

23 April 2014

**Companies Announcements Office** Australian Securities Exchange

#### RMG TO ACQUIRE ADDITIONAL COPPER MINES IN TUINA, CHILE

RMG Limited (ASX:RMG) ("RMG" or "the Company") is pleased to announce that it has now executed a Memorandum of Understanding ("MOU") with another Chilean copper producer at Tuina, Minera Santa Lucia Ltda ("Minera Santa Lucia"), to fully acquire all its mining leases in the Tuina district. Finalisation of the agreement is subject to due diligence and clean title.

The MOU is the third agreement the Company has signed with local groups, and part of RMG's consolidation of the copper mines in the Tuina district.

Key points of the new acquisition include:

- Consolidation of ownership of the currently known 1,300 metres of multiple • continuously mineralised copper zones
- Numerous copper occurrences at surface with copper grades to 3.5% Cu, 46g/t Ag •
- The addition of two small copper mines, extracting copper oxide ore to a nearby toll SX-EW plant
- Strategic location in relation to ground already held by RMG and proximal to existing medium sized mining operations
- Removal of the lease boundary impediments for full access to optimally exploit RMG's • existing copper mineralisation

RMG Executive Director, Peter Rolley said, "The acquisition of these latest mining leases at Tuina brings ownership of 1,300 metres of the mineralised San José Fault zone under one company for the first time in its history. This will enable a more complete mining optimisation of the mineralised zones and we are looking forward to commencing a drill program to assess the economics of open pit mining this entire zone and its possible extensions."

This new agreement complements the previous two agreements executed by RMG in the Tuina copper district (Chile Metals<sup>1</sup> and Porvenir<sup>2</sup> agreements) and delivers three strategic mining leases to RMG.

<sup>&</sup>lt;sup>1</sup>ASX release 30 December 2013



Figure 1 below shows the strategic location of one of the assets acquired in this new agreement. The Santa Lucia Mine lease is located over portions of both the San José and San Martin copper manto systems, with drilling and mining on either side of the Santa Lucia mine lease boundaries.



Figure 1 Santa Lucia mine lease copper and silver assays

## Santa Lucia Background

The private Chilean mining company, Minera Santa Lucia, owns three mining leases within the Tuina mining district as shown in red in Figure 2 (Santa Lucia, Santo Domingo, and Trebol). All three leases are within the Tuina copper district and are adjacent or near to the mining leases already held under option or agreement by RMG.

There are two copper oxide mines in production on the Minera Santa Lucia leases, at Santa Lucia and Trebol, with numerous copper oxide and sulphide occurrences across all the lease areas. The locations of these mine sites are shown in Figure 2, and Figures 3, 5 and 6 show examples of the copper oxide mineralisation at Santa Lucia, Santo Domingo, and Trebol respectively.

<sup>&</sup>lt;sup>2</sup> ASX release 17 March 2014



Visual observation of the mines and verbal confirmation from the operators of the copper oxide toll plant indicate that around 0.5 to 1 million tonnes of copper oxide ore at around 1-2% Cu has been mined from these three mining leases.

The assay results of rock chip sampling by RMG geologists<sup>3</sup> along the main copper mineralised zones within the three leases are shown in Figure 2 and Table 1 (Appendix One) and confirm the presence of strong copper oxide mineralisation at surface and chalcocite/bornite mineralisation in the deeper portions of the small mines.



Figure 2 Location of Minera Santa Lucia mining leases and copper assays

<sup>3</sup> Refer to Appendix one for tabulated locations and results

**RMG Limited** ABN 51 065 832 377 PO Box 2025, Subiaco WA 6904 Suite 1, 245 Churchill Ave, Subiaco WA 6008 **P** +61 (8) 9381 1177 **F** +61 (8) 9388 2355

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#### **Rock Chip Sampling**

A total of 21 sites were rock chip sampled during the investigation of Minera Santa Lucia's mining leases.

- Table 1 in Appendix One has the locations and major element results.
- Figure 2 shows the location of the rock chip sample sites, and the rock chip copper grades for all three leases.

Rock chip samples from each site of around 1-1.5kg each were collected as specimen samples by a highly experienced Company geologist, geologically described and located with a hand-held GPS. The samples were hand delivered directly to ALS-Minerals personnel. ALS-Minerals undertook all sample preparation, assaying and reporting. The samples were totally crushed and pulverised to 75um and then split for 4-acid digest and multi-element assaying by ICP-MS. Gold was assayed on a 25 gram charge with an aqua regia digest and ICP-MS analysis. ALS-Minerals inserted blanks and standards as required for quality control.



