ASX ANNOUNCEMENT

30th July 2014 **ASX: PML**

PARMELIA RESOURCES

SIGNIFICANT NICKEL-SULPHIDE EXPLORATION POTENTIAL IDENTIFIED AT 100% OWNED JAURDI HILLS PROJECT

Highlights

- **Significant and previously unrecognised magmatic nickel-sulphide exploration potential identified at the new Dunnsville Nickel Prospect in the north-east of the Jaurdi Hills Project area as defined by Ni-Cu-Co-PGE anomalism in legacy soil geochemistry coincident with the basal contact of the komatiitic Jaurdi Hills Ultramafic Belt.**
- **Dunnsville comprises two high priority and three low priority nickel-sulphide exploration targets spread along a 5km strike-extent of the Jaurdi Ultramafic Belt's basal contact.**
- **Komatiitic geological setting at Dunnsville, which is approx. 100km north west of the Kambalda Dome, is conceptually prospective for Kambalda-type massive and disseminated nickel-sulphide mineralisation of the type recently discovered at Polar Bear by Sirius Resources and at Killaloe by Matsa Resources.**
- **Non-coincident peak assay results returned from two historical soil sample programs at Dunnsville include 3470ppm Ni, 390ppm Cu, and 305ppm Co from the Northern High Priority Target and 125ppb Pt+Pd from the Southern High Priority Target.**
- **Low (<1000ppm) manganese returned from samples anomalous in Ni, Cu, Co & PGE's suggests the anomalies are related to sub-surface geology or magmatic nickel-sulphide mineralisation rather than surficial scavenging by Mn-oxide minerals present in the regolith profile – i.e. the anomalies are 'real'.**
- **Regional geological study conducted by CRA during the late 1960's to early 1970's Nickel Boom determined that the Jaurdi Ultramafic Belt correlates with the ultramafic stratigraphy hosting the Miriam-Bouchers nickel-sulphide prospect and high-grade Nepean Nickel Mine near Coolgardie.**
- **CRA's nickel-sulphide exploration effort in the Jaurdi Hills/ Dunnsville region focused on the basal contact of the thick, more magnetic but geochemically less-prospective Blow Dam Ultramafic Belt leaving the thinner, stratigraphically lower but more geochemically promising Jaurdi Ultramafic Belt mostly untested.**
- **Scope remains for Parmelia to make a significant nickel-sulphide discovery in a region not properly explored for nickel since the early 1970's.**

Level 4, 66 Kings Park Road, West Perth WA 6004, Australia

Postal PO Box 52 West Perth WA 6872, Australia

T +61 8 6141 3500
F +61 8 6141 3599
E info@parmeliaresources.com

PARMELIARESOURCES.COM

Parmelia Resources Limited (ASX:PML) is pleased to announce that independent analysis of historic soil geochemistry data, drilling, geological mapping and aeromagnetic imagery has identified significant magmatic nickel-sulphide exploration potential at its Jaurdi Hills Project located north-east of Coolgardie, Western Australia (Figure 1).

