

25 September 2014

Companies Announcements Office  
Australian Securities Exchange

## NEW ZINC MINERALISATION AT KAMARGA, AUSTRALIA

RMG Limited (ASX:RMG) ("RMG" or "the Company") is pleased to announce that it has confirmed two additional zinc-lead drill targets at its Kamarga Zinc Project in north-west Queensland.

Key highlights of the recent exploration activities at Kamarga include:

- Two zinc-lead targets for drilling have been identified from soil and outcrop sampling
- The occurrence of carbonate hosted zinc mineralisation is now identified over a 2km length, with previously reported peak rock chips<sup>1</sup> to 15% Zn, 5% Pb, 17g/t Ag
- The new JP zinc target is over 400m wide, 100m thick, and open down plunge. It has similar geologic and geochemical characteristics to the previously reported JB and JE carbonate zinc zones
- The Fox zinc target is over 1.4 kms by 0.8 km in size and has similar geochemical characteristics to shale hosted SEDEX zinc deposits

RMG Executive Director, Peter Rolley said, "The Kamarga area has previously shown its outstanding zinc endowment with drill intercepts of 120m @ 2.3% Zn including 7m @ 8.8% Zn and 3m @ 9.1% Zn<sup>2</sup>. These new results confirm our belief that the zinc endowment of the Kamarga Project area can be significantly increased. We now have three new zinc targets ready for drilling including the previously announced JE Zinc Zone with surface zinc results to 15% Zn and 5% Pb which remains our number one exploration priority."

"In the past 12 months, the zinc price has risen by >25% to over A\$1.14/lb (A\$2500/tonne) and LME stockpiles of zinc have fallen by >30%<sup>3</sup>. With CRU's zinc commentator forecasting zinc prices to reach US\$4,500/tonne<sup>4</sup>, this is a great time to be establishing a district of new zinc targets in close proximity to existing infrastructure."

---

<sup>1</sup> ASX release 11 October 2012

<sup>2</sup> ASX release 14 February 2008

<sup>3</sup> 26 August 2014, [http://www.kitcometals.com/charts/zinc\\_historical.html](http://www.kitcometals.com/charts/zinc_historical.html)

<sup>4</sup> April 2014, <http://zincinvestingnews.com/7475-zinc-price-outlook-2014-deficit-supply-demand.html>

## Introduction

RMG's technical team has identified two new zones of zinc mineralisation at its Kamarga zinc project in north-west Queensland. In summary, RMG has recognised

- new carbonate hosted zinc mineralisation, the JP zinc zone
- zinc-lead mineralisation with similar major elemental associations to shale hosted zinc deposits, at the Fox target

Field work to assess these targets has included soil sampling, mapping and rock chip sampling.

