ACN 119 484 016

CLASSIC MINERALS LTD

**ASX ANNOUNCEMENT** 18 SEPTEMBER 2014

# PROMISING EARLY RESULTS FROM CLASSIC'S DEEP DRILL PROGRAM

- **Program involved 7 RC/core holes drilled for 1,060.85m and 5 NQ2 diamond core tails for 981.95m**
- **All diamond core intersected disseminated sulphide mineralisation, mainly pyrrhotite, at the target depths interpreted from modeling of the earlier SAM EM ground survey, validating the use of this geophysical tool at Fraser Range**
- **At target A17, deep drilling to 400m intersected disseminated sulphides, mainly pyrrhotite, at the interpreted depth**
- **Drilling at SAM1conductor target, 1km NE along strike from the Alpha copper deposit, intersected disseminated and semi-massive sulphides from 389.66m to 394.13m, with a 1.29m interval of semi-massive sulphides from 389.66m, mainly pyrrhotite. Analysis of the 1.29m section reported values of 0.91% copper**

## Deep drilling program

The drilling program carried out in July and August has produced promising early results, intersecting sulphide mineralisation at the majority of targets. Importantly, it also confirmed the validity of the interpretation of earlier SAM EM survey on which the drilling program was predicated, providing confidence for further use of this geophysical tool at the Fraser Range Project.

### CORPORATE STRUCTURE

ASX Code: CLZ- CLZO
ABN: 77 119 484 016

Total Number of Shares on Issue:
257,855,915 shares

Total Number of Options:
101,137,607 Options (Listed)
*Exercisable on or before 30/06/2015*
13,591,667 Options (unlisted)
*$0.10 Options exercisable on or before 31/12/2015*

Sale: $0.032 per share
*COB 17/09/2014*

### BOARD & MANAGEMENT

Justin Doutch, Managing Director
Stanislaw Procak, Non-Executive Director
Kent Hunter, Non-Executive Director
Jeffrey Nurse, Company Secretary

### ABOUT CLASSIC MINERALS

Classic Minerals (ASX: CLZ) is a Perth-based mineral exploration Company focused on advancing its Fraser Range project E28/1904, in Western Australia. The Fraser Range Project is approximately 40km northeast of Sirius Resources' NL (ASX: SIR) Nova and Bollinger nickel-copper discoveries, and has historic nickel-copper-zinc soil anomalies.

### CONTACT

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### INVESTOR RELATIONS

WARD HOLT
Public Relations Consultants
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**ASX ANNOUNCEMENT** 18 SEPTEMBER 2014

The SAM1 results are potentially highly significant, showing similarities to the mineralization at the Alpha copper deposit. These results are currently being reviewed by the Southern Geoscience, the company's geophysical consultants.

The next phase of the drilling program is currently being planned, and is expected to commence early in October.

Managing Director of Classic Minerals, Justin Doutch, said he was pleased with the results of the company's maiden deep drilling exercise.

"The presence of sulphide mineralisation at most of our targets has confirmed our belief that we are in the right place, and gives us the confidence to step up our efforts with another round of deep drilling.

"We're particularly excited at the prospect that Alpha copper deposit could possibly be larger than we had originally envisaged due to similarities in the mineralisation. We are working to confirm this through further geophysical analysis, and it will be a priority target when we remobilise the drilling crews in the weeks ahead.