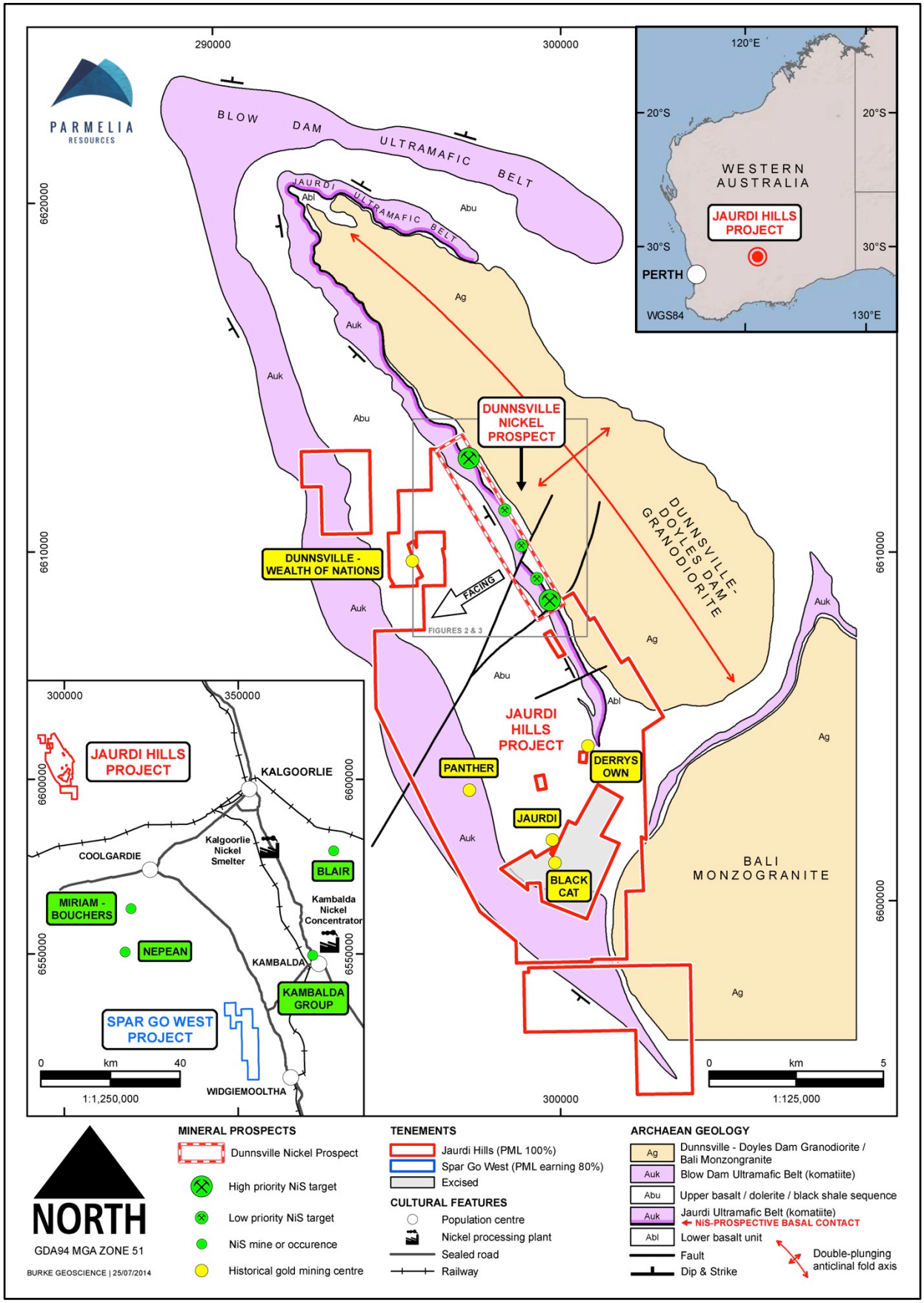

Figure 1 – Jaurdi Hills Project location and simplified geology map showing the location of the Dunnsville Nickel Prospect. (Map not displayed at exact scale).

Project Background

The Jaurdi Hills Project is located approximately 40-50km northwest of Coolgardie. The town site of Coolgardie is located 550km east of Perth and 40km west of Kalgoorlie. The project tenements lie on the western flank of the Dunnsville/Doyle Dam Granodiorite Dome.

PML has undertaken extensive and comprehensive analysis of the available data over the Jaurdi Project. In some cases additional data that was either lost within the mines department system or was not easily readable was recovered and interpreted together with our existing data. This painstaking task has resulted in the identification of high tenor and significant nickel-sulphide targets.

Tenure

Jaurdi Hills comprises 16 granted Mining Leases, 24 granted Prospecting Licences and one granted Exploration Licence for a total of 85.4km^2. Parmelia Resources is the beneficial owner of all tenements via its subsidiary Toro Mining Pty Ltd. The Dunnsville Nickel Prospect is located in the north-east of the property encompassing Prospecting Licences P16/2438, 2439, 2441, 2443 and 2657.

Nickel-Sulphide Exploration Potential

A study by nickel exploration consultant Burke Geoscience has identified significant and previously unrecognised magmatic nickel-sulphide exploration potential at the new Dunnsville Nickel Prospect in the north-east of the Jaurdi Hills Project area.

The prospect comprises two high priority and three low priority nickel-sulphide exploration targets spread along a 5km strike-extent of the Jaurdi Ultramafic Belt. The 'Northern' and Southern' high priority targets are defined by coincident >500ppm nickel, 150ppm copper, (+/-) 100ppm cobalt and >60ppb platinum + palladium soil geochemical anomalism located at or near the basal contact of the Jaurdi Ultramafic Belt. The three low priority targets located between the Northern and Southern targets comprise smaller areas of >500ppm Ni coincident with >150ppm Cu overlying the Jaurdi Ultramafic Belt. See Figures 1 to 3 for the location of the Dunnsville Nickel Prospect and its exploration targets.

The anomalies were identified in legacy soil geochemical data from programs carried out by Coolgardie Gold in 1997 and Sentosa Mining in 2010. Non-coincident peak assay results returned from these programs include **3470ppm Ni**, **390ppm Cu**, **305ppm Co** and **125ppb Pt+Pd**. Table 1 details the assays results for the samples in question and their locations relative to the exploration targets can be seen in Figure 3.

Table 1 - Dunnsvile Nickel Prospect peak Ni, Cu, Co and PGE soil sample assay results.

TARGET	SAMPLE ID	TYPE	LOCATION		Co ppm	Cu ppm	Mg %	Mn ppm	Ni ppm	S ppm	Pt ppb	Pd ppb	Pt+Pd ppb	COMPANY	COMMENTS
			MGA94 EAST	MGA94 NORTH											
Northern Target	DNS2914	Soil	297025	6612562	175	138	5.29	892	**3470**	300	25	60	85	Sentosa Mining	Peak Ni
	E168974		297101	6612779	N/A	**390**	N/A	N/A	2500	N/A	N/A	N/A	N/A	Coolgardie Gold	Peak Cu
	DNS1138		297116	6612769	**305**	198	1.44	926	2240	150	15	20	35	Sentosa Mining	Peak Co
Southern Target	DNS0160		299664	6608607	60	150	4.73	592	456	600	45	80	**125**	Sentosa Mining	Peak Pt+Pd

NOTES: GDA94 MGA ZONE 51 grid projection | Peak assay results are displayed in red | 'N/A' is abbreviation for 'Not Assayed'.

Significantly, low (<1000ppm) manganese assay results were returned from most samples anomalous in Ni, Cu, Co & PGE's which suggests the anomalies are related to sub-surface geology or magmatic nickel-sulphide mineralisation rather than surficial scavenging by Mn-oxide minerals present in the regolith profile – in other words the anomalies are 'real'.

Also of note is what appears to be a WSW-trending, 1km-long Ni-Cu-Co-PGE colluvial dispersion halo located down-slope and to the west of the Southern High Priority Target that if traced up-slope might lead to its source. The unexplained Pt-Pd soil anomaly located halfway between the Jaurdi and Blow Dam ultramafic belts requires further investigation as well.

Supporting the exploration potential of Dunnsville is the co-incidence of Ni-Cu-Co-PGE anomalism with the basal contact of the komatiitic Jaurdi Ultramafic Belt which has a similar geological setting to that which hosts other Kambalda-type massive and disseminated nickel-sulphide deposits of the type recently discovered at Polar Bear by Sirius Resources (see SIR ASX announcement on 16/07/2014) and at Killaloe by Matsa Resources (see MAT ASX announcement on 16/06/2014).

