

# ASX Release

20 August 2014

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## Southern Crown Resources Limited

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### Directors / Officers:

Rhod Grivas  
Mark Papendieck  
Adrian Hill

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### Issued Shares and Options:

Shares: 30 million  
Unlisted options: 1.5 million

ASX Code: SWR

## SOUTHERN CROWN TAKES OPTION OVER EXTENSIVE GOLD/COPPER/SILVER PROJECTS IN WORLD CLASS GOLD BELT

### Highlights

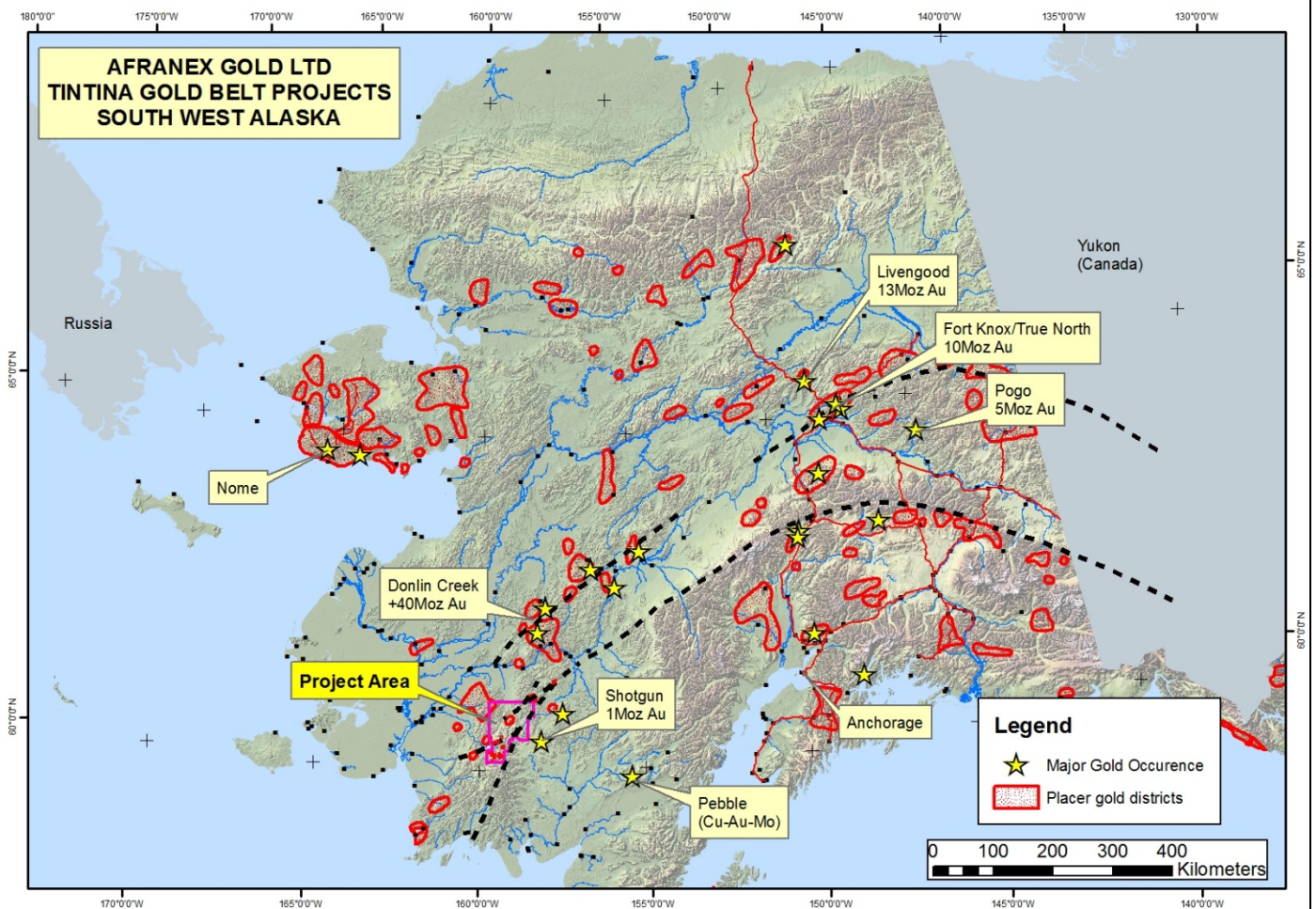
- Southern Crown has signed an option agreement to explore in the same belt as the giant 45Moz Donlin Creek gold deposit, in southwest Alaska.
- The key Luna–Quicksilver prospect contains two large un-drilled outcropping semi-massive sulphide stockworks, 1.2km apart in an accessible river valley, providing an exciting window into the sub-surface potential.
- Rockchip and channel sampling of Luna stockwork outcrop has returned up to 64.7g/t Au & 74g/t Ag.
- Rockchip and channel sampling of Luna East sulphide outcrop has returned up to 1.2% Cu, 90g/t Ag.
- During the negotiation phase, Southern Crown has conducted detailed ground magnetics.
- Scout bedrock drilling to commence this month to focus follow-up core drilling.
- Allan Kelly, Director of Afranex and MD of Doray to join Southern Crown as technical advisor.

