AURORA MINERALS LIMITED
ACN 106 304 787

ASX Announcement

1 August 2016

ASX Code: ARM

Aurora Minerals Group of Companies

Diversified Minerals Exploration via direct and indirect interests

Predictive Discovery Limited (ASX: PDI) – 43.1%
- Gold Exploration / Development in Burkina Faso

Peninsula Mines Limited (ASX: PSM) – 32%
- Graphite, Lithium- Gold, Silver and Base Metals
- Molybdenum and Tungsten Exploration in South Korea

Aurora Western Australian Exploration – 100%
- Manganese, Base metals and gold

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PENINSULA MINES- OSU DRILLING CAMPAIGN- HIGH GRADE GOLD TARGET

Peninsula Mines Limited, a company in which Aurora Minerals Limited holds a 32% shareholding, today announced that it will commence a 1,000m drilling program testing for high grade gold and silver mineralisation, with accompanying base metal credits, at its Osu Project in South Korea.

A copy of the announcement is attached.

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PENINSULA MINES LIMITED
ABN 56 123 102 974

ASX Announcement

1 August 2016

Peninsula Mines Limited
(ASX: PSM)

Exploration in South Korea
Graphite and Lithium
Gold, Silver and Base Metals
Molybdenum and Tungsten

Substantial Shareholders

Aurora Minerals Limited	32.0%
Management	10.0%
Perth Select	6.1%
M&S Lynch	6.0%

Shares on Issue: 434.5M

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Osu Drilling Campaign: High Grade Gold Target

HIGHLIGHTS

- Peninsula Mines Limited (**"the Company"**) is pleased to announce that it will commence an approximately 1,000m diamond core drilling program testing for high grade gold and silver mineralisation with accompanying base metal credits immediately below the historic Pal Gong East Mine which forms part of the Osu Project.
- The Osu project, has high grade, polymetallic veins that were discovered in the 1930s and exploited intermittently via the Pal Gong and Baegun mines until the early 1970s[1].
- The Osu surface, sub-epithermal polymetallic veins may represent the presence of a deep seated, mineralised porphyry system.
- The Pal Gong East and Baegun workings lie along strike from each other with the Pal Gong workings on the southern flank of the mountain and the Baegun line of workings on the northern flank of Mt. Pal Gong (Figures 1 & 2)
- The strike extent of historical workings is limited to around 300m on both the northern and southern flanks of the mountain. The overall strike potential of the Osu project structures exceeds 1500m.
- The Company has previously reported high grade gold and silver mineralisation with associated base metal credits from a surface outcrop and dump grab sampling program[1].
- The surface outcrop with mineralisation including:
  - 0.14m @ 20.3 g/t Au, 153 g/t Ag, 0.07% Cu, 1.9% Pb, 0.03% Zn and,

  the dump sampling with grades up to:
  - 17.5 g/t Au, 579 g/t Ag, 1.4% Cu, 3.3%Pb and 2.4% Zn

  are consistent with historic results collected and reported by Korean Mineral Promotion Corporation (KMPC) now KORES, from adits and stopes sampled in the 1960s and early 1970s (Appendix I & II).

Commenting on the initial prospect evaluation, Executive Director, Martin Pyle said: ***"The presence of historic mines combined with our surface and dump grab sampling over a strike length in excess of 1,500m suggests the mineralisation at Osu is potentially high grade gold and silver with substantial (>1,500m) strike potential. Historic mining was confined to hand held mining methods resulting in very limited tonnage being recovered. There is evidence of shoot controls on the mineralisation which provide an immediate target for our maiden drilling program at Osu which we aim to commence this quarter or early Q4, 2016 subject to grant of approvals".***

Figure 1: Location Plan of South Korean Projects

Osu Project

The Osu project consists of one granted tenement, Osu 23 and applications for 3 adjoining tenements (Figure 3). The Osu 23 tenement contains the historical Baegun and Pal Gong mines[2&3](Figures 2, 3, 4 & 5). The Osu project has potential for discovery of a blind porphyry copper and gold mineralised system[1]. The historically mined vein structures at Osu possibly represent near surface, sub-epithermal, polymetallic veins emanating from a deeper seated, porphyry intrusive source.

The Osu project has high grade, polymetallic veins that were discovered in the 1930s and exploited intermittently until the early 1970s. The bulk of the mineralisation is hosted within granites which become more foliated and gneissic towards the west where they host the Pal Gong and Pal Gong West mine workings (Figure 3).