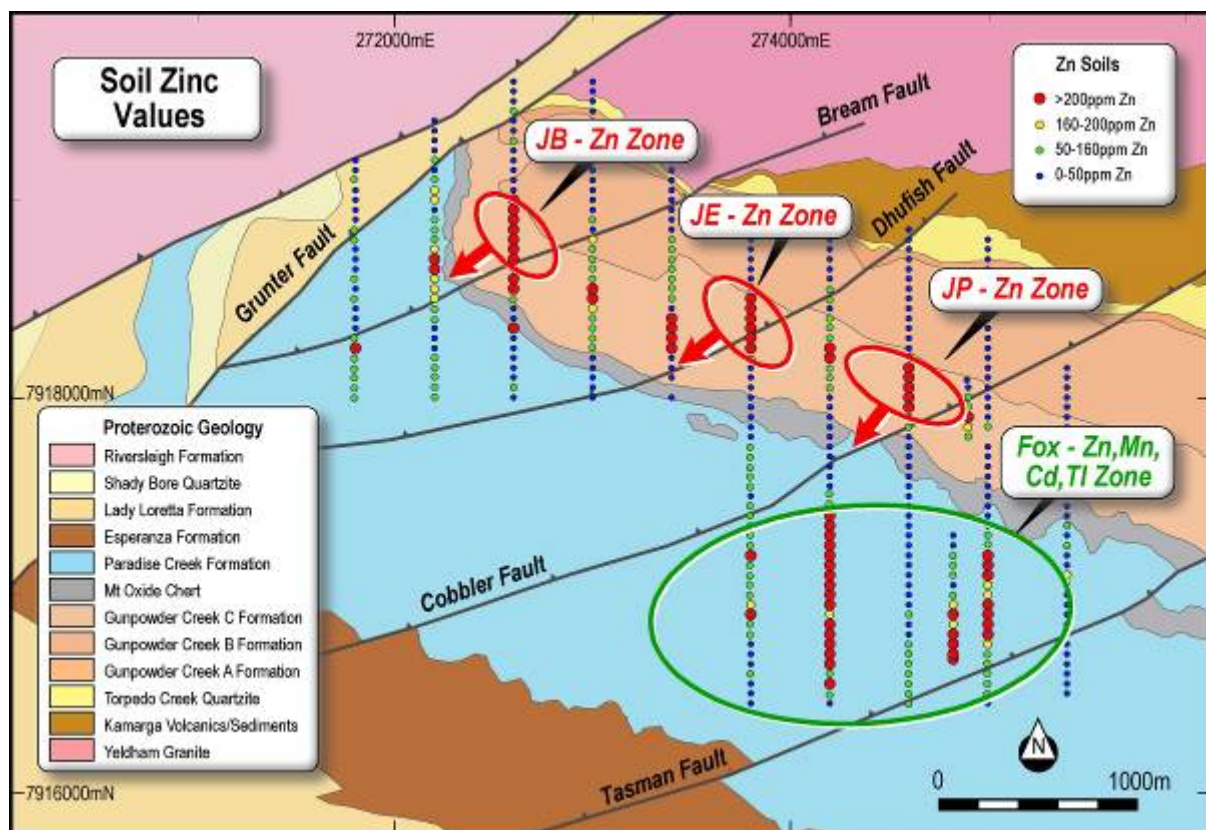


Figure 1 Location of new zinc anomalies at the Kamarga Project

## Soil Sampling

A total of 124 new soil samples were collected and assayed (see Table 1 in Appendix 2 for a description of the sampling and assaying). Figure 1 shows a map of the zinc results of these soil samples, merged with the zinc results for the soil samples collected by RMG in 2011<sup>5</sup>, along this fertile geologic zone.

<sup>5</sup> ASX release 7 December 2011

The previously drilled JB zinc deposit<sup>6</sup> and the previously reported JE zinc target<sup>7</sup> are clearly identified by the soil sampling in Figure 1. The figure also shows,

- The JP zinc target at the intersection of the Cobbler Fault and the fertile dolomite stratigraphy (Gunpowder Unit C) characterised by anomalous Zn and Pb
- The carbonate stratigraphy that hosts the zinc mineralisation is now shown to extend from JB to JP and is now over 2 kilometres in length
- The Fox zinc anomaly is characterised by anomalous Zn, Cd, Mn, and Tl and is a separate zone of mineralisation to the JB to JP zinc mineralisation

## Rock Chip Sampling

Field investigation of the soil anomalies resulted in the collection of 87 rock chip samples. Figure 2 shows the location of the rock chip sample sites<sup>8</sup>, coloured by zinc grade ranges.

Table 1 in Appendix One has the locations and major element results and Table 1 in Appendix Two describes their collection and assaying.

## The JP Zinc Zone

The JP zinc target extends over 400m width and dips at around 20deg to the south-west under the Paradise Creek stromatolitic dolomites. The target is geochemically characterised by the following features, similar to the JB zinc deposit

- Hosted within the same dolomitic siltstone unit of the Palaeo-Proterozoic Upper Gunpowder Formation
- Strong lead and silver anomalism at surface to 1.6% Pb and 18g/t Ag
- Strong silicification and iron oxide alteration at surface

Newmont identified part of this JP surface anomaly in 1974, but did not recognise the fault controls. Newmont drilled three open hole percussion holes to 30m depth, 200m to the west of the Cobbler Fault. These all intersected the oxidised lead mineralisation greater than 1000ppm Pb over widths to 24m, but the drill logs record very poor sample return and the percussion holes never penetrated to fresh bedrock<sup>9</sup>. These have never been followed up down-dip.

The JP zinc anomalism has never been drilled and represents a valid drilling target with significant potential to host additional mineralisation and therefore to enhance the possibility of delineating further resources in the Kamarga Zinc area.