This is further supported by the regional geological study by CRA that determined the Jaurdi Ultramafic Belt correlates with the ultramafic stratigraphy hosting the Miriam-Bouchers nickel-sulphide prospect and the high-grade Nepean Nickel Mine near Coolgardie.

CRA's nickel-sulphide exploration effort in the Jaurdi Hills / Dunnsville region focused on the basal contact of the thick, more magnetic but geochemically less-prospective Blow Dam Ultramafic Belt leaving the thinner, stratigraphically lower but more geochemically promising Jaurdi Ultramafic Belt mostly untested and it is thought this oversight provides significant opportunity for a discovery to be made in the Jaurdi Ultramafic Belt by Parmelia.

Geology

The Jaurdi Hills Project is hosted within the Dunnsville-Ubani Greenstone Belt ('DUGB'), which is located near the western boundary of the Kalgoorlie Terrane of the central Archaean Yilgarn Craton.

The DUGB is a mafic to ultramafic volcanic sequence wrapped around the 20km-long by 4km-wide, north-west trending Dunnsville-Doyles Dam Granodiorite pluton. The belt comprises a thin lower basalt formation overlain by the 500m-thick, magnetically indistinct, komatiitic Jaurdi Ultramafic Belt which in turn is overlain by a 3km-thick upper basalt flow sequence punctuated by interflow black shale horizons and intruded by dolerite sills which in turn is overlain by the 1km-thick and strongly magnetic komatiitic sequence known as the Blow Dam Ultramafic Belt.

The stratigraphy of the DUGB dips towards the south-west in the project area due to its location on the western side of Dunnsville-Doyles Dam Granodiorite dome.

A regional geological study by CRA Exploration Pty. Limited ('CRA') during the late 1960's to early 1970's Nickel Boom determined that the Jaurdi Ultramafic Belt correlates with the ultramafic stratigraphy hosting the Miriam-Bouchers nickel-sulphide prospect located 12km south of Coolgardie (Tuite 1970). Aeromagnetics indicates that Miriam is about 13km north along strike of the high grade Nepean Nickel Mine which would suggest that the basal contact of the Jaurdi Ultramafic Belt is also conceptually prospective for komatiitie-hosted magmatic nickel-sulphide mineralisation.

The Dunnsville Nickel Prospect encompasses 5kms strike-extent of the Jaurdi Ultramafic Belt in the north-east of the project area. Refer to Figures 1 to 3 for geology maps of the Jaurdi Hills Project and Dunnsville Nickel Prospect.

