COMPANY: Allegiance Mining NL
PROJECT: Cuni
HOLE NUMBER: MF 12

Commenced:	21 Oct 99
Completed:	25 Oct 99
Logged By:	L.A.Newnham
Drilled By:	Almac Drilling

Purpose of Hole
To test the depth extension of mineralisation intersected in MF 11 beneath the Nickel Reward Mine

Comments on Completion
hole intersected several dykes; the one at 66 m. was correlated with the mineralised dyke in MF 11; it contained disseminated mineralisation consisting mainly of nickel sulfide and chalcopyrite; Other interpretations of the dyke correlations between these two holes may be possible;

Collar Details

Grid	Northing	Easting	Elevation	Dip	Bearing
AMG	5365783	366345	2210	-80	280

Length (m)
149.5

Hole Size	
To (m)	**Size**
3.3	HW
17.5	HQ
149.5	NQ

Significant Core Loss Zones		
From	**To**	**%Rec.**
0.0	3.3	0
3.3	8.5	65

Hole Condition on Completion
all steel casing removed from hole; PVC placed in hole to facilitate future geophysics;

Summary of Results:

Depth		Recovery	Description	Assays							
From	To	%		Length	%Cu	%Ni	%S	%Co	ppm Au	Pt	Pd
65.8	73.9	100	gabbroic dyke containing disseminated sulfides	8.1	0.42	0.52	1.78	0.02	0.08	0.095	0.139

DOWN HOLE SURVEY DATA

COMPANY: Allegiance Mining NL
PROJECT: Melba Flats
HOLE NUMBER: MF 12

Depth	Dip	Bearing	Interval		Length	Vertical Distance		Horizontal Distance		Co-ordinates			
(m)		(AMG)	From	To	(D)	D.sin dip	R.L.	D. cos dip (HD)	Cumulative HD	N. distance HD. cos brg.	N. co-ordinate	E. distance HD. sin brg.	E. co-ordinate
COLLAR	-80	280					2210.00		0.00		5,365,783.0		366,345.0
0	-80	280	0	30	30	29.54	2180.46	5.21	5.21	0.90	5,365,783.9	-5.13	366,339.9
60	-79	280	30	75	45	44.17	2136.28	8.59	13.80	1.49	5,365,785.4	-8.46	366,331.4
90	-78	284	75	105	30	29.34	2106.94	6.24	20.03	1.51	5,365,786.9	-6.05	366,325.4
120	-77	282	105	135	30	29.23	2077.71	6.75	26.78	1.40	5,365,788.3	-6.60	366,318.8
150	-76	283	135	150	15	14.55	2063.15	3.63	30.41	0.82	5,365,789.1	-3.54	366,315.2
150													

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Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	% Cu	% Ni	% S	Co	As	
0.0	3.3	No recovery; HW tricone and casing;	0.0	3.3	0	0.0	7.4	10								
3.3	9.7	**SILTSTONE and GRITS:** light gray interbedded fine grained siltstone-mudstone with minor interbeds of coarse siltstone-grit BCA 45; no mineralisation observed; core soft and broken;	3.3	5.5	90	7.4	10.7	40								
			5.5	7.4	60											
			7.4	8.5	60											
			8.5	9.7	100											
9.7	11.0	**SHEARED - FAULTED SEDIMENTS:** siltstones and grits as above, brecciated and contorted; several narrow shear zones sub-parallel to CA, filled with sericite and limonite; core broken along these shear zones;	9.7	11.0	100	10.7	14.1	60								
11.0	14.0	**MUDSTONE-SILTSTONE-GRIT:** as for 3.3 m. above; minor quartz veining and small scale faulting BCA variable but generally 40;	11.0	14.0	100											
14.0	15.4	**GABBRO:** weathered and broken medium grained dark gray-black gabbro, decomposing into crumbly white-green clays and sericite; no sulfides observed; core broken; HW contact 30 CA; FW contact not definite;	14.0	15.4	90	14.1	17.5	70								
15.4	17.2	**SILTSTONE-MUDSTONE:** light gray-brown medium grained siltstone interbeded with light gray mudstone; minor thin quartz and quartz-carbonate veining; BCA 40;	15.4	17.2	100				17.1	19.0	0.01	0.09	0.25	120	<100	
									19.0	21.0	0.01	0.09	0.18	120	<100	
17.2	29.2	**GABBRO:** dark green-black, mottled, medium-coarse grained gabbro; fine random quartz, quartz-carbonate and carbonate veining common; unit leached and	17.2	29.2	100	17.5	22.1	60	21.0	23.0	0.01	0.07	0.14	98	120	
						22.1	26.1	75	23.0	24.0	0.01	0.03	1.77	52	<100	
						26.1	30.5	80	24.0	26.0	0.01	0.02	0.09	64	<100	
									26.0	28.0	<0.01	0.01	0.12	58	<100	
									28.0	29.1	0.01	0.01	0.22	66	<100	