---

<sup>6</sup> ASX release 14 September 2012

<sup>7</sup> ASX release 11 October 2012

<sup>8</sup> Figure 2 also shows the zinc grade ranges of the 2011-2014 rock chip samples. Previously reported in ASX release of 11 October 2012

<sup>9</sup> 1974 Newmont; Qld Mines Department Report CR\_5067

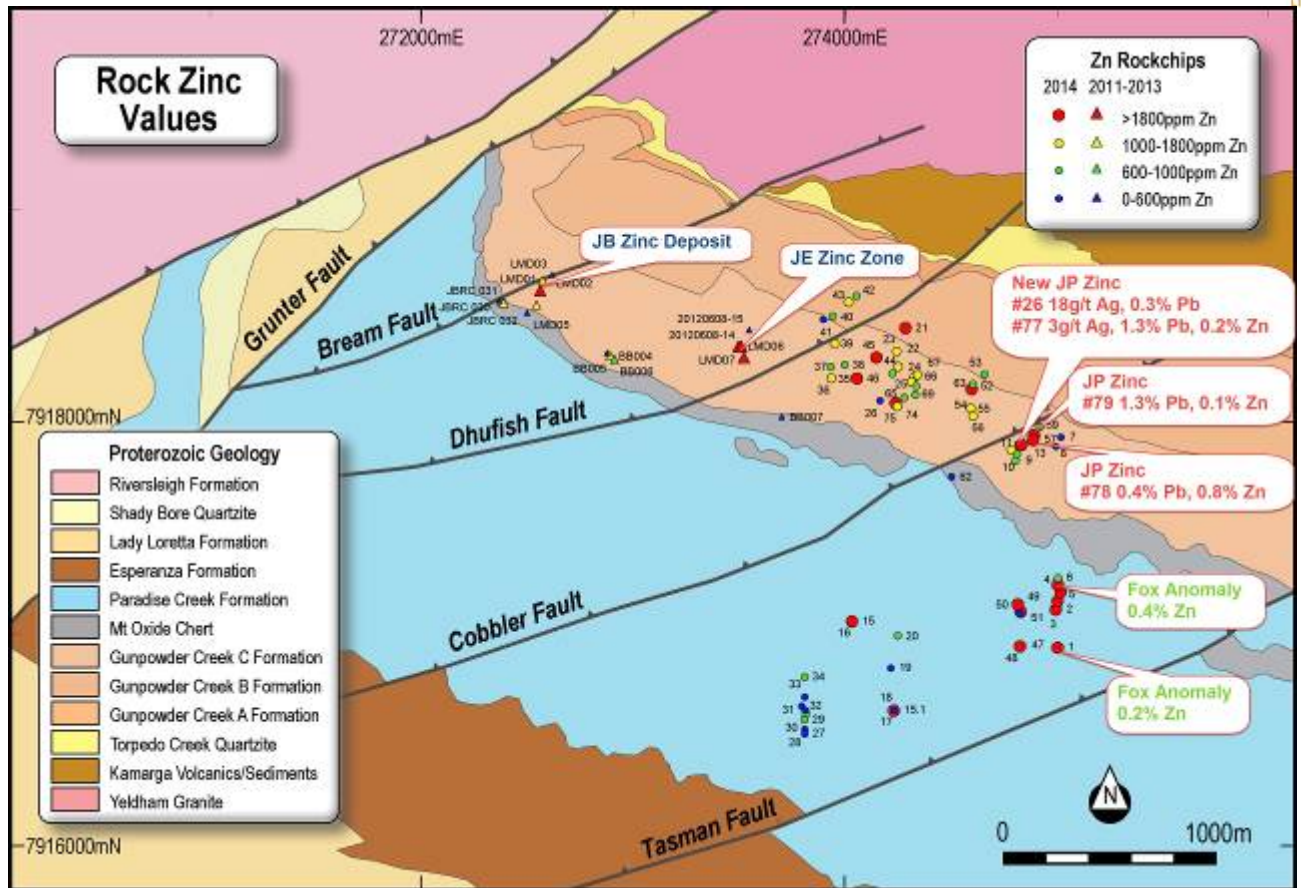


Figure 2 New rock chip assay locations and zinc grade ranges

### The Fox Zinc Anomaly

The Fox zinc target is characterised by significant zinc (to 3,990ppm Zn), cadmium, manganese, and thallium soil sample and rock chip anomalies. This geochemical association is noted in literature as characteristic of shale hosted SEDEX deposits such as the world class Century zinc deposit located 25 kms to the north-west<sup>10</sup>, and of McArthur River, Mount Isa, and Lady Loretta<sup>11</sup>.