Figure 3 Santa Lucia mine face

## Santa Lucia Mining Lease

The mineralisation at the Santa Lucia mine site is hosted by sediments of the same geologic formation as the host to mineralisation on RMG's San José and San Martin copper deposits. Visible copper mineralisation at the Santa Lucia lease occurs over 50m widths and occurs as both fault breccia and manto style mineralisation.

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There is no drilling on the Santa Lucia lease, however the surficial mineralisation is likely to continue to depth because

- The Santa Lucia lease is wedged between the strongly mineralised San José and Dinko copper deposits
- The Santa Lucia mineralisation is located on the same mineralised structure (San José Fault) as the San José and Dinko copper deposits
- Diamond drilling on the San José deposit and within 70m of the Santa Lucia lease has intersected 107.7m @ 1.2% Cu, 19g/t Ag from 243 m down-hole (DDH-MSJ-04)<sup>4</sup>
- Diamond drilling on the Dinko deposit and within 200m of the Santa Lucia lease has intersected 33.3m @ 1.9% Cu, 15g/t Ag from 54 m down-hole (DDH-R-043)<sup>5</sup>

RMG's rock chip results from the Santa Lucia mining lease are shown in a plan view on Figure 1 and a long section view in Figure 4. The long section clearly shows that RMG believes that the San José Fault controlled copper mineralisation will continue through the Santa Lucia mine lease.

RMG also believe that the copper mineralisation may continue along the San Martin Fault from the San Martin copper mine through the eastern portion of the Santa Lucia lease and continue to the San Marcos copper deposit (Refer to Figures 1 and 2 for these locations and the location of the 1.9% Cu rock chip sample).

In addition, surface observations indicate that another (yet to be drill tested) north-south structure located almost mid-way between the San Jose Fault and the San Martin Fault, along which the Inmaculada, Milagros and Yanina prospects are located (Figure 1), also traverses through the Santa Lucia mine lease. Rock chip samples of 0.5% Cu and 1.9% Cu as shown in Figure 1 and 2 are possibly the surface expression of these additional mineralised zones.

The acquisition of the Santa Lucia mine lease is expected to enable the full optimisation of the exploitation of the extensive copper mineralisation located on RMG's leases at San José, Dinko, San Martin and San Marcos.

Along the San José and Dinko line of manto mineralisation, this is expected to enable the development of a 1,300 metre long zone of mineralisation that may be able to be captured with open pit mining.

<sup>&</sup>lt;sup>4</sup> See RMG's ASX Release on 6 June 2013

<sup>&</sup>lt;sup>5</sup> See RMG's ASX Release on 6 June 2013





Figure 4 Long section along San José fault showing the strategic position of the Santa Lucia mine lease<sup>6</sup>

<sup>&</sup>lt;sup>6</sup> See ASX release of 6 September 2013 for the drill results



## Santo Domingo Mining Lease

The mineralisation at Santo Domingo is hosted along a north-west striking fault structure extending north-west from 3<sup>rd</sup> party owned underground and open pit mining operations. RMG's rock chip sampling (for locations see Figure 2 and Appendix One) and mapping shows the mineralisation to be andesite hosted and occur as both fault breccia and andesitic breccia manto style mineralisation. There is no drilling on the lease area and its potential for significant mineralisation is unquantified. Surface outcrops of the copper mineralisation, such as shown in Figure 5, show significant copper oxide mineralisation to widths of 15m and copper grades to 1.4% Cu (values are annotated in Figure 2).



Figure 5 Santo Domingo copper oxide mineralisation

## Trebol Mining Lease

The copper oxide mineralisation at Trebol has been mined by small open pit and underground mine development. There has not been any drilling on the lease area. The copper mineralisation is hosted by both fault breccia and sediment hosted manto style mineralisation. The mineralisation is dominated by malachite and chrysocolla at surface over widths of up to 35m. Figure 6 shows one of the mine faces at Trebol, and Figure 2 shows the locations and values of RMG's rock chip samples to 2% Cu.

**RMG Limited** ABN 51 065 832 377 PO Box 2025, Subiaco WA 6904 Suite 1, 245 Churchill Ave, Subiaco WA 6008 **P** +61 (8) 9381 1177 **F** +61 (8) 9388 2355 E info@rmgltd.com.au Page 7 of 19 www.rmgltd.com.au





#### Figure 6 Trebol mine face

## Terms of Agreement

The material terms of the lease and production agreement between RMG and Minera Santa Lucia can be summarised as follows. Finalisation of the agreement is still subject to due diligence and all encumbrances being removed.

