ASX: AZS **18 April 2016**

200 METRES OF SILVER MINERALISATION INTERSECTED AT LOMA BONITA

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to advise that diamond drilling on the northern part of the Loma Bonita ridge has identified additional near-surface, oxide zone hosted silver and gold mineralisation. Furthermore, significant widths of silver mineralisation have been intersected deeper in the holes, including a 200m long mineralised zone in MDPD-009.

Highlights include:

- **Drill hole MDPD-009 intersects continuous silver mineralisation from surface to end of hole: 200.2m[1] @ 42g/t AgEq[2] (34g/t Ag & 0.09g/t Au)**
- **Near surface gold and silver mineralisation intersected in all three holes**
  - **MDPD-008: 7.5m @ 216g/t AgEq (1.05g/t Au & 130g/t Ag) from 2.00m**
  - **MDPD-009: 9.3m @ 130g/t AgEq (0.30g/t Au & 106g/t Ag) from 13.95m**
  - **MDPD-010: 15.0m @ 50g/t AgEq (0.11g/t Au & 41g/t Ag) from surface**
- **Assays are awaited from MDPD-011 & MDPD-012 which were completed to follow up previous drill hole MDPD-007[3], which intersected:**
  - **20.0m @ 193g/t AgEq (1.52g/t Au & 62g/t Ag) from surface; including**
  - **10.7m @ 287 g/t AgEq (2.76g/t Au & 66g/t Ag) from surface**
- **Meanwhile the Mesa de Plata Mineral Resource Estimate is nearing completion**

Azure's Managing Director, Tony Rovira, stated, "*These recent results are very exciting developments. Firstly they confirm the presence of near-surface gold within the silver mineralised system at Loma Bonita, and secondly, and perhaps more importantly, the 200 metres of continuous silver mineralisation downhole is a strong indication of the significant scale that can be quickly added to the project. These are exciting developments and very promising for the future of the broader Alacrán project.*"

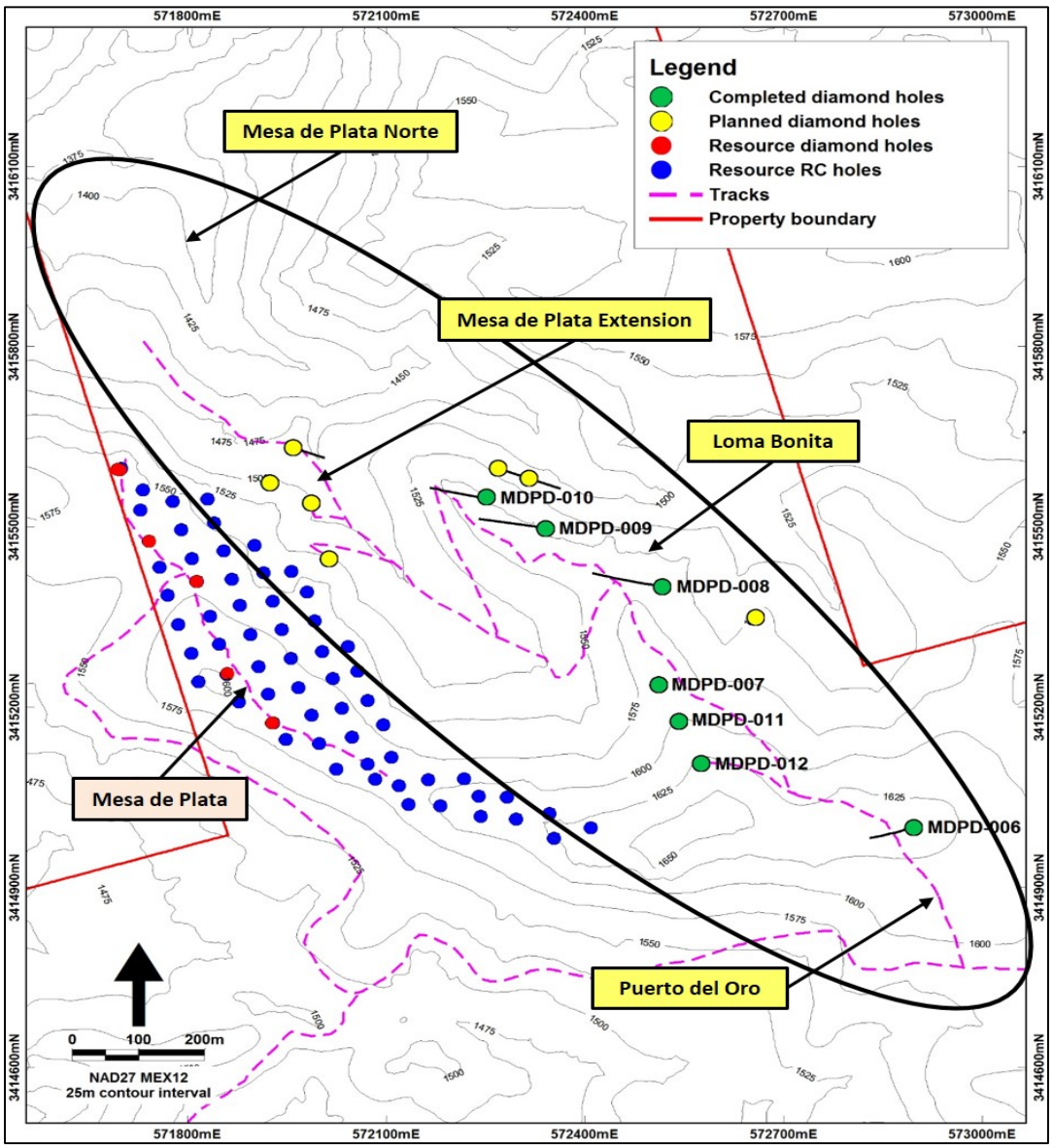
[1] Overall mineralised zone for MDPD-009 was calculated using length-weighted average grade for the entire hole.
[2] See attached JORC Code Table 1 for Silver Equivalency details.
[3] Refer ASX announcement dated 17/03/2016