The Directors of Southern Crown Resources Limited ("**Southern Crown**" or "**the Company**") are pleased to report the signing of an exclusive option agreement ("Option") to explore and acquire a package of projects with highly prospective multi metallic targets located 500km west of Anchorage in the South West Tintina gold belt of Alaska.

The Option includes 3 projects (Luna-Quicksilver, Kisa and Chilly), totaling 138km<sup>2</sup>. The Tintina Gold belt is home to a number of world class intrusion related gold ("IRG") systems including Donlin Creek (45Moz@ 2.21g/t), Pogo (5Moz @ 12.45g/t), Fort Knox (produced over 5Moz), Livengood (20Moz @ 0.55g/t) and Shotgun (0.7Moz @ 1.02g/t).

Southern Crown's Chairman, Rhod Grivas commented: *"Luna-Quicksilver represents an exciting untested IRG system that has all the hallmarks of a world class system such as Donlin Creek. This opportunity provides a near-ready drill target and a deal structure that minimizes dilution of existing shareholders and shares exploration risk with the project vendor.*

*Two mineralised stockwork outcrops 1.2km apart in a system that is over 700m wide and striking over 5km is an attractive target in this belt".*



**Figure 1: Tintina gold belt showing project area in SW Alaska, 200km from Donlin Creek deposit**

### TINTINA GOLD BELT INTRUSION RELATED GOLD SYSTEMS

Luna–Quicksilver and the other optioned projects share many of the characteristics of Donlin Creek and the local IRG system deposits located in the Tintina gold belt. Some IRG system ore bodies are associated with placer deposits proximal to young intrusions emplaced in sediments. Luna–Quicksilver is located within 10 kilometres of two historical placers, one on a drainage system draining west, the other draining north. Luna–Quicksilver is also associated with a pluton and associated felsic dykes and sills that have hornfelsed and altered surrounding sediments.

Structural setting is important for the development of IRG system deposits. Luna–Quicksilver and the other optioned projects are located along a NE structural corridor with apparent strike slip movement and evidence of additional cross-cutting complexity. In addition IRG system mineralization is poly-metallic and varied depending on proximity to the intrusion, the Luna–Quicksilver veins are located in quartz-carbonate stockworks with anomalous gold, silver, antimony, bismuth, arsenic, molybdenum, tellurium and tin with Luna East also highly anomalous in copper.

## OPTION TERMS

Southern Crown has signed the Option with Afranex Gold Ltd (“Afranex”), an unlisted Australian company to acquire the companies that hold the rights to 100% of the three projects with an expiry date 4 months after the completion of 1,200m of core drilling or 31 December 2015 whichever occurs first. Full details of the Option Agreement are provided in Appendix 1.

Afranex was founded by Allan Kelly (Managing Director and co-founder of ASX-listed Doray Minerals Ltd) who spent time in North America working for Western Mining Corporation in the late 1990’s. Southern Crown has asked Allan to join the Company as technical advisor to provide on-going exploration input.