In summary, RMG has an option to pay US\$2.85 million over 4 years for the right to pay US\$15 million and a 1% NSR for 100% ownership of all Minera Santa Lucia interests in the Tuina district.

- RMG to pay a total of US\$2.85 million over 4 years in instalments as follows. Each lease fee is optional at the discretion of RMG;
  - o US\$60,000 upon signing MOU paid
  - US\$150,000 upon signing final agreement and all encumbrances removed. This is expected to be achieved within 3 months. (Commencement Date)
  - o US\$200,000 within 6 months of Commencement Date
  - o US\$240,000 within 12 months of Commencement Date
  - o US\$400,000 within 24 months of Commencement Date
  - o US\$600,000 within 36 months of Commencement Date
  - o US\$1,200,000 within 48 months of Commencement Date



If RMG elects not to pay the \$15million purchase price within 5 years of the Commencement date then;

- RMG must commence ore production within six years of the Commencement Date and
- Commencing at 5 years from the Commencement Date pay an Annual Fee of US\$500,000 per year and
- an NSR of 6.25% is applied to all ore tonnes after the first (approximately<sup>7</sup>) 200,000 tonnes has been processed each year.

#### About RMG's Tuina Project

RMG has now consolidated 75% ownership of 170 sq. km of mineral concessions in the Tuina District (Figure 7) through three agreements and new applications. The Tuina District is a substantially mineralised copper district located approximately 50 km from the worlds' largest open pit porphyry copper mine at Chuquicamata (Figure 8).

Work by RMG over the past year has discovered (never before recorded) significant coppergold mineralisation at La Teca<sup>8</sup>, a significant number of new manto copper-silver mineralised zones, and dated the copper mineralisation at Tuina as Tertiary in age (as are all the major copper deposits in northern Chile).

The exploited copper deposits at Tuina have been classified as replacement copper-silver deposits (Manto style) and there are a number of examples in northern Chile including Mantos Blancos (300Mt @ 1.2% Cu), Michilla (100Mt @ 1.4% Cu) and Mantos de la Luna (50Mt @ 1.4% Cu)<sup>9</sup>.

RMG's objective is to assess the oxide copper resources across the Tuina district and look to achieve an early cash flow from the exploitation of these resources at the nearby toll treatment SX-EW plant. RMG's longer term objective is to assess the larger sulphide resources and develop a sustainable sulphide copper mining and processing operation at Tuina.

<sup>&</sup>lt;sup>7</sup> actual tonnage per year varies depending on a range of economic conditions and may be in the range 100,000 to 300,000 tonnes per year is free of the NSR

<sup>&</sup>lt;sup>8</sup> ASX release 3 February 2014

<sup>&</sup>lt;sup>9</sup> The Geology of Chile by T. Moreno, publ The Geological Society, 2007 pp 190





Figure 7 RMG mineral concessions at Tuina overlying the published geology map for the district

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Figure 8 Location of Tuina Project

#### 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.



Figure 9 Another view of copper mineralisation at Santa Lucia mine lease, showing the proximity to the San Jose mine site with its waste dumps shown to the left of the mineralisation

