Jervois MINING LIMITED
ABN 52 007 626 575

Date: 19th August 2015 **ASX Code: JRV**

EL 7805 SYERSTON PROJECT, NEAR FIFIELD, NSW
UPDATED MINERAL RESOURCE ESTIMATE

On 6th August 2015, Jervois Mining Limited received an enlarged and updated calculated Mineral Resource for part of EL 7805 (Syerston), from Rangott Mineral Exploration Pty. Ltd. ("RME"). This new scandium-in-laterite resource replaces and supersedes the original estimate, dated 13th August, 2014.

Calculated Measured Resource: 2,675,000 tonnes @ 435 ppm Sc.
Calculated Indicated Resource: 468,000 tonnes @ 426ppm Sc.
Calculated Total Resource: 3,143,000 tonnes @ 434ppm Sc
Total Contained Scandium Metal: 1,363 tonnes (77% of the scandium metal is contained within the limonitic laterite).

ACQUISITION OF DATA

The resource calculations were based on data from a group of 65 vertical aircore holes, part of a larger group of exploration holes drilled during 2013, 2014 and 2015. The locations of the holes are shown in Figure 1, which also shows the relationship between the 2014 and 2015 resource outlines.

Chip samples were collected over 1 metre intervals. The sample returns were logged by the site geologist and the logging later refined at RME's office. The 1m samples were analysed for scandium by ALS in Brisbane, using a fusion ICPAES method (technique Sc-ICP06). Scandium and a full suite of other elements were also determined by the four- acid digestion ICP technique ME-ICP61 but that data was not used in the resource calculations.

Sets of commercial standard samples, blanks, duplicate samples and duplicates of high-grade intervals from the 2014 drillholes were submitted with the 2015 drillhole samples, and most gave Sc values very close to their nominal values.

The drilled profile was divided in to five broad lithotypes - (top to bottom) transported laterite, haematitic laterite, limonitic laterite, transitional laterite and saprolite (see Figure 2). The 'transported laterite' is interpreted to be reworked lateritic alluvium and colluvium from in and around a palaeochannel. Only the transported, haematitic, limonitic and transitional laterites were included in the resource calculations, as the saprolitic material appeared to be patchy and discontinuous.

CALCULATION METHODOLOGY

A lower cut-off grade of 200ppm Sc was used for the resource calculations based on limited economic modelling data, which suggested that a breakeven grade would be less than 50ppm Sc. Due to the broad spread of Sc values between 200 and 1,000ppm in the resource area, no upper cut was applied.

A sectional calculation method was used for calculating volumes, tonnages and grades of the five laterite lithotypes.

A number of the sections were divided in to sub-sections, reflecting changes in drillhole spacing and the resource classification, to allow a rigorous calculation of volumes.

