

31 October 2012

Company Announcements Office Australian Securities Exchange 14 Pages

# Quarterly Activities Report

## For Quarter Ended 30 September 2012

## Highlights & Achievements

## Mt Kare Project PNG -Pre-Feasibility Study Completed, High Grade Gold Results

- Pre-Feasibility Study (PFS) completed and publicly released 2<sup>nd</sup> October, after discussions with the regulatory authorities in PNG.
- Bonanza Zones have been identified for detailed drilling in a recent review of activities by an experienced consultant ex-Porgera
- PFS drilling program completed at the end of August 2012, with assay results being progressively released as they are received. Some excellent intersections have been returned from this drilling to date, including:
- 12 metres (m) at 8.0 grams/tonne (g/t) gold, 30 g/t silver from 37m
   , and 38 m at 20.8 g/t gold, 57 g/t silver from 78 m downhole, which includes 5 m at 120.1 g/t gold, 93 g/t silver from 94 m downhole;
- 32 m at 4.1 g/t gold, 6.0 g/t silver from 35 to 67 m downhole, which includes 4 m at 17.2 g/t gold, 4.3 g/t silver;
- 40.6 m at 3.8 g/t gold, 21 g/t silver from 102m; and
- 52 m at 6.7 g/t gold, 23 g/t silver from 11m depth downhole, including
   35 m at 8.1 g/t gold, 19 g/t silver from 11m depth (previously reported).
- Landowner Investigation Study completed at end August with the field results presented to the MRA

### Corporate

• Cash position: \$ 1.5 million at 30 Sept 2012.

#### INDOCHINE MINING LIMITED

### Corporate Summary\*

Shares on Issue:

628 Million

#### Market Capitalisation:

~A\$ 90 Million

#### Cash (30 Sept 2012):

A\$ 1.5 million

#### Top Shareholders:

Baker Steel Capital 10% BlackRock 8.6% Och-Ziff Capital 6.7% Genesis 6.4% Citicorp Nominees 4.3%:

\* As at 30 October 2012 Pre Capital Raising



## Project Development – Mt Kare, PNG

### The Mt Kare Gold/Silver Deposit - Summary

Indochine Mining Limited ('Indochine') has taken the Mt Kare gold/silver deposit in Papua New Guinea (PNG) ('The Project'), from acquisition to completion of the pre-feasibility study in less than 18 months. The Pre-Feasibility Study (PFS) was completed in late September, and a summary of PFS was released to the market on the 2<sup>nd</sup> of October, which demonstrates the viability of a high grade, low strip ratio, open cut gold mine operating for over 8 years, on a conservative group of assumptions. Production varies between 100-160,000 ounces of gold/year, depending on the head grade, with ~1 million ounces of silver per year.

The Project is comprised of 423 diamond drill holes or ~68,000 metres of drilling. The current total JORC Mineral Resource is 1.8 million ounces gold and 20 million ounces silver in 28.3 million tonnes at 1.9 g/t gold, which includes 700,000 ounces gold at 3.7 g/t gold in 6 million tonnes (Indicated Resource). An upgrade is anticipated once all drill results are available from the 58 drillholes completed since November 2011.

Mt Kare is located 15 kilometres from one of the world's Top 10 gold mines, Barrick's giant Porgera mine, which has produced over 500,000 ounces of gold per year for 21 years. Mt Kare shares similar geology, ore types, structures and age of mineralisation with Porgera, which already has significant infrastructure in place (road & power).

Bonanza gold zones were identified in 3 places within the resource area by an experienced consultant, Tony Burgess, who worked at the neighbouring world-class Porgera gold mine for 11 years as Chief Geologist and Competent Person. He has identified that the high grade quartz-roscoelite gold zones at Mt Kare have an 'identical signature to the 'bonanza' gold-quartz-roscoelite zones at Porgera.

The team at the Project is headed by George Niumataiwalu, an experienced mining engineer with an MBA/MPA (Harvard), who has delivered a similar project from the resource stage to a fully permitted mining lease with landowner agreements in place. George has an experienced technical team on-site with a new helicopter-supported camp with full security and communications.

The Landowner Investigation Study has been a key focus for the company and was completed during the quarter, with ground identification of claims to follow in the coming quarters. The local communities and the government regulators have been supportive of this process and this has been widely reported in the PNG press.

The Project is developing as one of the next major gold projects in PNG.

#### **PFS-stage Drilling Programme**

Indochine's diamond drilling programme was completed in August, with 58 diamond drillholes for a total of 7791 metres.

Some holes were re-drilled or drilled close by to pre-Indochine holes, to compare grade variability, density measurements and to provide further core for metallurgical work.



### High grade gold/silver results continue

High grade gold/silver assay results continue to be received from the 58 holes drilled by Indochine. Best results received include:

Drillhole 146SD12:

21 metres (m) at 1.8 grams/tonne (g/t) gold, 64 g/t silver from 9 m depth downhole,

12 m at 8.0 g/t gold, 30 g/t silver from 37m downhole, and <u>38 m at 20.8 g/t gold, 57</u> g/t silver from 78 m downhole, which includes

5 m at 120.1 g/t gold, 93 g/t silver from 94 m downhole.

#### Drillhole 144SD12:

**25 metres at 2.7 grams/tonne gold, 21 g/t silver** from 30 to 55 metres downhole, which includes 16 metres at 3.6 grams/tonne gold, 31 g/t silver from 30 to 46 metres downhole.

#### Drillhole 143SD12:

35 metres at 2.5 grams/tonne gold, 90 g/t silver from 7 to 42 metres downhole

#### Drillhole 142SD12:

**42 metres at 2.0 grams/tonne gold, 38 g/t silver** from 20 to 62 metres downhole, which includes 15 metres at 3.0 grams/tonne gold, 57 g/t silver from 45 to 60 metres downhole.

