

## ACQUISITION OF HISTORICAL MINE WORKINGS IN NEW ZEALAND: ENDEAVOUR - ANTIMONY AND GOLD BULLENDALE - GOLD

ASX RELEASE

31 JULY 2013

### HIGHLIGHTS

#### Endeavour (Au, Sb) - PP 53311

- Siburan has entered into an agreement to acquire the rights to PP 53311 being the Endeavour Project, an Antimony (Sb) and Gold (Au) project which mined 3000 tonnes of 'direct shipping' ore (stibnite) in the 1890s.
- Endeavour shear zone strike length of approximately 10kms.
- Two additional parallel regional shear zones present.
- Historical reports indicate the presence of up to 3000 tonnes of tailings at nearly 8% Sb on site.
- Gold sample taken from within the mine returned 7 g/t Au. Reports highlight the prospectivity for future underground mining.
- Historical reports identified the mining of veins up to a grade of 45% Sb with margins returning at < 15% Sb.

#### Bullendale (Au) - EP 52889

- Siburan has acquired the rights to EP 52889 which is located within the mineralised 54km long Skippers-Macetown shear zone in the Central Otago region in the South Island, New Zealand. The Central Otago region is New Zealand's largest producing gold province. The tenement covers 3.7 km<sup>2</sup>
- Historical production of 40,000 oz. at an average of 37 g/t Au.

Siburan Resources Limited (ASX: SBU, Siburan) is pleased to advise that it has secured the rights to PP53311 (Endeavour), which is currently in application and acquired EP 52889 (Bullendale). Siburan will hold 100% of the tenement PP 53311 when it is granted (Figure 1).

EP 52889 (Bullendale) is a granted exploration licence and Siburan owns 100% of the licence.

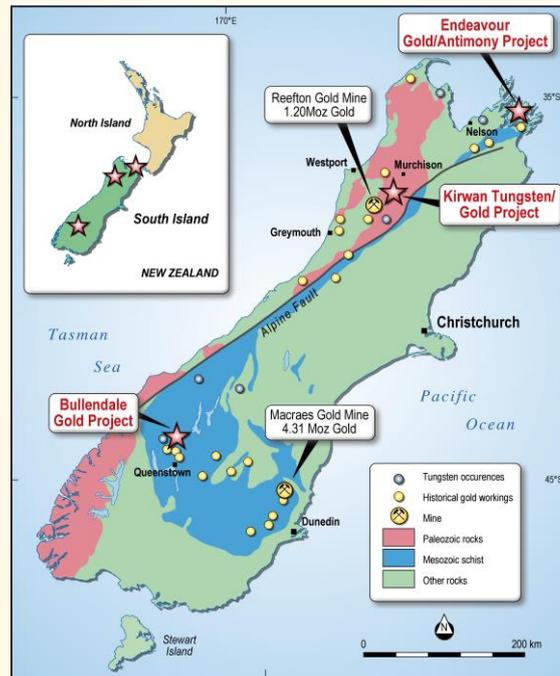


Figure 1: Location of Siburan projects in New Zealand.

### Endeavour Antimony and Gold Mine - PP 53311

Endeavour is located approximately 20km north of the township of Picton on the South Island of New Zealand (Figure 2). Access is by road (74km) and a disused mine track. The area covers approximately 174 km<sup>2</sup>.

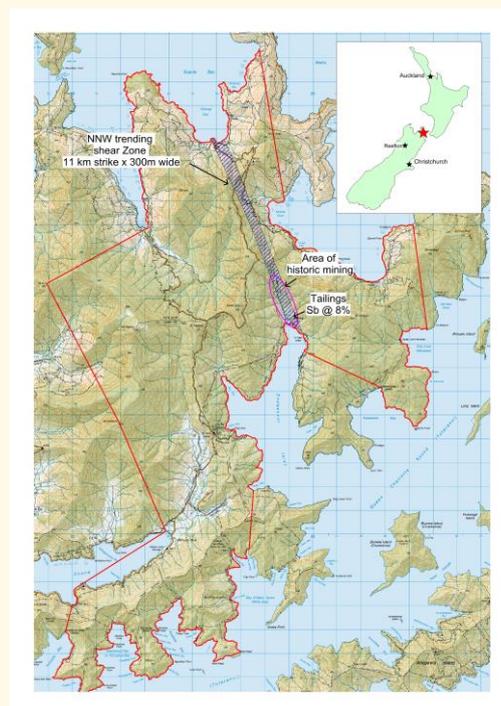


Figure 2: Endeavour Project Location

Historical reports show that between 1872 and 1908, some 3000 tonnes of antimony ore was mined at Endeavour. This ore was hand sorted and exported without treatment although at a later date a smelter capable of producing 9000 tonnes a year was constructed on site.