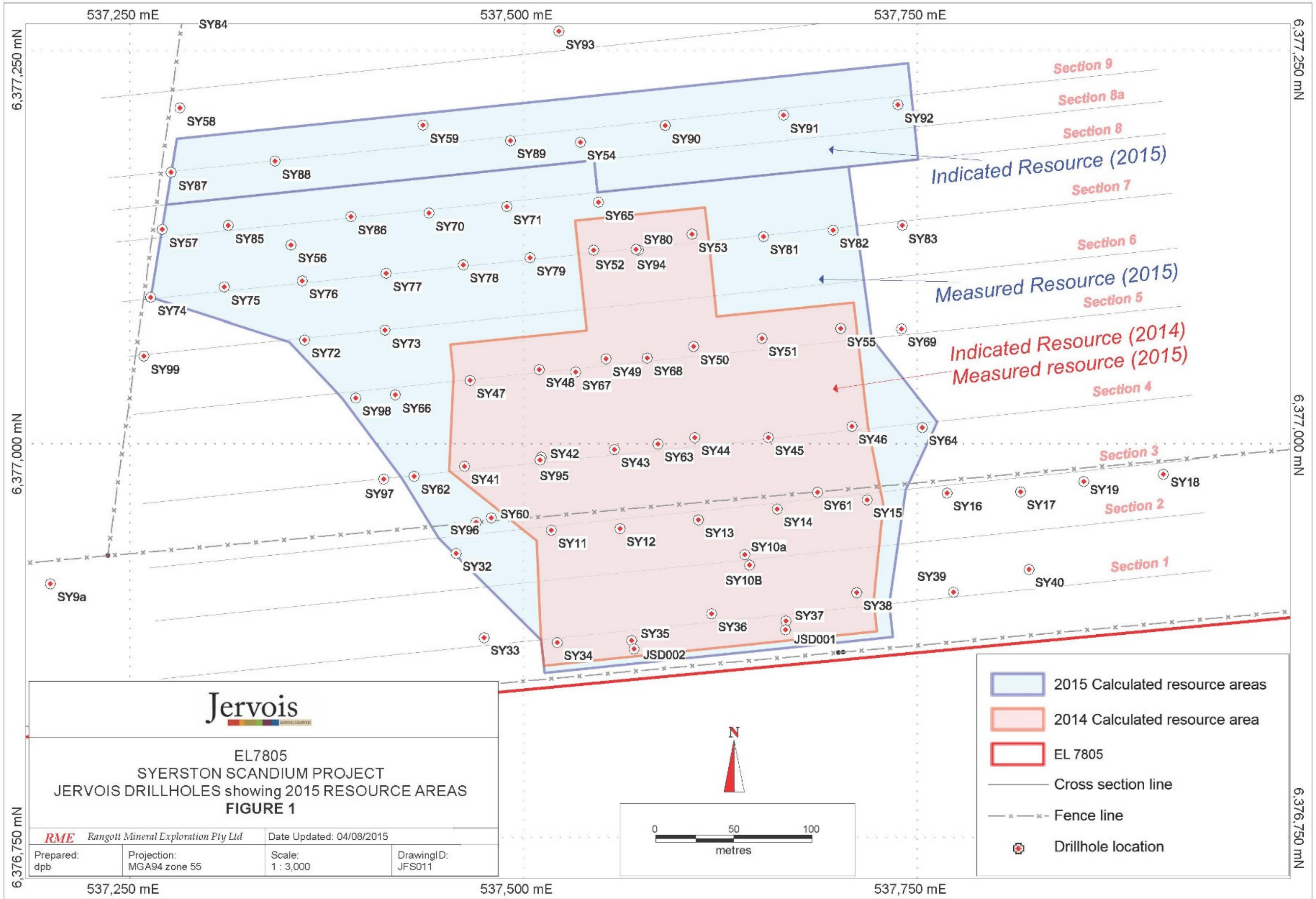
CALCULATED MEASURED RESOURCE

Transported	268,754 tonnes	@	285ppm Sc
Haematitic	43,345 tonnes	@	367ppm Sc
Limonitic	1,783,267 tonnes	@	501ppm Sc
Transitional	479,329 tonnes	@	310ppm Sc
TOTAL	**2,675,000 tonnes**	**@**	**435ppm Sc**

By order of the Board.

Duncan Pursell.
Managing Director.