#### Drillhole 138SD12:

**32 metres at 4.1 grams/tonne gold, 6.0 g/t silver** from 35 to 67 metres downhole, which includes 4 metres at 17.2 grams/tonne gold, 4.3 g/t silver from 35 to 39 metres downhole.

#### Drillhole 137SD12:

10 metres at 6 grams/tonne gold, 2.3 g/t silver from 7 metres depth downhole and

11 metres at 6.4 grams/tonne gold, 14 g/t silver from 25 to 36 metres downhole.Drillhole 135SD12:

18 metres at 3.0 grams/tonne (g/t) gold, 24 g/t silver from 18m downhole, and

40.6 metres at 3.8 grams/tonne gold, 21 g/t silver from 102m, which includes

2 metres at 31.8 grams/tonne gold, 43 g/t silver from 136m.

Drillhole 134SD12:

7 m at 2.6 grams/tonne gold, 51 g/t silver from 15m depth downhole, and

**5 m at 1.0 grams/tonne gold, 7 g/t silver** from 71m, 5 m at 1.2 g/t gold, 6 g/t silver from 84m, **and 3 m at 10.0 g/t gold, 2 g/t silver** from 178m.

#### Drillhole 133SD12:

**52 metres at 6.7 grams/tonne gold, 23 g/t silver** from 11m depth downhole, including 35 metres at 8.1 grams/tonne gold, 19 g/t silver from 11m depth (previously reported).



#### Drillhole 132SD12:

78 m at 6.0 grams/tonne gold, 19 g/t silver from 6m depth downhole, including
53.9 m at 8.2grams/tonne gold, 18 g/t silver from 30m (previously reported).
5 m at 7.4 grams/tonne gold, 32 g/t silver from 91m depth downhole,
1 m at 20.3 grams/tonne gold, 5 g/t silver from 116m depth.

#### Drillhole 131SD12:

**99 metres at 3.2 grams/tonne gold, 19 g/t silver** from 23m including 84 m at 3.1 g/t gold, 19 g/t silver from 24m (previously reported).

The results confirm high grade intersections from pre-Indochine drilling and show that "bonanza" gold and silver grades are present within the deposit. Drillholes 136SD12, 139SD12 and 140SD12 were not assayed.

To date, 58 diamond drillholes (7791 metres) have been completed in Indochine's drilling programme using 3 drillrigs. A more efficient sample preparation process is underway to streamline the supply of assay results. Assay results and a new geology model will be used to define ore type zones for more detailed metallurgical test work. Assay results will also be used for a future update of the Mt Kare resource.

During the quarter the company utilised the services of an experienced consultant, Mt Tony Burgess, who was previously the senior resource geologist and competent person at the nearby World-Class Porgera Gold Mine, during which time he was instrumental in locating over 9 million ounces of gold resources. Mr Burgess is applying the approach of using silver/gold ratios to define different metallurgical zones within the mineralisation, which will assist metallurgical test work and ultimately plant design.

### **Pre-Feasibility Study (PFS) Completed**

The Pre-Feasibility Study (PFS) was completed at the end of September 2012, and released in summary form on the 2<sup>nd</sup> October 2012. A detailed report was presented to MRA, Minister for Environment, State Teams and Local Landowners.

Overall, the report was well received. The new government in place in PNG is essentially the same as the former O'Neill government, with the same mining minister in place, providing continuity with the previous administration.

The completion of the PFS is a major milestone for the project, as investigations by previous companies working at Mt Kare did not reach this stage of advancement. The PFS was also a condition of the exploration licence, required by the PNG Mineral Resource Authority.

Indochine regards the PFS as a starting point for improvement to the project economics and will be working to optimise the project to increase the IRR, extend the planned mine life and decrease the Capex required for the project development.

The PFS identified positive factors, with the project warranting the commencement of a Bankable Feasibility Study (BFS), subject to funding. Key outcomes of the PFS include:

• Forecast total production is 1 million ounces gold and 8 million ounces silver over 8 years.



- This scenario generates a Cumulative Revenue of US\$2 Billion with Operating Costs of US\$ 800 million, generating a pre-tax internal rate of return of 28% and payback period of 4 years based on US\$1650/oz gold price.
- The estimated establishment capital cost to cover mine construction to first production is US\$218 million, which includes the processing plant (US\$96 million), a power plant (US\$15 million), and associated infrastructure, including a tailings storage facility (TSF).
- There is significant potential to optimise the project and reduce the estimated capital costs.
   For example, in the PFS, an owner operated mining fleet is estimated to cost \$44 million.
   However, it could be leased to reduce the initial capital outlay and improve the IRR. Similarly, mine operations could be provided on a contract basis and the power plant also may be leased.
- Key opportunities exist to improve project economics and extend mine life through a range of resource expansion, mine scheduling, grade optimisation, processing flow-sheet optimisation and other initiatives to be undertaken in a Bankable Feasibility Study (BFS) following PNG regulatory approvals of the PFS.
- No substantial legislative, environmental or social impediments for project development have been identified to date, with general local community support having been received.
- The December 2011 JORC Mineral Resource of 28.3 million tonnes at 1.9g/t gold, 22.5g/t silver for 1.8 million ounces gold and 20 million ounces silver, with a higher grade zone of 700,000 ounces gold at 3.7g/t gold, has been used as a basis for the PFS. Of this, 15 million tonnes were incorporated into the mine and process schedule in the PFS.
- Results from the 58 diamond drill holes (7,791 metres), completed by the Company for metallurgical testing and assaying, are anticipated to enhance the resource quality. Assay results are pending on 31 drillholes. An improved JORC mineral resource estimation will be announced when all assays are received and this will form the basis of the BFS to follow.
- Planned exploration drilling outside of known mineralised zones, and to extend identified high grade zones, is anticipated to extend the potential mineral inventory.
- The preferred processing route is a crushing circuit targeted at 1.7 Mtpa, with Phase 1 of the Project to use CIL circuit leach tanks for treatment of the nearer surface "CIL amenable" resource in years 1-4. This is followed by a Phase 2 plant upgrade introducing sulphide flotation and treatment of the flotation concentrate for years 4-8 sourced from the WRZ and BZ "non CIL-amenable resources".
- Production is estimated to commence in 2015 with modelled output of 100,000-160,000 ounces of gold per annum and 700,000 1,100,000 ounces silver, with an average life of mine strip ratio of 3.8. The range in production varies with the head grade and mine scheduling / optimisation would potentially bring higher grades forward and smooth the annual production profile.
- Overall gold recoveries of 83-88% for both CIL and flotation processing routes.
- Fully contained land-based Tailings Storage Facility (TSF) located on site in a valley that is adjacent to the process plant location to last the Life-of-Mine (LOM), which is subject to PNG government approval.