DETAILS

Throughout the 900m length of the Loma Bonita ridge, outcrop occurs as sub-horizontal to shallow north-dipping volcanic strata containing vuggy silica and silicified breccia. Within the northern part of the ridge this strata is cut by several vertical north and north-easterly trending “ribs” of silicified breccia. At surface these silicified structures are up to 40m or more in width and surface sampling returned significant gold and silver assays (ASX: 16 & 21 October 2015).

Three holes, MDPD-008, 009 and 010, were drilled in the northern area (see Figure 1) to test the surface gold and silver anomalism and the vertical structures. All holes were drilled along a section orientated approximately north-northwest (290^{o}) to drill perpendicular to the silicified structures.

Figure 1: Plan showing completed and proposed drill hole locations



In the near-surface zone, all three holes intersected strong grades of silver mineralisation, hosted in vuggy silica and silicified hydrothermal breccia. In addition, hole MDPD-008 returned good gold grades from within this surface zone, while lower grade gold mineralisation was intersected near surface in holes MDPD-009 & 010 (see Table 1). The entire length of hole MDPD-009 was drilled in strongly anomalous silver mineralisation, returning 200.2m @ 42g/t AgEq.

Table 1: Significant gold and silver intercepts from MDPD-008, 009 & 010

HOLE No	DEPTH (m)		WIDTH (m)	GRADE		
	FROM	TO		Au (g/t)	Ag (g/t)	AgEq (g/t)
MDPD-008	2.0	9.5	7.5	1.05	130	214
MDPD-009	0.0	200.2	200.2	0.09	34	42
including	1.8	24.1	22.3	0.32	62	87
which includes	13.9	23.2	9.3	0.30	106	130
	117.6	193.5	75.9	0.10	50	57
MDPD-010	0.0	15.0	15.0	0.11	41	50
	80.1	91.5	11.4	0.06	53	58
	123.0	129.0	6.0	0.12	35	45
	135.0	145.2	10.2	0.13	40	50

Each hole demonstrates intense weathering and oxidation from surface to 50m-80m downhole, with the rock being very hematitic (iron-rich) in this zone. Variable, in some places large, amounts of disseminated pyrite (iron sulphide) mineralisation are present each hole. The rocks mostly consist of hydrothermal breccia hosting fragments of silicified andesite (a volcanic rock) and vuggy silica with quartz-vein stockworks. The intensity of the silicification, quartz vein stockworking and brecciation in these holes is very strong.