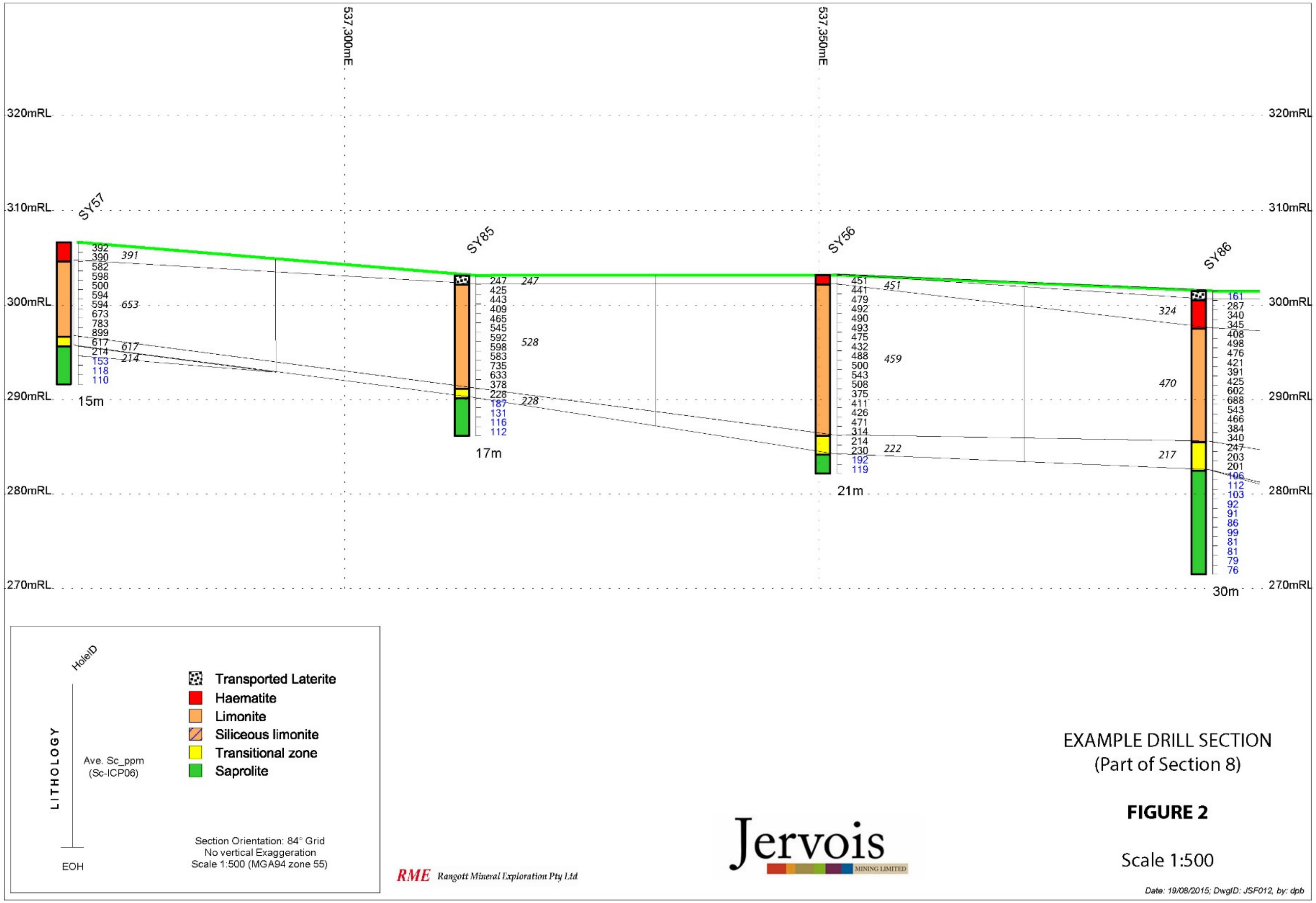
The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by M. Rangott and approved by D.C. Pursell (MAusIMM) and Mr D. Foster, (MAusIMM). M. Rangott, D.C. Pursell and D. Foster have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. M. Rangott, D.C. Pursell and D. Foster consent to the inclusion.



Jervois

EL7805
SYERSTON SCANDIUM PROJECT
JERVOIS DRILLHOLES showing 2015 RESOURCE AREAS
FIGURE 1

RME Rangott Mineral Exploration Pty Ltd		Date Updated: 04/08/2015	
Prepared: dpb	Projection: MGA94 zone 55	Scale: 1 : 3,000	DrawingID: JFS011



EXAMPLE DRILL SECTION
(Part of Section 8)

FIGURE 2

Scale 1:500

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Vertical aircore holes were drilled, and sampled over successive 1m intervals via an on-board cyclone. The bulk samples from both drilling programs were passed through a 3-tier riffle splitter, giving (1/8) 0.75-1.5kg samples for analysis, and (7/8) bulk samples for storage. The sample splits from the 2013 program were initially analysed by technique ME-ICP61 and the sample pulps were subsequently retrieved and split in a small riffle splitter, and one half of each analysed by a fusion technique (Sc-ICP06). The split samples from the 2014 and 2015 program were analysed by both the fusion technique and by technique ME-ICP41.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• The holes relevant to this statement were drilled by the aircore technique, using a Hydco aircore rig fitted with a 200psi/400cfm compressor (2013 and 2014 programs), and a Hydrapower Scout fitted with a 200psi/600cfm compressor (2015 program). The nominal bit diameter used on the rig in 2013 and 2014 was 89mm, but subsequent measurement of the bit showed that wear had reduced it to 80mm

