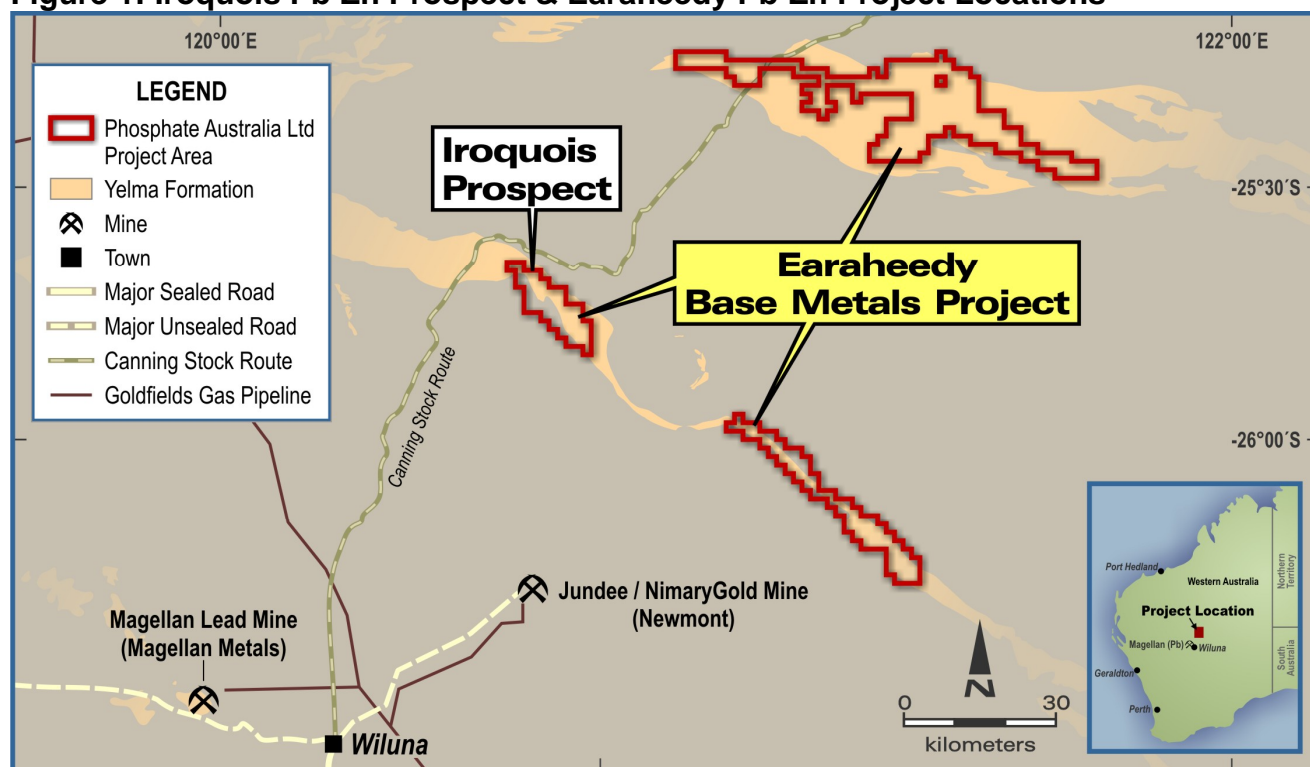


## Iroquois Lead-Zinc Prospect (WA) First Drilling Results Include 23 metres at 2.1% Lead+Zinc from 24 metres

### Highlights:

- Best drilling assay result from the maiden drilling program at Iroquois of 23 metres at 2.1% Lead+Zinc (Pb+Zn) from 24 metres. This result included 4 metres at 4.9% Pb+Zn.
- Significant base metals (mainly Pb and Zn) were found in four of the seven holes drilled.
- Drilling identified a large area of Mississippi Valley Type (MVT) base metals mineralisation in an east-west target zone, 5km long by 500metres wide. The mineralisation is shallow (starting from 18metres in IAC001) and there appears to be a persistent tabular body of mineralised rock.
- Large base metals project area in the MVT prospective Yelma formation, 100% controlled by POZ (Fig 1).
- No commercial grade manganese intersections were identified.

Figure 1: Iroquois Pb-Zn Prospect & Earraheedy Pb-Zn Project Locations



## 1.0 Introduction

The Iroquois prospect (100% POZ) is part of a larger basin-wide **Earaheedy Base Metals Project** targeting Mississippi Valley Type (MVT) mineralisation on the margins of the late Proterozoic Earraheedy Basin of Western Australia. MVT deposits host some of the most significant lead-zinc mines in the world including Pine Creek in Canada.

The Iroquois prospect drilling program also targeted manganese. However, the drill campaign has highlighted the more significant base metals potential of the area with less emphasis on its manganese potential.