Holes **MDPD-011 & 012** were drilled to follow-up the strong gold and silver mineralisation intersected in hole MDPD-007. Both holes are complete and assays are awaited. If further gold and silver mineralisation is identified in these holes, Azure will initiate a more extensive drilling program to define the gold-rich mineralised zone in this area.

Holes **MDPD-013 & 014** were collared on the northeastern flank of the Mesa de Plata mineralised zone to test for extensions of the silver mineralisation in this direction. Both holes have been completed, successfully passing through vuggy silica into the underlying andesite. Assays for these holes are awaited.

Table 2: Diamond drill hole information

HOLE No.	EAST (mE)	NORTH (mN)	ELEVATION (mASL)	AZIMUTH	DIP	TOTAL DEPTH	LOCATION
MDPD-006	572897	3414998	1,631	270	-80	539.0	Puerto del Oro
MDPD-007	572512	3415236	1,587	000	-90	165.0	Loma Bonita
MDPD-008	572517	3415399	1,566	290	-60	213.0	Loma Bonita
MDPD-009	572341	3415496	1,547	290	-60	200.0	Loma Bonita
MDPD-010	572252	3415546	1,548	290	-60	172.0	Loma Bonita
MDPD-011	572542	3415175	1,602	000	-90	149.9	Loma Bonita
MDPD-012	572572	3415109	1,627	000	-90	150.0	Loma Bonita
MDPD-013	571925	3415572	1,505	000	-90	28.0	Mesa de Plata
MDPD-014	572014	3415446	1,526	000	-90	65.0	Mesa de Plata
MDPD-015	571960	3415653	1,475	110	-60	commenced	Loma Bonita

-ENDS-

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Information in this report that relates to Exploration Results is based on information compiled by Mr Tony Rovira, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Rovira is a full-time employee and Managing Director of Azure Minerals Limited. Mr Rovira has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is undertaking 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". Mr Rovira consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report that relates to previously reported Exploration Results has been crossed-referenced in this report to the date that it was reported to ASX. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement.

APPENDIX

ALACRÁN BACKGROUND

Alacrán is located in the northern Mexican state of Sonora approximately 50km south of the USA border. The property covers 54km^2 of highly prospective exploration ground in the middle of the Laramide Copper Province. This is one of North America's most prolific copper-producing districts, extending from northern Mexico into the southern United States.

Alacrán lies in close proximity to several large copper mines, including being 15km from the world class, giant Cananea Copper Mine operated by Grupo Mexico. This is one of Mexico's premier mining districts, with world class production of copper together with significant amounts of gold, silver and molybdenum.

There is excellent access to and within the property, via a sealed highway from Hermosillo, capital of the state of Sonora, and existing mine roads and ranch tracks. The nearby town of Cananea is a mining-friendly jurisdiction with experienced exploration and mining services, as well as physical infrastructure including roads, railway, airport, electrical power and water.

Commercial and artisanal mining occurred within the project area in the early 20th century, ending in 1913 due to the Mexican Revolution. Since that time, Alacrán has seen only limited exploration and its potential for hosting large porphyry copper deposits and smaller high grade precious and base metal deposits remains largely untested by modern exploration techniques.

The Anaconda Copper Mining Company explored the property intermittently from the 1930's to the 1960's. Data relating to this work is held in the Anaconda Geological Documents Collection, part of the American Heritage Centre in the University of Wyoming. Azure has visited the library and retrieved copies of numerous technical reports and maps.

Between the 1960's and the early 1980's, the Consejo de Recursos Minerales (Mexican Geological Survey) carried out occasional exploration programs, including drilling 6 holes at the Cerro Alacrán prospect in 1970 and undertaking geophysical surveys over the Palo Seco and La Morita prospects in 1981.

Grupo Mexico S.A.B.de C.V. ("Grupo Mexico") then acquired the project and drilled 26 holes at Cerro Alacrán in the 1990's. This drilling, which was restricted to an area of approximately 50 hectares, outlined a large body of near-surface, copper oxide and chalcocite (copper sulphide) mineralisation. The size, grade and the extent of this mineralised body is yet to be defined as a mineral resource to JORC standards.