• On schedule for lodgement of a mining licence application by late 2013 following the completion of the BFS.

### **Bonanza Zone Target Definition**

A key focus for Indochine going forward will be targeting bonanza quartz-roscoelite (QR) mineralisation zones to enhance the economics of the project. Three bonanza zones of this type have been identified at the Mt Kare project (See Figure 1) in a recent review of activities by Mr Tony Burgess, an experienced consultant, who was previously the Senior Resource Geologist and Competent Person for resource definition at the nearby Porgera gold mine.

These three high grade zones have potential for extensions at depth and along strike and have an identical signature to the "bonanza" quartz roscoelite gold zones at the Porgera mine, where the Zone VII orebody contained 5.1 Moz at 27 g/t in 5.8 Mt. The three zones are within or nearby the WRZ and BZ mineralised domains.

At Mt Kare, bonanza zones are defined as 100-450g/t gold over 2-20m width, representing a 100 times upgrade on average gold assays across the deposit. High grades are defined as 10-40 g/t gold over 5-40m width, which is approximately a 10 times upgrade over average gold assays across the deposit.

A considerably improved geological model is being prepared and this will drive the drill targeting both in areas of known mineralisation and areas adjacent to mineralisation. The confidence in the resource potential is driven not solely by the presence and extent of the quartz roscoelite mineralisation, but also by the similar style and age of intrusive rocks, similar host rock as and a similar structural setting to Porgera.

Silver/gold ratios are being used to differentiate different types of mineralisation, with silver/gold ratios of <2 representing zones of quartz roscoelite mineralisation, which have the highest potential to host bonanza zones of the type identified to date at Mt Kare and Porgera



Figure 1: Quartz-roscoelite (QR) mineralisation, the relationship to geological units and potential extension of this high grade mineralisation



## **Community Affairs**

A Landowner Investigation Study for communities of Hela (Pakeja, Ekanda, Komoko) and Enga (Andita, Politika, Kolekan) province where the genuine landowners live was completed on 30 August 2012. The local community affairs team worked with government regulators and the local district administrators to complete a community awareness programme.

Formal ground identification of claims under Landowner Investigation Report (LIR) will follow as soon as the Warden's hearing is completed. The local communities and the government regulators are very supportive of this process.

## Exploration – Cambodia

Indochine holds the largest package of exploration leases in Cambodia in two large project areas – Kratie and Ratanakiri - spanning approximately 4000km<sup>2</sup> with potential for the discovery of large gold and copper deposits.

### Kratie

Drilling and auger sampling on the Kratie North area focused on blind geophysical targets promising for intrusive-related gold mineralisation. Significant sulphides (pyrite and pyrrhotite) were intersected in and around buried intrusives, although no significant gold assays were returned.

Further west, the main gold target previously identified covers an area 5km x 5km with outcropping gold-in-quartz veins in intrusive rocks and a contact aureole. Alteration mapping, using a portable spectrophotometer, was conducted on chips from auger sampling to focus future potential work.

The area displays a setting favourable for an Intrusion-related Gold Deposit in a similar setting to gold deposits 100km along strike.

### Ratanakiri

An area of altered intrusives and sediments were identified at Ratanakiri, over an area approximately 4 x 7km underwent a programme of detailed mapping, soil sampling and rock chip sampling. Alteration mapping was conducted with a portable spectrophotometer. Results are awaited. The project displays a setting favourable for porphyry-related gold-copper mineralisation, and is located in northern Cambodia, on the border with Laos and Vietnam.

## Corporate

### Cash & Shares on Issue

Cash in bank was \$1.5 million at 30 September 2012.

The issued capital of Indochine is 628,283,322 million shares, comprised of 546,306,846 ordinary fully paid shares (quoted, including 34 million shares under voluntary escrow) and 81,976,476 ordinary fully paid shares (not quoted, under escrow). A private placement of \$9,834,000 closed on 13 August 2012 with the issue of 81,949, 998 new IDC shares at \$0.12 per share. A private placement was completed on 31 October 2012 to raise \$ 13.2 million at \$0.14 per share. Funds were raised predominantly with some of the Company's largest institutional shareholders.



#### Stephen Promnitz Chief Executive Officer, Indochine Mining Limited

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#### **Competent Person Statement**

Anthony W. Burgess, a qualified consultant for Indochine Mining Ltd, is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken, being reported herein as Exploration Results, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition). Anthony W. Burgess has consented to the public reporting of these statements and results and the form and context in which they appear.



Figure 2: Plan of Mt Kare Resource model zones with locations of drill holes and drill sections with recently announced results. Yellow squares represent bonanza gold zones identified in drilling.