The Company completed the short program of aircore drilling at the Iroquois prospect in early October. Drilling conditions were not ideal for an air core rig, and seven holes were drilled for 282m. The drilling was centered around an historic hole, TRC4, drilled in 1995 by base metals explorer RGC Exploration Limited. This hole returned an intersection of 10m @ 3.7% Pb+Zn. The POZ drilling also tested an anomalous feature detected during the Company's previously flown airborne electro-magnetic survey.

## 2.0 Drilling Results

The best POZ drilling assay result was 23 metres at 2.1% Pb+Zn from 24 metres. This result included 4 metres at 4.9% Pb+Zn.

Significant lead and zinc (Pb+Zn) mineralisation was found in four of the seven drill holes. No potentially commercial manganese mineralisation was recorded.

It is to be noted from Figure 2, that historic hole TRC4 and POZ hole IAC001, were attempted to be drilled in the same location. However, the area is eroded and no evidence of drill hole TRC4 was found.

Given that TRC4 mineralisation commences at 34m (10m@3.7%Pb+Zn) and that IAC 001 mineralisation commences at 18m (13m@1.8% Pb+Zn) it can be presumed that the original hole TRC 4 is not quite correctly located. It is encouraging that POZ hole IAC001 discovered mineralisation at a much shallower depth (from 18m) than TRC4 and also ended in strong mineralisation (1.7%Pb+Zn). IAC001 was abandoned due to drilling technicalities.

The poor ground conditions in the area meant several holes had to be abandoned and it is therefore significant that all of the POZ holes ended in some kind of mineralisation. The Company believes that the prospect will need to be more thoroughly drilled with a larger rig.

**From this initial drilling, a large target zone has now been identified of approximately 5km long by 500 metres wide. This corridor is prospective for large MVT style lead-zinc orebodies.**

**Table 1: Drilling Results Summary**

Hole #	From Metre	To Metre	Interval Metres	Cu %	Fe %	Mn %	Pb %	Zn %	Pb+Zn %	Comment
IAC001	18	31	13	0.1	5.3	3.4	1.3	0.5	1.8	EOH 31m in 1.7% Pb+Zn
IAC002	24	47	23	0.0	19.1	4.1	1.2	0.9	2.1	EOH 47m in 1.3%Pb+Zn
<b>Includes</b>										
IAC002	32	36	4	0.1	24.0	7.2	3.8	1.1	4.9	
IAC003	18	33	15	0.1	3.5	0.5	0.4	0.5	0.9	EOH 33m in 0.8%Pb+Zn
IAC004	36	47	11	0.0	12.7	0.9	0.3	0.5	0.8	EOH 47m in 0.6%Pb+Zn
IAC005	36	45	9	0.1	8.3	3.6	1.0	0.8	1.8	EOH 47m in 0.6%Pb+Zn
IAC006	25	38	13	0.1	3.5	2.4	0.6	0.4	1.0	EOH 38m in 1.0%Pb+Zn
IAC007	29	35	6	0.0	2.8	0.0	0.3	0.1	0.4	EOH 35m in 0.3%Pb+Zn

EOH - End of Hole

All samples are 1m samples from spearing with the exception of:

