

### CARNAVALE RESOURCES

A.C.N 119 450 243

ASX Code: **CAV**

Shares: 201.7M

Options: 166.5M

Cash: \$1.56M Sept 2014

M.Cap \$3.83M (@ \$0.019)

#### Directors

Ron Gajewski (Chairman)

Andrew Beckwith (MD)

Klaus Eckhof (NED)

Rhett Brans (NED)

Carnavale Resources Limited is an exploration and development company based in Perth, Western Australia.

Carnavale has entered an option to acquire Tojo Minerals Pty Ltd, which has rights to acquire two highly prospective gold-silver-copper projects in Arizona and Nevada, USA.

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## Carnavale defines high grade zinc-lead-silver-gold-copper targets

### Red Hills Project, Nevada

*Carnavale is pleased to report encouraging rock chip sampling results at the Red Hills project in Nevada, USA.*

#### Rattler Shear Zone zinc-lead-silver-gold

- Outcropping shear zone

**7.8<sup>+</sup>m @ 2.6% Zn, 2.8% Pb, 105g/t Ag, 0.52g/t Au\***  
*(true width, \*remnant zone only as does not include high grade previously mined internal gossan interval ~3m wide)*

Includes internal high grade outcropping gossan interval

**3.5<sup>+</sup>m @ 5.2% Zn, 5.9 % Pb, 205g/t Ag and 1.1g/t Au<sup>#</sup>**  
*(true width and open to east, <sup>#</sup> with additional 3m wide gossan zone mined out to west)*

- Potential width of shear zone >20m as a single high grade rock chip result (**0.63% Zn, 9.7% Pb, 250g/t Ag, 0.3g/t Au**) occurs 12m to east of the sampled outcropping shear zone.
- Rattler Shear Zone - walk up drill target 500m long x 20m wide

#### Cobra Shear Zone copper-zinc-lead-silver-gold

- Outcropping Cu-Zn-Pb-Ag-Au mineralisation above historical adit

**3.0<sup>+</sup>m @ 1.5% Cu, 9.9% Zn, 4.0 % Pb, 317g/t Ag, 0.6g/t Au**  
*(true width, open to west)*

- Large alteration zone mapped over potential 900m strike
- Additional rock chip samples results expected early January 2015
- Follow-up detailed grid based soil sampling over both areas has now been completed with results expected January 2015

#### Andrew Beckwith, Managing Director

*"These new results are very encouraging. We have demonstrated significant widths of outcropping high grade Zn-Pb-Ag-Au and Cu mineralisation associated with substantial historical mine workings. Both zones have significant strike and depth potential.*

*The old saying 'drill under the old mine head frame' applies here at Rattler and Cobra where we have two obvious drill targets. Further rock chip results are still pending over other mineralised and previously mined structures.*

*Red Hills is certainly growing into a very significant mineralised system."*



### Introduction

Carnavale Resources Ltd (ASX: CAV) is pleased to report rock chip sampling results at the Red Hills Project, Nevada USA, Carnavale has acquired an option to acquire Tojo Minerals Pty Ltd, which has rights to earn up to 75% in the Red Hills project, where the Company is exploring for large Carlin style gold-silver deposits and discovering high grade zinc-lead-silver replacement mineralisation.