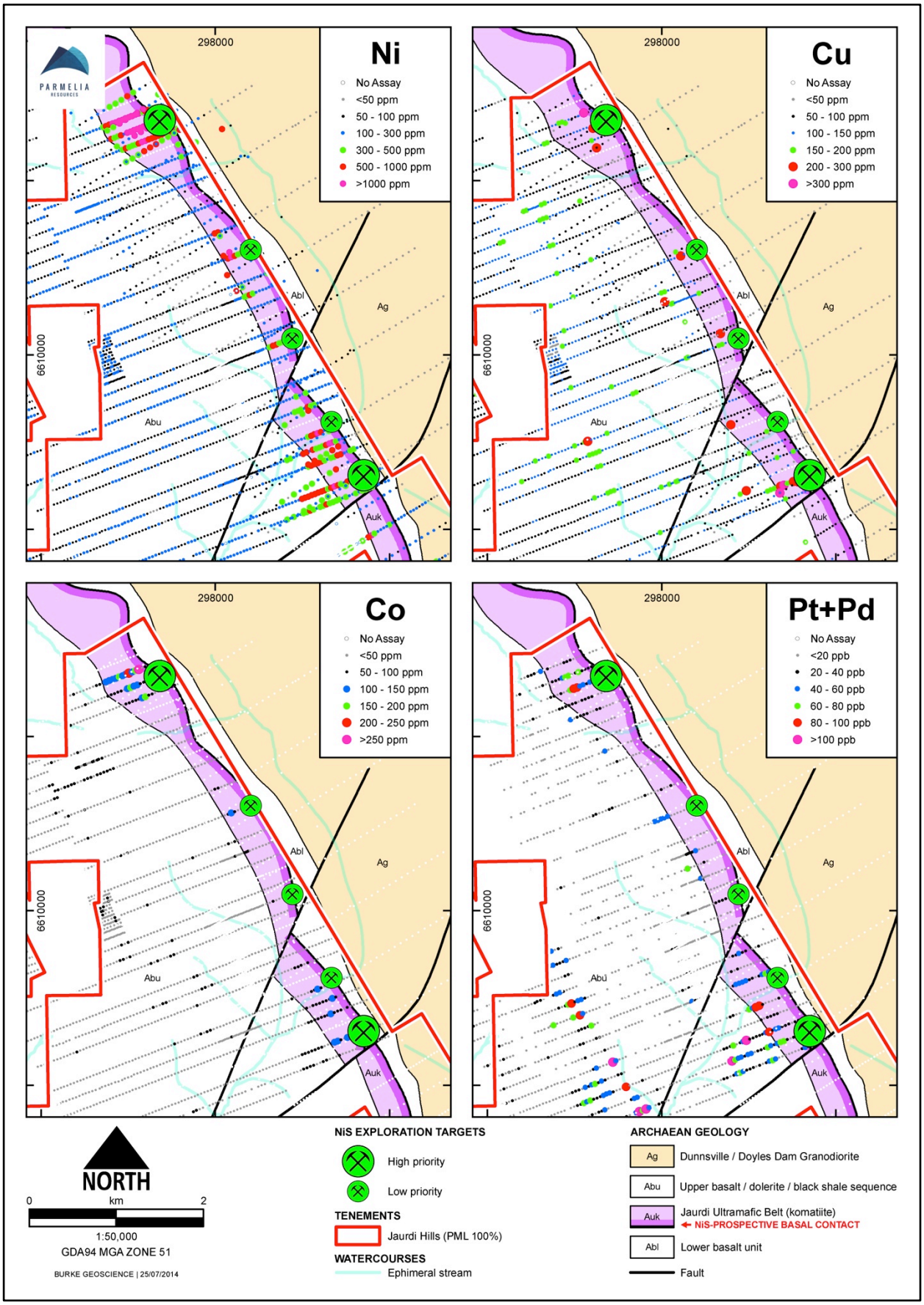

Figure 2 – Dunnsville Nickel Prospect nickel, copper, cobalt and platinum + palladium soil geochemistry and nickel-sulphide exploration targets overlaid on simplified geology. Not all samples assayed for Ni, Cu and Co are assayed for Pt and Pd and vice versa. Map not displayed at exact scale.

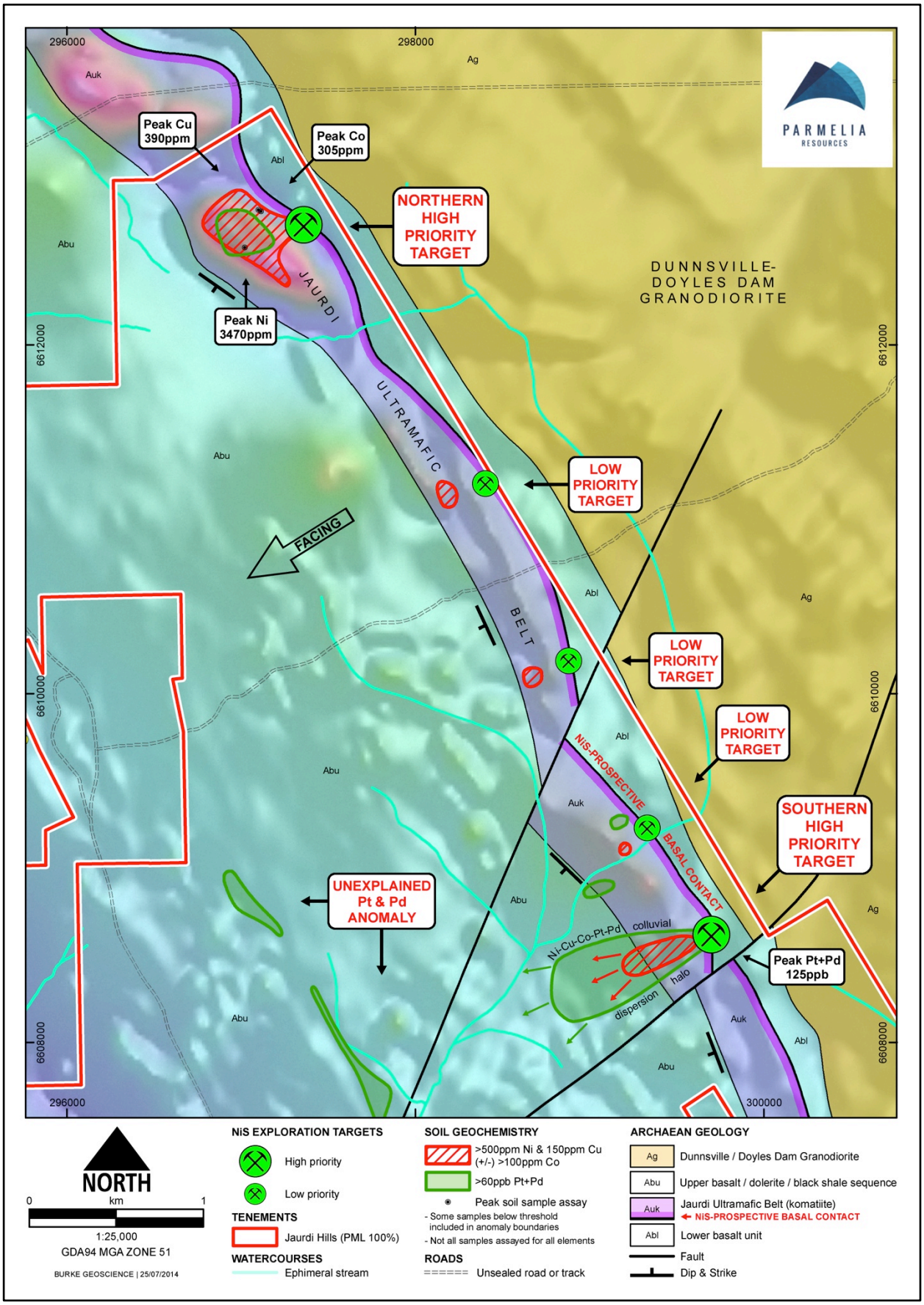

Figure 3 – Map of the Dunnsville Nickel Prospect featuring nickel-sulphide exploration targets, nickel-copper +/- cobalt soil anomalies, platinum + palladium soil anomalies and the locations of peak Ni, Cu, Co and Pt+Pd (PGE) assay results overlaid on simplified geology and TMI RTP aeromagnetic imagery. For display purposes some samples below anomaly threshold are included in anomaly boundaries. Refer to Figure 2 for the raw data on which the interpreted anomaly extents are based. Map not displayed at exact scale.