Figure 3: 3D View of Mt Kare Resource model zones and conceptual pit outlines from the PFS





Figure 4: Cross-section through BZ Section 3, showing high grades from Indochine drilling



Figure 5: Cross-section through WRZ Section 9, showing high grades from Indochine drilling





Figure 6: Plan of Mt Kare development with conceptual pits on the WRZ and BZ, with the tailings storage facility (TSF) shown in the top left

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Hole	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Domain
137SD12	7	17	10.00		2.25	WRZ
	25	36	11.00	6.35	14.28	
	112	114	2.00	0.91	10.95	
138SD12	35	67	32.00	4.10	5.96	WRZ
incl	35	39	4.00	17.16	4.33	
141SD12	2.1	6	3.90	0.93	44.95	WRZ
	14	17	3.00	1.44	15.17	
142SD12	20	62	42.00	2.02	37.9	WRZ
incl	45	60	15.00	3.04	57.23	
143SD12	7	42	35.00	2.52	90.26	BZ
	52	55	3.00	0.67	32.13	
	62	67	5.00	0.65	2.14	
	74	82	8.00	1.12	34.25	
144SD12	23	24	1.00	2.94	11	WRZ
145SD12	6.1	24	17.90	0.74	10.11	WRZ
	30	55	25.00	2.70	21.27	
incl	30	46	16.00	3.63	31.44	
	64	93	29.00	1.20	15.03	
146SD12	9	30	21	1.8	64	BZ
	37	49	12	8	30	
	56	64	8	0.9	17	
	78	116	38	20.8	57	
incl.	94	99	5	120.1	93	
	132	136	4	1.4	19	
	159	162	3	1.9	5	

Table 1: Best assay results reported to date (August-October 2012) from current drill programme