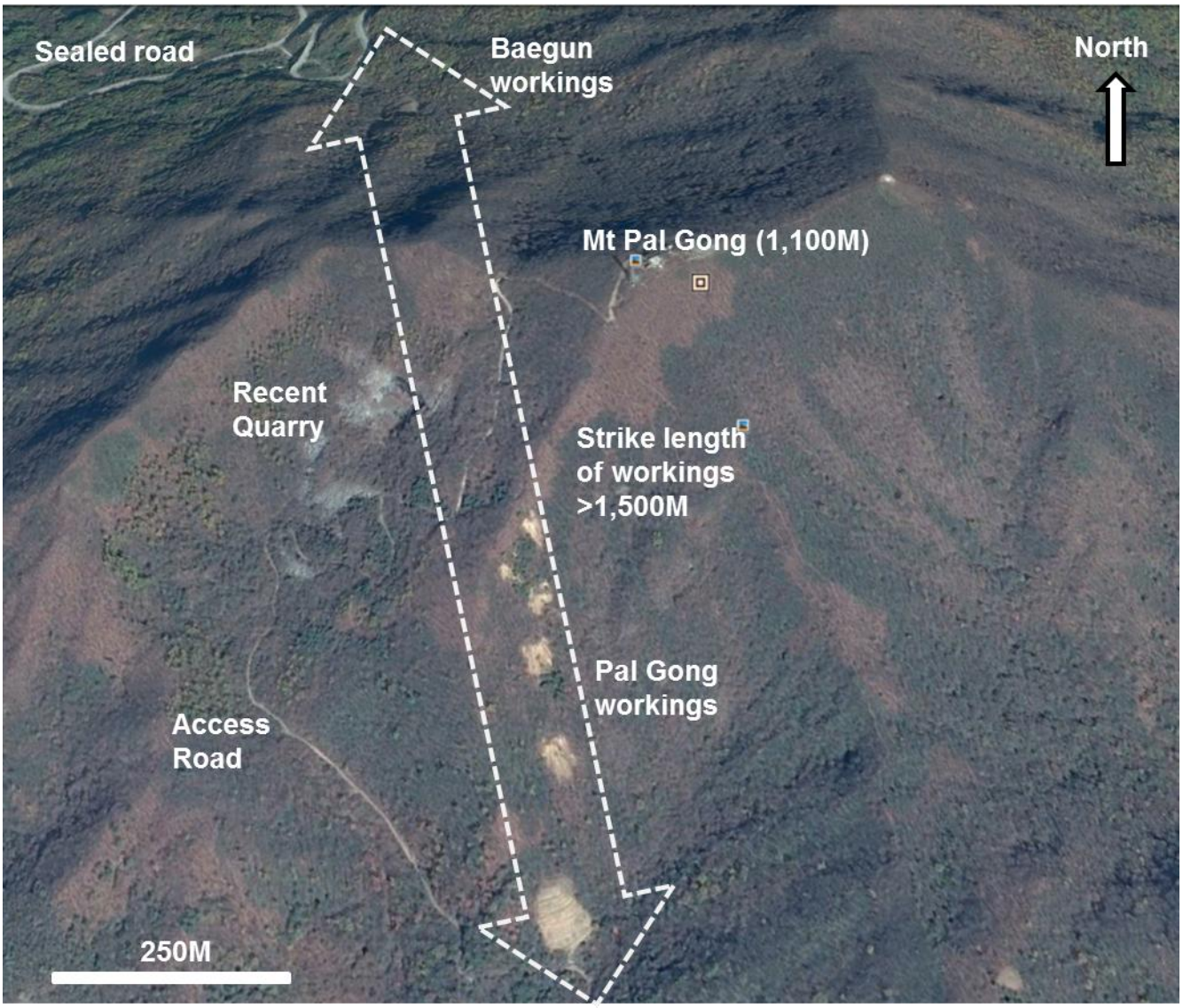
In 2014, Peninsula reported the assay results from a surface sampling program which yielded very encouraging high grade gold and silver mineralisation with base metals credits[1].

- Significant assay results from the channel sampling of the lode structures at surface included:
  - 0.1m @ 18.5 g/t Au, 318 g/t Ag & 0.37% Cu, 2.5% Pb, 0.09% Zn & 0.63% W.
  - 0.05m @ 20.7 g/t Au, 126 g/t Ag, 0.11% Cu, 2.5% Pb, 0.09% Zn, 0.03% W.
  - 0.09m @ 9.17 g/t Au, 509 g/t Ag, 0.43% Cu, 0.7% Pb, 0.03% Zn.
  - 0.09m @ 9.9 g/t Au, 97 g/t Ag, 0.05% Cu, 0.35% Pb, 0.1% Zn.
  - 0.14m @ 20.3 g/t Au, 153 g/t Ag, 0.07% Cu, 1.9% Pb, 0.03% Zn.
- The grade of the historic dump grab samples include:
  - Au grades up to 17.5 g/t
  - Ag grades up to 579 g/t
  - Cu grades up to 1.4%
  - Pb grades up to 3.3%
  - Zn grades up to 2.4%

The grab samples were collected from the historical Baegun and Pal Gong mine dumps (Figures 2 to 5). In addition, a number of channel samples were taken across narrow iron and manganese stained vein structures in and around the historic Pal Gong East mine workings. The results of the narrow channel samples have been highly encouraging with grades of up to 21 g/t Au, 500 g/t Ag, 0.4% Cu, 2.5% Pb, 0.6% W and 0.1% Zn occurring in iron stained structures at surface.

An airborne magnetic survey by KIGAM in 2008 identified a significant magnetic high centred below Mt. Pal Gong. The main Pal Gong East and Baegun workings lie along strike from each other with the Pal Gong workings on the southern flank of the mountain and the Baegun line of workings on the northern flank of Mt. Pal Gong (Figures 2 & 3). The previously mentioned airborne magnetic survey covering the Osu project area was reprocessed in early 2014 and the data reduced to the pole (RTP). This image reprocessing has more clearly defined the location of the main magnetic highs and is hypothesised to be the response to a possible blind porphyry intrusive.

Figure 2: Adit dumps visible on north and south side of Mount Pal Gong over 1,500m of strike



The Peninsula board has approved an approximately 1,000m three hole diamond core drill program at Osu to test the high grade gold structures immediately below the historic Pal Gong East workings (Figures 6 & 7). This area represents a small subset of the N-S trending mineralisation which has been developed via multiple adits into the flanks of Mt Pal Gong.

Underground sampling conducted by South Korean government agency, KMPC, reported high grade gold mineralisation in multiple locations in the Baegun and Pal Gong mine workings. Interpretation of this data by Peninsula's geologists has indicated the high grade mineralisation being located within at least one plunging shoot as shown in Figure 7.

Drilling aims to test this plunging shoot below the deepest adit located at approximately 885m R.L. (about 300m above the surrounding valley floor).

The adits and old workings are readily accessible via road on the north and south sides of Mt Pal Gong. Services such as power and water are also located close by.

Local landowner consent has been granted for the above drilling program and an application is currently being prepared for filing with the local authority with the aim of commencing the program during the current quarter or early in Q4 2016.

Figure 3: Osu Tenement Locations Displayed on the KIGAM December 2008 Imsil Airborne Magnetic Image Reduced to the Pole.