Previous Work

Three phases of nickel-sulphide exploration have been carried out at Jaurdi Hills between 1966 and 1997:

- CRA EXPLORATION (1966 – 1972) – CRA explored the Jaurdi Hills / Dunnsvile area during the Nickel Boom (Atkinson 1970). Its work included geological mapping, a ground magnetic survey, geo-botanical reconnaissance, a gossan search, rock chip sampling, soil sampling, auger and percussion drilling. CRA did not discover any nickel-sulphide mineralisation however its efforts were focussed on the basal contact of the thicker, more magnetic but geochemically less-prospective Blow Dam Ultramafic Belt leaving the thinner, stratigraphically lower but more geochemically promising Jaurdi Ultramafic Belt mostly untested except for two percussions holes drilled in the Dunnsville area whose data are missing from WA Department of Mines & Petroleum archives ('WAMEX').
- UNION MINIERE (1976) – Union Miniere Development and Mining Corporation Ltd. ('Union Miniere') explored the area around what is now recognised as the Northern High Priority exploration target at Dunnsville (Williams 1976). Its work comprised geological mapping, a ground magnetic survey and four percussion holes for a total advance of 226m. Drilling retuned negative results so the company withdrew from the joint venture.
- COOLGARDIE GOLD (1997) – Although focused on gold exploration, Coolgardie Gold NL also investigated the nickel exploration potential of the Dunnsville area (Henderson 1997). Two of the four phases of soil sampling the company carried out at Dunnsville were assayed for nickel and copper and the anomalous results from this program form part of the sample support on which the nickel-sulphide exploration targets at Dunnsville are based. Coolgardie Gold also drilled 18 RAB holes in roughly the same area as the four drilled by Union Miniere but they were not assayed for copper so it cannot be determined whether the ~1500ppm to 3000ppm Ni intersected in weathered rock in most of the holes is reflective of ultramafic lithology or fertility for magmatic nickel-sulphides.

In 2010 Parmelia Resources (then Sentosa Mining Limited) conducted an extensive multi-element soil sampling program over roughly the same part of the Dunnsville Nickel Prospect that was sampled by Coolgardie Gold in 1997 (Dufresne & Parker 2011). Although this program returned significant coincident Ni-Cu-Co-PGE anomalism at the same locations that Ni-Cu anomalism was identified by Coolgardie Gold, Sentosa's focus on gold meant that it overlooked the significance of these results.

No nickel-sulphide mineralisation has been identified within the project area to date and all other work within the property has focused on gold exploration, resource evaluation and mining dating back to first recorded production at the Jaurdi Mining Centre in 1897.

Exploration Strategy

The significant nickel-sulphide exploration potential identified at Dunnsville warrants dedicated investigation by PML. The company therefore proposes carrying out further exploration at the prospect to identify potential drill targets. This further exploration may include the following:

1. HISTORICAL DATA COMPILATION – Continue legacy data compilation, verification and analysis with a particular emphasis on digitising information from a rock chip sampling program conducted in the Dunnsville / Jaurdi Hills area by CRA in 1968 (Atkinson 1970) and nickel exploration drilling programs conducted at Dunnsville by Union Miniere (Williams 1976) and Coolgardie Gold (Henderson 1997).
2. GEOTEM REPROCESSING – A GEOTEM airborne electromagnetic ('EM') survey was flown over the Jaurdi Hills Project in 2004. Although this type of airborne EM method is not ideal for detecting nickel-sulphide mineralisation in areas where conductive regolith is present such as at Jaurdi Hills, PML intends to get the data from this survey reprocessed and analysed to find out

whether it could have identified any subtle, previously unrecognised conductivity anomalies that might indicate the presence of massive nickel-sulphide mineralisation at depth.

3. GEOLOGICAL MAPPING – Ground-proof the interpreted geology of the Dunnsville Nickel Prospect, map exploration targets in detail and conduct a gossan search.
4. SOIL SAMPLING – Consider close-spaced soil sampling over high priority exploration targets to better define the areas to conduct ground electromagnetic surveys.
5. GROUND GEOPHYSICS – Conduct high-power, deep-penetrating moving-loop EM ('MLTEM') surveys over high priority targets to identify conductivity anomalies that might indicate the presence of massive nickel-sulphides.
6. DRILLING – Target generation and carefully considered reverse circulation ('RC') or RC pre-collar / diamond tail drilling of conductivity anomalies coincident with Ni-Cu-Co-PGE soil anomalies in nickel-sulphide prospective geological settings.

Additional Opportunities

The company continues to evaluate several additional nickel-sulphide exploration opportunities and is actively engaged in negotiations with respect to these prospects. The market will be informed if and when negotiations reach a successful conclusion.

> *Commenting on this announcement Mr Nigel Gellard, Executive Chairman of Parmelia Resources said "We are very excited and encouraged by the significant and previously unrecognised nickel-sulphide exploration potential identified at Jaurdi Hills. This opportunity has come about as a result of "roll up your sleeves" hard work, meticulous attention to detail and dogged determination to track down answers. This result is a credit to the professionalism of Steve Burke our consultant geologist. I look forward to updating the market on our progress at Dunnsville*."

For further information concerning PML's activities or future exploration plans please contact Nigel Gellard, Executive Chairman at:

Phone +61 (0)8 6141 3500

Fax +61 (0)8 6141 3599

www.parmeliaresources.com

Nigel Gellard
Executive Chairman

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Stephen Burke, a Competent Person who is a Member of the Australian Institute of Geoscientists. Stephen is employed by Burke Geoscience Pty. Ltd. as a consultant to Parmelia Resources Limited. He has sufficient experience that is relevant to the style of mineralization 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'). Stephen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

REFERENCES

Atkinson, W.J., 1970. *Report on exploratory activities on temporary reserve no. 3788H, 4749H and 4750H Dunnsville area, W.A. for the year ending 31st December, 1968*. CRA Exploration Pty. Limited. WAMEX # A1092.