Minera Teck S.A. de C.V. ("Teck"), a Mexican subsidiary of Canadian company Teck Resources Limited, acquired the property from Grupo Mexico in 2013 and undertook data compilation and limited surface exploration.

Azure Minerals acquired the rights to the project in December 2014 through its fully owned Mexican subsidiary Minera Piedra Azul S.A. de C.V.

Azure has signed an Agreement with Teck to acquire 100% of the property, subject to an underlying back-in right retained by Teck and a 2% NSR retained by Grupo Mexico. Teck is Canada's largest diversified resource company. Grupo Mexico is Mexico's largest and one of the world's largest copper producers.

JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *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 (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	An ongoing program of diamond core drilling is being undertaken on the Alacrán Project. Initial drill hole collar locations were determined by hand-held GPS. All drill holes were surveyed for down-hole deviation, with surveys undertaken at 30m intervals and at bottom of hole. Drill core was sampled at 0.15m to 1.5m intervals guided by changes in geology. Samples preparation was undertaken at Acme Laboratories (a Bureau Veritas Group company) in Hermosillo, Sonora,, Mexico. Samples were weighed, assigned a unique bar code and logged into the Acme tracking system. Samples were dried and each sample was fine crushed to >70% passing a 2 mm screen. A 250g split was pulverised using a ring and puck system to >85% passing 75 micron screen. Envelopes containing the 250g sample pulps were sent via courier to the Acme laboratory in Vancouver, Canada for analysis. The analytical techniques for all elements (other than gold) involved a four-acid digest followed by multi-element ICP-MS analysis. This technique is considered a total digest for all relevant minerals. Following the four-acid digest, the analytical method used was MA300 (for silver and base metals by ICP-MS). Fire Assay method FA430 was used for gold. Over-limit assays were re-analysed by MA370 (by ICP-ES for base metals grading >1%) and FA530 (by fire assay with gravimetric finish for silver grading >200ppm).
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling technique for all holes was diamond drilling with HQ-size (63.5mm diameter) core. Drill core was not orientated.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *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.*	All samples came from diamond core drilling. Core was reconstructed into continuous runs. Depths were measured from the core barrel and checked against marked depths on the core blocks. Core recoveries were logged and recorded in the database. Sample recoveries of the cored holes were moderate to high with >85% of the drill core having recoveries of >90%. There is no observable relationship between recovery and grade, and therefore no sample bias.
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.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant*	Detailed core logging was carried out with recording of weathering, lithology, alteration, veining, mineralisation, structure, mineralogy, RQD and core recovery. Drill core was photographed, wet and without flash, in core trays prior to sampling. Each photograph

	intersections logged.	includes an annotated board detailing hole number and depth interval. All holes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of 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.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Using a core saw, drill core was sawn in half. All samples were half core and were collected from the same side of the core. No non-core samples were collected. The sample collection and preparation followed industry best practice. Samples were prepared at the Acme laboratories in Hermosillo or Chihuahua, Mexico. Samples were weighed, assigned a unique bar code and logged into the Acme tracking system. The sample was dried and the entire sample was fine crushed to >70% passing a 2 mm screen. A 250g split was pulverised using a ring and puck system to >85% passing 75 micron screen. Envelopes containing the 250g pulps were sent via courier to the Acme laboratory in Vancouver. Certified Reference Standards, replicate samples, , pulp duplicate samples, and blank samples were routinely inserted alternately at intervals of every 10 samples, and also immediately following visually identified mineralised intercepts to provide assay quality checks. Review of the standards and blanks are within acceptable limits. The sample sizes are considered appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *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.* *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.*	The analytical techniques for all elements (other than gold) initially involved a four-acid digest followed by multi-element ICP-MS analysis. This technique is considered a total digest for all relevant minerals. Following the four-acid digest, the analytical method used was MA300 (for silver and base metals by ICP-MS). Fire Assay method FA430 was used for gold. Over-limit assays were re-analysed by MA370 (by ICP-ES for base metals grading >1%) and FA530 (by fire assay with gravimetric finish for silver grading >200ppm). Azure implemented industry standard QAQC protocols to monitor levels of accuracy and precision. Internal laboratory control procedures comprised duplicate sampling of randomly selected assay pulps, as well as internal laboratory standards and blanks. Azure routinely inserted Certified Reference Standards, replicate samples, duplicate samples, and blank samples at alternate sample intervals to provide assay quality checks. Review of the standards, duplicates and blanks are within acceptable limits. No geophysical or portable analysis tools were used to determine assay values.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	Senior technical personnel from the Company (Project Geologist & Exploration Manager) have inspected the drilling and sampling. Primary data was collected by employees of the Company at the project site. All measurements and observations were recorded onto hard copy templates and later transcribed into the Company's digital database. Digital data storage, verification and validation is managed by an independent data management company.