incl.       30.10       38.00       7.90       2.30       11.0         incl.       43.00       56.00       13.00       29.03       19.5         incl.       62.00       63.00       1.00       10.20       78.9         incl.       74.00       75.00       1.00       5.55       79.5         incl.       91.00       94.00       3.00       2.93       35.9         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       46.00       35.00       8.15       18.7       IR.7         incl.       50.00       52.00       2.00       14.35       89.7		11					
122SD11         59.00         76.70         17.70         100.3         133.9         BZ           incl.         67.00         71.00         4.00         420.0         170.0           123SD11         56.80         103.00         46.20         5.43         187.0         BZ           incl.         56.80         93.20         36.40         6.21         232.3         incl.           124SD11         Not Sampled         10.10         104.0         104.0         104.0           124SD12         21.00         35.00         14.00         0.49         5.1         WRZ           incl.         85.00         92.00         7.00         6.50         7.8         incl.         46.20         7.8         14.0           126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           incl.         72.00         88.00         16.00         2.88         5.6         14.00         17.40         18.00         14.00         2.99         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         108.00         115.00         7.00         2.49 <th>Hole</th> <th>From (m)</th> <th>To (m)</th> <th></th> <th>-</th> <th>Ag g/t</th> <th>Domain</th>	Hole	From (m)	To (m)		-	Ag g/t	Domain
incl.         67.00         71.00         4.00         420.0         170.0           123SD11         56.80         93.20         36.40         6.21         232.3           incl.         72.70         85.30         12.60         100.10         104.0           124SD11         Not Sampled               124SD12         21.00         35.00         14.00         0.49         5.1         WRZ           125SD12         21.00         35.00         14.00         0.49         5.1         WRZ           incl.         85.00         92.00         7.00         6.50         7.8            126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           126SD12         26.80         50.00         21.00         5.48         625.3           incl.         74.00         88.00         16.00         5.88         625.3           incl.         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.10         36.00         16.90         3.90         19.8         11.1           incl.         30.00	122SD11	59.00	76.70			133.9	BZ
incl.         56.80         93.20         36.40         6.21         232.3           incl.         72.70         85.30         12.60         10.10         104.0           124SD11         Not Sampled	incl.	67.00	71.00	4.00	420.0	170.0	
incl.         72.70         85.30         12.60         10.10         104.0           124SD11         Not Sampled               125SD12         21.00         35.00         14.00         0.49         5.1         WRZ           126SD12         77.00         104.00         27.00         3.11         4.3            incl.         85.00         92.00         7.00         6.50         7.8            114.00         127.00         13.00         0.46         1.6             126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           126SD14         72.00         88.00         16.00         2.88         5.6            126SD15         74.00         84.00         10.00         4.40         7.7            145.00         150.00         5.00         0.81         5.4             127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         108.00         115.00         7.00         2.49         6.0       <	123SD11	56.80	103.00	46.20	5.43	187.0	BZ
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125SD12         21.00         35.00         14.00         0.49         5.1         WRZ           incl.         85.00         92.00         7.00         6.50         7.8           114.00         127.00         13.00         0.46         1.6           126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           incl.         77.00         88.00         16.00         2.88         5.6           incl.         74.00         84.00         10.00         4.40         7.7           99.00         120.00         21.00         5.48         625.3           145.00         150.00         5.00         0.81         5.4           174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.00         34.00         4.00         14.49         30.2         incl.         incl.         36.00         51.00         15.00         40.0         19.0         12.9         1	incl.	72.70	85.30	12.60	10.10	104.0	
incl.         77.00         104.00         27.00         3.11         4.3           incl.         85.00         92.00         7.00         6.50         7.8           114.00         127.00         13.00         0.46         1.6           126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           72.00         88.00         10.00         4.40         7.7         99.00         120.00         21.00         5.48         5.6           incl.         74.00         88.00         10.00         4.40         7.7           99.00         120.00         21.00         5.48         625.3           incl.         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.10         36.00         16.90         3.90         19.8         incl.           incl.         19.10         36.00         16.90         3.90         19.8         incl.           incl.         108.00         115.00         7.00         2.49         6.0         incl.           128SD12         58.00         61.00         3.00         3.06         21.9         incl.	124SD11	Ň	lot Sampled	d l			
incl.         85.00         92.00         7.00         6.50         7.8           114.00         127.00         13.00         0.46         1.6           126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           incl.         74.00         84.00         10.00         4.40         7.7           99.00         120.00         21.00         5.48         625.3           145.00         150.00         5.00         0.81         5.4           174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.00         34.00         8.00         7.53         21.1         incl.         incl.         108.00         115.00         7.00         2.49         6.0           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           incl.         36.00         51.00         15.00         4.00         29.0         WRZ	125SD12	21.00	35.00	14.00	0.49	5.1	WRZ
114.00         127.00         13.00         0.46         1.6           126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           72.00         88.00         16.00         2.88         5.6		77.00	104.00	27.00	3.11	4.3	
126SD12         26.80         50.00         23.20         2.01         33.3         WRZ           72.00         88.00         16.00         2.88         5.6           incl.         74.00         84.00         10.00         4.40         7.7           99.00         120.00         21.00         5.48         625.3           145.00         150.00         5.00         0.81         5.4           174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.10         36.00         16.90         3.90         19.8         incl.           incl.         26.00         34.00         8.00         7.53         21.1           incl.         108.00         115.00         7.00         2.49         6.0           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           132SD12         16.00         63.00         47.00         2.50         20.0         WRZ           incl.         30.10         38.00         7.90         2.30         11.0         12.9<	incl.	85.00	92.00	7.00	6.50	7.8	
Incl.         72.00         88.00         16.00         2.88         5.6           incl.         74.00         84.00         10.00         4.40         7.7           99.00         120.00         21.00         5.48         625.3           145.00         150.00         5.00         0.81         5.4           174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.10         36.00         16.90         3.90         19.8         19.90           incl.         26.00         34.00         8.00         7.53         21.1           incl.         108.00         115.00         7.00         2.49         6.0           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           incl.         36.00         51.00         15.00         4.00         2.90         3.01           132SD12         16.00         65.00         13.00         2.30         1.		114.00	127.00	13.00	0.46	1.6	