		diameter, and this figure was used in recovery calculations. The bit diameter used in the 2015 program was 102mm (measured).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• The bulk and assay samples were weighed, and using bulk density values for different lithotypes, theoretical sample weights were calculated and compared with the actual weights to give recoveries for a limited number of drill holes. Sample recoveries varied from 50% to 97%, with an average of 85% for the key limonitic laterite in 2013 and 2014, and from 6% (in surface rubble) to 83% in the 2015 program, with the limonitic material recoveries lying higher in the range. • Cuttings were flushed from the hole at the end of each 1 metre interval drilled. • There may be a broad, weak correlation between sample recovery and Sc grade on two holes studied to date. Data from the remainder of the holes will be assessed.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The chip samples were logged during drilling by the site geologist and the project geologists further assessed them during the data compilation phase of the project. Logging of aircore chips was initially largely done on a colour basis. • Logging was qualitative and visual; mainly based on colour, but other factors were taken in to account. In 2014 two PQ core holes were drilled close to two aircore holes; detailed logging of the core showed that the boundaries between the main lithotypes are commonly gradational. • 100% of the samples/holes were logged by the geologists
Sub-sampling techniques and sample	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Samples sent for analysis were approximately1/8 of the total sample weight.

preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The samples were riffle-split in the raw (damp) state, using a 3-tier splitter. • The samples for analysis were prepared by an independent commercial laboratory (ALS in Orange) to accepted industry standards. • The laboratory dried and pulverized the entire sample, from which 0.25g was extracted for ME-ICP-61 analyses, and 0.1g for borate fusion analyses. • One 1m duplicate sample was split from each hole during drilling, and the analytical values for the duplicates gave a high level of replication. One blank sample was also included for most holes, and they gave very low Sc values. • The laterite materials for the most part presented as damp, gritty clay, so 1kg samples are considered to be quite appropriate.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The technique Sc-ICP06 developed by Australian Laboratory Services P t y Ltd ("ALS") is considered to be a total extraction technique. All Sc values used in the 2014 and 2015 resource calculations were determined by this method. • Not applicable • See above re performance of duplicates and blanks. One low-grade (93ppm) scandium standard sample was included in the 2014 sample batch (commercial high-grade Sc standards are not available). The analysis gave 92ppm. Four low grade commercial standards were included with the 2015 samples, and gave values within 1 to 5% of their nominal values. As well, a number of pulps were prepared from high grade 2014 bulk sample residues, and 9 of those were included in the 2015 samples and gave values within 0 and 3% of the original values. The laboratory used a range of internal low-grade standards and one high-

		grade standard, which gave good replication.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Two PQ core holes were drilled in 2014, each located 5m away from aircore holes, primarily to measure the densities of the laterite types. However quarter-core samples were taken from the core and analysed for Sc. The Sc values gave reasonable correlations with those from parts of the 'twin' aircore holes, but major discrepancies were evident between the values from some sections of both twinned holes. The discrepancies may be due to one or a combination of sample recoveries, sample sizes, or varying bedrock lithotypes. • Primary data was entered in Excel files by the project geologist at RME's premises, and stored on a secure server, and later checked by the project geologist, who made minor adjustments. • No adjustments were made to the analytical data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars and relevant cadastral boundaries were picked up using a Trimble GEOEXPLORER 6000 differential GPS meter. • Data was recorded in zone 55 MGA94. • Accuracy was ±10 centimetres in most cases; a few readings were ±1 metre.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill hole spacing varied from 10 to 95 metres along traverses spaced 35 to 72 metres apart. • The data spacing and distribution is considered to be adequate for classifying the Mineral Resource as either Measured or Indicated, for this type of deposit. • The drill samples were not composited prior to assaying.
Orientation of	• *Whether the orientation of*	• The orientation of syn- or post-

data in relation to geological structure	*sampling possible structures and the extent to the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	mineralisation faulting is not known with any certainty but is believed to be generally north-south, and the drill hole distribution is optimal for such an orientation. • Not applicable
Sample security	• *The measures taken to ensure sample security.*	• Assay samples were left overnight in a locked metal locker on the tray of a vehicle during the drilling and then taken to RME's premises in Orange, stored briefly in a secure shed, then submitted to the ALS laboratory in Orange.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out.