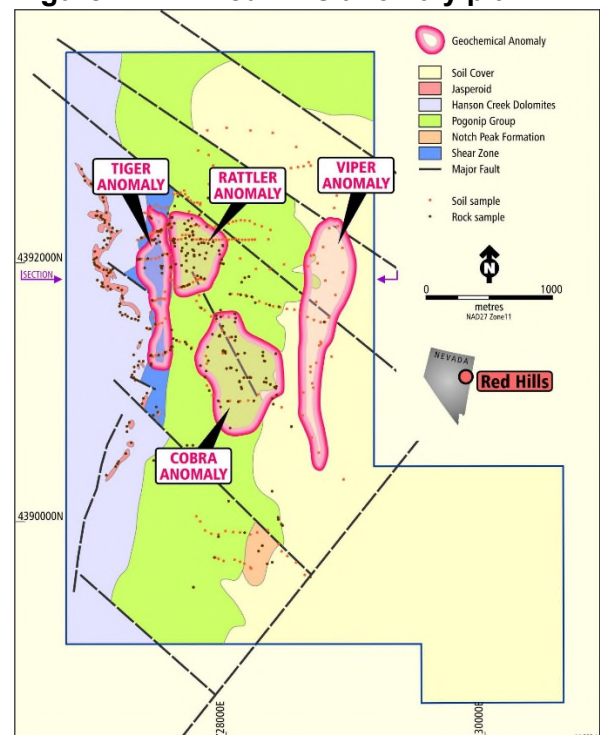
The Company has completed further geological mapping and rock chip sampling within the four main anomalies recently defined at Red Hills (Figure 1).

Continuous channel rock chip sampling of a number of partially outcropping mineralised and historically mined shear zones has identified significant widths up to potentially 20m of high grade zinc-lead-silver-gold-copper mineralisation. Historically, only the very high grade gossanous portions of the shear zones have been mined underground during the early 1900's to 1950's. Recent mapping and sampling indicates the larger overall unmined shear zone hosts further significant high grade mineralisation and the underground workings were more substantial than originally assessed.

Additional various composite rock chip samples of selected outcrops coupled with geological mapping also provide additional support in defining the potential width and strike length of these zones.

A total of 136 rock chip samples were collected with results received and reported for the first 88 samples.