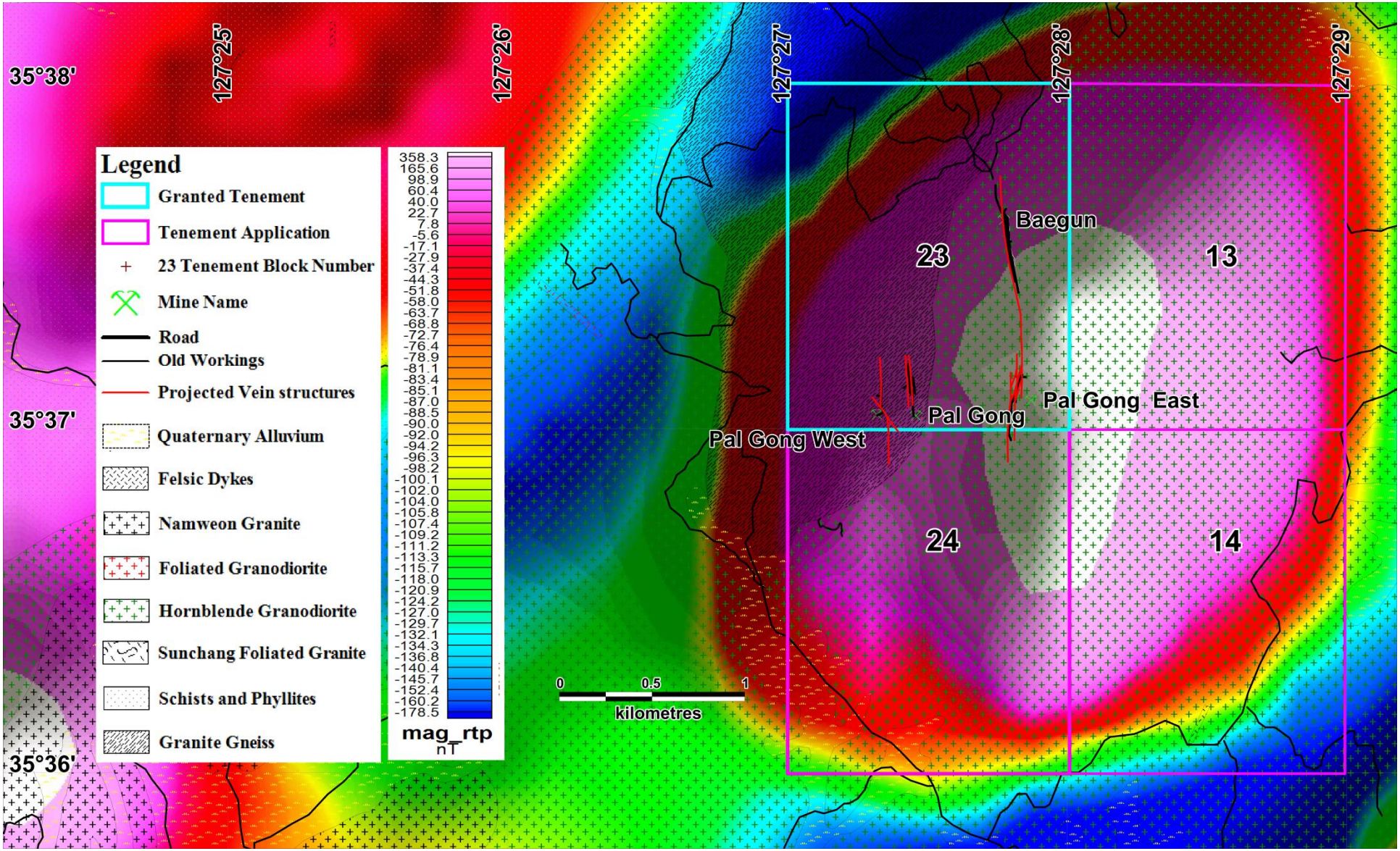


Figure 4: View looking northeast towards the peak of Mt. Pal Gong (mountain peak with communication towers right side of the picture).