- The area of Zn-Mn-Cd-Tl anomalism is over 1.5 km in length and 0.8km in width
- Maximum zinc in rock samples is 0.5% Zn
- The Fox target is geochemically very different to the JB deposit. The JB-JE-JP carbonate hosted zinc mineralisation has a high Pb-Zn ratio and does not show the strong Mn-Cd-Tl association
- Mt Isa Mines drilled 6 RC holes<sup>12</sup> in the general vicinity of the Fox anomaly and intersected 90m @ 0.13% Zn, but did not recognise the fault control or the possibility of a deeper Gunpowder Creek Formation shale-hosted target and did not pursue the anomaly.

<sup>10</sup> 1998 Agnew; Century Zn-Pb-Ag deposit; <http://crclme.org.au/RegExpOre/Century.pdf>

<sup>11</sup> 1998 McGoldrick and Large; AGSO Journal of Aust. Geology & geophysics. V17(4), p189-196

<sup>12</sup> MIM, 1999. Annual Report to Geol Survey Qld – CR30761



## **Conclusion**

The mapping and rock chip sampling results has identified a number of strongly mineralised zinc and lead outcrops within the target areas identified by the soil sampling. In particular the rock chips from the JP zone are characterised by strongly silicified gossan zones with local high grade silver, lead and zinc results.

In summary,

- Two new zinc-lead targets for drilling have been identified from soil and outcrop sampling
- The carbonate-hosted zinc mineralisation is now over 2km in length with previously reported peak rock chips<sup>13</sup> to 15% Zn, 5% Pb, 17g/t Ag
- The new JP zinc target is over 400m wide, 100m thick, and open down plunge. It has similar geologic and geochemical characteristics to the previously reported JB and JE carbonate zinc zones
- The Fox zinc target is over 1.4 km by 0.8 km in size and has similar geochemical characteristics to shale-hosted SEDEX zinc deposits

## **Future Work**

These JE and JP zinc-lead targets will be prioritised for follow-up geophysical (I.P.) exploration activities and then drill prioritisation.

## **About RMG's Kamarga Project**

RMG has the rights to 100% ownership of 277 sq. km of mineral concessions in the Century District over 5 exploration licences, of which 105 sq. km (EPM's 14309 and 25191) are subject to certain back-in rights by Teck Australia Pty Ltd ("Teck") as disclosed in an ASX release dated March 18, 2011.

The Proterozoic Western Fold Belt is a world class zinc province, with RMG's Kamarga Project located approximately 20 km south-east of the world class Century open pit zinc mine (Figure 4).

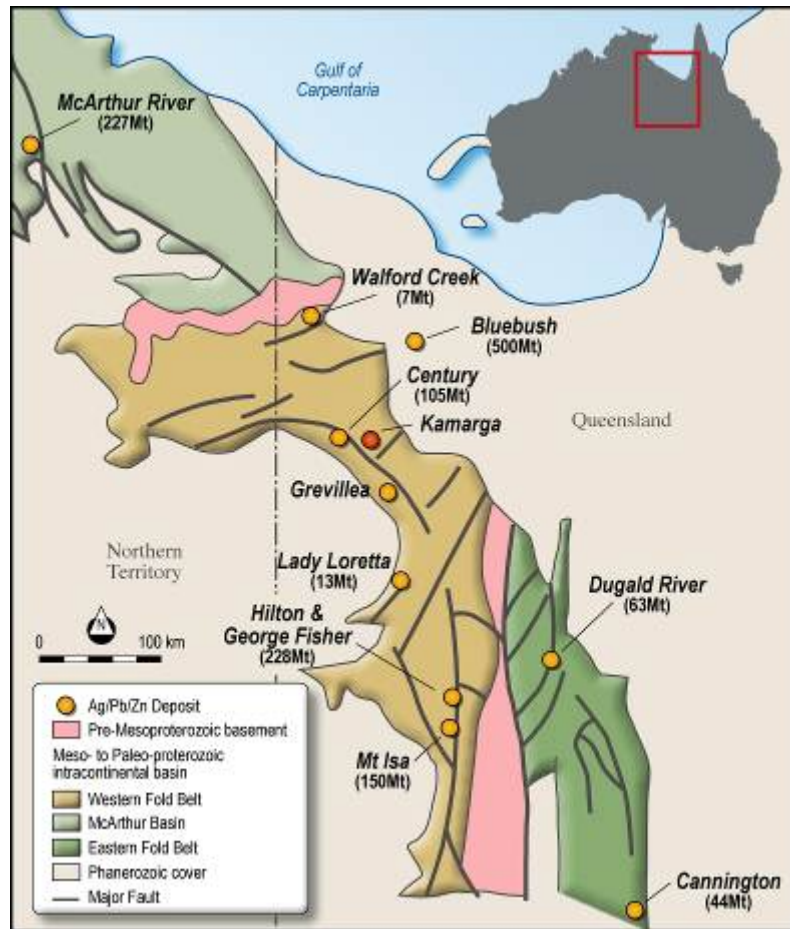
Kamarga was explored during the 1970's and 1980's by several companies including Newmont, CRA, North Mining and MIM. The earlier explorers reported an exploration target<sup>14</sup> of 5-15Mt @ 5-10% Zn<sup>15</sup>. The prospect has had little work since the 1990's.