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From	To		From	To	%	From	To	%	From	To	% Cu	% Ni	% S	Co	As	
17.2 continued.....	29.2	extensively altered; **17.2-23.1 m:** few small aggregates sulfide (Ni) and rare chalcopyrite; **23.1-23.9 m:** siliceous gabbro, cut by large vein carrying abundant coarse crystalline galena (3-5%); at 23.7 m., 1-2 mm disrupted vein of pyrite/pent(?) cuts through the galena; **23.9-29.2 m:** altered and weathered gabbro with numerous hairline sericite filled fractures; trace sulfides; core varies from moderately competent to very broken, especially along galena bearing vein; HW contact sharp 40 CA; FW contact sharp 30 CA;													
29.2	64.8	**RED and GREEN SILTSTONE-MUDSTONE:** reddish-brown hematitic mudstone and siltstone interbedded with light green-gray siltstone with minor grit beds; **29.2-30.5 m:** abundant fine random carbonate carbonate veining in hematitic siltstone; BCA 30-40; **38.2-39.3 m:** slumping and soft sediment deformation textures in hematitic siltstone with irregular "flames" of green grit in mudstone and minor small scale fault adjustment; **39.3-44.7 m:** more massive medium grained grit and siltstone; cream and white carbonate common as fine-coarse irregular veins; **44.7 m:** 300 mm. coarse gabbro vein; chilled HW margin 50 CA; **45.0-55.0 m:** BCA's 40-50; below 55 m., BCA's variable 30-40, but generally 30; **64.3-64.8 m:** minor gabbro clasts caught up in sediments with accompanying aggregates of sulfide;	29.2	34.7	100	30.5	34.8	55	63.8	64.8	0.03	0.01	0.18	46	<100	
			34.7	35.5	75	34.8	39.3	80								
			35.5	64.8	100	39.3	44.0	90								
						44.0	48.6	90								
						48.6	53.1	95								
						53.1	57.7	80								
						57.7	62.3	90								
						62.3	66.8	90								