At surface, and in those underground workings still opened for inspection, massive stibnite mineralisation is seen to occur as sporadic lenticular bodies within quartz veins. The quartz veins occur in the 300 to 350 m wide NNW-trending shear zone cutting the host schist. Individually the veins are 0.2 to 1 m wide and up to 65 m long. They are locally arranged in an en echelon pattern and generally parallel the shear zones with a dip between 60 and 70° to the east.

### Previous Mining and Exploration

Mining at Endeavour was conducted within a series of underground workings following the North West trending mineralised corridor. One report stated that,

*“ ... the lode had a central rid of clean ore estimated at 45% Antimony while the rest of the lode carried high quantity of quartz giving a poor ore of less than 15%”. [1]*

General descriptions of ore widths were up to 1m in width. Quartz veins of up to 7m have been observed in outcrops in the project area. Ore width according to historical reports,

*“The amount of stibnite in each vein varies considerably; the centres of some veins containing more than 6” of antimony ore.” [1]*

1. Gregg R.C., Petrie J.M., Taylor D.L. and John D.F., 1970: Geological Report on Endeavour Inlet held by Te Puke Goldfields Ltd. Mines Division Open File Report 12/46/1193, 70/13.

### Antimony

Antimony is a chemical element with symbol **Sb** (from Latin: *stibium*) and atomic number 51. A lustrous gray metalloid, it is found in nature mainly as the sulfide mineral stibnite ( $Sb_2S_3$ ). Antimony compounds have been known since ancient times and were used for cosmetics; metallic antimony was also known, but it was erroneously identified as lead. It was established to be an element around the 17th century.

The largest applications for metallic antimony are as alloying material for lead and tin and for lead antimony plates in lead-acid batteries. Alloying lead and tin with antimony strengthens the properties of the alloys which are used in solders, bullets and plain bearings. Antimony compounds are prominent additives for chlorine- and bromine-containing fire retardants found in many commercial and domestic products. An emerging application is the use of antimony in microelectronics.

A primary non-metallic application of antimony is fire retardants for plastics, textiles, rubber, adhesives, pigments and paper. There is no adequate substitute for antimony trioxide as flame retardants.

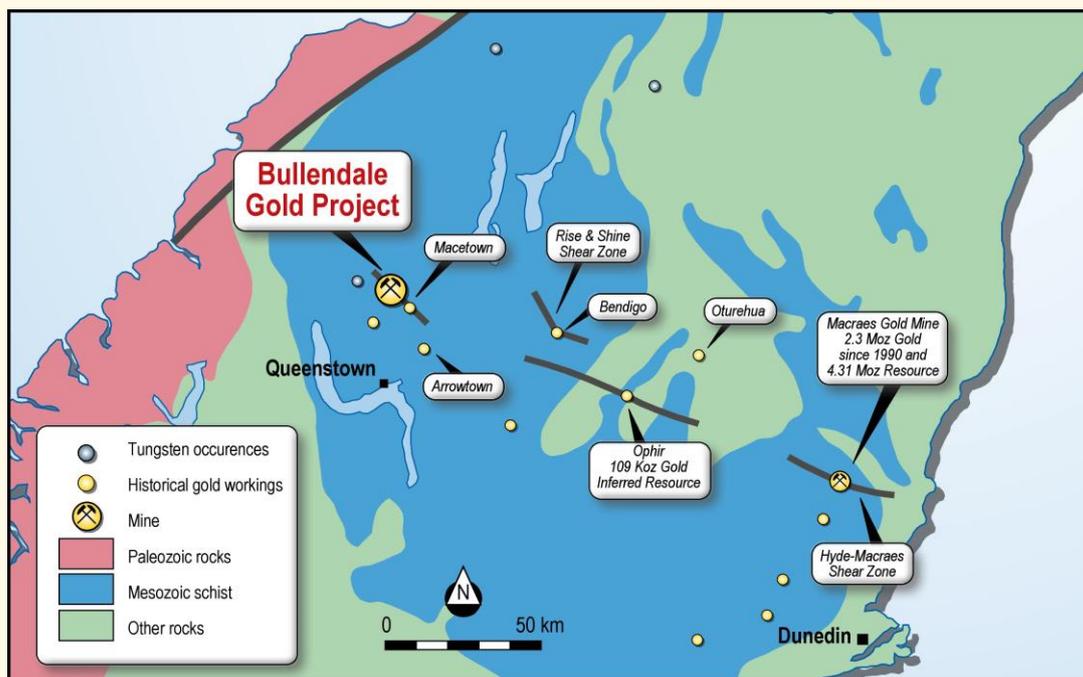
The major use for antimony (about 60%) is now as a trioxide flame retardants, and 20% is used in alloys for batteries, plain bearings and solders.