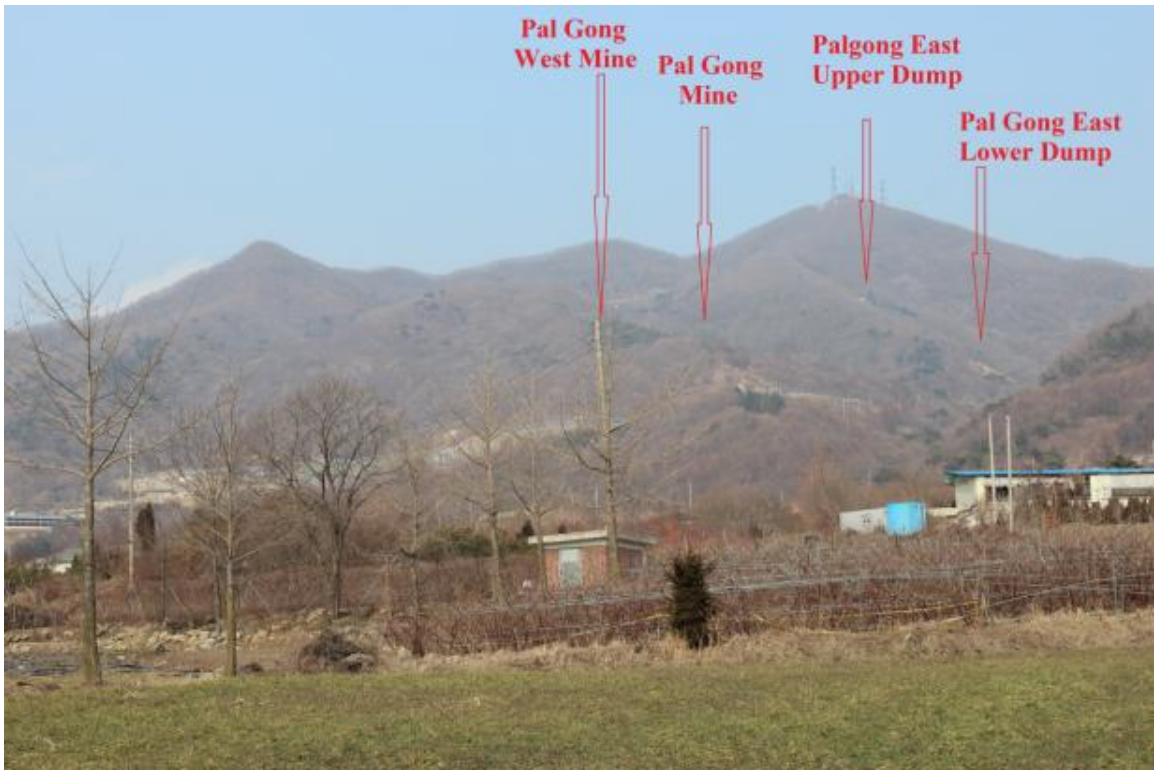


Figure 5: View looking southeast towards the peak of Mt. Pal Gong (mountain peak with communication towers mid picture).

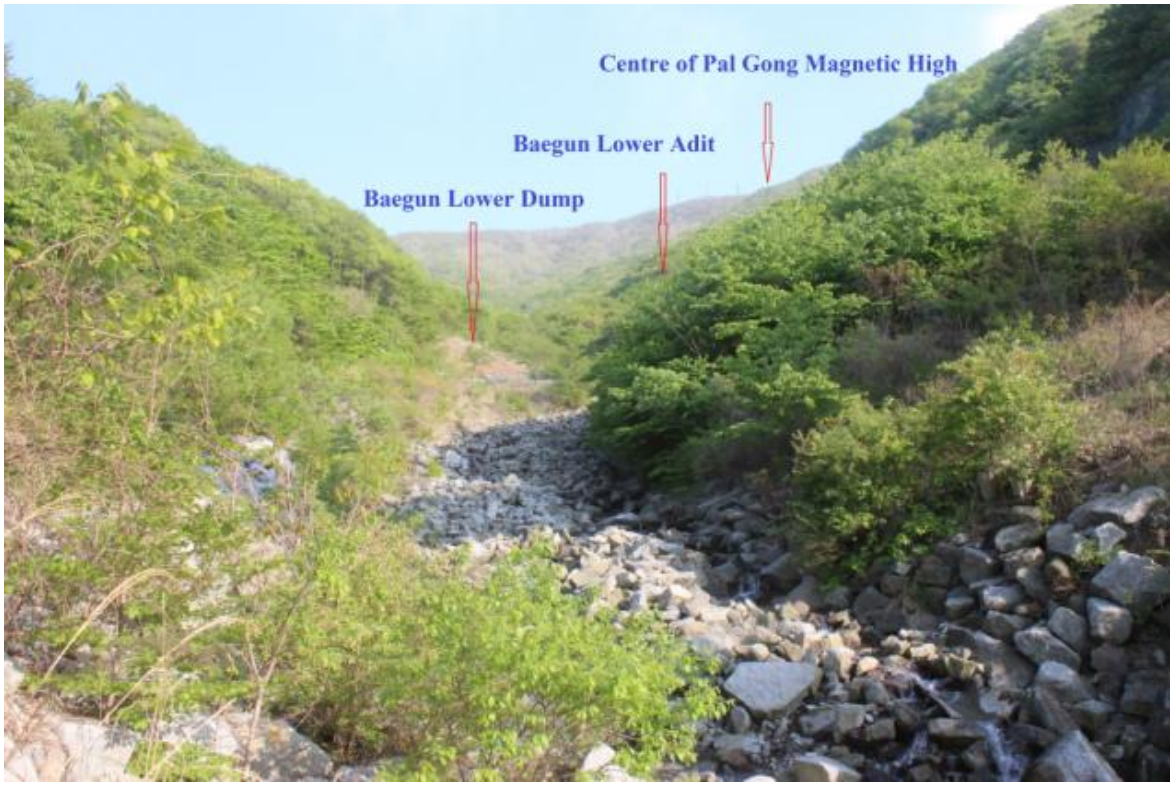


Figure 6: Plan showing the location of the 3 proposed Osu drill holes (in blue) on the Google Earth image. Also shown are the historic Pal Gong workings (in white) and the planned drill access track (in black).