Dufresne, M. & Parker, I., 2011. *Annual technical report Jaurdi Hills Project Western Australia for the period January 8th 2010 to January 7th 2011, GSWA combined reporting reference No C277/1994*. Apex Geoscience Ltd. (on behalf of Senbtosa Mining Limited). Closed file report.

Henderson, R., 1997. Coolgardie Gold NL, Dunnsville Project Surrender Report, Prospecting Licences 16/1269-1272, 16/1275-1276, 16/1346-1348, Volume 1. Exploration & Mining Consultants (on behalf of Coolgardie Gold NL). WAMEX # A52680

Tuite, M., 1970. *Semi-regional mapping programme T.R. 3788H Dunnsville Area W.A. November 1969 – February 1970*. CRA Exploration Pty. Limited. WAMEX # A1922.

Williams, S.V., 1976. *Report on geological investigations, Dunnsville Prospect, M.C.s 1427 – 1430, Coolgardile Shire, Western Australia*. Union Miniere Development and Mining Corporation Ltd. WAMEX # A6792.

The following table is published to comply with the JORC Code 2012 Edition requirements for reporting of Exploration Results.

JORC CODE 2012 EDITION - TABLE 1
Section 1: Sampling Techniques and Data

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	**SOIL SAMPLING:** - COOLGARDIE GOLD PHASE 1 (1997) – Surface soil sampling. - COOLGARDIE GOLD PHASE 4 (1997) – Vehicle-mounted auger sampling. - SENTOSA MINING (2010) – Surface soil sampling.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	- ALL PROGRAMS – Soil geochemistry database provided with both local & GDA94 MGA ZONE 51 co-ordinates for all samples. Sample locations have only been checked by visual reference to live tenement boundaries seen in historical exploration reports. This somewhat diminished spatial confidence is considered suitable for the type of first-pass analysis discussed in this announcement.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.	- COOLGARDIE GOLD PHASE 1 (1997) – Samples were collected from the surface on a 640m by 40m grid spacing, sieved to -6mm & submitted to Genalysis Laboratory Services in Perth for analysis. Samples were assayed for Au, Ni, Cu & Zn by 50 gram multi-acid digest, carbon rod AAS finish for Au and flame AAS finish for Ni, Cu & Zn. - COOLGARDIE GOLD PHASE 4 (1997) – Samples were collected from 1m below surface on a 320m by 80m or 210m by 80m or 40m grid spacing using a vehicle-mounted auger rig. Samples were submitted to Genalysis Laboratory Services in Perth to be analysed for Au by 'B/ETA' (acid digest) and for As, Cu, Ni, Zn & Pb by 'B/AAS'. - SENTOSA MINING (2010) – Samples were collected from the surface, submitted to Amdel in Kalgoorlie and forwarded to Ultra Trace in Perth for analysis. Samples were assayed for Au, Pt & Pd by 40 gram fire assay with ICP-ES finish; Ca, Co, Cr, Cu, Fe, K, Mg, Mn, Na, Ni, P, S, Ti, V & Zn by mixed acid digest & ICP-ES finish; Ag, As, Bi, Cd, Cs, Ce, Ga, In, La, Mo, Nb, Pb, Rb, Sb, Se, Sn, Sr, Te, Th, Ii, U, W, Y by mixed acid digest & ICP-MS finish.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	- COOLGARDIE GOLD PHASE 1 (1997) – No drilling. - COOLGARDIE GOLD PHASE 4 (1997) – Toyota-mounted auger rig. 1m drill & sample collection depth where possible. - SENTOSA MINING (2010) – No drilling.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	- ALL PROGRAMS – Sample recovery not recorded.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	- ALL PROGRAMS – Measures taken to maximise sample recovery not recorded.
	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.	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – In about 100 places where they are co-located, the Phase 4 auger sampling generally reports higher Ni & Cu grades than the Phase 1 surface soil sampling hence it is thought that there is a positive bias towards the auger sampling. - SENTOSA MINING (2010) – It is speculated that the under-calling of base metal grades seen in the Coolgardie Gold surface sampling relative to the auger sampling may be applicable to the Sentosa Mining surface sampling as well. Future sampling of the prospect should therefore be carried out by auger drilling rather than surface sampling.
Logging	*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.*	- ALL PROGRAMS – Geology was not logged for any soil sample collected by either Coolgardie Gold or Sentosa Mining.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	- ALL PROGRAMS – Not applicable as samples were not logged.
	The total length and percentage of the relevant intersections logged.	- ALL PROGRAMS – Not applicable as samples were not logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	- ALL PROGRAMS – Not applicable as samples are not drill core.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	- COOLGARDIE GOLD PHASE 1 (1997) – Samples sieved to minus (-)6mm in the field. - COOLGARDIE GOLD PHASE 4 (1997) – It is unknown whether the samples were split or if particular size fractions were collected for analysis. - SENTOSA MINING (2010) – It is unknown whether the samples were split or if particular size fractions were collected for analysis.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	- COOLGARDIE GOLD PHASE 1 (1997) – Samples were pulverised and a 50 gram aliquot collected for analysis. This is appropriate and standard industry practice. - COOLGARDIE GOLD PHASE 4 (1997) – The sample preparation technique is not recorded. - SENTOSA MINING (2010) – Samples were dried, pulverised and a 40 gram aliquot collected for analysis. This is appropriate and standard industry practice.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – External quality control procedures not recorded. It is assumed standard industry practices of using internal lab standards, duplicates and blanks were followed by Genalysis. - SENTOSA MINING (2010) – It appears Sentosa did not conduct any external quality control procedures and relied on Ultra Trace to randomly insert two standards every 30 samples, one blank every 90 samples and conduct one repeat analysis very 12 samples.