**Image 1:** Managing Director Justin Doutch holding a piece of NQ2 core from SAM-1 Target

**Image 2:** Geologist and field personal logging NQ2 core at the Fraser Range Project

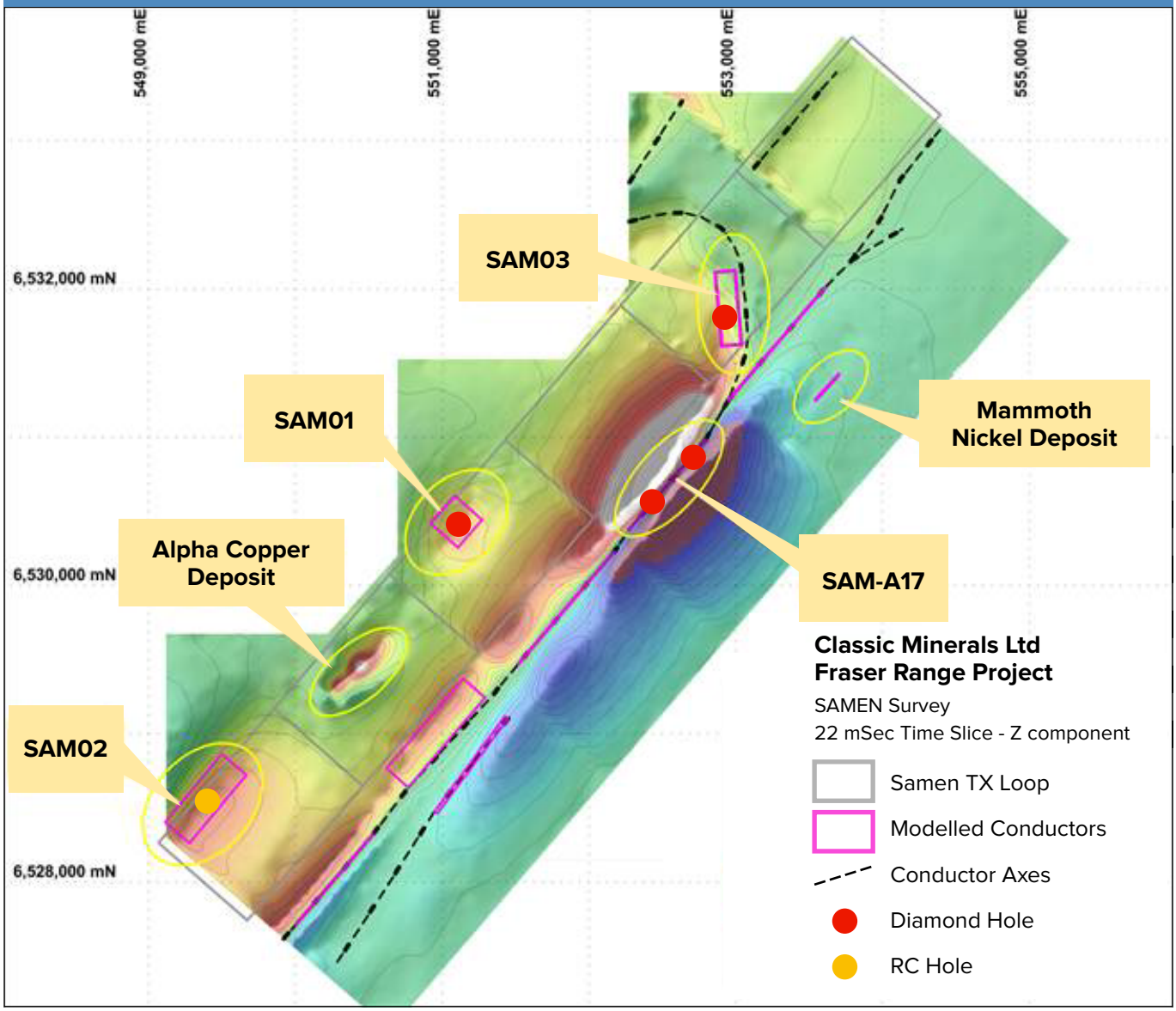
**Image 3:** Diamond drilling crew at the SAM-1 target

**ASX ANNOUNCEMENT** 18 SEPTEMBER 2014

"It's also encouraging to know that the SAM EM methodology we used to plan this initial program has proved to be particularly effective in this region, with most of the mineralisation we have identified being intersected at the depths forecast by the survey," he said.