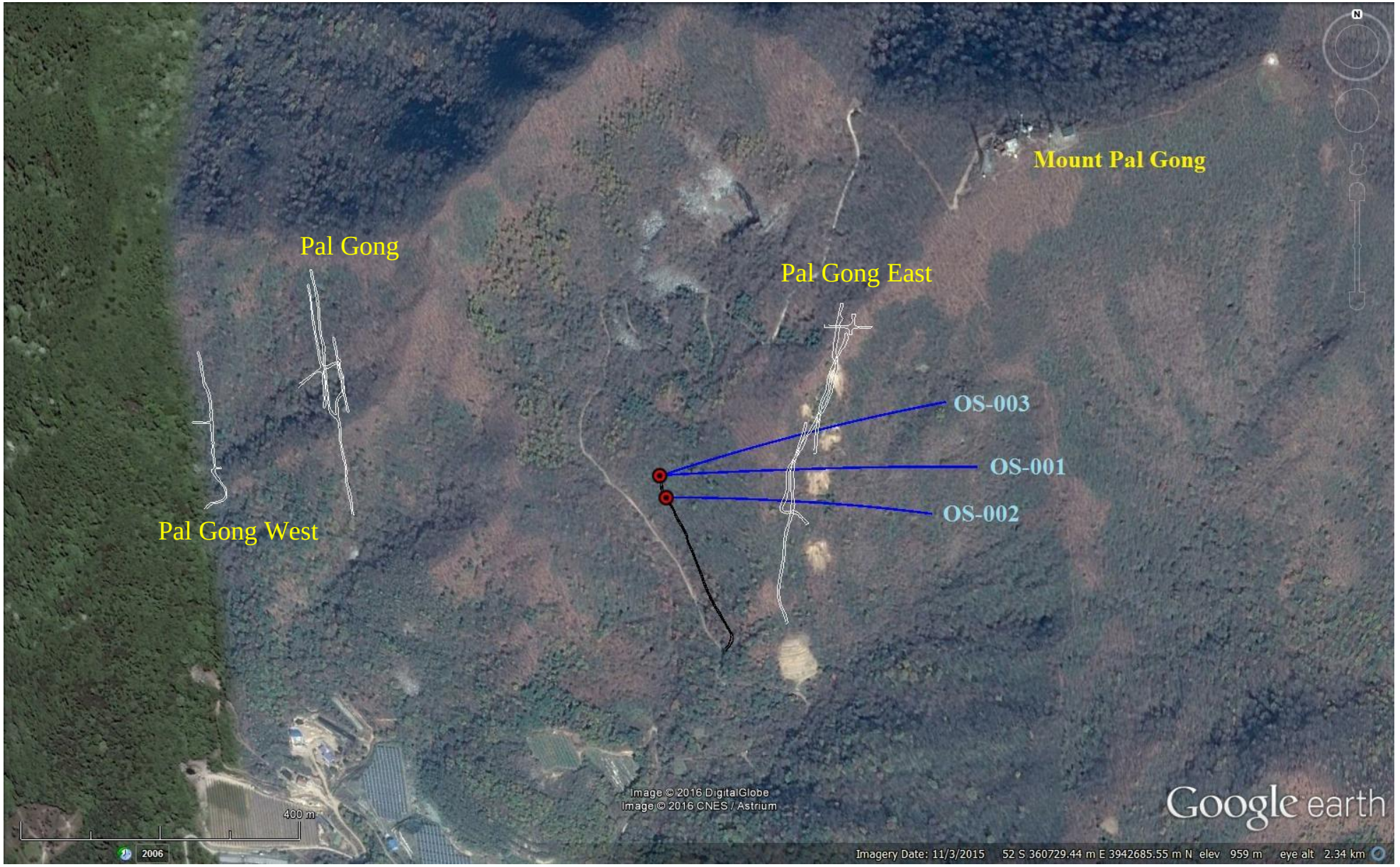
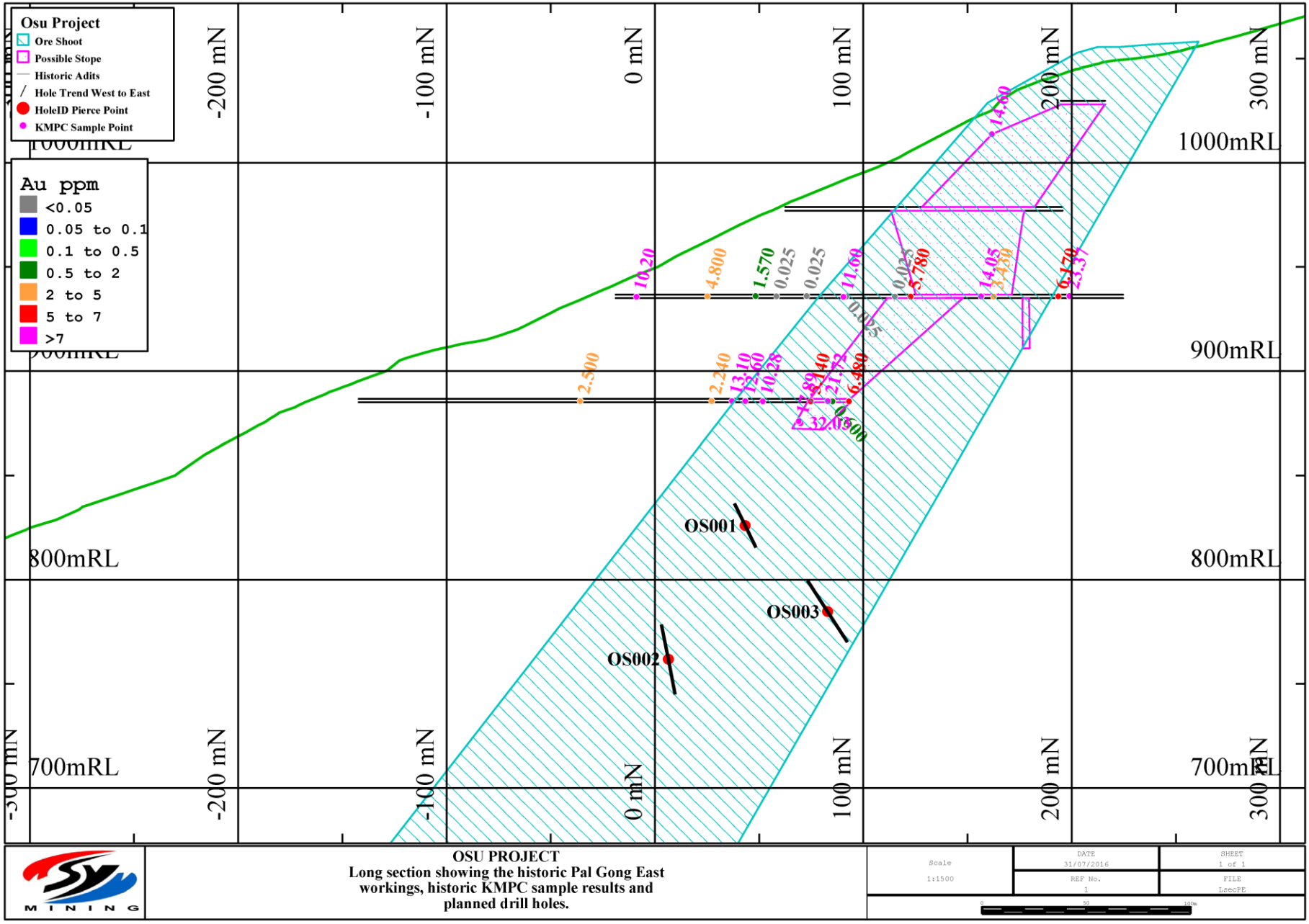


Figure 7: Long section showing the interpreted Pal Gong east shoot and designed drill hole pierce points.