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# Appendix One

Table One - Table of Rock Chip Locations and copper, silver, gold results

Location	SampleID	East	North	Elevation	Rock	Total Cu%	Acid Soluble Cu%	Ag ppm	Au ppm
Santa_Lucia	1008077	558,526	7,505,864	3,185	Mineralised mudstones with Chalcocite		1.89	23.4	0.019
Santa_Lucia	1008098	559,562	7,506,165	3,370	Mineralised mudstones with Chalcocite	1.90	1.88	13.9	0.006
Santa_Lucia	1008104	559,086	7,506,595	3,265	Mineralised porphyritic andesite	0.52	0.44	2.4	0.003
Santa_Lucia	1008108	559,222	7,506,444	3,325	Mineralised porphyritic andesite	1.05	0.88	1.8	0.009
Santa_Lucia	1008114	558,487	7,506,003	3,190	Mineralised mudstones with Chalcocite	3.48	1.68	45.7	0.007
Santa_Lucia	1008115	558,487	7,506,003	3,190	Mineralised mudstones with Chalcocite	3.31	0.48	47.5	0.003
Santa_Lucia	1008116	558,386	7,506,018	3,190	Mineralised strongly silicified andesite	3.24	0.58	61.8	0.022
Santo_Domingo	1007973	559,007	7,510,119	3,126	Volcaniclastic andesites, weak CuOx	0.13	0.09	3.3	0.002
Santo_Domingo	1007974	559,095	7,509,984	3,144	Quartz veined, albite altered andesites	0.00	0.00	0.6	0.001
Santo_Domingo	1007975	559,084	7,509,998	3,145	Quartz veined, albite altered andesites	0.00	0.00	0.8	0.001
Santo_Domingo	1007976	559,107	7,510,010	3,132	Argilised andesitic tuff	0.09	0.03	1.9	0.001
Santo_Domingo	1007977	559,115	7,510,007	3,116	Quartz veined, albite altered andesites	0.17	0.08	0.7	0.001
Santo_Domingo	1007978	559,115	7,509,994	3,129	Volcaniclastic andesites, weak CuOx	0.25	0.17	2.4	0.001
Santo_Domingo	1007981	559,190	7,510,196	3,175	Volcaniclastic andesites, weak CuOx	0.63	0.54	8.6	0.003
Santo_Domingo	1007982	559,167	7,509,946	3,121	Volcaniclastic andesites, weak CuOx	0.75	0.58	3.1	0.003
Santo_Domingo	1007982	559,167	7,509,946	3,121	Volcaniclastic andesites, weak CuOx	0.75	0.58	3.1	0.001
Santo_Domingo	1008122	559,196	7,509,946	3,121	Mineralised silicified andesite with Chalcocite	1.40	1.24	24.7	0.003
Trebol	1008117	561,164	7,508,434	3,165	Laminated mudstones	0.02	0.01	0.8	0.003
Trebol	1008118	561,164	7,508,434	3,165	Silicified mudstones	0.09	0.04	4.6	0.003
Trebol	1008119	561,195	7,508,637	3,145	Silicified mudstones and fault breccia	1.22	0.99	67.3	0.003
Trebol	1008120	561,195	7,508,637	3,145	Mineralised mudstones with Chalcocite	2.04	0.49	52.6	0.003
GRID is WGS84 Zone 19S									



# 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		
Sampling techniques	<ul> <li>Nature and quality of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems.</li> </ul>	<ul> <li>Rock chips sampled over 2-3 sq. metres over in situ rock outcrops. Samples are specimen samples, cracked with a hammer from in-situ rock outcrops.</li> </ul>		
	used.	All sampling undertaken by geologist with over 30 years' experience		
	• Aspects of the determination of mineralisation that are Material to the Public Report.	<ul> <li>All field sampling procedures and sampling tools are industry standard and are considered appropriate</li> </ul>		
		<ul> <li>At the stage of field sampling there are no aspects of the mineralisation that are Material to the Report</li> </ul>		
Drilling techniques	Drill type and details	No drilling reported		
Drill sample recovery	<ul> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	No drilling reported		
	<ul> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>			
	• Whether a relationship exists between sample recovery and grade.			
Logging	Whether core and chip samples have been geologically and	No drilling reported		
	geotechnically logged to a level of detail to support appropriate Mineral Resource estimation studies.	Rock chips geological characteristics that are visible to the naked eye are described in hand specimen and therefore qualitative		
	Whether logging is qualitative or quantitative in nature.			
	Core (or costean, channel, etc) photography.			
	• The total length and percentage of the relevant intersections logged.			



Criteria	JORC Code explanation	Commentary			
Sub- sampling techniques and sample preparation	If core, whether cut or sawn and whether all core taken.	No drilling is reported			
	<ul> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> </ul>	<ul> <li>Entire rock chip of around 1kg is despatched to ALS-Chemex in Antofagasta</li> </ul>			
	<ul> <li>For all sample types, the nature, quality and appropriateness of the sample properties technique.</li> </ul>	Entire 1kg rock chip sample is crushed and then pulverised to 75um			
		This is entirely appropriate for a rock chip sample			
	<ul> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul> <li>For rock chip samples, 0.5gram split for a suite of multi-element assays and 25gm split for Au assay</li> </ul>			
	<ul> <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> </ul>	<ul> <li>These procedures are considered to be industry standard and appropriate</li> </ul>			
	• Whether sample sizes are appropriate to the grain size of the material being sampled.	<ul> <li>The sample sizes are considered appropriate for the style of mineralisation and for the exploration purpose</li> </ul>			
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Quality of assay data and laboratory tests	<ul> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial on tatal.</li> </ul>	<ul> <li>Rock Chips sent to ALS-Antofagasta and the multi-element analyses digested by 4-acid digest which is a total digest</li> </ul>			
		All rock chips for gold analyses are digested by Aqua Regia.			
	<ul> <li>For geophysical tools, spectrometers, handheid XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their</li> </ul>	<ul> <li>All elements analysed by ICP-MS which is considered a total assay of the solute.</li> </ul>			
	<ul><li>derivation, etc.</li><li>Nature of quality control procedures adopted (eg standards, blanks,</li></ul>	<ul> <li>Assay lab also inserted blanks and standards as per Industry Standard practice</li> </ul>			
	duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	<ul> <li>All standards and blanks and duplicates assays were as "expected" and did not exhibit any sample number errors, contamination or assay drift</li> </ul>			
		<ul> <li>All geological tables, locations, assay reports checked and plotted by Exploration Manager and Exploration Director for appropriateness for purpose and reliability for decision to proceed to next phase of exploration</li> </ul>			
Verification	• The verification of significant intersections by either independent or	No drilling is reported			
of sampling and	alternative company personnel.	All field data recorded in English in field books and transcribed to			