---

<sup>13</sup> ASX release 11 October 2012

<sup>14</sup> The potential quantity and grade is conceptual in nature as there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The information relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves.

<sup>15</sup> The conceptual size of the target is referenced in Jones et al, 1999; The Kamarga Deposit. In Mineral Deposits: Processes to Processing, Stanley et al (eds). pp873-876



**Figure 3 Location of Kamarga Project**

RMG commenced exploration in May 2011 and has completed the following activities to date:

- re-compiled historic exploration data
- undertaken new field mapping and rock sampling
- drilled 15 diamond drill holes through the JB zinc deposit – Table 1 shows best intercepts
- completed a JORC-compliant Inferred Resource estimate on the JB zinc deposit of:
  - 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off grade, including
    - 2.6Mt @ 4.4% Zn, 0.3% Pb, at a 3% Zn cut-off grade<sup>16</sup>
- confirmed excellent flotation recoveries and concentrate grades from the JB zinc mineralisation
- confirmed DMS upgrading of crushed product to >10% Zn
- discovered the JE and JP carbonate zinc target zones
- completed soil surveys over three copper zones (Barramundi, Grunter, Torpedo)
- drilled one hole through the Grunter copper zone
- accumulated further holdings in the area – figure 4 shows RMG’s holdings

<sup>16</sup> ASX release 23 January 2013

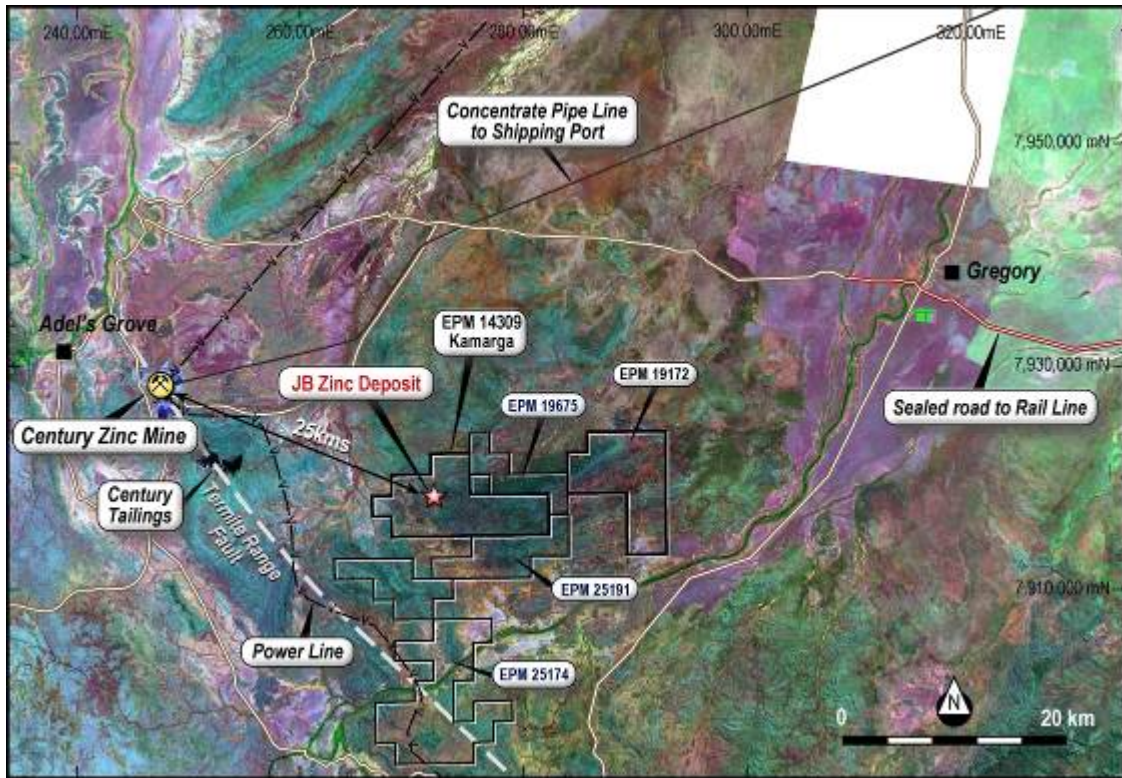


Figure 4 RMG's exploration concessions near Century

Southern JB006 271535E	Central C JB001 271745E	Central B JB014 271940E	Central A KD19 271990E	Northern JB007 272080E
92m @ 1.4%Zn+Pb	101m @ 2%Zn+Pb	132m @ 1.8%Zn+Pb	120m @ 2.3%Zn+Pb	99m @ 1.8%Zn+Pb
Intercepts are;	Intercepts are;	Intercepts are;	Intercepts are;	Intercepts are;