incl.         74.00         84.00         10.00         4.40         7.7           99.00         120.00         21.00         5.48         625.3           145.00         150.00         5.00         0.81         5.4           174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.10         36.00         16.90         3.90         19.8         14.0           incl.         26.00         34.00         8.00         7.53         21.1         16.0           incl.         30.00         34.00         4.00         14.49         30.2         16.0           incl.         108.00         115.00         7.00         2.49         6.0         128SD12           128SD12         58.00         61.00         3.00         2.50         20.0         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           incl.         36.00         51.00         15.00         4.00         29.0         WRZ           132SD12         16.00         63	126SD12	26.80	50.00	23.20	2.01	33.3	WRZ
99.00         120.00         21.00         5.48         625.3           145.00         150.00         5.00         0.81         5.44           174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.10         36.00         16.90         3.90         19.8         14.9           incl.         26.00         34.00         8.00         7.53         21.1         14.9           incl.         108.00         115.00         7.00         2.49         6.0         14.9           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           129SD12         16.00         63.00         47.00         2.86         1.8         1.00           129SD12         16.00         63.00         1.00         2.86         1.8         1.00           132SD12         30.10         84.00         53.90         8.25         17.9         WRZ           incl.         30.		72.00	88.00	16.00	2.88	5.6	
145.00         150.00         5.00         0.81         5.4           174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ <i>incl.</i> 19.10         36.00         16.90         3.90         19.8         incl. <i>incl.</i> 26.00         34.00         8.00         7.53         21.1 <i>incl.</i> 30.00         34.00         4.00         14.49         30.2 <i>incl.</i> 108.00         115.00         7.00         2.49         6.0           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ <i>incl.</i> 36.00         51.00         15.00         4.00         29.0         WRZ           132SD12         161.00         167.60         6.60         1.21         17.0 <i>incl.</i> 30.10         38.00         7.90         2.30         11.0 <i>incl.</i> 30.10         38.00         7.90	incl.	74.00	84.00	10.00	4.40	7.7	
174.00         188.00         14.00         0.59         12.1           127SD12         19.10         39.00         19.90         3.78         18.9         WRZ           incl.         19.10         36.00         16.90         3.90         19.8         incl.           incl.         26.00         34.00         8.00         7.53         21.1         incl.           incl.         30.00         34.00         4.00         14.49         30.2         incl.           incl.         108.00         115.00         7.00         2.49         6.0         incl.           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           97.00         107.00         10.00         0.50         40.5         incl.         incl.         36.00         51.00         16.00         2.50         20.0         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           incl.         36.00         51.00         15.00         4.00         29.0         incl.         incl.         incl.         incl.         incl.         incl.         incl.         incl.         incl.		99.00	120.00	21.00	5.48	625.3	
127SD12       19.10       39.00       19.90       3.78       18.9       WRZ         incl.       19.10       36.00       16.90       3.90       19.8       incl.         incl.       26.00       34.00       8.00       7.53       21.1       incl.         incl.       30.00       34.00       4.00       14.49       30.2       incl.         incl.       108.00       115.00       7.00       2.49       6.0       incl.         128SD12       58.00       61.00       3.00       3.06       21.9       WRZ         129SD12       16.00       63.00       47.00       2.50       20.0       WRZ         incl.       36.00       51.00       15.00       4.00       29.0       WRZ         incl.       36.00       51.00       15.00       4.00       29.0       WRZ         incl.       30.10       84.00       53.90       8.25       17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0       incl.       incl.       62.00       63.00       1.00       10.20       78.9       incl.       incl.       91.00       94.00       3.00       2.93		145.00	150.00	5.00	0.81	5.4	
incl.         19.10         36.00         16.90         3.90         19.8           incl.         26.00         34.00         8.00         7.53         21.1           incl.         30.00         34.00         4.00         14.49         30.2           incl.         108.00         115.00         7.00         2.49         6.0           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           113.00         114.00         10.00         2.86         1.8         2.5         17.9         WRZ           132SD12         30.10         84.00         53.90         8.25         17.9         WRZ           incl.         30.10         38.00         7.90         2.30         11.0         36.00         1.00           incl.         30.10         38.00         7.90         2.30         11.0         36.00         1.00           incl.         62.00         63.00         1.00         30.00 <td></td> <td>174.00</td> <td>188.00</td> <td>14.00</td> <td>0.59</td> <td>12.1</td> <td></td>		174.00	188.00	14.00	0.59	12.1	
incl.       26.00       34.00       8.00       7.53       21.1         incl.       30.00       34.00       4.00       14.49       30.2         incl.       108.00       115.00       7.00       2.49       6.0         128SD12       58.00       61.00       3.00       3.06       21.9       WRZ         128SD12       58.00       61.00       3.00       3.06       21.9       WRZ         129SD12       16.00       63.00       47.00       2.50       20.0       WRZ         incl.       36.00       51.00       15.00       4.00       29.0       WRZ         incl.       36.00       51.00       15.00       4.00       29.0       WRZ         incl.       36.00       51.00       15.00       4.00       29.0       WRZ         132SD12       30.10       84.00       53.90       8.25       17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0       WRZ         incl.       62.00       63.00       1.00       10.20       78.9       Protectetee         incl.       91.00       94.00       3.00       2.93       35.9	127SD12	19.10	39.00	19.90	3.78	18.9	WRZ
incl.         30.00         34.00         4.00         14.49         30.2           incl.         108.00         115.00         7.00         2.49         6.0           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           129SD12         97.00         107.00         10.00         0.50         40.5         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           113.00         114.00         15.00         4.00         29.0         WRZ           113.00         114.00         1.00         2.86         1.8            113.00         167.60         6.60         1.21         17.0            132SD12         30.10         84.00         53.90         8.25         17.9         WRZ           incl.         30.10         38.00         7.90         2.30         11.0            incl.         62.00         63.00         1.00         5.55         79.5            incl.	incl.	19.10	36.00	16.90	3.90	19.8	
incl.         108.00         115.00         7.00         2.49         6.0           128SD12         58.00         61.00         3.00         3.06         21.9         WRZ           97.00         107.00         10.00         0.50         40.5         WRZ           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           incl.         36.00         51.00         15.00         4.00         29.0         WRZ           incl.         36.00         51.00         15.00         4.00         29.0         WRZ           113.00         114.00         1.00         2.86         1.8             132SD12         30.10         84.00         53.90         8.25         17.9         WRZ           incl.         30.10         38.00         7.90         2.30         11.0            incl.         30.10         38.00         7.90         2.30         11.0            incl.         43.00         56.00         13.00         29.03         19.5            incl.         74.00         75.00         1.00         5.55         79.5	incl.	26.00	34.00	8.00	7.53	21.1	