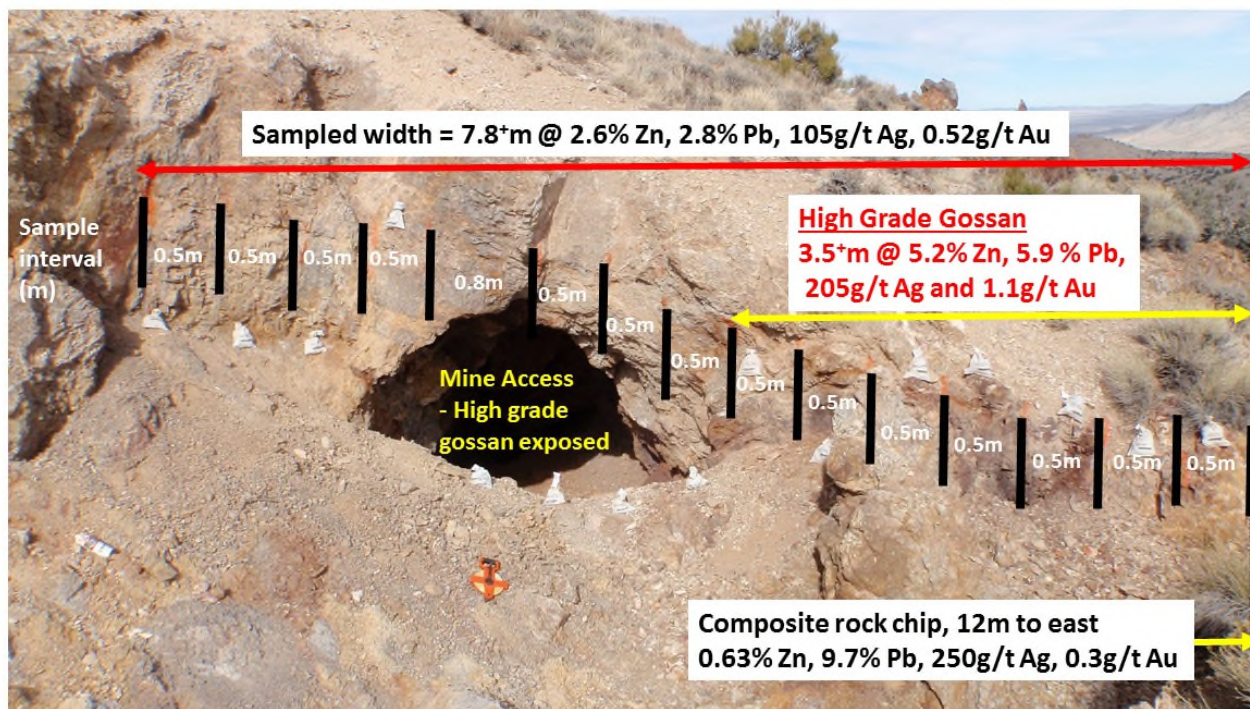
**Figure 1 Red Hills anomaly plan**



### Rattler Shear Zone – high grade zinc-lead-silver-gold

Significant high grade zinc-lead-silver-gold mineralisation has been defined at the poorly outcropping Rattler Shear Zone in an area of numerous historical workings. Figure 2 is of the entrance to one of the workings along the Rattler Shear Zone where historical mining targeted a 3 to 6m wide zone of gossan material at surface. Continuous channel sampling across this outcropping portion of the shear zone has demonstrated a true width of at least 7.8m of mineralised shear and a further composite rock chip sample of an isolated outcrop of ferruginous silicified rock approximately 12m to the east also hosts high grade zinc-lead-silver-gold and most likely represents the eastern margin of the shear zone.

Figure 2 Rattler Shear Zone channel sampling



Results of the channel sampling across the working are **7.8+m @ 2.6% Zn, 2.8% Pb, 105g/t Ag, 0.52g/t Au\*** (true width), and, importantly, this represents the remnant mineralisation as the previously mined high grade gossanous material (~3m to 6m wide) could not be sampled.

The eastern portion of the sampling includes remnant in situ gossan which grades **3.5+m @ 5.2% Zn, 5.9 % Pb, 205g/t Ag and 1.1g/t Au** (true width) which would be added to the previously mined gossan material. Significantly the ferruginous and silicified rocks 12m to the east reported high grade mineralisation, **9.7% Pb, 0.63% Zn, 250g/t Ag, 0.3g/t Au**, suggestive of a total mineralised shear zone of up to 20m true width and a strike length potentially up to 500m long (Figure 3 and 4).

The main access adit to the workings is located approximately 50m vertically below these outcrops which suggests the historical mining occurred over at least 50 vertical metres, however the full lateral and vertical extents of mining stopes are not known at this time.

**Rattler Shear Zone - walk up drill target 500m long x 20m wide**

Detailed grid based soil sampling has recently been completed to better define other zones further down the hill where previous sampling highlighted a large area of anomalous results away from this main shear zone and are more likely to represent the target Carlin style of mineralisation. Soil samples are in the process of being submitted to the lab with all results pending.