On exercising the Option, Southern Crown is required to issue 30 million ordinary shares, with the major vendor shareholder group subject to a voluntary 12 month escrow period. The Company has agreed to pay up to \$100,000 to Afranex to cover exploration and corporate costs.

Afranex has an option agreement with Gold Crest Mines Inc (“Gold Crest”) and Kisa Gold Mines Inc (“Kisa Inc”) over the Luna, Kisa and Chilly Projects as well as purchase agreements over the Quicksilver Project with Black Peak LLC, a subsidiary of ASX listed Renaissance Minerals Ltd (ASX:RNS) and North Quicksilver Project with North Fork LLC, a subsidiary of North Fork Pty Ltd. Afranex also has an option to acquire Kisa Inc’s interest in the Luna, Kisa and Chilly projects by paying US\$300,000 before 31 December 2015.

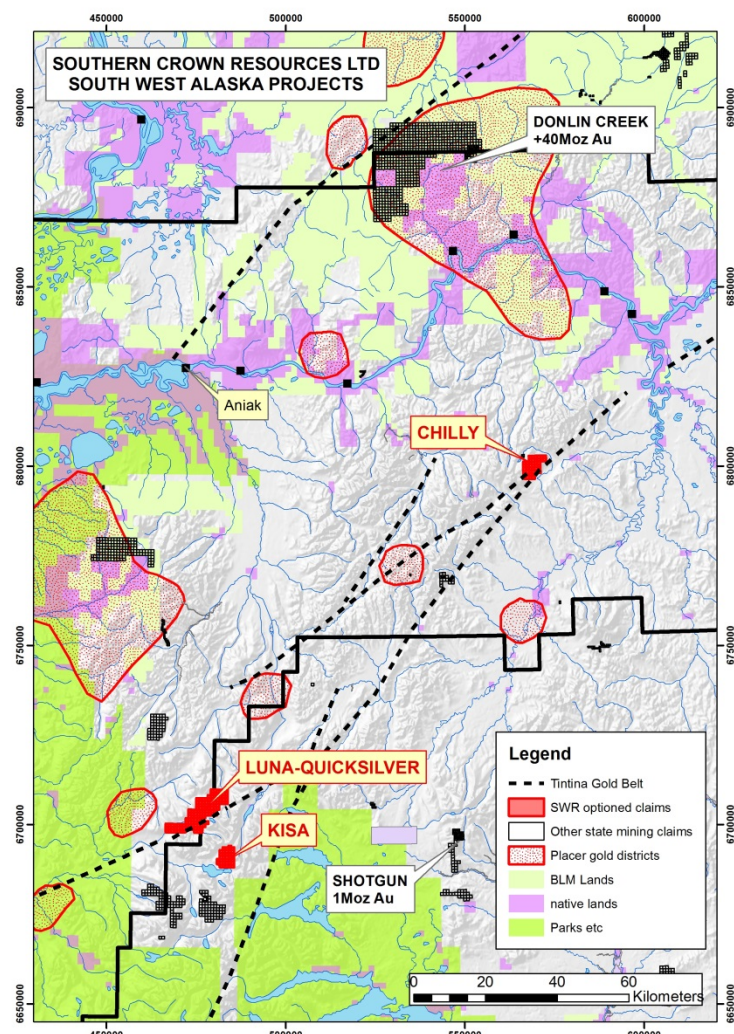


Figure 2: Luna-Quicksilver, Kisa and Chilly project locations



## LUNA-QUICKSILVER PROJECT

The Luna-Quicksilver project has undergone sporadic exploration since 2006 with no previous drilling, hamstrung by limited budgets and lack of focus. Several phases of geological mapping, surface geochemistry and geophysics have highlighted mineralization over 5km of strike in a much larger 40km mineralised structure. A shear zone with over 700m of width has been mapped along the river beds underneath alluvial cover, representing the potential for a big target system close to the surface.