Summary List of all material referenced in this announcement:

1. Exciting Rock Chip Samples – Osu Project, 11 August 2014.
2. Grant of Exploration Rights– Osu 23, 8 December 2014.
3. Quarterly Activities Report for the period ending 30 June 2015, 29 July 2015.

Other than the information reported in this announcement, there has been no material change to the information contained in the above releases. Full versions of all the Company's releases are available for download from the Company's website www.peninsulamines.com.au

Martin Pyle
Executive Director
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The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Daniel Noonan, a Member of The Australian Institute of Mining and Metallurgy. Mr Noonan is an Executive Director of the Company.

Mr Noonan has sufficient experience which is relevant to the style of mineralisation and type 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 Noonan consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

JORC Code, 2012 Edition: Table 1

Section 1: Sampling Techniques and Data

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

Criteria	JORC – Code of 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.*	At Osu, the results being commented upon are Company assay data reported previously in August 2014[1]. In addition, this announcement makes a reference to historic Korean Mineral Promotion Corporation (KMPC) samples taken from underground adits and surface dumps at the Pal Gong East prospect in 1960s and 1970s and reported in a KMPC 1975 report. The samples would have been assayed at the KMPC laboratory in Seoul but no information is available regarding the assay method used by KMPC and no QA/QC data was reported. It is assumed that the underground samples are point data samples as no sample widths were reported with the assays only spot locations along the drives. The KMPC assay results should only be considered indicative of the grade at the sample point and the likely grade of the ROM ore left on the dumps.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The Company has no information on how the samples were collected and the reported KMPC assays should only be considered indicative of the grade at the point where the sample was collected. Such samples are inadequate for any resource estimation purpose and are only presented here as an indicative guide as to possible shoot development for future drill targeting.
	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.	The Company has no information on how the underground and surface point samples were collected. It is assumed that samples were taken from the adit backs or walls using a geology hammer. Past KMPC sample practices would suggest that the rock chip samples were crushed and split with a sub sample pulverised to produce a 100gm aliquot for acid digest and AAS analysis. The Company has been unable to confirm that this was the methodology adopted with these samples as the aspects of the sample preparation and analysis are not discussed in the KMPC reports.

Criteria	JORC – Code of Explanation	Commentary
Drilling techniques	*Drill type (e.g. 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).*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
	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.	
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.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	
	The total length and percentage of the relevant intersections logged.	
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	It is assumed that all KMPC samples were taken as rock chip samples using a geology hammer and/or a mallet. The sampling methodology used by the Company is discussed more fully in the August 2014 release[1].
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	No information is available in the KMPC reports regarding sample preparation and analysis.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No information is available in the KMPC reports regarding sample preparation and analysis.
	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.	No information is available in the KMPC reports regarding sample preparation and analysis. KMPC routinely did not undertake any QA/QC measures.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	No information is available in the KMPC reports regarding sample size, sample preparation or analysis method used.

Criteria	JORC – Code of Explanation	Commentary
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.*	No information is available in the historic KMPC reports regarding sample preparation and analysis methodology.
	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 derivations, etc.	The KIGAM magnetic data is commented upon briefly in this release and referenced more fully in the August 2014 release[1].
	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.	To the Company's knowledge, KMPC did not undertake any QA/QC controls with in-house assaying of drill core or rock chip samples. The Company, as discussed in the earlier ASX release, relied on the QA/QC methods adopted by ALS[1]. This is not considered material as the samples commented upon are not intended for use in any future resource estimation.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The repeat dump sampling by the Company 2014 compares favourably with the results reported by KMPC from their 1973 dump sampling[1].
	The use of twinned holes.	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Assay results are stored in an Excel database and routinely transferred to the Perth Head Office. All results are checked by the responsible geologist on entry to the database.
	Discuss any adjustment to assay data.	The data commented upon in this release or presented in figure 7 and summarised as Appendix I is raw unadjusted laboratory 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.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results. The sample locations have been recorded using a hand held Garmin GPS60CSx. The accuracy of this unit at most sample sites was +/- 3m. The Company has relied on the data positions recorded on level plans by KMPC to spatially locate the underground sample data.
	Specification of the grid system used.	All sample sites were surveyed in the UTM WGS84 zone 52N coordinate system.
	Quality and adequacy of topographic control.	The National Geographic Information Institute (NGII) has 1:5,000 scale digital contour data for the entire country.

Criteria	JORC – Code of Explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	It is not anticipated that any of these data would be used to compile any form of Mineral Resource and the data are purely acquired as part of the overall reconnaissance evaluation of the project.
	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.	The sampling to date is not intended for use in any future resource estimation that may be undertaken.
	Whether sample compositing has been applied.	None of the assay results have been composited and all reported channel widths are true widths[1].
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.*	The Company has relied solely on the data as it is tabulated and plotted on historic level plans by KMPC. At this stage, the Company is unable to comment on whether there is any inherent bias in the historic KMPC work. The follow-up channel sampling work by the Company in 2014 is considered representative at the point where the sample was taken with efforts made to take even sized channels normal to the sampled structures strike[1].
	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.	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.