	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.	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – External quality control procedures not recorded. However, where they are co-located, a comparison between Ni and Cu assay results from the Phase 1 surface sampling and Phase 4 auger sampling suggests that there is a positive bias towards the auger sampling. - SENTOSA MINING (2010) – Sentosa did not collect any field duplicates during the 2010 soil sampling program.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	- ALL PROGRAMS – Sample sizes are considered appropriate for the grain size being sampled and the type of mineralisation being explored.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	- COOLGARDIE GOLD PHASE 1 (1997) – Samples were assayed by Genalysis Laboratory Services in Perth for Au, Ni, Cu & Zn by 50 gram multi-acid digest, carbon rod AAS finish for Au and flame AAS finish for Ni, Cu & Zn. This method achieves total dissolution for base metals and for Au if not occluded in sulphides. - COOLGARDIE GOLD PHASE 4 (1997) – Samples were assayed by Genalysis Laboratory Services in Perth for Au by 'B/ETA' (acid digest) and for As, Cu, Ni, Zn & Pb by 'B/AAS'. This method achieves total dissolution for As, base metals and for Au if not occluded in sulphides. - SENTOSA MINING (2010) – Samples were assayed by Ultra Trace in Perth for Au, Pt & Pd by 40 gram fire assay with ICP-ES finish; Ca, Co, Cr, Cu, Fe, K, Mg, Mn, Na, Ni, P, S, Ti, V & Zn by mixed acid digest & ICP-ES finish; Ag, As, Bi, Cd, Cs, Ce, Ga, In, La, Mo, Nb, Pb, Rb, Sb, Se, Sn, Sr, Te, Th, Ii, U, W, Y by mixed acid digest & ICP-MS finish. This method achieves total dissolution for all elements.
Quality of assay data and laboratory tests	*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.*	- ALL PROGRAMS – Not applicable as samples were not analysed by geophysical methods or handheld analytical instruments such as XRF devices.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – External quality control procedures were not recorded. It is assumed standard industry practices of using internal lab standards, duplicates and blanks were followed by Genalysis. The risk of inaccurate or imprecise results being reported as a result of this oversight is acceptable for the type of first-pass analysis of historical information discussed in this announcement - SENTOSA MINING (2010) – It appears Sentosa did not conduct any external quality control procedures and relied on Ultra Trace to randomly insert two standards every 30 samples, one blank every 90 samples and conduct one repeat analysis very 12 samples. This somewhat diminished level of quality control is acceptable for the type of first-pass analysis of historical information discussed in this announcement
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – The Competent Person cross-referenced all anomalous assay results returned from both Coolgardie Gold soil sampling programs against original hardcopy records. About half a dozen anomalous Cu results were manually entered into PML's database from paper records after they were found to be missing. No other errors were identified. - SENTOSA MINING (2010) – The Competent Person checked all anomalous assay results from the Sentosa soil sampling program against original hardcopy records. No errors were indentified.
	The use of twinned holes.	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – In about 100 locations the Phase 4 auger sampling twins the Phase 1 surface sampling. Generally speaking the Phase 4 samples report higher Ni & Cu grades than the co-located Phase 1 surface samples raising the possibility that the Phase 1 program may have underestimated the nickel-sulphide exploration potential of the Jaurdi Ultramafic Belt. - SENTOSA MINING (2010) – No 'twinning' or repeat sampling was conducted as part of the Sentosa soil sampling program.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	- ALL PROGRAMS – PML received a copy of the Jaurdi Hills soil geochemistry database from its previous guardian BM Geological Services on 12/05/2014. Burke Geoscience verified the data against original hardcopy records and made corrections where appropriate. The corrected digital data are stored (and backed-up) at Burke Geoscience's offices in both Micromine and Excel formats. - COOLGARDIE GOLD PHASES 1 & 4 (1997) – The data from Coolgardie Gold's soil sampling programs at Dunnsville can be found in a report by Henderson 1997 which is available on the DMP website under WAMEX # A52680. - SENTOSA MINING (2010) – The data from Sentosa's soil sampling program can be found in the 2010 Annual Technical Report for the Jaurdi Hills Project (C277/1994) by Dufresne & Parker 2011. It is a Closed File Report not available in the public domain.
	Discuss any adjustment to assay data.	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – After cross-referencing against original hardcopy data, about half a dozen anomalous Cu results that were missing from the database were manually entered from hardcopy records. These adjustments have been noted in the database. - SENTOSA MINING (2010) – No adjustments were made.
Location of data points	*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.*	- ALL PROGRAMS – Sample locations have only been checked by visual reference to live tenement boundaries seen in historical exploration reports and have not yet been ground-proofed. This somewhat diminished level of spatial confidence is considered acceptable for the type of first-pass analysis discussed in this announcement.
	Specification of the grid system used.	- ALL PROGRAMS – GDA94 MGA ZONE 51.
	Quality and adequacy of topographic control.	- ALL PROGRAMS – All soil samples are referenced to a default elevation of 0m RL however a digital elevation model of the Jaurdi Hills Project has recently been purchased from Landgate which will allow all data to soon be resolved to their correct elevations.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	- COOLGARDIE GOLD PHASE 1 (1997) – Surface soil samples collected on a 640m by 40m grid spacing, - COOLGARDIE GOLD PHASE 4 (1997) – Auger soil samples collected on a 320m by 80m or 210m by 80m grid spacing closing to 40m in some areas. - SENTOSA MINING (2010) – Surface soil samples collected on a 320m by 20m grid spacing,
	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.	- ALL PROGRAMS – Not applicable. Soil sampling not a suitable sample support on which to base a Mineral Resource.
	Whether sample compositing has been applied.	- ALL PROGRAMS – Compositing has not been applied to any soil sampling program at Jaurdi Hills.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	- ALL PROGRAMS –Soil sample lines are ideally orientated perpendicular to straitigraphy.
	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.	- ALL PROGRAMS – No orientation bias has been identified in any soil sampling program at Jaurdi Hills.
Sample security	*The measures taken to ensure sample security.*	- ALL PROGRAMS – The historic nature of the soil sampling programs means that the measure taken to ensure the security of samples cannot be determined.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	- COOLGARDIE GOLD PHASES 1 & 4 (1997) – A brief comparison between Ni and Cu assay results from twinned Phase 1 surface and Phase 4 auger soil samples suggests that there is a positive bias towards the auger results. - SENTOSA MINING (2010) – No review or audit has been conducted on the Sentosa soil sampling program.