Figure 3 View of Rattler Shear Zone

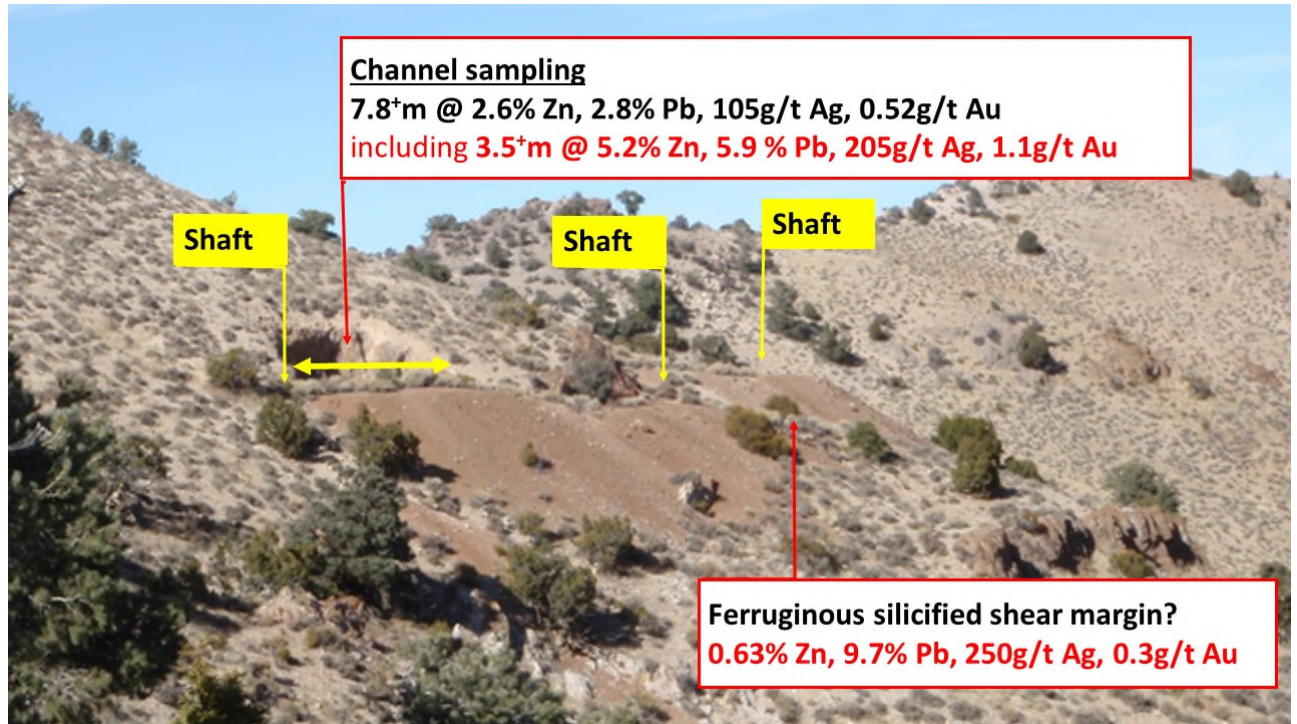
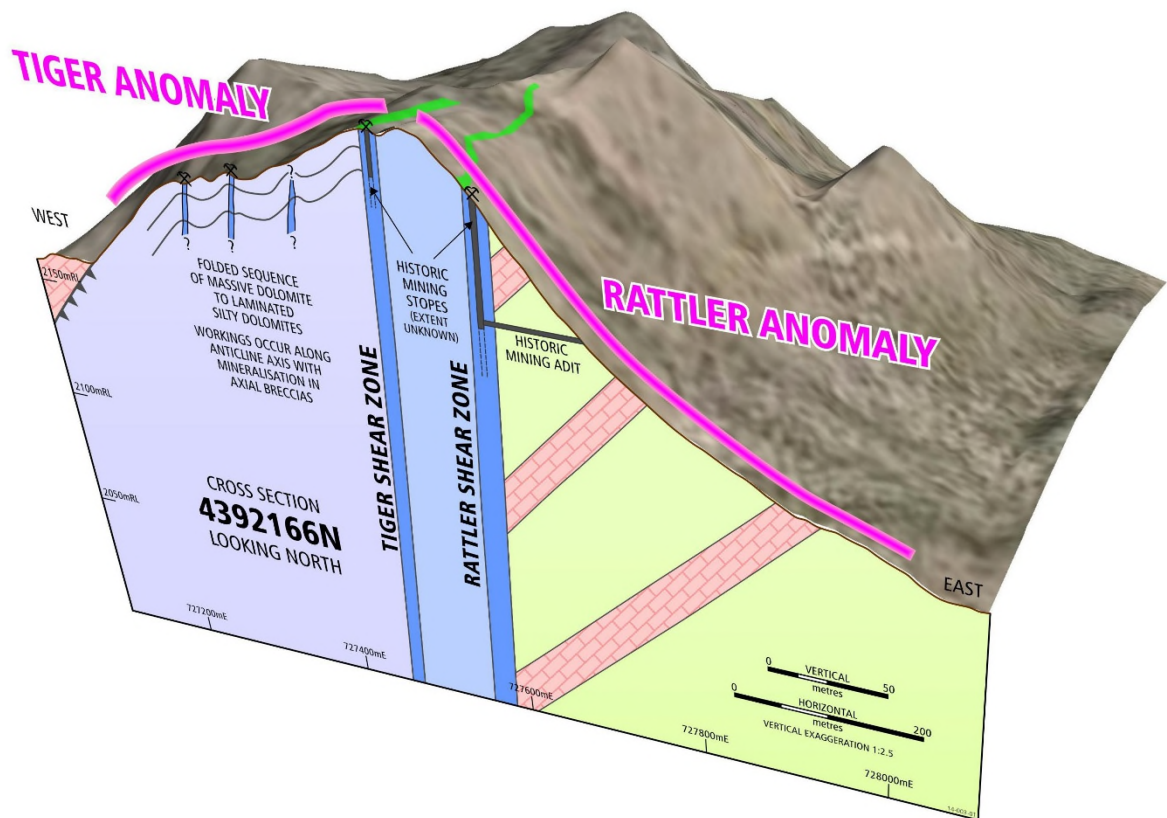