Section 2 Reporting of Exploration Results

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

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *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.*	• The scandium prospect is held under Exploration Licence no. 7805 which had an expiry date of 13th July, 2015, but is currently subject to a renewal application. The licence is in good standing with the NSW Department of Industry, Trade and Investment. The licence is held 100% by JRV. The licence area includes freehold land, public road reserves and a small area of Crown Land.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Open-file data from previous explorers' exploration reports was obtained and assessed, particularly geochemical and drilling information. Although exploration work for Platinum Group Metals has previously been carried out in the northern reaches of EL 7805, no relevant data was found in the vicinity of the scandium prospect. No previous explorers provided assay data for Sc.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The scandium, nickel, cobalt and chromium occur in a thick laterite sequence developed over part of the Ordovician Tout ultramafic intrusive complex. The laterite sequence includes (from top to bottom) transported (alluvial and colluvial), haematitic, limonitic, transitional and saprolitic lithotypes. The higher scandium grades dominantly occur in the limonitic laterite, and appear to have been derived from the long-term weathering of underlying Ordovician pyroxenite and olivine pyroxenite during the later Tertiary Era.
Drill hole Information	• *A summary of all information material to the understanding of*	• The eastings, northings, RLs and depths of the holes are shown on

	the exploration results including a tabulation of the following information for all Material drill holes: o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Figures 5 and 6 (drill sections) in the report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• It was considered that cutting of high grades was not necessary (see Section 3). • Aggregation of Sc values to give overall intercept grades was by calculation of arithmetic means. For typical examples of aggregation, see Figures 3 and 4 of this report. • No metal equivalent values have been calculated.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported,*	• All holes were drilled vertically, and as the laterite sequence is close to flat-lying, the intersected widths of Sc mineralisation approximate true widths.

	there should be a clear statement to this effect (eg 'down hole length, true width not known').	
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.*	• See Figures 1 and 2 of announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The reported results reflect a full range of intersected widths and Sc grades.
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.*	• Any relevant data has been included in this report or provided in previous reports prepared by Jervois or RME.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• See Figure 1: Testing for lateral extensions will probably be limited to vertical aircore drilling to the west of holes SY-58 to SY-99 and to the north of Section 9. Infill drilling may also be carried out on Sections 6 and 9, as well as drilling of several PQ holes to twin existing aircore holes.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data was entered by the project geologist and checked at various stages during plotting of drill sections.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person has visited the prospect on several occasions, but not during the drilling programs.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Some uncertainty exists over the precise location of lithotype boundaries based on colour changes. • Data was visual, based on colour, texture and integrity, and backed up by analytical data. • No alternative interpretations can be considered with the present drill traverse spacing. It is considered that drilling of additional holes on intermediate traverses would be unlikely to materially alter the interpreted three-dimensional structure. • Five different Mineral Resources were calculated for the five interpreted lithotypes and then combined. • Possible block faulting may affect continuity but based on current knowledge, this may only have been significant along the eastern and western margins of the deposit. An interpreted palaeochannel passes from the south-southeast to the north-northwest across the centre of the deposit. The channel fill material is also mineralised but commonly at grades lower than the 200ppm Sc lower cutoff. The precise boundaries

		of this channel are not clearly defined, and the outline of the channel on sections may change with infill drilling.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Resource is defined over a north-south length of 360m and a width varying from 220 to 475m, and covers an area of 12.9Ha. It is continuously mineralized throughout, is closed off to the east by outcrops of bedrock, and by cadastral constraints to the south and west. Sc grade varies considerably both vertically and laterally within the five lithotypes, however the weighted mean grade of each lithotype is usually quite consistent from section to section, given the style of mineralisation.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample*	• Given the nature of the host rock (laterite), its known areal distribution and sheet-like layered geometry, a sectional method of estimation was considered the most appropriate, and facilitated correlation of the lithotypes between holes, and interpretation of internal structure. The estimation was carried out manually. Extrapolation distances on the east- west oriented sections varied from 10 to 95m between drill holes and from 10m to 20m beyond the last significantly mineralized holes on each section. Extrapolation distances between the sections varied from 34 to 72 metres, and beyond the southernmost and northernmost sections, 20m. High Scandium values (>800ppm) are supported by nearby values so it was not considered necessary to cut them. • None available. • No by-products were considered. • No other elements considered at this stage. There are locally elevated concentrations of As, Cu, Ni, Co, Cr and V but these