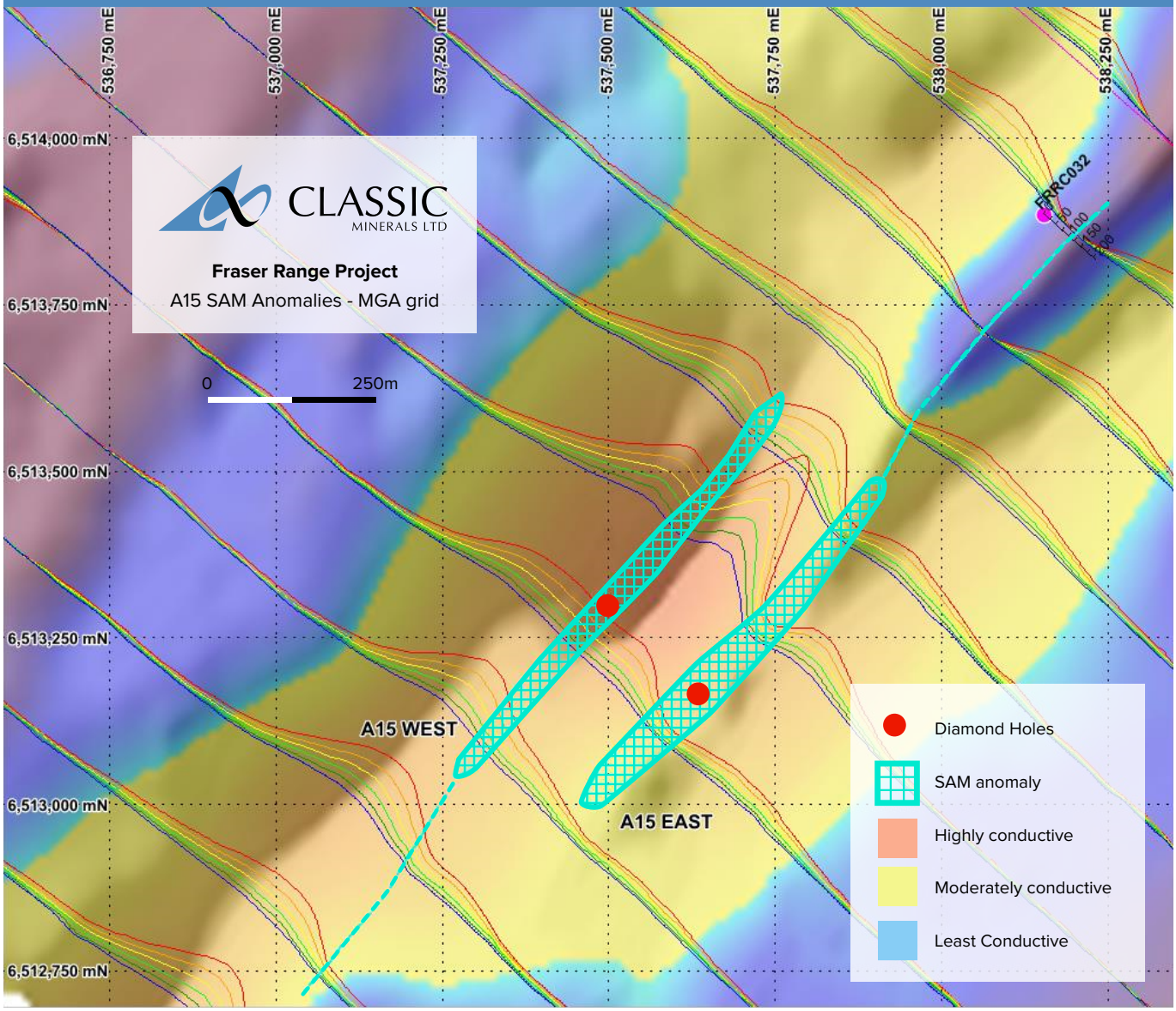
Mr. Doutch said the next deep drilling phase would commence mid-October.