**Figure 3: Photo showing Luna stockwork veins in the accessible valley and Quicksilver located up to 500m vertical above the valley floor**

The Luna-Quicksilver project consists of the 50 Luna claims, owned by Kisa Inc, the 70 Quicksilver claims owned by Black Peak LLC and 13 North Quicksilver claims owned by North Fork LLC, totaling an area of 86km<sup>2</sup>. The Luna claims were first staked in mid-2007 after a regional scale geophysics survey highlighted an anomaly associated with a regional scale structure. Systematic stream sediment sampling, rock chip sampling and geological mapping led to the discovery of the Luna outcrop. At approximately the same time the Quicksilver area was staked following a similar geochemical and geological mapping approach led to the discovery of mineralization located on the ranges above the valley.

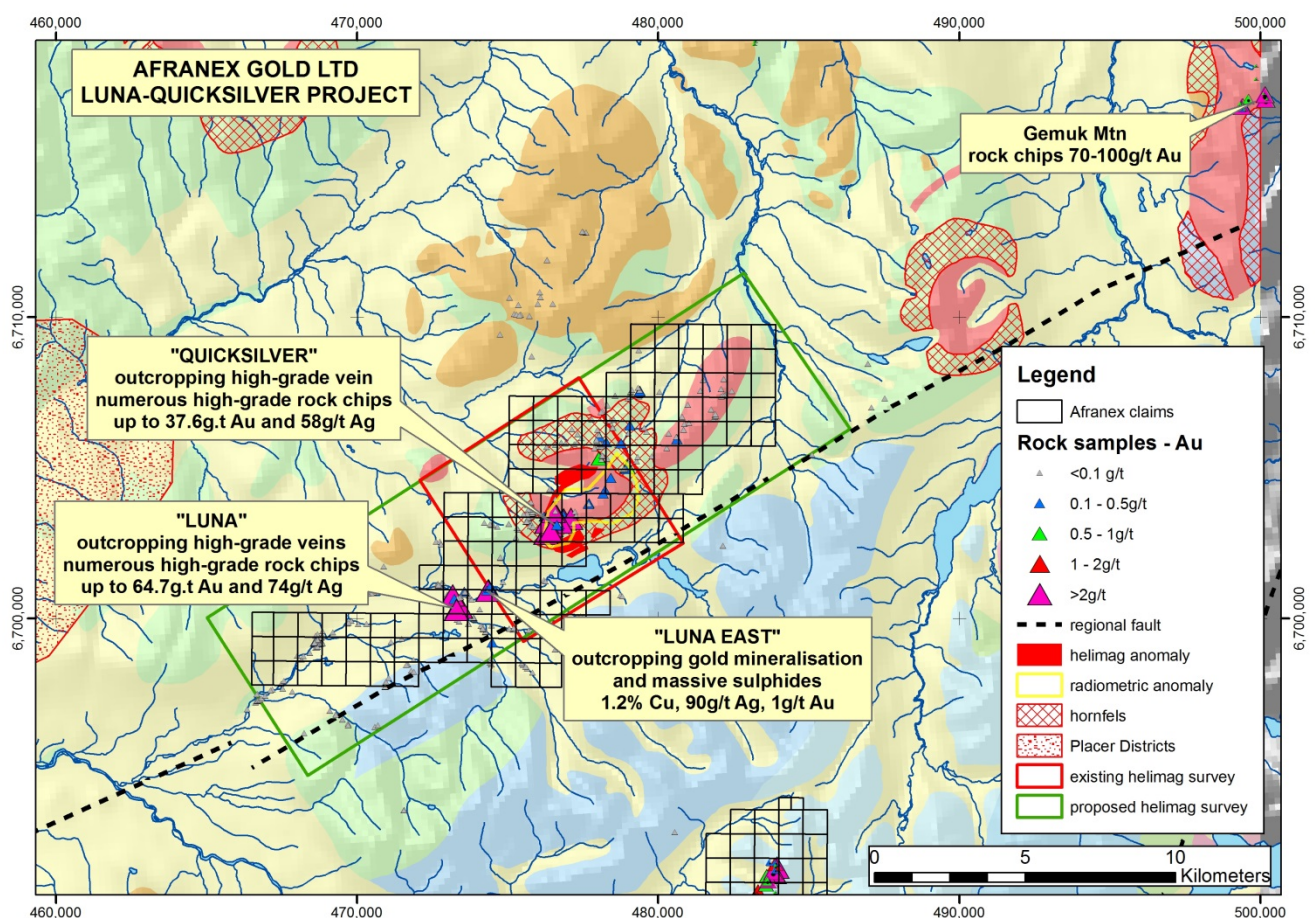
A total of 41 stream silt samples collected by Kisa Inc in 2007, from streams draining the Luna prospect area outline a distinct 25km<sup>2</sup> gold, arsenic, and antimony anomaly. Silt samples returned values up to 1052 ppb gold; this maximum assay comes from a sample located in the creek below the main Luna outcrop.