Figure 4 Cross section of Rattler Shear Zone



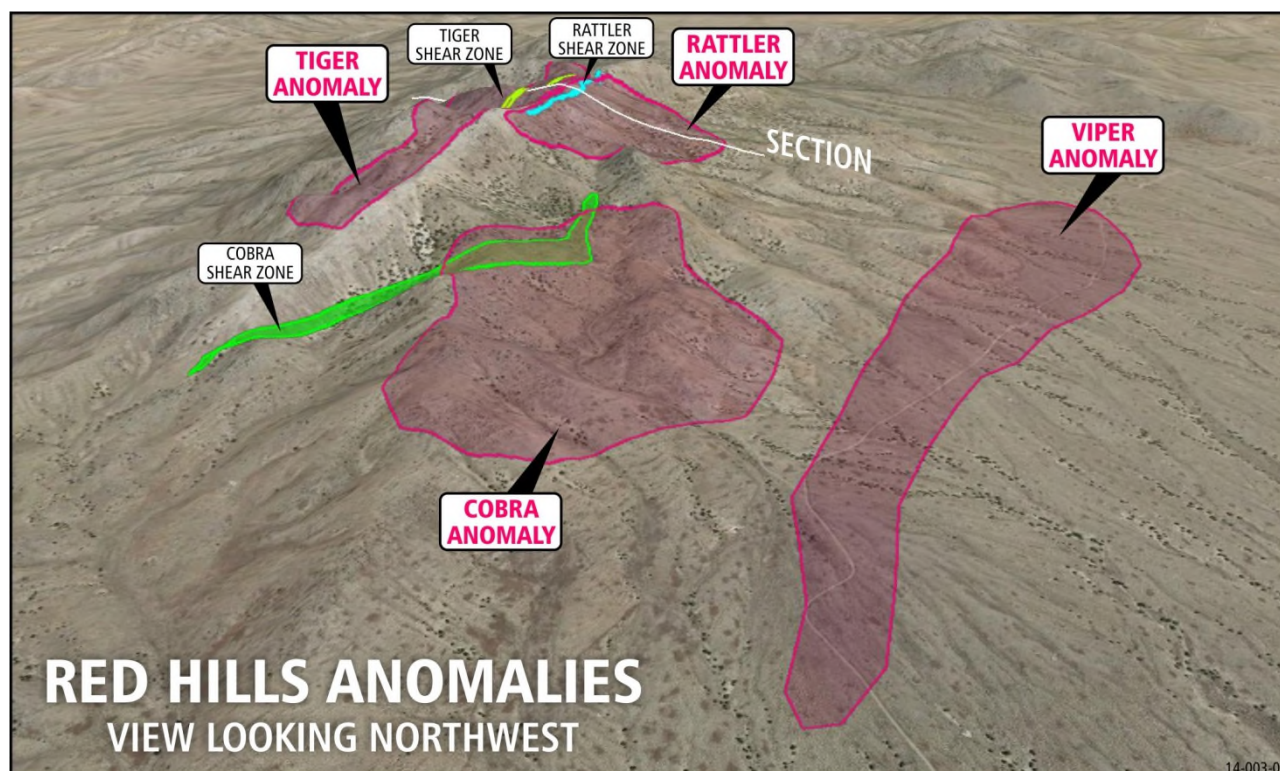
## Cobra Shear Zone – high grade copper-zinc-lead-silver-gold

Recent mapping and sampling in the Cobra Anomaly area has defined a strong west dipping shear zone which hosts a series of historical workings including the main extraction adit. This shear or thrust zone and associated poorly outcropping alteration is interpreted to bifurcate around a number of highly deformed and massive internal dolomite units and extends for at least 900m along strike (Figure 5).