128SD12       58.00       61.00       3.00       3.06       21.9       WRZ         97.00       107.00       10.00       0.50       40.5       40.5       40.5         129SD12       16.00       63.00       47.00       2.50       20.0       WRZ         incl.       36.00       51.00       15.00       4.00       29.0       WRZ         113.00       114.00       1.00       2.86       1.8       4.00       2.00       WRZ         132SD12 <b>30.10</b> 84.00       53.90       8.25       17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0       4.00       1.00       10.20       78.9       4.00       5.55       79.5       4.00       4.00       2.93       35.9       4.00       3.00       2.93       35.9       4.00       4.00       3.00       2.93       35.9       4.00       4.00       3.00       2.93       35.9       4.00       3.00       2.93       35.9       4.00       3.00       2.93       35.9       4.00       4.00       3.00       2.93       35.9       4.00       4.00       3.00       2.93       35.9       4.00       4.00	incl.	30.00	34.00	4.00	14.49	30.2	
97.00         107.00         10.00         0.50         40.5           129SD12         16.00         63.00         47.00         2.50         20.0         WRZ           incl.         36.00         51.00         15.00         4.00         29.0         WRZ           113.00         114.00         1.00         2.86         1.8            161.00         167.60         6.60         1.21         17.0            132SD12 <b>30.10 84.00 53.90 8.25</b> 17.9         WRZ           incl.         30.10         38.00         7.90         2.30         11.0            incl.         43.00 <b>56.00</b> 13.00         29.03         19.5            incl.         62.00         63.00         1.00         5.55         79.5            incl.         74.00         75.00         1.00         5.55         79.5            91.00         94.00         3.00         2.93         35.9             133SD12         11.00         63.00         52.00         6.74         23.0         WRZ           incl.	incl.	108.00	115.00	7.00	2.49	6.0	
129SD12       16.00       63.00       47.00       2.50       20.0       WRZ         incl.       36.00       51.00       15.00       4.00       29.0       113.00         113.00       114.00       1.00       2.86       1.8       161.00       167.60       6.60       1.21       17.0         132SD12 <b>30.10 84.00 53.90 8.25</b> 17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0       incl.         incl.       30.10       38.00       7.90       2.30       11.0       incl.         incl.       62.00       63.00       1.00       10.20       78.9       incl.         incl.       74.00       75.00       1.00       5.55       79.5       91.00       94.00       3.00       2.93       35.9       92.00       93.00       1.00       7.02       97.7         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       52.00       2.00       14.35       89.7	128SD12	58.00	61.00	3.00	3.06	21.9	WRZ
incl.       36.00       51.00       15.00       4.00       29.0         113.00       114.00       1.00       2.86       1.8         161.00       167.60       6.60       1.21       17.0         132SD12 <b>30.10 84.00 53.90 8.25</b> 17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0          incl.       30.10       38.00       7.90       2.30       11.0          incl.       43.00       56.00       13.00       29.03       19.5          incl.       62.00       63.00       1.00       10.20       78.9          incl.       74.00       75.00       1.00       5.55       79.5          91.00       94.00       3.00       2.93       35.9           133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       63.00       52.00       8.15       18.7          incl.       11.00       52.00       2.00       14.35       89.7		97.00	107.00	10.00	0.50	40.5	
113.00       114.00       1.00       2.86       1.8         161.00       167.60       6.60       1.21       17.0         132SD12 <b>30.10 84.00 53.90 8.25</b> 17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0         incl.       43.00 <b>56.00</b> 13.00       29.03       19.5         incl.       62.00       63.00       1.00       10.20       78.9         incl.       74.00       75.00       1.00       5.55       79.5         91.00       94.00       3.00       2.93       35.9         92.00       93.00       1.00       7.02       97.7         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       52.00       2.00       14.35       89.7	129SD12	16.00	63.00	47.00	2.50	20.0	WRZ
161.00       167.60       6.60       1.21       17.0         132SD12 <b>30.10 84.00 53.90 8.25</b> 17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0         incl. <b>43.00 56.00 13.00 29.03</b> 19.5         incl.       62.00       63.00       1.00       10.20       78.9         incl.       74.00       75.00       1.00       5.55       79.5         incl.       91.00       94.00       3.00       2.93       35.9         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       46.00       35.00       8.15       18.7         incl.       50.00       52.00       2.00       14.35       89.7	incl.	36.00	51.00	15.00	4.00	29.0	
132SD12       30.10       84.00       53.90       8.25       17.9       WRZ         incl.       30.10       38.00       7.90       2.30       11.0         incl.       43.00       56.00       13.00       29.03       19.5         incl.       62.00       63.00       1.00       10.20       78.9         incl.       74.00       75.00       1.00       5.55       79.5         91.00       94.00       3.00       2.93       35.9         92.00       93.00       1.00       7.02       97.7         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       52.00       2.00       14.35       89.7		113.00	114.00	1.00	2.86	1.8	
incl.       30.10       38.00       7.90       2.30       11.0         incl.       43.00       56.00       13.00       29.03       19.5         incl.       62.00       63.00       1.00       10.20       78.9         incl.       74.00       75.00       1.00       5.55       79.5         incl.       91.00       94.00       3.00       2.93       35.9         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       46.00       35.00       8.15       18.7       IR.7         incl.       50.00       52.00       2.00       14.35       89.7		161.00	167.60	6.60	1.21	17.0	
incl.       43.00       56.00       13.00       29.03       19.5         incl.       62.00       63.00       1.00       10.20       78.9         incl.       74.00       75.00       1.00       5.55       79.5         91.00       94.00       3.00       2.93       35.9         92.00       93.00       1.00       7.02       97.7         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       46.00       35.00       8.15       18.7         incl.       50.00       52.00       2.00       14.35       89.7	132SD12	30.10	84.00	53.90	8.25	17.9	WRZ
incl.       62.00       63.00       1.00       10.20       78.9         incl.       74.00       75.00       1.00       5.55       79.5         91.00       94.00       3.00       2.93       35.9         92.00       93.00       1.00       7.02       97.7         133SD12       11.00       63.00       52.00       6.74       23.0       WRZ         incl.       11.00       46.00       35.00       8.15       18.7         incl.       50.00       52.00       2.00       14.35       89.7	incl.	30.10	38.00	7.90	2.30	11.0	
incl.         74.00         75.00         1.00         5.55         79.5           91.00         94.00         3.00         2.93         35.9           92.00         93.00         1.00         7.02         97.7           133SD12         11.00         63.00         52.00         6.74         23.0         WRZ           incl.         11.00         46.00         35.00         8.15         18.7           incl.         50.00         52.00         2.00         14.35         89.7	incl.	43.00	56.00	13.00	29.03	19.5	
91.00         94.00         3.00         2.93         35.9           92.00         93.00         1.00         7.02         97.7           133SD12         11.00         63.00         52.00         6.74         23.0         WRZ           incl.         11.00         46.00         35.00         8.15         18.7           incl.         50.00         52.00         2.00         14.35         89.7	incl.	62.00	63.00	1.00	10.20	78.9	
92.00         93.00         1.00         7.02         97.7           133SD12         11.00         63.00         52.00         6.74         23.0         WRZ           incl.         11.00         46.00         35.00         8.15         18.7           incl.         50.00         52.00         2.00         14.35         89.7	incl.	74.00	75.00	1.00	5.55	79.5	
133SD12         11.00         63.00         52.00         6.74         23.0         WRZ           incl.         11.00         46.00         35.00         8.15         18.7           incl.         50.00         52.00         2.00         14.35         89.7		91.00	94.00	3.00	2.93	35.9	
<i>incl.</i> <b>11.00 46.00 35.00 8.15</b> 18.7 <i>incl.</i> 50.00 52.00 2.00 14.35 89.7		92.00	93.00	1.00	7.02	97.7	
incl.11.0046.0035.008.1518.7incl.50.0052.002.0014.3589.7	133SD12	11.00	63.00	52.00	6.74	23.0	WRZ
<i>incl.</i> 50.00 52.00 2.00 14.35 89.7	incl.	11.00	46.00	35.00	8.15	18.7	
	incl.					89.7	
	incl.	61.00	62.00	1.00		100.0	