In excess of 100 rock chip samples have been collected from the Luna prospect area with many containing anomalous gold, with values as high as 64.7g/t Au reported. Gold is associated with anomalous arsenic (above 1% As), antimony (up to 187 ppm Sn), bismuth (up to 36 ppm Bi), molybdenum (up to 64 ppm Mo), silver (up to 74 ppm Ag) and copper (up to 1.2% Cu).

At the Quicksilver prospect, in excess of 150 rock chips have been collected, with a maximum of 36.1g/t Au, 56.2g/t Ag, 555ppm Bi, 717ppm Sb, 17.9ppm Te, 215ppm Mo.

Southern Crown conducted a due diligence rock chip and channel sampling program over the Luna and Luna East outcrops. Rock chip sampling confirmed the anomalous nature of both outcrops with a maximum of 2.9g/t Au, 10.6g/t Ag from Luna (plus anomalous As, Sn, Bi, Mo,Te). Interestingly, at Luna East all veins sampled returned highly anomalous copper with all above 0.25% Cu and with a maximum of 0.57% Cu, with up to 32.5g/t Ag and 0.19g/t Au.

Channel sampling at Luna and Luna East located a mixture of altered sediments and dyke and sill intrusions with stockwork quartz-carbonate veins. Blebs of iron oxide after sulphides as well as arsenopyrite in veins were evident. The Luna channel highlighted a 110ft (35m) wide zone of anomalous gold (+0.1ppm Au), silver (+0.08ppm Ag), arsenic (+100ppm As), antimony (+3ppm Sb) and tin (+4ppm). The Luna East channel highlighted a 40ft (12m) wide zone of anomalous gold (+0.06ppm Au), silver (+0.80ppm Ag), arsenic (+400ppm As), antimony (+2.5ppm Sb), tin (+4ppm Sn) and tungsten (+4ppm W).



**Figure 4: Luna-Quicksilver showing outcropping veins in structural corridor**

Prospect	Sample ID	Easting	Northing	Au g/t	Ag g/t	Cu %
Luna	AF-13-05	473299	6700278	<b>64.7</b>	<b>74.1</b>	0.01
Luna	209653	473342	6700192	<b>25.6</b>	-	-
Luna	NDR29312	473436	6700170	<b>12.5</b>	<b>28.2</b>	-
Luna	NF022	473171	6700768	2.1	7.08	-
Luna	LNVN202	473306	6700278	2.90	5.4	0.03
Luna	LNVN208	473285	6700298	2.20	10.6	0.13
Luna East	NF029	474351	6700927	1.25	<b>21.2</b>	0.23
Luna East	NF190	474369	6700933	3.52	<b>31.7</b>	0.35
Luna East	NF191	474370	6700925	1.23	<b>25.5</b>	0.34
Luna East	NF194	474344	6700929	3.72	<b>45.0</b>	0.34
Luna East	NF026	474421	6701022	0.25	<b>89.8</b>	<b>1.20</b>
Luna East	AF-13-02	474425	6701024	0.40	<b>75.8</b>	<b>1.08</b>
Luna East	LNEVN101	474417	6701019	0.11	<b>32.5</b>	<b>0.57</b>
Luna East	LNEVN103	474428	6701016	0.19	<b>23.2</b>	<b>0.55</b>
Quicksilver	QS060	478861	6703286	8.38	<b>56.2</b>	-
Quicksilver	QS070	476858	6703290	2.66	8.58	-
Quicksilver	QF077	476436	6703079	8.67	<b>35.5</b>	-
Quicksilver	QS084	477093	6703315	11.0	15.6	-
Quicksilver	QS093	476773	6703184	13.2	3.1	-
Quicksilver	QS099	476635	6703404	<b>36.1</b>	7.9	-
Quicksilver	MH58AK	476516	6703334	<b>37.6</b>	-	-
Quicksilver	MH82AK	476301	6702985	8.16	-	-
Quicksilver	PS95AK	476271	6702620	3.31	-	-

**Table of results (coordinates in UTM Z4 NAD83)**

### **OTHER PROJECTS (Kisa and Chilly Projects)**

Two other projects are included in the Option, these include the Kisa and Chilly projects (Figure 2).