		No adjustments or calibrations have been made to any assay data.
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.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	Drill hole collar locations were determined by hand-held GPS. Final drill hole collar locations will be surveyed by a licensed surveyor using a two frequency differential GPS with accuracy of +/-3cm. All drill holes were surveyed for down-hole deviation, with surveys undertaken at 30m intervals and at bottom of hole. The grid system used is NAD27 Mexico UTM Zone 12 for easting, northing and RL.
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 appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Being a reconnaissance exploration drill program, drill hole spacing is variable. Data spacing and distribution are not sufficient to establish the degree of geological and grade continuity appropriate for a Mineral Resource estimation procedure. No composite samples were collected.
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.* *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.*	Geological controls and orientations of the mineralised zone are unknown at this time and therefore all mineralised intersections are reported as "intercept length" and may not reflect true width. No sampling bias is believed to have been introduced.
Sample security	*The measures taken to ensure sample security.*	Assay samples were placed in poly sample bags, each with a uniquely numbered ticket stub from a sample ticket book. Sample bags were marked with the same sample number and sealed with a plastic cable tie. Samples were placed in woven polypropylene "rice bags" and a numbered tamper-proof plastic cable tie was used to close each bag. The rice bags were delivered by company personnel directly to the Acme laboratory for sample preparation. The numbers on the seals were recorded for each shipment. ACME audited the arriving samples and reported any discrepancies back to the Company. No such discrepancies occurred.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	All digital data is subject to audit by the independent data manager.

Section 2: Reporting of Exploration Results

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>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.

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.</td><td>The Alacrán Project comprises 22 mineral concessions 100% owned by Minera Teck SA de CV, a subsidiary of Teck Resources Limited.

<table>
<tr><th>CLAIM</th><th>FILE</th><th>TITTLE</th><th>HECTARES</th></tr>
<tr><td>Hidalgo</td><td>1794</td><td>166374</td><td>99.00</td></tr>
<tr><td>Hidalgo 2</td><td>1796</td><td>166369</td><td>99.00</td></tr>
<tr><td>Hidalgo 3</td><td>1797</td><td>166368</td><td>99.00</td></tr>
<tr><td>Hidalgo 4</td><td>1798</td><td>166366</td><td>99.00</td></tr>
<tr><td>Hidalgo 5</td><td>1799</td><td>166370</td><td>99.00</td></tr>
<tr><td>Hidalgo 6</td><td>1800</td><td>166371</td><td>99.00</td></tr>
<tr><td>Hidalgo 7</td><td>1801</td><td>166373</td><td>99.00</td></tr>
<tr><td>Hidalgo 8</td><td>1802</td><td>166372</td><td>99.00</td></tr>
<tr><td>Hidalgo 9</td><td>1803</td><td>166375</td><td>99.00</td></tr>
<tr><td>Kino 2</td><td>1886</td><td>166313</td><td>100.00</td></tr>
<tr><td>Kino 3</td><td>1887</td><td>166312</td><td>100.00</td></tr>
<tr><td>Kino 4</td><td>1888</td><td>166314</td><td>100.00</td></tr>
<tr><td>Kino 8</td><td>1892</td><td>166315</td><td>100.00</td></tr>
<tr><td>Kino 9</td><td>1893</td><td>166316</td><td>100.00</td></tr>
<tr><td>Kino 10</td><td>1894</td><td>166317</td><td>100.00</td></tr>
<tr><td>Kino 11</td><td>1895</td><td>166318</td><td>100.00</td></tr>
<tr><td>Kino 15</td><td>1899</td><td>166365</td><td>100.00</td></tr>
<tr><td>Kino 16</td><td>1800</td><td>166367</td><td>100.00</td></tr>
<tr><td>San Simón</td><td>1894</td><td>166376</td><td>100.00</td></tr>
<tr><td>San Simón 2</td><td>1895</td><td>166377</td><td>100.00</td></tr>
<tr><td>El Alacrán</td><td>E.4.1.3/1182</td><td>201817</td><td>3,442.36</td></tr>
<tr><td>TOTAL SURFACE</td><td></td><td></td><td>5,433.36</td></tr>
</table>