Table 2: Previously reported Best assay results from the prior period April-July 2012



	Mt Kare Local Grid						•
Hole	Zone	EastLocal	NorthLocal	RL	Azimuth	Dip (°)	Depth (m)
122SD11	BZ	19469.7	84272.6	2990.3	134.8	-60	76.7
123SD11	BZ	19469.7	84272.6	2990.3	135.0	-50	105.5
124SD11	WRZ	18933.1	84052.1	2862.2	315.0	-65	49
125SD12	WRZ	18897.6	84042.7	2859.3	315.0	-45	163.8
126SD12	WRZ	18933.1	84052.1	2862.2	315.0	-65	213.4
127SD12	WRZ	18912.7	84087.7	2869.0	135.0	-70	171.3
128SD12	WRZ	18898.2	84035.1	2854.4	135.0	-45	136.6
129SD12	WRZ	18934.7	84097.5	2876.0	315.0	-65	167.6
130SD12	WRZ	18982.5	84099.0	2890.6	315.0	-75	26.6
131SD12	WRZ	18828.9	84244.6	2833.9	135.0	-75	152.3
132SD12	WRZ	18912.7	84087.7	2869.0	315.0	-57.5	178.5
133SD12	WRZ	18831.5	83963.1	2851.8	315.0	-75	134.6
134SD12	WRZ	18982.5	84099.0	2890.6	315.0	-75	188.2
135SD12	WRZ	18934.7	84097.5	2876.0	135.0	-80	142.6
136SD12	WRZ	18837.9	84133.5	2844.1	135.0	-45	39.5
137SD12	WRZ	18811.4	84019.2	2850.7	0.0	-90	133
138SD12	WRZ	18975.0	84173.0	2883.5	315.0	-55	110.4
139SD12	WRZ	18972.5	83987.4	2906.0	315.0	-50	31.1
140SD12	WRZ	18972.5	83987.4	2906.0	315.0	-50	60.9
141SD12	WRZ	18765.8	84100.7	2819.4	0.0	-90	42.1
142SD12	WRZ	18787.1	84197.2	2817.1	135.0	-50	120.5
143SD12	BZ	19620.1	84359.7	3007.9	135.0	-70	90.4
144SD12	WRZ	18975.0	84173.2	2883.5	135.0	-50	51.7
145SD12	WRZ	18810.1	84220.2	2821.1	135.0	-70	130.3
146SD12	BZ	19505.0	84205.4	3010.9	315.0	-70	166
147SD12	BZ	19592.2	84324.7	3009.5	135.7	-51.3	95.4
1473D12 148SD12	WRZ	18866.6	84266.8	2849.0	315.0	-65	154.1
1483D12 149SD12	BZ	19442.3	84200.8 84211.0	3000.2	0.0	-03	134.1
1493D12 150SD12	BZ	19442.3	84211.0	3016.6	315.0	-90 -75	143.0
150SD12 151SD12	CZ	19526.1	84240.3 84306.4	2892.4	315.0 135.0	-75 -45	62.6
152SD12	C9	19228.8	84110.8	3010.8	0.0	-90	80.8
153SD12	CZ	19042.0	84326.1	2891.6	135.0	-45	114.6
154SD12	BZ	19568.9	84282.3	3020.5	0.0	-90	93.1
155SD12	CZ	19339.0	84462.0	2919.0	315.0	-45	103.3
156SD12	CZ	19004.8	84306.4	2892.4	135.0	-45	127
157SD12	CZ	19339.0		2862.2	315.0	-65	136.1
158SD12	WRZ	18933.1	84052.1	2862.2	315.0	-50	180.6
159SD12	CZ	19310.2	84426.7	2923.9	315.0	-45	124.5
160SD12	CZ	19324.8	84525.0	2906.5	135.0	-45	151.9
161SD12	BZ	19620.1	84359.7	3007.9	0.0	-90	94.9
162SD12	BZ	19592.2	84324.7	3009.5	135.0	-70	133.6
163SD12	WRZ	18787.1	84197.2	2817.1	135.0	-75	71.5
164SD12	WRZ	18748.9	84089.6	2815.8	0.0	-90	30.8
165SD12	WRZ	18912.7	84087.7	2869.0	0.0	-90	173.9
166SD12	WRZ	18811.4	84019.2	2850.7	0.0	-90	141.9
167SD12	WRZ	18897.6	84042.7	2859.3	315.0	-60	139.6
168SD12	WRZ	18934.7	84097.5	2876.0	135.0	-90	272.3
169SD12	WRZ	18810.1	84220.2	2821.1	315.0	-80	70.3
170SD12	BZ	19505.0	84089.6	3010.9	315.0	-80	151.3
171SD12	WRZ	18897.6	84137.7	2859.3	315.0	-85	163.3
172SD12	WRZ	18982.5	84099.0	2890.6	0.0	-90	289.6
173SD12	WRZ	18972.5	83987.4	2906.0	315.0	-75	235.5
174SD12	BZ	19602.0	84312.0	2937.0	134.8	-60	17.9
175SD12	Maratane	19045.3	83054.6	2922.0	315.0	-60	391
176SD12	WRZ	18831.5	83963.1	2851.8	0.0	-90	216.7
177SD12	WRZ	18913.0	84087.9	2869.0	95.0	-70	375.9
178SD12	WRZ	18972.5	83987.4	2906.0	134.8	-65	145.3
179SD12	Maratane	19045.3	83054.6	2611.0	315.0	-75	38.8
							7791.3

Table 3: Location of all Drill Holes from current drill programme

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