The Kisa project comprising 38 claims (23.6km<sup>2</sup>) and located 14km SE of Luna-Quicksilver was discovered as a colour anomaly that is visible from air-photography as a 'rusty' orange oxidized zone. Geochemistry and geological mapping located a breccia pipe measuring 500m x 300m as well as numerous dyke and sills. Six core holes were drilled into the breccia pipe in 2007 locating widespread low level gold anomalism with the best results 126m @ 0.65g/t Au from K07-05 (483,432E, 6,690,936N – UTM Zone 4 NAD83, -40deg dip, 90 deg azimuth).

Chilly comprises 44 claims (28.5km<sup>2</sup>) and is located 50km SW of the village of Sleetmute. The claims were pegged as anomalous streams draining from a granodiorite intrusion adjacent to a bounding regional Tintina fault. First pass exploration was conducted in 2008 including geological mapping and ridge and spur soil sampling where possible. Soil sampling identified a 500m long gold anomaly (>100ppb Au) with a larger coincident arsenic anomaly (>250ppm As).

## **2014 EXPLORATION**

In order to make the most of the current field season, Southern Crown commenced exploration this month prior to signing the Option, with a ground magnetic survey on 100m line spacing over 3.75km strike of the Luna and Luna East shear zone.

In addition, channel sampling has commenced along the river banks below the overburden. The channel sampling involves digging away up to 0.5m of contaminated soil and rock cover to expose underlying saprolite and bedrock. Work done during the due diligence has indicated that this is an effective way of channel sampling and geological mapping of the saprolite/bedrock, similar to what would be achieved by trenching several metres through the overburden.

Later in the season the Company is planning a bedrock scout drilling program to expand on the knowledge of the Luna and Luna East outcrop as well as the channel sampling and provide a drill ready target for the next field season.

It is expected the exploration program will cost in the order of A\$500,000, including rents, minimum commitments on tenure, ground magnetics at Luna, heli-magnetics at Chilly, channel sampling, remote exploration at Chilly and Kisa and bedrock drilling at Luna-Quicksilver.