Section 2: Reporting of Exploration Results

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	*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.*	**JAURDI HILLS – DUNNSVILLE NICKEL PROSPECT:** - The Dunnsville Nickel Prospect is located in Parmelia Resources' Jaurdi Hills Project. It encompasses five granted Prospecting Licences in the north-east of the project area; P16/2438, 2439, 2441, 2443 and 2657. All tenements are held by Toro Mining Pty Ltd which is a wholly-owned subsidiary of Parmelia Resources.
	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.	- All five PL's covering Dunnsville are in good standing and there are no known impediments to PML maintaining tenure over this area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	- Three phases of nickel-sulphide exploration have been carried out in the Jaurdi Hills / Dunnsville region; by CRA Exploration between 1968 and 1972, Union Miniere in 1976 and Coolgardie Gold in 1997. Refer to the 'Previous Work' section of this announcement for details on the work completed in the project area. To date, no nickel-sulphide mineralisation has been discovered in the Jaurdi Hills Project however anomalous Ni-Cu-Co-PGE results returned from soil sampling programs carried out by Coolgardie Gold in 1997 and Sentosa Mining in 2010 hint at previously unrecognised nickel-sulphide exploration potential at the Dunnsville Nickel Prospect. All other mineral exploration carried out at Jaurdi Hills has focused gold dating back to first recorded production at the Jaurdi Mining Centre in 1897.
Geology	*Deposit type, geological setting and style of mineralisation.*	- The Jaurdi Hills Project is located within the Dunnsville-Ubani Greenstone Belt ('DUGB') which is a mafic-ultramafic volcanic sequence wrapped around the north-west trending, 20km long and 4km wide Dunnsville-Doyles Dam Granodiorite pluton situated near the western boundary of the Kalgoorlie Terrane of the central Archaean Yilgarn Craton. The project area is situated on the western side of the granodiorite dome hence stratigraphy in the project area dips south-west. The DUGB comprises a 500m-thick lower komatiite sequence called the Jaurdi Ultramafic Belt which overlies a lower basalt unit and separated from a 1km-thick upper komatiite sequence called the Blow Dam Ultramafic Belt by a 3km-thick basalt/dolerite/interflow black shale sequence. The Dunnsvile Nickel Prospect is located on the basal contact of the Jaurdi Ultramafic Belt. - PML is exploring the Dunnsville Nickel Prospect for Kambalda-style, massive nickel-sulphide deposits of the type usually formed in lava channel pathways at or near the basal contact of komatiitic flows such as the Jaurdi Ultramafic Belt.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Drill hole Information	*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:* - *easting and northing of the drill hole collar* - *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* - *dip and azimuth of the hole* - *down hole length and interception depth* - *hole length.*	- Refer to Table 1 in the body of the announcement for a summary of significant Ni, Cu, Co and PGE soil sample assay results from the Dunnsville Nickel Prospect. - Refer to Figures 1 to 3 for locations of the nickel-sulphide exploration targets identified at the prospect.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	- Averaging or truncation of grades is not used in reporting of soil sample results at Dunnsville however appropriate anomaly thresholds are used identify areas that might be prospective of nickel-sulphide mineralisation. - The threshold used to define anomalous soil geochemistry at Jaurdi Hills is coincident >500ppm Ni, 150ppm Cu, (+/-) 100ppm Co and 60ppb Pt+Pd.
	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.	- Not applicable. Soil samples at Jaurdi Hills have not been composited.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	- No metal equivalent values are used to report legacy soil geochemistry results at Jaurdi Hills however Platinum Group Element ('PGE') anomalies an aggregate platinum (Pt) and palladium (Pd) results.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	- Not applicable to soil geochemistry samples.
Diagrams	*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.*	- Refer to Figures 1 to 3 in the body of the announcement.
Balanced reporting	*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.*	- The soil geochemistry data that form the basis of the Ni-Cu (+/-) Co and Pt+Pt soil anomalies at Dunnsville are displayed in Figure 2 in order to substantiate the interpreted anomalies shown in Figure 3.
Other substantive exploration data	*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.*	- In the 'Previous Work' and 'Exploration Strategy' sections of the announcement, reference is made to other historical exploration activities conducted in the project area that may be material to nickel-sulphide exploration at Dunnsville but are yet to digitally captured and analysed in depth. This includes rock chip sampling by CRA Exploration reported in Atkinson 1970 (WAMEX # A1092), drilling by Union Miniere reported in Williams 1976 (WAMEX # A6792) and drilling by Coolgardie Gold detailed in Henderson 1997 (WAMEX # A52680). PML intends to digitise, verify and analyse these data and if it is Material to do so the results of this analysis will be reported to the public domain.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	- The work program proposed for the Dunnsville Nickel Prospect is outlined in the 'Exploration Strategy' section of the announcement.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	- All nickel-sulphide exploration targets at Dunnsville are clearly identified in Figures 1 to 3.