Limited channel sampling over a 4m portion of the poorly outcropping shear zone with minor visible oxide copper mineralisation (malachite), near the main extraction adit, has returned **3.0<sup>+</sup>m @ 1.5% Cu, 9.9% Zn, 4.0 % Pb, 317g/t Ag, 0.6g/t Au** and remains open to the west. This zone is located vertically above the mine workings associated with the adit.

Various, but limited, composite rock chip samples elsewhere along the 900m strike length support the high grade mineralisation potential. Additional high grade rock chip results have also been reported from narrower and subparallel mineralised zones elsewhere in the anomaly area and detailed grid based soil sampling has been completed over this target in an effort to better define the overall trend and extents of this system. Soil samples are in the process of being submitted to the lab and all results are pending.

**Figure 5 View showing Rattler, Tiger and Cobra Shear Zones and anomalies**



### Tiger Target

Rock chip sampling at the Tiger anomaly, immediately west of the Rattler Shear Zone has also been completed with results pending. Mapping has delineated two styles of mineralisation related to firstly a sub-parallel shear zone with extensive alteration and brecciation up to potentially 12m wide. This shear zone has an interpreted strike length of approximately 400m and is similar in style to the Rattler Shear.



The second style of mineralisation comprises breccias in the core of small scale anticlines and sheared out anticlines west of the main Tiger Shear Zone. Small workings occur on these zones however they are difficult to sample on surface due to limited outcrop of the breccia zones.

Pending rock chip results will be reported in due course.

### **Little Butte, Arizona**

RC drilling results at the Railway Prospect, Little Butte Project in Arizona, USA are expected in the next two weeks. Results have been delayed due to a slower drilling rate than expected and processing bottleneck at the laboratory.

#### **For further information contact:**

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### **Background Information**

#### **Carnavale Resources (ASX: CAV)**

Carnavale Resources Limited is an exploration and development company based in Perth Western Australia, with a focus on the discovery and development of gold and base metal deposits. Carnavale is listed on the Australian Securities Exchange (ASX), ticker symbol [CAV] and on the German Stock Exchange in Frankfurt under YBB.

Carnavale has entered an option agreement with Tojo Minerals Pty Ltd (Tojo), which has the rights to two highly prospective gold and base metal projects located in Arizona and Nevada of the USA. Carnavale has the right to elect to acquire Tojo 100% and is required to fund a minimum of US\$500,000 assessing the projects during the option period to Feb 2015.

#### **Red Hills, Nevada USA – Gold and Silver (and Base Metals) Project**

*(Tojo – Joint Venture right to earn up to 75%)*

The Red Hills Gold-Silver Project, Nevada USA, is considered prospective for large Carlin style gold and silver deposits and there is added scope for base metals. Carnavale has entered an option to acquire Tojo Minerals Pty Ltd, which has rights to earn up to 75% in the Red Hills project. Nevada is currently the largest gold producing state in the USA, with a large proportion of gold production coming from a number of Carlin style deposits.

The Red Hills project comprises existing and pending mineral claims covering an area of approximately 13.4km<sup>2</sup>. The greater Red Hills area, including the mines in the adjacent Kern Mountains and Pleasant Valley (outside of the project area) have reported production between 1908 to 1918 of 229 ounces of gold, 35,029 ounces of silver, 550 pounds of copper and 789,782 pounds of lead. Recent new discoveries of Carlin style mineralisation seen at Long Canyon and Kinsley, both occur in very similar rock formations as evident at Red Hills.