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Description			Core Recovery			RQD			Assays							
From	To		From	To	%	From	To	%	From	To	% Cu	% Ni	% S	Co	As	
64.8	73.9	**GABBRO:** dark gray medium grained gabbro; abundant fine quartz-carbonate-sericite veinlets and ocassionally irregular masses; 5-10% sulfides throughout as fine grains, aggregates and veinlets of pentlandite, chalcopyrite, minor pyrite and rare grain of galena; HW contact not clear: possibly 40-45; FW contact also not clear: probably 50 CA; core moderately competent but affected by low angled joint set sub-parallel to CA;	64.8	73.9	100	66.8	71.6	80	64.8	65.8	0.01	0.08	0.36	60	<100	
						71.6	75.9	60	65.8	66.8	0.21	0.34	1.25	105	<100	
									66.8	67.8	0.62	0.83	2.65	240	120	
									67.8	68.8	0.10	0.17	0.37	96	<100	
									68.9	69.8	0.37	0.48	1.35	155	<100	
									69.8	70.8	0.82	1.08	3.85	270	<100	
									70.8	71.8	0.64	0.81	2.90	205	<100	
									71.8	72.8	0.29	0.34	1.17	140	<100	
									72.8	73.9	0.32	0.19	0.82	88	<100	
73.9	149.5	**GRIT-SILTSTONE-MUDSTONE SEQUENCE:** light gray grit and coarse siltstone interbedded with light and dark gray mudstone; texture suggests intermixing or slumping of these two units; significant sulfides in gritty beds; **73.9-96.1 m:** slumped and intermixed grits and mudstone; BCA 40; 1-2% coarse disseminated pyrite, pervasive in coarser grits, locally to 5%; **96.1 m:** 300 mm. gabbro dyke; HW and FW contacts 50 CA; **96.4-112.5 m:** similar to 73.9 m....., but dominated by coarse gritty siltstones; BCA 40; clusters of coarse sulfide (?pyrite) along grit-mudstone boundaries (cf) 99.3 m; **112.5-123.3 m:** increase in dark gray-dark purple shaley component, interbeded with grits; BCA 45; **123.3-124.3 m:** quartz-carbonate-sericite vein/breccia interval; 3-5% sulfides, (? pyrite), few specs galena; **124.3-135.3 m:** interbedded dark gray-purple mudstone, siltstone and light gray-grits; BCA 40-45; <1% sulfides;	73.9	77.0	100	75.9	80.6	80	73.9	75.9	0.01	0.01	0.28	46	<100	
			77.0	80.2	95	80.6	85.0	95								
			80.2	89.5	80	85.0	89.5	65	77.0	79.0	0.02	0.01	0.69	52	<100	
			89.5	92.5	20	89.5	96.1	80								
			92.5	149.5	100	96.1	100.7	90	82.0	84.0	0.01	0.01	<0.1	46	<100	
						100.7	105.3	100								
						105.3	109.9	85	85.0	87.0	0.04	0.01	0.94	54	<100	
						109.9	114.3	80								
						114.3	119.0	95	94.0	96.0	0.03	0.01	<0.10	46	<100	
						119.0	123.5	95								
						123.5	127.9	90	99.0	101.0	0.02	0.01	0.23	52	<100	
						127.9	132.3	95								
						132.3	137.0	90	108.0	110.0	0.02	0.01	0.46	44	<100	
						137.0	141.3	90								
						141.3	145.7	80	119.5	120.5	<0.01	<0.01	0.44	40	<100	
						145.7	149.5	95								
									123.0	124.5	<0.01	<0.01	0.71	34	<100	
									128.5	130.5	<0.01	<0.01	0.64	52	<100	

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From	To		From	To	%	From	To	%	From	To	% Cu	% Ni	% S	Co	As	
73.9 continued.....	149.5	**135.3-142.5 m:** similar rock types to unit above but more slumped and brecciated in places with large blocks of siltstone embedded in shaley mudstone matrix; 1-2% fine grained pyrite in silty sections; **142.5-147.5 m:** gritty siltstone with minor mudstone, slumped and brecciated in places; **147.5-149.5 m:** fawn siltstone blocks embedded in grits; below 149 m., massive reddish hematitic siltstone; **END OF HOLE**										ADDITIONAL ASSAYS				
												ppm Au	Pt	Pd		
									23.0	24.0		0.050	<0.01	<0.01		
									65.8	66.8		0.059	0.077	0.114		
									66.8	67.8		0.143	0.145	0.216		
									67.8	68.8		0.037	0.015	0.034		
									68.8	69.8		0.070	0.081	0.138		
									69.8	70.8		0.172	0.195	0.288		
									70.8	71.8		0.113	0.120	0.151		
									71.8	72.8		0.040	0.063	0.081		
									72.8	73.9		0.020	0.710	0.095		