Criteria	JORC – Code of Explanation	Commentary
Sample security	*The measures taken to ensure sample security.*	All Company channel and point samples were collected into pre-labelled calico sample bags. The specific details of each sample and sample site were recorded into a field notebook and later transferred to an Excel spreadsheet. Samples were packed in cardboard cartons and dispatched by the Korean postal service to ALS China immediately after the completion of the sampling programme. On arrival in China, samples were held by Chinese customs for twenty one days before release to the laboratory staff. To date, the laboratory manager has reported that on no occasion has any of the boxes dispatched from Korea ever been opened while in the customs holding area. The Guangzhou laboratory is located within a secure fenced compound. Safe custody of the samples is ensured through systematic tracking of samples through all stages from sample receipt to instrumental reading of the final sample aliquot. The laboratory conducts its own internal auditing of the sample processing procedures to maintain sample security and minimise the risks of sample contamination or swapping during the analytical process. The Company has no information on sample security procedures adopted historically by KMPC.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	The ALS laboratory in Guangzhou has not been audited by Company personnel. This is not considered material at this stage of the project evaluation process. Sampling techniques and practices and assay methodology are periodically reviewed as part of the overall aim for continuous improvement in the Company's sampling protocol. The KMPC lab has not been audited. Again, this is not considered material given all results commented upon have only been used as a guide to help refine drill targets.

Section 2: Reporting of Exploration Results

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

Criteria	JORC – Code of 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.*	SMCL, a wholly owned subsidiary of PSM was granted tenure over the Osu 23 block on 17 December 2014. The Company has a 6 year exploration period which at any time during that period can be converted to Mining Right by filing a prospecting report. The Company also has 3 applications, Osu 13, Osu 14 and Osu 24 over neighbouring tenement blocks. The company has until 9 January 2016 in the case of blocks Osu 13 and Osu 14 and 28 December 2016 in the case of block Osu 24 to successfully lodge Mineral Deposit Survey (MDS) reports over the applied areas and subsequently, the Ministry of Trade, Industry and Energy (MOITE) makes its decision on the issuance of a Mining Right[3]. Each tenement block covers a 1-minute graticule and has a nominal area of 276 hectares. The Company has sole rights to the applied elements within the tenement area. The company must complete Mineral Deposit Surveys (MDS) over each of the five blocks within 6 months of the application date. The MDS requires that the applicant indicates the presence of mineralisation on the tenement usually by engaging a Government approved independent expert to complete a single rock chip analysis and to confirm that mineralised structures of a specified grade, width and length are present on the title. In the case of gold, the Company must indicate that a gold bearing structure is present on the tenement that is at least 10m long, 0.3m wide and with a grade of at least 2g/t. There are no native title interests in Korea. It is a generally accepted requirement that title holders gain the consent of local land owners and residents. The project is located in a mixed deciduous and coniferous regrowth forest on the flanks of Mt Pal Gong. Land ownership is a mixture of private and public forest land. There are no State Parks or National Parks over any of the applied tenement areas. The Osu 23 and Osu 24 tenements have been held in the past for the purpose of precious and base metal exploration and mining.

	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.	On approval of the MDS, an applicant has 12 months from the original application date, 13 July 2016 in the case of Osu 13 and Osu 14 and 1 July in the case of Osu 24, to submit a prospecting plan to the Ministry. The prospecting plan outlines the intended prospecting method: Geochemical (e.g. soil sampling), geophysical (e.g. IP) or drilling (usually diamond drilling in Korea) that the applicant intends to utilise in the proposed exploration programme. Certain minimum levels of work are required, for example, completing at least 3 holes and 450m of drilling. An applicant may at anytime during the exploration period, file an application to change the prospecting method. A recent amendment to Mining Law means that a tenement applicant is now granted a 6 year exploration window upon the acceptance of the MDS and the formal grant of a Mining Right. Three months prior to the end of the 6 year prospecting period, the applicant must submit a prospecting report. The submission of the prospecting report is considered by the Ministry as an application for a mining right. The title holder then has 3 years to file and have a Mine Planning Application (MPA) approved. The MPA is submitted to and approved by the Local Government and is akin to local council planning approval. As part of the MPA process, the title holder must secure a "no objection certificate" from the residents of the local village(s). An MPA primarily covers design, implementation, environmental and safety aspects of all surface activities associated with the planned mining venture. The approval of the MPA then grants the mining right holder a 20-year production period that can be extended further upon application, provided all statutory requirements have been met over the life of the mine. From the date of grant of the Mining Right, the title holder has a 3-year period in which mine production must commence. During this 3-year period, the title holder must make a minimum level of investment on plant and mine infrastructure in the amount of KWon100million (~A$120,000). In addition, certain minimum annual production levels must be met depending on the commodity being mined and its commercial value.

Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	KMPC has completed a number of surface and underground sampling campaigns over the various historic mine workings at the Osu Project between the 1960s and early 1980s. In addition, KMPC drilled a number of drill holes at Osu between 1975 and 1984. Historic KMPC reports outline past exploration efforts by KMPC at the Osu project. The Baegun and Pal Gong prospects were discovered during the Japanese occupation of Korea. In 1945, the mines closed and mine remained closed until 1956. In 1961-62, KMPC provided funding to support 490m of fresh underground development at Baegun. In 1968, KMPC funded a further 250m of underground development at Baegun. In the late 1960s and early 1970s, KMPC completed several phases of underground channel and grab sampling at both the Pal Gong and Baegun mines. In 1975, KMPC completed a 3 hole BQ diamond drill programme at Pal Gong. In 1982, KMPC completed 3 BQ diamond drill holes at both Pal Gong and Baegun mines and in 1984, KMPC completed a further 3 BQ drill holes at Baegun. The results for this work are incomplete and the Company is still trying to locate all the relevant details. Only limited production figures have been located but several schematic figures have been located showing the extent of adit development at both mines and the stoping extents at the Baegun mine. No further exploration has been undertaken since the work completed by KMPC in the early 1980s. KIGAM has flown airborne radiometrics and airborne magnetics across South Korea as part of an ongoing data capture programme conducted over the last 30 or more years. KIGAM completed 1:50,000 scale geological mapping over the Osu Geology sheet in 1983. The Company is currently not aware of any exploration work by other non-Government agencies/parties. The Company has not as yet been able to locate comprehensive reports of past production from the Baegun and Pal Gong Mines.
Geology	*Deposit type, geological setting and style of mineralisation.*	The mineralisation observed at the Baegun and Pal Gong East Mine is characterised by steeply dipping quartz sulphide vein shear structures hosted within biotitic granodiorite. At the Pal Gong Mine and Pal Gong West mines, steeply dipping quartz sulphide structures are hosted within foliated granitic gneiss. The age of the mineralisation and host intrusive is unknown. The recently acquired and reprocessed airborne magnetic image indicates a significant magnetic high centred midway between the Baegun and Pal Gong East Mines (Figure 3).