Recent soil and rock chip sampling has confirmed the presence of elevated to high grade gold, silver, zinc, lead and copper mineralisation within the project area and geophysical surveys provide additional support to buried intrusive bodies as potential sources of the mineralised fluids

Previous exploration is considered to be limited to a number of small trenches on the flanks of the hills presumably for uranium prospecting and to date ten eight (10) old rotary drill hole collars have been found. No data is known on any of these historical exploration activities.

In 2007, Joint Venture partners Columbus Gold, through Cordex Exploration recognised the potential for Long Canyon style gold mineralisation at Red Hills and staked the area. Work completed prior to Carnavale's involvement includes reconnaissance rock chip sampling, mapping and a ground magnetic survey. This early work supported the model for Carlin style alteration, interpreted intrusives and disseminated gold and silver mineralisation evident in the project area.

Carnavale considers the Red Hills project area is highly prospective for Carlin style gold and silver mineralisation, as it is located in a favourable structural setting and has the same host rocks as the newly discovered Long Canyon deposit (+2.6Moz Au and growing) owned by Newmont. The Long Canyon discovery is of particular importance as this new major gold deposit is hosted in rocks which until recent times have been generally considered un-prospective for large scale Carlin style deposits. The prospective nature of the geological sequence is also supported by recent drilling at the Kinsley project, located approximately 70km to the north of Red Hills, where operator Pilot Gold has intersected encouraging high grade gold mineralisation (e.g. 36m @ 8.5g/t and 53m @ 7.5g/t) deeper in the same geological sequence.



### **Little Butte, Arizona USA – Gold and Copper Project**

*(Tojo - option to earn 100%, subject to third party NSR)*

The Little Butte Project is considered highly prospective for structurally controlled gold mineralisation associated with regional shear zones and potentially copper-gold-molybdenum porphyry related deposits and is located in the Plomosa Mining district of western Arizona, which is considered a mining friendly state of the USA.

Carnavale is initially testing for shallow, open pittable, oxide gold mineralisation hosted along an interpreted regional north-south shear zone in Tertiary aged sediments (siltstone, sandstones and conglomerates) similar to the Copperstone Gold Deposit. Copperstone is located approximately 25km to the south west, where historical (1986-93) heap leach and CIP production totals 514,000 ounces of gold at an average grade of 2.4g/t, with additional deeper high grade (>10g/t) underground resources currently being assessed for development.

At Little Butte and within a radius of three(3) kilometres, numerous other historical small scale copper and gold mines operated during the reported periods from 1910-11, 1929-31 to 1940-42 for a total recorded production of 5,000oz Au, 350,000 pounds Cu and 7,000oz Ag.

The largest reported deposit is the Little Butte Copper Mine, with reported grades of 4-6% copper and 7-10g/t gold, and last operated in 1942. Other historical gold mines, mostly located to the south west, with recorded production at an average grade of 38.7g/t gold. Importantly, the mineralisation associated with these deposits is hosted in similar north-south to north-west trending shear zones as targeted by Carnavale.

Regionally, additional potential includes large tonnage low grade Cu-Au-Mo porphyry deposits. The Morenci Cu, Bagdad Cu-Mo, Sierrita Cu, Miami Cu and Safford Cu mines are examples of large scale copper porphyry mines all located and operating in Arizona by Freeport-McMoRan. Reports by previous operators at Little Butte highlight metal zonation, intrusive rocks and alteration suggesting the potential for porphyry related mineralised systems, however further work is necessary to confirm this style of mineralisation at Little Butte.