3m @ 2.7%Zn+Pb	4m @ 5.4%Zn+Pb	6m @ 3.3%Zn+Pb	2m @ 5.8%Zn+Pb	2m @ 14.6%Zn+Pb
9m @ 2.5%Zn+Pb	2m @ 4.6%Zn+Pb	3m @ 3.7%Zn+Pb	10m @ 3.4%Zn+Pb	6m @ 4.3%Zn+Pb
3m @ 3.0%Zn+Pb	9m @ 5.9%Zn+Pb	3m @ 4.1%Zn+Pb	7m @ 8.8%Zn+Pb	2m @ 5.9%Zn+Pb
6m @ 7.0%Zn+Pb	2m @ 7.9%Zn+Pb	6m @ 5.9%Zn+Pb	2m @ 8.4%Zn+Pb	6m @ 3.1%Zn+Pb
8m @ 3.0%Zn+Pb	4m @ 4.0%Zn+Pb	3m @ 6.1%Zn+Pb	3m @ 6.4%Zn+Pb	2m @ 4.6%Zn+Pb
	3m @ 10.3% Zn+Pb	3m @ 7.3%Zn+Pb	3m @ 9.1% Zn+Pb	3m @ 8.7%Zn+Pb

Table 1 Previous drill intercepts along JB zinc zone

### About RMG Limited

RMG is a gold, copper and base metals exploration company with projects located in Queensland and Chile. RMG has agreements to earn a 75% interest in over 170 sq. km in northern Chile and is continuing to expand the copper endowment of this area.

Ends

For further information please contact:

Mr Robert Kirtlan or Mr Peter Rolley  
+61 8 9387 6619

*Competent Persons Statement for the Exploration Results in this Public Report*

*The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Rolley a Competent Person who is a Member of The Australian Institute of Geoscientists (MAIG). Mr Rolley 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 Resources and Ore Reserves (the "JORC Code 2012"). Mr Rolley is a shareholder and an Executive Director of RMG Ltd. Mr Rolley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*Forward Looking Statements*

*This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning RMG Limited's planned exploration programme and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should", "believe" and similar expressions are forward looking statements. Such statements involve risks and uncertainties, and no assurances can be provided that actual results or work completed will be consistent with these forward looking statements.*