World antimony consumption is forecasted to grow to around 250,000 tonnes in 2016 compared to 200,000 tonnes in 2010. However, the world antimony market is plagued with supply shortage, a result of leading antimony producer China's decision to reduce export quotas. **The country's own economic reserves at Lengshuijiang mine (> 50% of world production) are forecasted to face depletion in four years which would cause significant supply shortages.**

In 2012, The British Geological Survey has declared antimony as the metal with the second highest supply risk. Continued demand growth for the metal and worldwide supply uncertainty will translate into high prices for antimony. The metal is currently priced at around US\$10,000/mt.

### **Bullendale Gold Project - EP 52889**

Bullendale is located approximately 20km northwest of township of Arrowtown in the Central Otago region in New Zealand (Figure 3). The licence covers approximately 3 km<sup>2</sup>.



**Figure 3:** Bullendale Gold Project Location

### **Previous Mining and Exploration**

Detailed below is the information from MR4235, Crown Minerals Report 2007 by Phil Ford,

*“The Tasman Goldfields’ Bullendale Project area was’ the site of the historically significant Phoenix Battery, which produced approximately 40,000 oz of Au from underground workings on 9 main mining levels. In Otago, it seems that only Macetown [approximately 50,000 oz] produced more hardrock Au than Bullendale. It is relevant though, that Macetown production was from at least 10 significant mines on a number of reef systems [11]. By contrast, the Bullendale-Phoenix operation essentially stood alone on a well-mineralised and significant single shear structure. New Zealand’s first hydroelectric power was generated specifically for the mine and battery equipment at Bullendale.*

*Higher historical production than the Macraes - HMSZ and much higher reported historical ore grades [Bullendale-Phoenix 40,000 oz at 16 g/t; Macraes-HMSZ 15,000 oz at 4.7 g/t (5)] in conjunction with clear Macraes scale mineralised structures [6,7]. All suggest the Bullendale area has the potential to host considerable Au resource. Previously, Crampton 1994 [8] estimated that 500,000 oz at Bullendale was a realistic target. Drillhole confirmation of mineralisation beneath old workings followed in 1997 [7]. High Arsenic and Gold assays from both float and outcrop rock samples indicate the possibility of further mineralised structure/s in the permit area [7], suggesting that the Crampton estimate may prove conservative.*

Historical hardrock mining at Bullendale was significant. Approximately 44,000 tons was crushed at an average grade of around 17 g/t based on crushing records 1877 to 1902 [7]. Earlier production from 1863 [discovery] to 1877 is unreported; though a 30 stamp battery was erected in 1866 and British-American Spur was worked from 1902 until mine closure in 1907. During 1884, 1,456 tons was crushed for a return of approximately 60 g/t. Only gravity and Hg amalgamation were used in the recovery process, and a sample of plant tailings assayed 8.6 g/t [9], indicating that considerable Au was not recovered. Production was from a shear zone, generally 20 to 40 metres wide. **Shear truncated pods of high-grade ore with grades of up to 57ppm Au exist in a background of 0.5 to 1.0 ppm Au [7].**”

5. Louthean, R., Editor, 1999, "Mineral Resources of New Zealand", Published annually by Louthean Publishing in association with the Crown Minerals Division of the Ministry of Economic Development, New Zealand.