**Figure 1:** Image shows SAM Electromagnetic conductor targets in the "Hot Zone" of Fraser Range E28/1904



**ASX ANNOUNCEMENT** 18 SEPTEMBER 2014

**Figure 2:** Image shows southern SAM Conductor targets with diamond hole locations



**ASX ANNOUNCEMENT** 18 SEPTEMBER 2014

## *Table 1: Fraser Range Significant Intersections*

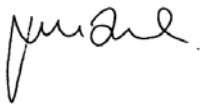
| Hole ID | Depth From (m) | Depth To (m) | Interval (m) | | Cu ppm | Zn ppm |
|---|---|---|---|---|---|---|
| FRDH002 | 203.68 | 205.01 | 1.33 | at | 252 | 489 |
| | 207.20 | 211.12 | 3.92 | at | 426 | 381 |
| FRDH004 | 333.90 | 337.84 | 3.94 | at | 396 | 409 |
| FRDH005 | 204.33 | 207.77 | 3.44 | at | 355 | 342 |
| FRDH006 | 389.66 | 392.75 | 3.09 | at | 3394 | 213 |
| including | 389.66 | 390.95 | 1.29 | at | 0.91% | 350 |

## *Table 2: Fraser Range Hole Locations*

| Hole ID | Prospect | East MGA94 | North MGA94 | RL AHD (m) | Dip | Azimuth (true) | EOH Depth (m) | RC Pre-Collar Depth (m) | NQ2 Core Length (m) |
|---|---|---|---|---|---|---|---|---|---|
| FRDH002 | A15W | 537490 | 6513430 | 287 | -60 | 131 | 271.50 | 161.85 | 109.65 |
| FRDH003 | A17S | 552720 | 6530650 | 240 | -60 | 311 | 420.5 | 189.5 | 231.0 |
| FRDH004 | A17N | 552853 | 6530811 | 240 | -60 | 311 | 409.5 | 198.7 | 210.8 |
| FRDH005 | A15E | 537754 | 6513186 | 287 | -60 | 311 | 258.9 | 111.6 | 147.3 |
| FRDH006 | SAM1 | 550950 | 6530550 | 240 | -60 | 131 | 454.9 | 171.7 | 283.2 |
| FRDH007 | SAM3 | 552930 | 6531850 | 230 | -60 | 80 | 94.0 | 94.0 | - |
| FRDH008 | SAM2 | 549300 | 6528600 | 250 | -60 | 131 | 133.5 | 133.5 | - |

### COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Rust, who is a Member of the Australasian Institute of Mining & Metallurgy. Mr Rust is employed by Shearwater Australia Pty. Ltd who is a consultant to Classic Minerals Ltd. Mr Rust has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Rust consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



**Justin Doutch**
Managing Director
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**ASX ANNOUNCEMENT** 18 SEPTEMBER 2014