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 (Reduce 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*	The KMPC assay data from Pal Gong East prospect is summarised in Appendix I & II. The underground assays from Pal Gong are displayed on the long section (figure 7) for use in defining ore shoots for planned drill targeting. All the Company assay data was released and included in the August 2014 ASX release and this is available for download from ASX or Company website[1].
	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.	None of the historic drill data is included in this or earlier release as the available KMPC records are considered incomplete. Similarly, historic assay data from the other Pal Gong prospects is not discussed in this release as it is not applicable to the area of the planned 2016 drilling.
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.*	No data has been cut or truncated.
	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.	All assay values reported are raw assays and none of the data values have been cut or truncated. The channel assay results have been length weighted averaged to provide an estimate for the grade across the full width of the exposed structure.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values have been reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	As discussed previously, due to absence of any width data, it is assumed that all the reported KMPC assay values are point data rock chips. No tonnage or Mineral Resource potential has been commented on in this release.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	No drilling has been undertaken by the Company and no drilling results have been reported or commented upon in this release.
	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').	No drilling has been undertaken and no drill assay results have been reported or commented upon.

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.*	Assay results are summarised in Appendix I & II. Figure 7 shows the location of the underground point samples on a long sectional view of the Pal Gong east mine workings. The location of the stopes and ore shoot has been interpreted from historic mine records and the distribution of spot grades from the historic KMPC sampling. Figure 2 shows the extent of the historic Baegun and Pal Gong workings on the Google Earth image from which a strike potential of 1500m has been interpreted. Figure 3 shows the interpreted vein/shear structures projected to surface and the mine workings on the reprocessed KIGAM magnetic image. Figure 6 illustrates the location of the 3 holes planned to test the down dip and plunge potential of the Pal Gong east structure.
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.*	All known historic Pal Gong east assay values have been reported and are summarised in Appendix I & II. The Company's sampling data was released in the August 2014 announcement[1].
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.*	All data considered relevant and material has been included and commented upon in this announcement or included in earlier announcements[1,2].
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 Company intends to complete 3 holes at the Osu Project to test the down dip potential below the historic Pal Gong east workings. Follow-up work will be subject to this first round of drill results.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Figures 2, 3, 6 and 7 show the location of the Pal Gong and Baegun mineralised structures. Potential exists to define additional mineralisation both down dip and plunge as well as along strike and between the Baegun and Pal Gong historic mine workings. Further, the Company sees potential to identify a larger blind porphyry related mineralised system at depth.

Appendix I: KMPC underground sample data taken from the Pal Gong East mine workings.

Sample No.	Au (g/t)	Ag (g/t)	Sample Site	Date	Type*
PLA1	6.49	400.96	Adit 1	1965	Underground Spot Sample
PLA2	0.6	570.35	Adit 1	1965	Underground Spot Sample
PLA3	21.92	578.33	Adit 1	1965	Underground Spot Sample
PLA4	5.14	231.81	Adit 1	1965	Underground Spot Sample
PLA5	32.03	1500.26	Adit 1	1965	Underground Spot Sample
PLA6	17.09	579.23	Adit 1	1965	Underground Spot Sample
PLA7	10.28	66.04	Adit 1	1965	Underground Spot Sample
PLA8	18.81	126.11	Adit 1	1965	Underground Spot Sample
PLA9	2.24	62.33	Adit 1	1965	Underground Spot Sample
PLB1	23.37	64	Adit 2	1965	Underground Spot Sample
PLB2	6.17	124.12	Adit 2	1965	Underground Spot Sample
PLB3	3.43	424.47	Adit 2	1965	Underground Spot Sample
PLB4	14.05	273.33	Adit 2	1965	Underground Spot Sample
PLB5	5.78	454.49	Adit 2	1965	Underground Spot Sample
PLB6	BDL	23.71	Adit 2	1965	Underground Spot Sample
PLB7	BDL	18.17	Adit 2	1965	Underground Spot Sample
PLB8	BDL	28.34	Adit 2	1965	Underground Spot Sample
PLB9	BDL	190.53	Adit 2	1965	Underground Spot Sample
PLB10	1.57	40.34	Adit 2	1965	Underground Spot Sample
PLB11	4.8	106.43	Adit 2	1965	Underground Spot Sample

*1965 KMPC sample data, BDL below detection limit

Appendix II: Historic KMPC Surface dump samples from Pal Gong East

Sample No.	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	As (%)	Remark*
P1	1.6	38	1.54	BDL	BDL	4.4	Dump Grab Sample
P2	2.8	87	0.47	0.2	0.3	0.78	Dump Grab Sample
P3	18.8	271	1.82	10.34	8.12	9.91	Dump Grab Sample
P4	13.6	265	1.08	2.27	4.07	4.66	Dump Grab Sample
P5	15.7	94	0.42	BDL	BDL	BDL	Dump Grab Sample
P6	18.4	281	BDL	BDL	BDL	BDL	Dump Grab Sample
P7	14.6	272	BDL	BDL	BDL	BDL	Dump Grab Sample
P8	10.2	136	0.63	1.48	0.14	1.2	Dump Grab Sample
P9	11.6	187	0.62	0.82	Tr	1.47	Dump Grab Sample

*1973 KMPC sample data, BDL below detection limit, Tr = trace