*The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Andrew Beckwith, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Beckwith is a Director of Carnavale Resources Limited. Mr Beckwith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Beckwith consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*



**Table JORC Code, 2012 Edition – Surface sampling details**

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sounds, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>All samples are rock chip samples completed as continuous channel samples over various lengths or a composite collections of selected rocks from a single point location. Sample size was approximately 0.5-1.0kg.</li> <li>The continuous rock chip sampling is considered to be representative of the interval sampled. As the outcrop is limited the channel sampling may not sample the entire mineralised zone. The composite point samples are considered to only provide an indication of the mineralisation potential.</li> <li>The continuous channel sampling has been completed perpendicular to the mapped mineralised (and historically mined) structure and therefore results are considered material.</li> <li>All analytic results have been completed at an industry acceptable commercial laboratory. Rock chip samples were dried, crushed and pulverized. Rock chip samples were analysed for gold using a 30gram charge by fire assay and ICP-AES finish plus 33 multi-element suite by four acid acid digest and ICP-AES finish.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Geological description was taken from outcropping rocks formations at each rock chip sample.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>Rock chip sampling is considered an appropriate sampling medium. The sample size of 0.5-1.0kg is considered appropriate.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Assay techniques are appropriate for the style of mineralisation targeted.</li> <li>Reputable independent industry laboratory was utilized for all samples</li> <li>Quality control measures are considered satisfactory for this style of sampling. Additional detailed follow-up sampling and drilling is recommended to qualify and quantify the anomalous areas in greater detail.</li> <li>Only Laboratory standards and blanks have been used</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>All samples are surface rock chip samples</li> <li>No drilling undertaken</li> <li>Field data was collected, checked and entered into a digital database in the Perth office</li> <li>Digital independent laboratory assay data was sent to the Perth office, checked and merged with the field data and stored in a digital database</li> <li>No adjustments have been made to the original laboratory data.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>All sample locations are located by hand held GPS to an accuracy of +/- 3m.</li> <li>Locations are recorded in UTM (NAD 27 Zone 11)</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling is of insufficient density to determine a resource estimate. Additional detailed follow-up sampling and drilling is recommended to qualify and quantify the anomalous areas in greater detail</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>The continuous channel sampling has been completed perpendicular to the mapped mineralised (and historically mined) structure and therefore results are considered unbiased. In general the channel samples were not able to sample the actual mined voids and therefore the mineralised material may under report original grade of the zone.</li> <li>Composite samples should only be considered as an indication of the grade of the material until further detailed sampling is undertaken.</li> <li>Selected samples were from historical mine workings, dumps and nearby outcrops</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were delivered direct to the independent laboratory by company personnel/consultants</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>Final field and assay data is checked and assessed by geologist in Perth office.</li> <li>Company geologist has reviewed and completed a tour of the laboratory and their systems in Reno, USA.</li> </ul>

### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The property is under a joint venture agreement whereby Tojo has the right to earn an initial 51% via \$2M expenditure within a total of 3 years and may elect to earn an additional 24% (total 75%) via additional \$7M expenditure in a further 4 years. Vendors retain combined 4% net smelter royalty on production, with Tojo having the right to purchase up to 2% NSR for \$1M per 1%</li> <li>The sample results occur within unpatented claims in Nevada, USA</li> <li>The area is managed by the Bureau of Land Management (BLM), a government body. Future drilling and any mining will require approval from the BLM and other regulatory bodies</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Carnavale has completed and reported prior surface soil and rock chip sampling.</li> <li>Reported previous rock chip sampling and magnetic data acquisition by Cordex Exploration (and related party Columbus Gold) is acknowledged in the report.</li> <li>10 historical open hole drill holes have been discovered in the project area, however there is no record of this work known</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The deposit style is currently unknown, however mineralization targeted is Carlin style (Au-Ag) and shear zone hosted Au-Ag and base metals.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:                             <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually</li> </ul>	<ul style="list-style-type: none"> <li>All assay data is uncut rock chip sample results.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>Material and should be stated.</i></p> <ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>All samples are from the surface, and the geometry of mineralisation has been mapped where possible. The channel sampling is considered to be perpendicular to the observed mineralised structure providing a true width. Composite sampling is more selective and therefore may not be representative across strike as the geometry is poorly understood at this early stage of exploration.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Plans of general anomalous regions are provided in report.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The report includes defined levels of anomalous results plus internal higher grades and peak values where considered appropriate</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Geological mapping of the area has been undertaken and where possible material data is included in the report</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>The known mineralised and interpreted strike lengths of the mineralised shear zones have been presented in diagrams within the report.</li> </ul>