**For further information please contact:**

**Rhod Grivas**

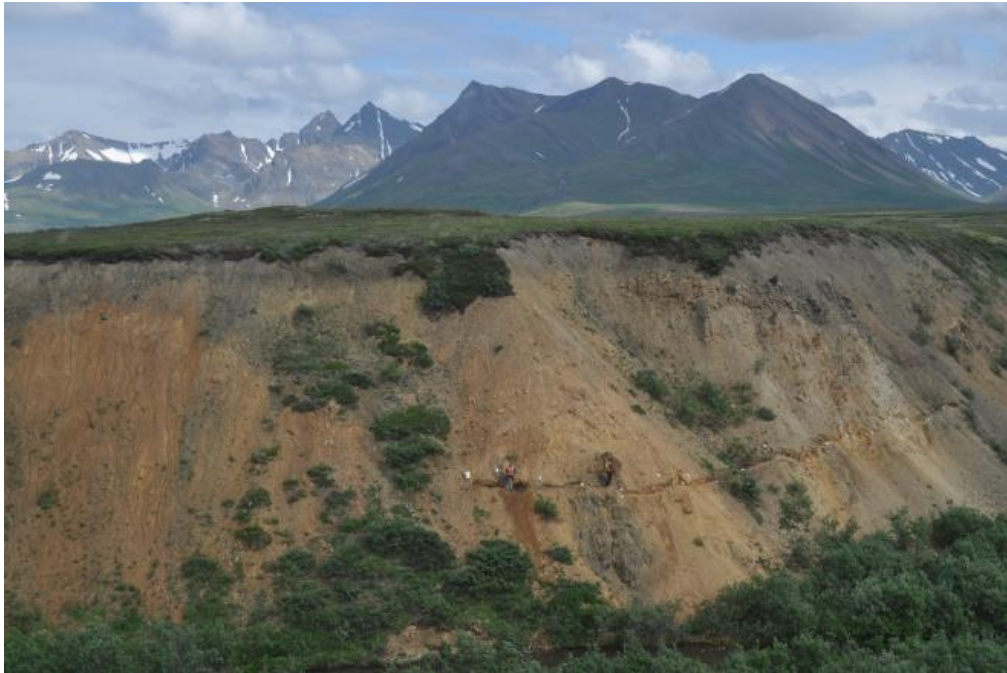
Chairman

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## **Competent Person's Statement**

*The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Rhoderick Grivas, an employee of the Company and a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Grivas has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Grivas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*





**Luna Prospect**



**Luna East Prospect  
with Quicksilver in  
background**



## APPENDIX 1

### Option Terms

Under the Option, Southern Crown has the right to explore the Luna-Quicksilver, Kisa and Chilly Projects located in Alaska in which Afranex, an unlisted Australian company, has an interest. Subject to Southern Crown being satisfied with the results of its exploration, Southern Crown has also been granted an option by the major shareholders of Afranex ("Major Shareholders"), representing approximately 60% of the Afranex shares expected to be on issue as at the completion date, to acquire their respective shares in Afranex.

The Option expires 4 months after the completion of 1,200m of core drilling or 31 December 2015 whichever occurs first. During the term of the Option, Southern Crown will be required to keep the projects in good standing and meet up to \$100,000 of expenditures on the Luna-Quicksilver, Kisa and Chilly projects, excluding any liabilities arising from conduct prior to the date of the Option. The current holders of each of those projects have all agreed to grant Southern Crown access to the projects for the purpose of undertaking its exploration.

Upon exercise of the Option, consideration for 100% of Afranex will be 30 million shares in Southern Crown. Certain of those shares will be subject to a 12 month voluntary escrow period.

Afranex has:

- an option agreement with Gold Crest and Kisa Inc to acquire either Gold Crest's 100% interest in Kisa Inc or alternatively to acquire Kisa's interest in each of the Luna, Kisa and Chilly Projects ("Gold Crest Option");
- entered into a purchase agreement to acquire 100% of the shares in Black Peak LLC, the holder of the Quicksilver Project, from Renaissance Alaska Pty Ltd, a subsidiary of ASX listed Renaissance Minerals Limited (ASX:RNS) ("Black Peak Acquisition");
- entered into separate sale agreements to acquire 100% of the shares in North Fork Pty Ltd, which is the holder of the Quicksilver North Project ("North Fork Acquisition"); and
- entered into an agreement with Allan Kelly, as the trustee of the Kelly Family Trust, to acquire its 10% beneficial interest in the Quicksilver Project, held by Black Peak ("Kelly Acquisition").

Where Southern Crown elects to exercise the Option and acquire the shares of the major shareholders in Afranex, completion of the acquisition is subject to the satisfaction of the following conditions precedent:

- (a) Afranex completing, or being entitled to complete the North Fork Acquisition;
- (b) Afranex completing or being entitled to complete the Black Peak Acquisition;
- (c) Afranex completing or being entitled to complete the Kelly Acquisition;
- (d) Southern Crown being entitled to acquire 100% of the shares in Afranex;
- (e) there being no options remaining on issue in Afranex;

- (f) Afranex having procured the execution by all remaining Afranex shareholders, other than the Major Shareholders of acceptances of offers from Southern Crown to acquire their respective Afranex shares, subject to Southern Crown exercising the Option;
- (g) each of the Afranex shareholders waiving all pre-emptive or other rights over any of their Afranex shares conferred under the Constitution of Afranex or any shareholder agreement (if any);
- (h) the outstanding liabilities of Afranex being not more than \$100,000;
- (i) Southern Crown and Afranex obtaining all statutory and regulatory approvals and any third party consents or waivers which are necessary or desirable to complete the transaction; and
- (j) Southern Crown shareholders passing all resolutions required under the Listing Rules or Corporations Act to give effect to the transaction.