IAC 001 18-24m sample 6m composite

IAC 002 24-30m sample 6m composite

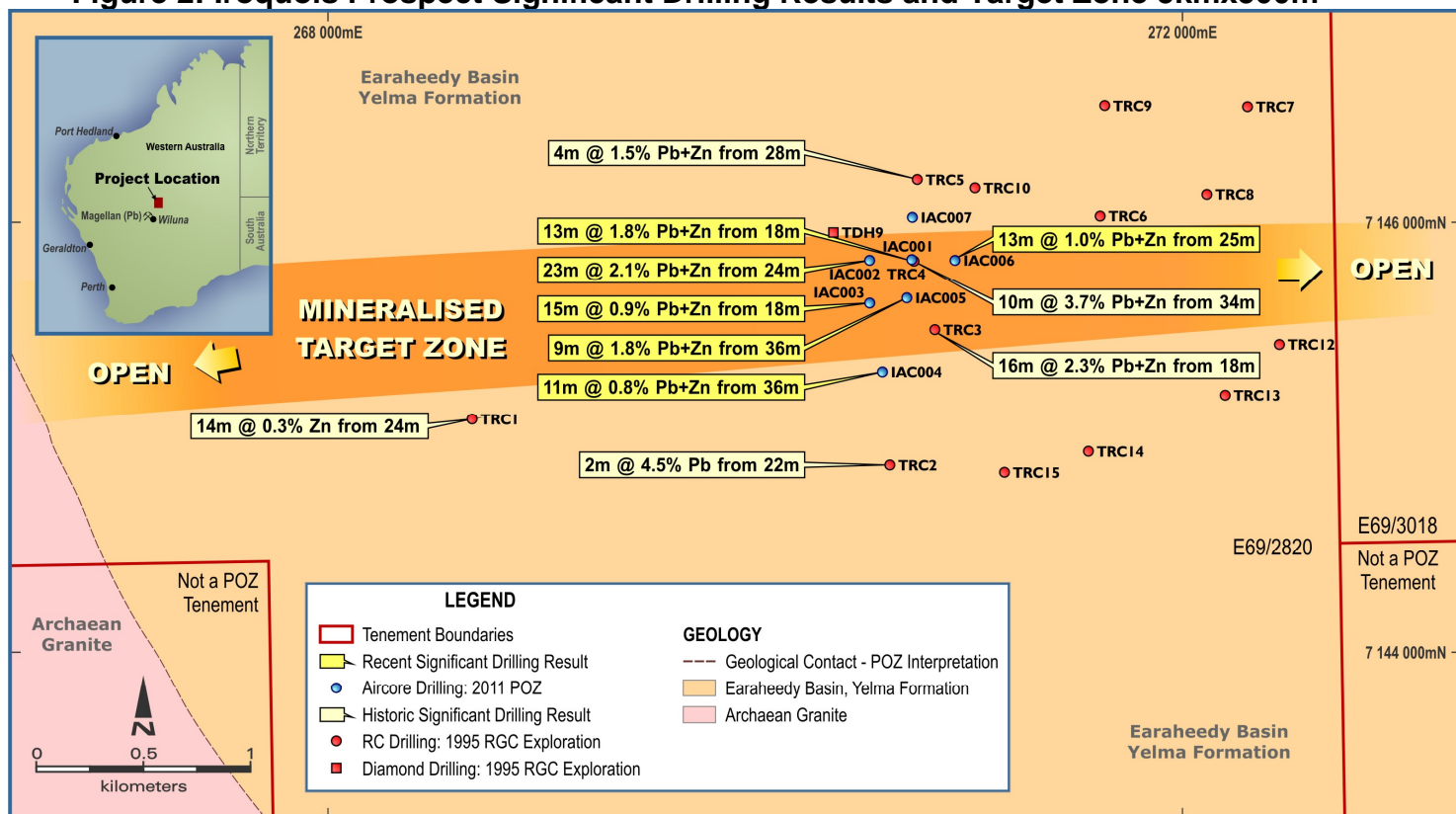
IAC 003 18-30m samples 6m composites

IAC 004 36-42m sample 6m composite

IAC 004 42-45m sample 3m composite

Assay was by multi-acid digest. Analysed by OES and AAS for checks

**Figure 2: Iroquois Prospect Significant Drilling Results and Target Zone 5kmx500m**



### 3.0 Mineralisation Models and Future Targets

POZ believes the lead-zinc mineralisation confirmed by the drilling of the Iroquois prospect is part of a Mississippi Valley Type (MVT) system. This is significant as it opens up the Earraheedy base metals project to further exploration for this style of deposit. MVT deposits are a large and very important source of lead and zinc. MVT deposit mining regions include Pine Creek in Canada and the Viburnum trend in Missouri USA.

The hosts of MVT deposits vary widely and can include solution collapse breccias related to overlying karstic topography, facies changes within a reef, mudbank complexes, collapse structures related to thinning of underlying beds by subsurface drainage or areas above basement highs related to stratal pinch outs (facies changes).

Pointers to MVT style mineralisation observed during the recent Iroquois drilling program are:

1. The mineralisation appears to be hosted in and around altered dolomites (the Iroquois dolomite) similar to carbonate hosted MVTs.
2. The metal concentrations of Pb>Zn>>Cu are characteristic of carbonate hosted MVTs.
3. The mineralisation appears to be epigenetic (post deposition).

POZ has specifically targeted the Yelma formation (which includes the Iroquois dolomite) as being prospective for this style of MVT mineralisation. The Iroquois dolomite lies on the edge of the Earraheedy Basin directly overlying the Archaean unconformity and would be a likely route for circulating fluids to pass through due to the porous nature of dolomites and the less permeable underlying Archaean granitic rocks. The reactive nature of the Iroquois dolomite would aid mineralisation being deposited from these circulating fluids.

**The presence in the region of the Magellan lead mine (also hosted in the Yelma formation), further lifts the prospectivity of the formation.**

POZ has a large ground holding in the Yelma formation (973km<sup>2</sup>) which forms the Earraheedy base metals project (Figure 1). This large area will require a considerable amount of effort to explore and POZ is currently reviewing options to further this project.

### 4.0 Summary and Outlook

POZ is pleased to have confirmed an extensive area of shallow, tabular base metals mineralisation. The drilling has upgraded the prospectivity of the Yelma formation and it is now a good target for MVT style base lead-zinc deposits.

The discovery of MVT deposits requires considerable amounts of drilling to locate the high grade cores. POZ is excited by these new opportunities for its extensive ground holding in the Earraheedy base metals project and is currently reviewing its options to explore the region further.

Jim Richards  
Chairman

References:

*Introduction to Ore-Forming Processes, L. Robb 2005*

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Jim Richards who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Richards is a Director of POZ. Mr Richards has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Richards consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

**Figure 3: Earraheedy Base Metals Project Location and Logistics**