# JORC Table

## Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Sampling techniques | • Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.<br>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.<br>• Aspects of the determination of mineralisation that are Material to the Public Report.<br>• 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. | • Reverse Circulation (RC) drilling with face sampling hammer to obtain 1m samples, for seven pre-collars ranging in down hole depth between 94m to 198.7m. (See **Table 2** in document above). Pre-collar RC samples have not been submitted for geochemical analysis.<br>• NQ2 Diamond drilling to the Bottom of Hole for five of the seven pre-collared holes. Core collected ranges in length from 109.65m to 283.2m. (See **Table 2** in document above).<br>• The recovered NQ2 diamond core was sampled as ½ core through the intersected sulphide mineralization zones, with varying sample intervals selected based on lithological/mineralization contacts.<br>• Individual diamond core sample intervals range from 0.24m to 2.70m through the selected sampling zones, with sampling continuous through the sampled zone within each hole. (See **Table 1** in document above). |
| 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). | • Reverse Circulation (RC) drilling with face sampling hammer for seven pre-collars ranging in depth between 94m to 198.7m. (See **Table 2** in document above).<br>• NQ2 Diamond drilling to the Bottom of Hole for five of the seven pre-collared holes. Core collected ranges in length from 258.9m to 454.9m. (See **Table 2** in document above).<br>• Diamond drilling undertaken by Westralian Diamond Drillers P/L, utilizing a McCulloch DR800 drill rig and associated equipment.<br>• Diamond Core is oriented using an electronic reflex orientation tool at end of each run |
| Drill sample recovery | • Method of recording and assessing core and chip sample recoveries and results assessed.<br>• Measures taken to maximise sample recovery and ensure representative nature of the samples.<br>• 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. | • RC recoveries are logged visually as a volume percentage. Core recoveries are measured, and expressed as a percentage.<br>• RC samples predominantly collected dry to avoid smearing and contamination. Each RC bag split into 1/8th and 7/8th representative samples through a triple tier splitter.<br>• Not Applicable |

**ASX ANNOUNCEMENT** 18 SEPTEMBER 2014

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| 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.<br>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.<br>• The total length and percentage of the relevant intersections logged. | • The mineralised zones of the Diamond core have been geologically logged to a level of detail to be appropriate for mineral resource estimation. Core logging of the remainder of the holes is ongoing.<br>• Logging of RC drilling and diamond core records lithology, mineralogy, mineralization, weathering, colour and other appropriate features.<br>• All logging is quantitative. All core trays photographed.<br>• The Diamond core for hole FRD002 has been geologically logged in its entirety (109.65m). The remaining holes have been partly logged concentrating on the sulphide mineralisation zones and adjacent country rock as follows; FRDH003, 40.3m from 322.7 to 363m (17% of the core). FRDH004, 58m from 198.7 to 256.7m and 40m from 310 to 350m (46% of the core). FRDH005 not yet logged. FRDH006, 18m from 381.5 to 399.5m (6% of the core). |
| Sub-sampling techniques and sample preparation | • If core, whether cut or sawn and whether quarter, half or all core taken.<br>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.<br>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.<br>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.<br>• 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.<br>• Whether sample sizes are appropriate to the grain size of the material being sampled. | • NQ Core cut with diamond saw blade on site with selected ½ core samples submitted for geochemical analysis by Intertek Genalysis Laboratories.<br>• The sample preparation of the diamond core samples follows industry best practice. All samples were pulverized to -75microns<br>• Certified Reference Materials (CRM) and/or house controls, blanks, splits and replicates are analysed with each batch of samples.<br>• No field duplicates collected at present. Remaining 1/2 core retained on site for use as duplicate sample and petrology.<br>• Sample sizes are appropriate for diamond core |
| 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.<br>• 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.<br>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | • The analytical technique used (AR005/MS) 0.5 gram mini Aqua-Regia digest, analysed by Inductively Coupled Plasma Mass Spectrometry for a total of 41 elements per sample. The technique is considered a partial digest.<br>• No geophysical tools were used to determine any element concentrations for this report<br>• Intertek Genalysis utilizes in-house standards and blanks with a number of replicate samples analysed with each batch of samples. |
| Verification of sampling and assaying | • The verification of significant intersections by either independent or alternative company personnel.<br>• The use of twinned holes.<br>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.<br>• Discuss any adjustment to assay data. | • Significant intersections of the diamond drilling have been visually verified by the Managing Director and independent technical consultants.<br>• No holes from the drilling program have been twinned at this time.<br>• Primary data was collected on paper drill logs and sampling sheets, with data entered into excel templates using flat files.<br>• No adjustments were made to the reported assay data |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| 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.<br>• Specification of the grid system used.<br>• Quality and adequacy of topographic control. | • Drill hole collars were located by GPS. Elevation values were in AHD. Expected accuracy is +/- 5m for northing and easting and C+/-10m for elevation coordinates.<br>• The grid system is GDA94(MGA), zone 51<br>• The GPS is +/- 5m, and an estimated RL is used from the 1:250,000 regional map for Zanthus sheet. A digital terrain model has been derived from data collected during the VTEM survey of the whole tenement. |
| Data spacing and distribution | • Data spacing for reporting of Exploration Results.<br>• 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.<br>• Whether sample compositing has been applied. | • Individual hole collars are widely spaced, targeting a number of discrete geophysical targets. Collar co-ordinates and hole direction are listed in **Table 2** in the body of the report.<br>• The widely spaced nature of the individual drill holes indicates that there is insufficient data to establish the degree of geological and grade continuity needed for Inferred Resource.<br>• There has been no compositing applied to the exploration results. |
| Orientation of data in relation to geological structure | • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.<br>• 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. | • The orientation of structures and has been identified, and the drilling is at right angles to strike, and nearly to the dip.<br>• Drill intersections are not true widths. |
| Sample security | • The measures taken to ensure sample security. | • Chain of custody is managed by Classic. Samples are stored on site and delivered by Classic personnel to a Kalgoorlie transport company and then to a laboratory in Perth. |
| Audits or reviews | • The results of any audits or reviews of sampling techniques and data. | • No audits or reviews have been carried out at this stage |