## Appendix One

Table 1 - Table of Rock Chip Locations and silver, lead, zinc results in ppm

SAMPLE	East_MGA_Z54	North_MGA_Z54	Ag_ppm	Pb_ppm	Zn_ppm
1	275003	7916934	0.33	136	2040
2	274994	7917113	0.13	16.1	1940
3	275002	7917152	0.31	61.4	2480
4	275017	7917194	0.52	31.7	3990
5	275003	7917230	0.63	24.9	2300
6	274992	7917253	1.3	12.3	807
7	275007	7917925	0.15	21.5	246
8	274982	7917885	0.2	42.5	432
9	274801	7917815	0.27	13.9	750
10	274801	7917840	0.33	68.5	995
11	274795	7917840	0.23	39.3	832
12	274782	7917867	0.16	143.5	1290
13	274823	7917891	0.17	110.5	1320
14	274833	7917889	0.32	51.7	2110
15	274032	7917057	0.29	5.6	988
15.1	274229	7916637	0.25	26.7	2010
16	274032	7917057	0.43	12.9	2140
17	274228	7916637	0.1	2.2	19
18	274228	7916637	0.26	3.5	29
19	274206	7916836	0.22	17.8	489
20	274239	7916983	0.14	5.7	855
21	274284	7918440	0.19	41.4	1860
22	274244	7918343	0.15	60.5	462
23	274243	7918329	0.72	1200	1190
24	274250	7918257	0.4	493	1280
25	274211	7918224	0.65	85.1	740
26	274157	7918093	18.35	2920	119
27	273800	7916525	0.38	29.1	68
28	273800	7916540	0.14	23.8	35
29	273799	7916591	0.37	12.8	736
30	273806	7916614	0.39	13.9	693
31	273804	7916636	0.11	5.8	269
32	273785	7916656	0.23	10.3	33
33	273800	7916700	0.07	5.6	406
34	273799	7916792	0.2	28.4	597
35	273919	7918199	0.67	462	806
36	273934	7918203	0.81	1020	1580
37	273920	7918256	1.21	644	862
38	273985	7918265	0.31	584	1040
39	273950	7918366	0.08	403	1280
40	273932	7918492	0.42	115.5	687
41	273891	7918478	1.15	36.9	372
42	274016	7918562	0.16	58.3	1110
43	274041	7918592	0.11	23.8	905
44	274147	7918301	0.53	7.6	23
45	274147	7918301	0.24	86.3	2000
46	274055	7918202	1.09	195.5	2100
47	274829	7916943	8.69	17.6	1700
48	274825	7916940	0.64	156.5	3480

SAMPLE	East_MGA_Z54	North_MGA_Z54	Ag_ppm	Pb_ppm	Zn_ppm
49	274828	7917103	0.46	34.2	2470
50	274814	7917081	0.68	25.1	471
51	274815	7917138	0.32	11.3	3130
52	274591	7918166	0.31	44.3	674
53	274648	7918220	2.89	1845	966
54	274597	7918152	0.16	1475	2510
55	274592	7918062	0.3	955	1180
56	274603	7918025	1.36	602	1290
57	274888	7917915	0.19	42	2600
58	274898	7918018	0.13	98	443
59	274904	7917971	0.14	67.4	600
60	274892	7917935	0.21	64.3	2630
61	274888	7917912	0.14	51.6	3050
62	274491	7917736	1	136	312
63	274602	7918176	3.49	241	35
64	274594	7918176	0.47	487	605
65	274260	7918100	2.51	248	30
66	274327	7918210	0.76	853	1090
67	274341	7918219	1.55	8320	1350
68	274342	7918217	2.29	5160	431
69	274313	7918185	0.51	471	1350
70	274322	7918167	1.29	386	971
71	274321	7918125	1.49	182	811
72	274277	7918113	2.04	2620	70
73	274268	7918109	3.2	1950	944
74	274237	7918086	2.17	1165	2040
75	274245	7918070	3.13	457	1230

Sample	East_MGA_Z54	North_MGA_Z54	Ag_ppm	Pb_ppm	Zn_ppm
76	274148	7918095	11.95	8570	324
77	274148	7918095	2.79	13250	1870
78	274148	7918095	1.17	3570	8240
79	274340	7918219	1.49	12550	1000
80	291237	7923063	0.12	93.9	206
81	291530	7923201	0.12	58.2	48
82	274447	7918150	0.14	247	286
83	274781	7918050	0.6	454	1640
84	274600	7918161	0.39	1890	2440
85	274721	7917783	0.64	40.3	2250
86	274267	7918110	3.2	2530	30
87	274148	7918096	10.4	6240	774