Azure Minerals has an Option to acquire 100% ownership of these concessions by spending US$5 million over four years, subject to Teck having a one-off right to buy back up to 65% ownership.

A 2% Net Smelter Royalty is held by Grupo Mexico.

The tenements are secure and are in good standing. There are no known impediments to obtaining a licence to operate in the area.</td></tr>
<tr><td>Exploration done by other parties</td><td>Acknowledgment and appraisal of exploration by other parties.</td><td>The project area has a history of industrial-scale commercial mining and small-scale artisanal mining dating back to the early 20th century, which ended shortly after the start of the Mexican Revolution in 1910. After the Revolution ended in the 1920’s, the property was explored intermittently.

The Anaconda Copper Mining Company is known to have done some exploration, including drilling, on the property prior to the late 1960’s. Data relating to this work has been located but has yet to be reviewed.

Between 1969 and the early 1980’s, the Consejo de Recursos Minerales (Mexican Geological Survey) carried out occasional exploration programs, including drilling 6 holes in 1970 and undertaking geophysical surveys over the Palo Seco and La Morita prospects in 1981.

Grupo Mexico acquired the project after the CRM completed their drilling. Grupo Mexico drilled an additional 26 holes on the project in two phases. The first phase was done in 1991 (24 holes) and the second phase was done in 1997 and 1998 (two holes).

Minera Teck S.A. de C.V., a Mexican subsidiary of Teck Resources Limited acquired the property in 2013 and undertook limited surface exploration.</td></tr>
</table>

		Azure Minerals acquired the rights to the project in December 2014 through its fully owned Mexican subsidiary company Minera Piedra Azul SA de CV.
Geology	*Deposit type, geological setting and style of mineralisation.*	Various styles of mineralisation occur on the property. Epithermal zones, veins and stockworks host silver, lead, zinc, copper and gold in volcaniclastic rocks (Mesa de Plata, Loma Bonita, San Simon and Palo Seco). Secondary copper oxide and chalcocite mineralisation occur in volcanic rocks (La Morita and Cerro Alacrán). Primary copper mineralization is hosted in porphyry rocks.
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.* *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.*	Refer to figures and tables in the report which provide all relevant details.
Data aggregation methods	*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.* *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.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	All reported mineralised intervals have been length-weighted. No top cuts have been applied. High grade intervals internal to broader mineralised zones, if existing, are reported as included zones. Mineralised Zones were calculated using 20g/t Ag and 0.2g/t Au lower grade cut-offs. For the Loma Bonita silver-gold mineralisation, a silver equivalent was used. ***Silver Equivalency Statement*** The Silver Equivalent (AgEq) calculation used gold and silver prices of 09/03/16 of: Gold = US$1,261.51 Silver = US$15.36 The following formula was used to calculate the silver equivalent grade: AgEq(ppm) = Au(ppm)*82 + Ag(ppm). Given the stage of the project, and uncertainties with respect to recoveries, no recovery factor has been applied at this point.
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').*	Geological controls and orientations of the mineralised zones are unknown at this time and therefore all mineralised intersections are reported as "intercept length" and may not reflect true width.
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 in the accompanying report.
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*	The Company believes that the ASX announcement is a balanced report with all material results reported.

	practiced to avoid misleading reporting of Exploration Results.	
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.*	This announcement refers to previous exploration results including geophysics, geochemistry and geology.
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).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive*	Further work to better understand the mineralisation systems in the project area will be determined upon a full analysis and interpretation of results.