



# **GLASS EARTH LIMITED**

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March 24, 2004

## **Prospecting Permit 39 241 Work undertaken to March 2004**

This letter is addressed to all organisations and individuals that have contributed to our work to date. It is intended to be the first in a regular series of communications with stakeholders, so that all are aware of our progress and plans for ongoing work.

### Background

On 21 October 2003, the Associate Minister of Energy, Mr Duynhoven, granted Prospecting Permit 39 241 to Glass Earth Ltd (GEL). The permit covers an area of about 13,800 square kilometres (in an area we describe as the Coromandel – Taupo Volcanic Region), and gives GEL the exclusive rights for one year to prospect for all metallic and non-metallic minerals other than coal or petroleum.

Prior to and gathering pace following the granting of the permit, GEL initiated a significant programme of data identification, collection, validation, and modelling. An important part of this process has been the partnerships formed with a number of data custodians, who we now regard as important stakeholders in the GEL project. A listing of the organisations and individuals that have assisted with provision of data is provided at the end of this document.

### Approach to exploration

Prospecting Permit 39 241 contains ground we believe to be prospective for epithermal gold deposits, as well as geothermal resources. A variable cover of geologically recent volcanic material has made conventional exploration difficult and GEL recognised that a different approach to exploration was a prerequisite. In other parts of the world with similarly barren cover materials, airborne geophysical methods have been successfully used as an exploration tool. We believe this will be a key component of successful exploration in the GEL permit area.

To better understand the area prior to obtaining new airborne geophysical data, GEL has committed to a five stage “Intervention Project” with Geoinformatics Explorations. Geoinformatics ([www.geoinformex.com](http://www.geoinformex.com)) have developed an intellectual process that provides a structured and disciplined approach to data capture, validation, compilation and integration, data modelling, and target generation and development.

The stages of the Intervention Project are:

1. data sourcing and audit
2. data collection, validation and compilation (3D geoscience database)
3. interpretation and modelling
4. targeting – prioritising areas
5. reporting

Stages 1 and 2 have been completed. Work is well underway with Stage 3. Stage 4 will be completed by mid May, with reporting due soon after. Much of the work is being carried out at the Geoinformatics office in Perth, with support from other geoscience specialists in Melbourne, as well as staff from Ian R Brown Associates Ltd. Digital capture of data has been undertaken in Wellington and India.

We have been surprised by the quantity of geoscience data available for the area, which has expanded the size and cost of the Intervention Project considerably. We will report more fully on the extent of data in our next newsletter. Only some of these data were in digital form. One of the key outputs from the Intervention Project will be a fully geo-referenced 3-D digital database of all relevant information.

#### Future programme

At the end of the Intervention Project, GEL will make presentations on the 3D database and models to stakeholders. As part of the presentation, we will outline areas of data deficiency and our plans to acquire new data, in order to build on the insights gained from the Intervention Project. In this respect we have been reviewing the benefits to be gained by combining airborne gravity data collection with the more common airborne ultra detailed magnetic data collection.

Our plans for the timing of undertaking new data acquisition will also be outlined. Cost effective airborne geophysical data acquisition is constrained by weather and hours of daylight, therefore the most prudent time for this type of exploration would be following the next spring.

We look forward to sharing the Glass Earth project with you as we move forward.

Yours sincerely  
Glass Earth Ltd

Ian Brown  
Director

## **List of data custodians who have contributed to the Intervention Project**

Contact Energy Ltd  
Crown Minerals, Ministry of Economic Development  
Dr Murry Cave  
Environment Bay of Plenty  
Geophys Ltd  
Ian R Brown Associates Ltd  
Institute of Geological and Nuclear Sciences Ltd  
Mighty River Power Ltd  
National Institute of Water and Atmosphere  
Newmont Waihi Operations  
Rotorua District Council  
Stancorp Exploration Ltd  
University of Auckland  
Victoria University of Wellington  
Waikato Regional Council  
Waikato University  
Western Bay of Plenty District Council