assaying •	The use of twinned heles	
•	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	<ul><li>excel spreadsheets and then entered into an Access database for storage</li><li>No adjustment to any assay data</li></ul>
Location of odata points	<ul> <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> <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.</li> <li>Grid system is WGS84 Zone 19S</li> <li>WorldView2 satellite imagery to an accuracy of 0.7m in X and Y used as field base map</li> </ul>
Data spacing • and distribution •	Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity Whether sample compositing has been applied.	<ul> <li>No drilling is reported</li> <li>Data spacing is "ad hoc", and all sample sites are selected on the wisdom of the mapping geologist</li> <li>No sample compositing has been applied in the reporting of the sample results</li> </ul>
Orientation • of data in relation to geological structure •	<ul> <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> <li>No drilling is reported</li> <li>All samples are grab samples with no orientation implied</li> </ul>
Sample • security Audits or •	The measures taken to ensure sample security. The results of any audits or reviews of sampling techniques and data.	<ul> <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> <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			
<i>Mineral tenement and land tenure status</i>	<ul> <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> <li>The rock chip samples were collected in Region II, Chile, locality of Tuina on concessions "Santa Lucia, Trebol and Santo Domingo" subject to an option agreement with Minera Tuina Ltda, a Chilean subsidiary of RMG Ltd. All concessions are current. There are no landowners, no indigenous claims, no historical sites, no known environmental claims, no proclaimed or proposed wilderness areas</li> </ul>			
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	No known previous exploration by any other parties			
Geology	Deposit type, geological setting and style of mineralisation.	<ul> <li>Based on rock chips and mapping, the Tuina area has characteristics of manto Cu-Ag, mineralisation</li> </ul>			
Drill hole Information	• A summary of all information material to the understanding of the	No drilling is reported			
	exploration results including a tabulation of the following information for all Material drill holes:	See Table 1 in Appendix One for sample locations			
	<ul> <li>easting and northing of the drill hole collar</li> </ul>				
	<ul> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> </ul>				
	<ul> <li>dip and azimuth of the hole</li> </ul>				
	<ul> <li>down hole length and interception depth</li> </ul>				
	<ul> <li>hole length.</li> </ul>				
	• 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.				
Data aggregation	<ul> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high</li> </ul>	No drilling is reported			



Criteria	JORC Code explanation	Commentary			
methods	grades) and cut-off grades are usually Material and should be stated.	<ul> <li>No grade cutting has been applied to samples</li> </ul>			
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used	<ul> <li>No cut-off grade has been applied to samples</li> </ul>			
	for such aggregation should be stated and some typical examples of	<ul> <li>No aggregating has been applied to samples</li> </ul>			
	such aggregations should be shown in detail.	<ul> <li>No metal equivalents have been reported to samples</li> </ul>			
	<ul> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>				
Relationship	These relationships are particularly important in the reporting of Exploration Populate	No drilling is reported			
mineralisatio	Exploration Results.	Rock chip samples have no length			
n widths and	<ul> <li>If the geometry of the mineralisation with respect to the drift hole angle is known, its nature should be reported.</li> </ul>	Rock chip samples have no declination			
lengths	<ul> <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> <li>True width of the mineralisation sampled by rock chip is unknown</li> </ul>			
Diagrams	<ul> <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>	No drilling is reported			
		<ul> <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> </ul>			
		<ul> <li>There are no sectional views as rock chips are 2D only and mapping is incomplete</li> </ul>			
Balanced reporting	<ul> <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>	All rock chips have been reported			
Other substantive exploration data	<ul> <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> <li>No other substantive data is known</li> </ul>			



Criteria	JORC Code explanation	Commentary			
Further work	<ul> <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> <li>Full assessment of the rock chip 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.