## Section 2 Reporting of Exploration Results

| 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.<br>• 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 drilling is located wholly within Exploration Licence E28/1904, which is100% owned by Classic Minerals Limited.<br>• The tenement is in good standing and no known impediments exist. |
| Exploration done by other parties | • Acknowledgment and appraisal of exploration by other parties. | • Historical Soil sampling, Auger sampling by Homestake Gold Australia |
| Geology | • Deposit type, geological setting and style of mineralisation. | • Geological setting is in Fraser Zone of the Albany Fraser Mobile Belt consisting of gneiss, mafic rocks including gabbro with significant garnet in the metamorphic rocks.<br>• The Company is exploring for magmatic hosted base metal mineralization. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Drill hole Information | • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<br>» easting and northing of the drill hole collar<br>» elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar<br>» dip and azimuth of the hole<br>» down hole length and interception depth<br>» hole length<br>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | • Refer to **Table 2; Hole Locations** in document above, which details, Hole Numbers, co-ordinates, dip & azimuth, hole depth and RC and Diamond meterage.<br>• Refer to **Table 1; Significant Intersections** in document above, which details, Hole Numbers, co-ordinates, dip & azimuth, hole depth and RC and Diamond meterage. |
| 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.<br>• 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.<br>• The assumptions used for any reporting of metal equivalent values should be clearly stated. | • All reported assays result from individual ½ core sampling. No top cuts or cutoffs have been applied to the results.<br>• Higher grade zinc and copper intervals internal to broader zones of zinc and copper are reported as included intervals where applicable.<br>• No use of metal equivalents has been used in this report |
| Relationship between mineralisation widths and intercept lengths | • These relationships are particularly important in the reporting of Exploration Results.<br>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.<br>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). | • The geometry of the primary mineralization is variable, and intercepts are of holes drilled at -60° dip. These are not true thicknesses.<br>• Down hole lengths only are reported. These are not true widths. |
| Diagrams | • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | • Refer to **Figure 1** and **Figure 2** Which shows the location of the recent drilling |
| Balanced reporting | • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | • All significant results are reported.<br>• Background levels for Cu are below 200ppm, below 200ppm for Zn |
| 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. | • Previous ASX releases by Classic Minerals Limited have detailed aspects of previous work undertaken within the licence area. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Further work | • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).<br>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | • At this stage, the mineralization intersected is only broadly understood and requires further down hole geophysical surveying and interpretation, as well as further RC and diamond drilling. |