	spacing and the search employed. • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	are not likely to be deleterious. The possible economic significance of Ni and Co will be considered in later studies. • Not applicable. • Not applicable. • Not considered. • The geological logging data was used to determine the interpreted lithotype boundaries. • There is a broad spread of Sc values from 200ppm to 1,010ppm. • Not carried out at this stage.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• The tonnages were estimated on a dry weight basis, in line with the analytical data. To determine bulk densities short lengths of whole PQ core were weighed shortly after drilling, then dried in a gas-fired drying cabinet at approximately 70°C for a minimum of 48 hours, then weighed again. From these data, moisture contents were calculated on a wet weight basis (weight loss / wet weight x 100).
Cut off parameters	• *The basis of the adopted cut-off grade(s) parameters applied*	• As very little is known about the economics of mining and extracting Sc from laterites, a 200ppm cut off was chosen to give a robust resource.
Mining factors of assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be*	• The resource could be cheaply mined by a small open cut with low flitches, on a contract campaign basis. It is unlikely that drilling and blasting would be necessary.

	reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors of assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous.* • *Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Limited bench testing of small samples for acid leaching potential has been undertaken, and has shown some promise, with good Sc, Ni, Co recoveries achieved over a 24 hour leach period. At this stage, it is not possible to make assumptions about a future metallurgical process.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• Due to the near-surface, high grade nature of the deposit, there is likely to be only minimal waste material produced by a mining operation, and any waste material would be similar to currently subcropping laterite. It is assumed that treated ore residues would be neutralised with locally- sourced limestone, and the (drained) residues stored in parts of the developing open cut, or in old magnesite mines nearby.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material*	• Two vertical PQ core holes, JSD-001 and JSD-002, were drilled 5m away from the collars of aircore holes SY-37 and SY-35 respectively, down to several metres in to saprolitic bedrock. A piece of coherent core from each 1m interval was weighed then dried and weighed again, then coated and immersed

	must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	in water and immediately weighed. The three data sets obtained were used to calculate in-situ and dry-weight densities, with the dry weight densities applied in the resource tonnage calculations. The densities ranged from 1.37g/cc to 2.56g/cc, with mean densities of 2.04g/cc for the haematitic laterite, 1.77g/cc for the limonitic laterite, and 1.82g/cc for the transitional laterite. As the densities were determined on the most competent pieces of core, there is some risk that they are not representative of more porous sections of the core. Densities of 90% of the determined values were therefore used in the calculation process (1.83g/cc for transported and haematitic laterite, 1.59g/cc for limonitic laterite, and 1.63g/cc for transitional laterite) to give more conservative tonneages.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Competent Person has a high level of confidence in the sample integrity, and assay data, and in the resource calculation technique (which he undertook). However, he considers that there is some risk to the apparent high degree of geological and grade continuity between holes due to: - the spacing of the drillholes along the sections in the Indicated Resource area - the poorly-defined boundary of the palaeochannel - suspected infaulting of various protoliths (suggested in drill chips from one hole) which may have resulted in rapid grade variations - the discrepancies between analytical data from twinned holes.
Audits or Reviews	• *The results of any audits or reviews of Mineral Resource estimates*	• No audits or reviews have been carried out.
Discussion of	• *Where appropriate a statement of*	• No statistical work has been carried

relative accuracy/ confidence	*the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	out. However it is considered that the tonnage estimates are accurate to within ±10%, for each lithotype, and the grade estimates to within ±10%. • The estimates were local and detailed, calculated for each lithotype present, for each section and for individual panels within each section. • Not applicable.