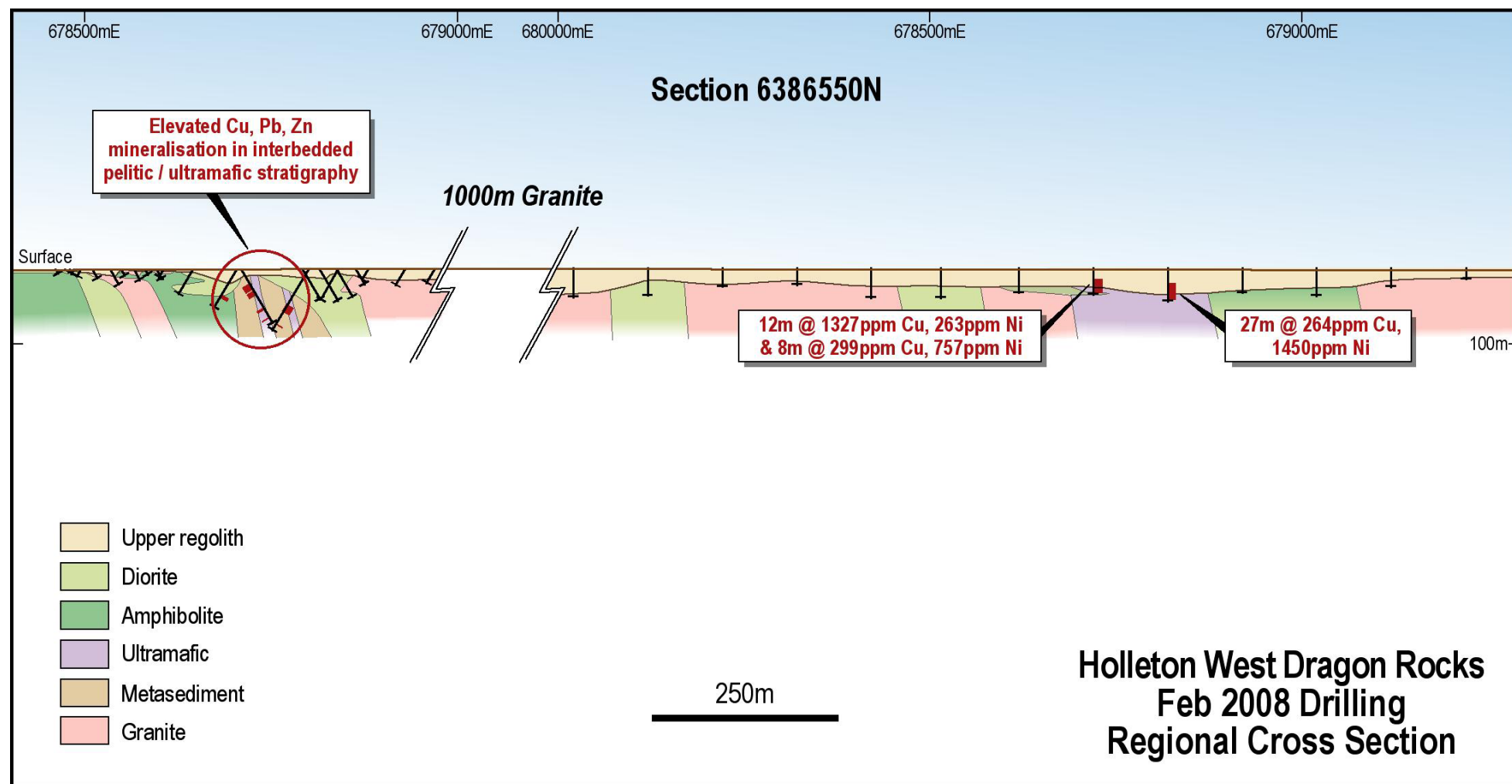


Figure 3. Geological Interpretation derived from interface drilling.

5.0 CONCLUSIONS AND RECOMMENDATIONS

During the reporting period, 170 aircore and 23 RAB holes were drilled on E70/2614, E70/2622 and E70/2623.

Gold was the primary target on E70/2622 and E70/2623. A series of en echelon systems were defined in granite and felsic gneiss. Further drilling is required to more accurately characterise these systems.

On E70/2614 nickel was the primary commodity being targeted. Elevated levels of both nickel and copper were identified in ultramafics. Detailed mapping, systematic auger sampling and further interface drilling is recommended to identify the nickel prospectivity in this region.

It is recommended that interface drilling be carried out on E70/2739 at the northern extent of a magnetic anomaly that appears to be related to granulite after BIF.

No further work is recommended for E70/2624 and E70/2621.

6.0 REFERENCES

Tetlaw, N., 1994, Geophysical Methods in the Search for a Geological Control Over the South West Seismic Zone, UWA Honours Thesis.

Wilde, S.A., Middleton, M.F., and Evans, B.J., 1996, Terrane Accretion in the South Western Yilgarn Craton: Evidence from a Deep Seismic Crustal Profile. *Precambrian Research*, 78, 179-196.

APPENDIX I
VERIFICATION LISTING FORM

VERIFICATION LISTING FORM

| <i>Exploration work type</i> | <i>File name</i> | <i>Format</i> |
|-------------------------------------|-------------------------------|---------------|
| Office studies | | |
| Literature search | | |
| Database compilation | | |
| Computer modelling | | |
| Reprocessing of data | | |
| General research | | |
| Report preparation | HOLT_A_2008.pdf | Pdf |
| Other (specify) | | |
| Airborne exploration surveys | | |
| Aeromagnetics | | |
| Radiometrics | | |
| Electromagnetics | | |
| Gravity | | |
| Digital terrain modelling | | |
| Other (specify) | | |
| Remote sensing | | |
| Aerial photography | | |
| LANDSAT | | |
| SPOT | | |
| MSS | | |
| Radar | | |
| Other (specify) | | |
| Ground exploration surveys | | |
| Geological Mapping | | |
| Regional | | |
| Reconnaissance | | |
| Prospect | | |
| Underground | | |
| Costean | | |
| Ground geophysics | | |
| Radiometrics | | |
| Magnetics | | |
| Gravity | | |
| Digital terrain modelling | | |
| Electromagnetics | | |
| SP/AP/EP | | |
| IP | | |
| AMT | | |
| Resistivity | | |
| Complex resistivity | | |
| Seismic reflection | | |
| Seismic refraction | | |
| Well logging | | |
| Geophysical interpretation | | |
| Other (specify) | | |
| Geochemical surveys | | |
| Drill sample | | |
| Stream sediment | | |
| Soil | | |
| Rock chip | | |
| Laterite | | |
| Water | | |
| Biogeochemistry | | |
| Isotope | | |
| Whole rock | | |
| Mineral analysis | | |
| Other (specify) | | |
| Drilling | | |
| Diamond | | |
| Reverse circulation | | |
| Rotary air blast | | |
| | | |
| | WADL3_VEIN2007A.txt | TXT |
| | WADL3_SULPH2007A.txt | TXT |
| All drilling | WADSL3_COLL2007A.txt | TXT |
| | WADG3_ASS2007A.txt | TXT |
| | WADS3_SUR2007A.txt | TXT |
| | WADL3_GEO2007A.txt | TXT |
| | DML_GEOLOGY_CODES_UPDATEJUL06 | PDF |