6. MacDonell, B., 1994, "Report on Exploration Programme P.L. 31-1845, [1991-1994], Aurum Reef Resources [NZ] Limited". Unpublished Mineral Report to Crown Minerals Division of the Ministry of Economic Development, New Zealand.

7. Ford, PB. 1997, "P.L. 31-1845 Bullendale Exploration Report. Including work to 31-7-97." Unpublished Mineral Report to Crown Minerals Division of the Ministry of Economic Development, New Zealand.

8. Crampton, A., 1994, "Gold Mining in the Skippers / Shotover Region, Central Otago". In New Zealand Mining, Vol. 15, p.14-18. Published by Crown Minerals Operations Group, Energy and Resources Division, Ministry of Commerce

9. Baker, LA. 1995. "Interim report on exploration activity undertaken on Prospecting Licence 31-1810". Ministry of Economic Development New Zealand, Unpublished Mineral Report.

11. Glass Earth Ltd. website statistics, [www.glassearthlimited.com](http://www.glassearthlimited.com)

"Aurum Reef Resources carried out rock chip sampling and drilling at the Bullendale Mine during 1996-97. Most rock chip samples were in the range 0.5 to 1.5g/t gold with the highest being 52.3g/t gold from quartz reef. Composite results included 15.13g/t gold over 3.8m, and 3.38g/t gold over 3.6m. Only low grade un-mined ore was sampled by this program. In some instances, the host schist carries higher grade than the quartz lode which is a style of mineralisation that would have been missed by the historic miners. Two diamond drill holes intersected the mineralised lode beneath old mine workings. Continuity of the low grade mineralisation envelope was confirmed.

- BD1 - 0.78g1t gold over 22.2m,
  - including 1.8glt gold over 11.95m, with a highest result of 1.0m at 4.12glt gold
- BD2 - 0.79g1t gold over 26.4m,
  - including 1.04glt gold over 16.25m, with a highest result of 1.05m at 2.02g/t gold

No modern gold exploration has occurred along most of the line of strike. Most of the geochemical sampling was within a limited area done more than twenty years ago by CRA using less precise analytical techniques. The project area is significantly anomalous on a regional scale for gold and arsenic in rock chip and stream sediment samples. Mineralisation is dominantly controlled by NW and E trending shear zones producing wide (20m plus) alteration zones around quartz lodes.

Historic information suggests that the economic potential is at least as good as Macraes Flat, possibly better given the higher grades already encountered within this area and which were not encountered at Macraes Flat." *Tasman Goldfields Preospectus, IGR*



Mr Noel Ong, the Managing Director of Siburan said:

*“We are very excited to have acquired the two properties. The company has been looking for the right projects to complement our Kirwan Tungsten and Gold project in Reefton. Endeavour and Bullendale gives the company the opportunity to revisit known historical mining projects that could be turned into producing assets with further drilling. These projects will allow the company to possibly achieve production status in the near future.*

*The Endeavour project keeps in line the company’s strategy to invest in critical metals such as Antimony. The historical reports have indicated that promising resources of Antimony and Gold could be found with further drilling. The fact that **the Lengshuijiang mine will be out of ore in four years’ time is very important. The mine currently produces over 50% of the world’s supply of Antimony.** So in four years’ time, the closure of the mine will surely create a surge in the price of Antimony.*

*Siburan believes that New Zealand has a lot of potential and we are showing our confidence by increasing our portfolio of projects. We look forward to starting our operations in the coming summer months.”*

Authorised by:

Noel Ong  
Managing Director

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#### Competent Person’s Statement

The information in this Report that relates to Exploration results is based on information compiled by Noel Ong who is a member of the Australasian Institute of Mining and Metallurgy. Noel Ong is an employee of Siburan Resources with over 20 years’ experience as a geologist.

Noel Ong has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves. Noel Ong consents to the inclusion in the report of the matters based on his information in the form and context in which it is used.