## Appendix Two

### JORC Code, 2012 Edition – Table 1 report

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><i>Nature and quality of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> </ul>	<ul style="list-style-type: none"> <li>Rock chips sampled over 2-3 sq. metres over in situ rock outcrops. Samples are specimen samples, cracked with a hammer.</li> <li>Soil samples collected at 5cm depth and screened in field to -1mm. Approx 1kg retained for despatch to assay lab</li> <li>All sampling undertaken by geologist with over 30 years' experience</li> <li>All field sampling procedures and sampling tools are industry standard and are considered appropriate</li> <li>At the stage of field sampling there are no aspects of the mineralisation that are Material to the Report</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li><i>Drill type and details</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling reported</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling reported</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation studies.</i></li> <li><i>Whether logging is qualitative or quantitative in nature.</i></li> <li><i>Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling reported</li> <li>Rock chips geological characteristics that are visible to the naked eye are described in hand specimen and therefore qualitative</li> <li>Soil samples qualitatively described by geologist at time of collection</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>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.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</li> <li>The entire rock chip and the sieved soil sample, both of around 1kg, are despatched to ALS-Chemex in Mount Isa, Queensland</li> <li>Entire 1kg rock chip sample is crushed and then pulverised to 75um</li> <li>Entire sieved soil sample is screened by the lab to -105um</li> <li>This is entirely appropriate for rock chip and soil samples</li> <li>For rock chip and soil samples, 0.5gram is split for a suite of multi-element assays</li> <li>These procedures are considered to be industry standard and appropriate</li> <li>The sample sizes are considered appropriate for the style of mineralisation and for the exploration purpose</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>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.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Rock Chips sent to ALS-Chemex in Mount Isa digested by 4-acid digest which is a total digest</li> <li>All soil samples are digested by Aqua Regia (a partial digest) at the same laboratory</li> <li>All rock chip and soil sample solutes analysed by ICP-MS which is considered a total assay of the solute for the metals of interest.</li> <li>Assay lab also inserted blanks and standards as per Industry Standard practice</li> <li>All standards and blanks and duplicates assays were as “expected” and did not exhibit any sample number errors, contamination or assay drift</li> <li>All geological tables, locations, assay reports checked and plotted by Exploration Director for appropriateness for purpose and reliability for decision to proceed to next phase of exploration</li> </ul>
<b>Verification</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>of sampling and assaying</b>	<p><i>alternative company personnel.</i></p> <ul style="list-style-type: none"> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>All field data recorded in English in field books and transcribed to excel spreadsheets and then entered into an Access database for storage</li> <li>No adjustment to any assay data</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</li> <li>All sample sites recorded by hand held GPS to a field accuracy of +/- 5m in X and Y. Elevation is not considered reliable and is not required</li> <li>Grid system is MGA94 Zone 54</li> <li>WorldView2 satellite imagery to an accuracy of 0.7m in X and Y used as field base map</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</li> <li>Rock chip Data spacing is “ad hoc”, and all sample sites are selected on the wisdom of the mapping geologist</li> <li>Soil samples collected on a 50m by 200m grid</li> <li>No sample compositing has been applied</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</li> <li>All samples are grab samples with no orientation implied</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>All samples were stored in secure tied plastic bags in the possession of the senior geologist at all times until delivery by hand to the assay lab representative</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audit is appropriate as data is not used for estimation</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.</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>All samples were collected on EPM14309 located in Queensland, Australia. The EPM is subject to an option agreement with Teck Australia Pty Ltd. The concession is current. There are no objections or claims by pastoralists or indigenous parties over the area of activity, no historical sites, no known environmental claims, no proclaimed or proposed wilderness areas</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>Previous exploration by Newmont, MIM and North Ltd – see text of this ASX release</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>Based on rock chips and mapping, the Kamarga area has characteristics of Irish-style carbonate hosted zinc-lead mineralisation</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all material information including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>Easting, northing and elevation of the drill hole collar</li> <li>Dip, azimuth and depth of the hole</li> <li>down hole length and interception depth</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</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 Material and should be stated.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</li> <li>No grade cutting has been applied to samples</li> <li>No cut-off grade has been applied to samples</li> <li>No aggregating has been applied to samples</li> <li>No metal equivalents have been reported to samples</li> </ul>
<b>Relationship between mineralisation widths and intercept</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> </ul>	<ul style="list-style-type: none"> <li>No drilling is reported</li> <li>Rock chip and soil samples have no length</li> <li>Rock chip and soil samples have no declination</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>lengths</b>	<ul style="list-style-type: none"> <li>If the True width is not known 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>True width of the mineralisation is unknown</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>No drilling is reported</li> <li>See Figures 1 to 2 in the body of the text for plans of the areas and the locations of the sample sites</li> <li>There are no sectional views as surface samples are 2D only and mapping is incomplete</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>All samples have been reported</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>No other substantive data is known</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>Full assessment of the assay results is current and further mapping, geologic sampling and geological assessment by experienced geologists, perhaps one or more IP geophysical surveys, are planned before countenancing a drilling programme</li> <li>See Figures 1 to 2 in the body of the text for plans of the areas that are possibly mineralised and their possible extensions</li> </ul>

Sections 3, 4 and 5 do not apply to this report as there are no mineral resources, no ore reserves and no gemstones reported in this report.