Each of the conditions, other than the condition referred to in (b) above, is capable of being waived by Southern Crown.

## APPENDIX 2

### JORC TABLE 1

#### Section 1 Sampling Techniques and Data

Criteria	Explanation	Notes
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Details of surface sampling techniques used by previous explorers have not been sighted however the Competent Person is of the opinion the sampling was done to industry standard for gold exploration.</li> <li>Sampling completed by the Company was rock chip and channel sampling to industry standard, to ensure representative samples with minimal contamination</li> <li>Sample weights vary but are nominally 1-3kg</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Kisa Inc drilled HQ core at the Kisa project with a helicopter supported core rig. Core loss was measured with an average of 73% recovery.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Details have not been provided on methods of recording core samples however core loss in the mineralized intervals was recorded.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Details of Kisa Inc logging procedures were not sighted by the Competent Person.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul style="list-style-type: none"> <li>Historical core holes at Kisa were sampled on a nominal 5ft interval but varied from 3ft to 20ft</li> <li>No details were provided on sub sampling technique although half core remains in a local warehouse and standard half-core sampling techniques are likely to have been used.</li> <li>ACA Howe on behalf of Afranex collected 26 check samples of the remaining half core for</li> </ul>



Criteria	Explanation	Notes
	<ul style="list-style-type: none"> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	verification purposes. Results were in line with the original analysis for gold.
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Southern Crown and Afranex samples were submitted to ALS Global laboratory in Fairbank.</li> <li>Sample preparation includes weighing, crushing so 70% passed -2mm then oversize samples were riffle split to 1kg samples and pulverised so 85% passed 75 micron.</li> <li>Samples were analysed by 50g fire assay with AA finish</li> <li>No QA-QC was separately conducted on the laboratory QC samples.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Afranex engaged ACA Howe to collected 26 check samples of the remaining Kisa half core for verification.</li> <li>In addition, both ACA Howe, Afranex and/or Southern Crown have collected rockchip samples of Luna, Luna East and Quicksilver to verify rock chip results</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Kisa collars locations were recorded using a resource grade Trimble GPS in NAD83 tied to a LIDAR derived 2m topographic base map</li> <li>Rock chip and stream samples were located using a handheld GPS giving approx. 5m accuracy</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole spacing varied for the Kisa breccia target but was appropriate for first pass drilling.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Kisa drilling intersected wide low grade mineralization within a large breccia pipe.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Samples collected by Southern Crown were carried by company personnel and consultants and when freighted were tracked.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits were conducted, which is appropriate for the stage.</li> </ul>

**JORC TABLE 1**  
**Section 2 Reporting of Exploration Results**

Criteria	Explanation
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Afranex employs a permit manager who ensured the tenure documentation is up to date. The claims can be viewed on the Alaska department of Natural Resources website. ACA Howe completed an independent review during April 2013, no independent review has been completed since.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Afranex engaged ACA Howe to write a 43-101 standard report on the projects. It details all exploration by other companies. A database and reports has also been provided by previous explorers.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>The mineralisation is located in a major NE regional shear zone associated with the bounding faults of the Tintina gold belt. Intrusions into the regional belt have hornfels and altered surrounding sedimentary country rock. Mineralisation has been emplaced in and around the intrusions suggesting the Luna-Quicksilver prospects have the potential to be IRG systems..</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>No drilling has been conducted by Southern Crown or Afranex. Historical drillhole information does not relate to Luna-Quicksilver.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>No data aggregation methods have been used.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>No drilling has been conducted by Southern Crown or Afranex. Historical drillhole information that relates to Kisa represents wide low grade mineralization contained within a breccia pipe.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Diagrams provided show location of projects, location of rockchips results.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Exploration is at an early stage and surface geochemistry and geophysics has been collected over all prospects over a 7 year period. A table of significant results has been provided indicating mineralized outcrops exist within barren country rock. Further bedrock geochemistry is required to determine the potential for any economic mineralisation.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>None to report.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>Company is conducting the next stage of exploration which includes ground geophysics and bedrock geochemistry to better locate follow-up targets.</li> </ul>