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Manager of Company Announcements
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Sydney NSW 2000

By E-Lodgement

Further Significant Channel Sampling Results at New Departure Silver Mine, Montana

Black Mountain Resources Limited (ASX | AIM: BMZ), the silver focused development company with interests in the US, is pleased to announce that further high grade silver ('Ag') results have been returned from channel sampling at its New Departure Silver Mine in Montana.

Highlights

- Second round sampling results surpass expectations with Ag 90 oz/t (2,550 g/t) plus over 0.5-2m channels (see highlights in table 1 and full results)
- Key samples confirm proposed run of mine grade and key production assumptions
- Grades confirm earlier high grade sampling programmes and extend the Main Zone silver mineralisation
- Hard Rock Consulting ('HRC') has taken historical sample data and recent underground sample results to construct a model of the silver vein mineralisation (see Fig 1) to confirm the historical resource estimates and update the mine plan for New Departure
- HRC is also incorporating zinc and lead as saleable products from the New Departure Mine
- Results highlight that the Blue Dot level has the largest potential for hosting a mineral resource in the downward and northwest plunging remainder of the ore body as well as confirming existing historical results
- A third and final round of underground sampling and drilling is planned in September to expand high grade zones in historical workings and a drill possible extension zones in the Blue Dot level Main Zone

Black Mountain Chairman, Pete Landau, said:

"These high grade sampling results once again confirm the quality of this silver asset, which will be the first of our three assets to be brought into production upon completion of financing. We believe that this will be forthcoming in the near term and accordingly, HRC is constructing a model of the silver vein mineralisation to confirm the historical resource estimates and to develop a preliminary mine plan for New Departure. Notably, these grades of up to 90 oz/t of silver confirm the proposed run of mine grade and key production assumptions, which holds us in good stead as we continue to tread the path towards transforming Black Mountain into a low cost, high grade silver producer in the near-term."

Sampling Process

28 samples were delivered to Osborn, Idaho for sample preparation and assay by American Labs. All samples were taken from the Blue Dot Level at New Departure. A Thermo Scientific Niton XL3 XRF instrument was used extensively to check for zinc grade in the Blue Dot Level. This instrument will be used in future sampling and drilling programmes to validate high zinc zones.

Highlights of the sample results are listed below. Note that silver results are given in ounces per ton and length in centimetres. Full details of the sampling results are provided in Annexure A.

Area	Sample #	Ag Opt	Ag gpt	Cu %	Pb %	Zn %	Type	Sample length (cm)	Orientation
Blue Dot Level	14627	80.90	2,293.47	0.46	3.51	4.15	Channel	45.7	Vertical
Blue Dot Level	14628	98.20	2,783.92	0.53	3.9	12	Channel	30.5	Vertical
Blue Dot Level	14637	11.60	328.85	0.03	0.75	0.28	Channel	45.7	Vertical
Blue Dot Level	14639	54.10	1,533.71	0.21	1.63	2.3	Channel	30.48	Vertical
Blue Dot Level	14648	51.10	1,448.66	0.3	0.89	1.16	Channel	30.48	Vertical
Blue Dot Level	14649	25.50	722.91	0.11	0.5	0.98	Channel	10.16	Vertical
Blue Dot Level	14799	62.70	1,777.51	0.31	2.18	5.7	Channel	15.24	Horizontal

Table 1 – Highlight of Sample Results (refer to Annexure A for full results)

These samples continue to confirm the high grade nature of the New Departure silver mineralisation (see map below). The map below also shows the silver vein mineralization confirming the historical resource estimates and develops a preliminary mine plan for New Departure.

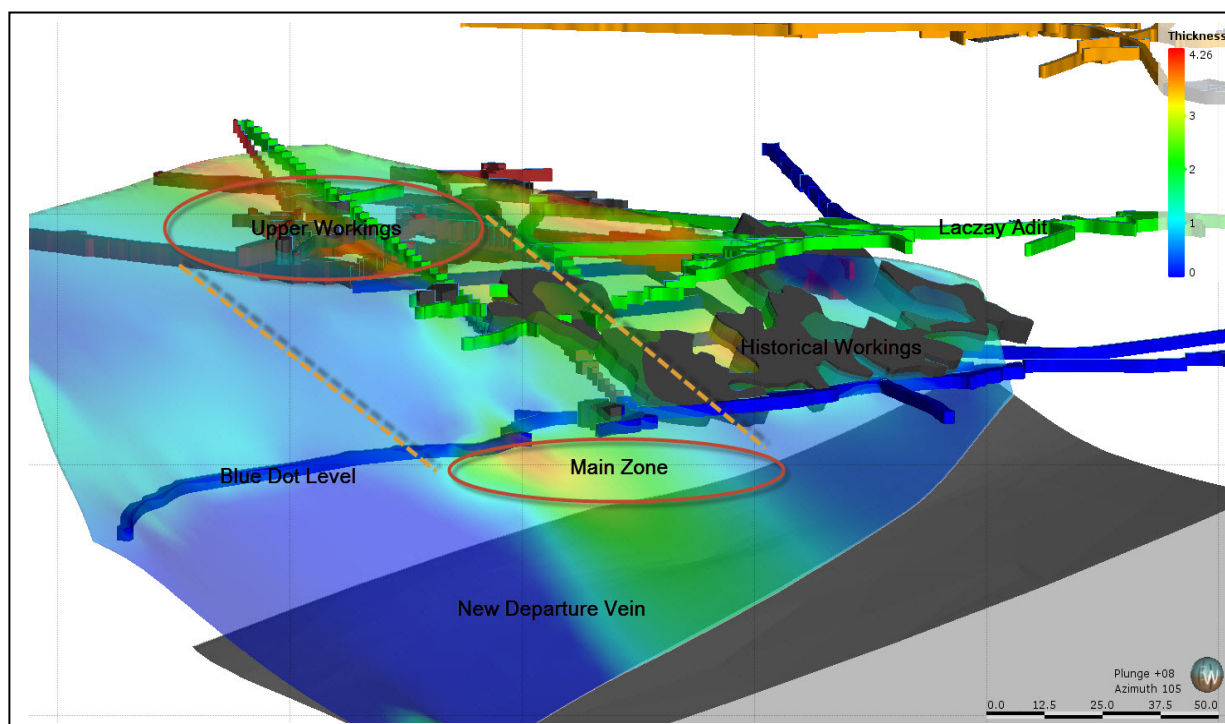


Figure 1: New Departure Mine – September 2014 Sample Results & Proposed Resource Areas

Following the proposed third and final round of underground sampling and drilling this month to expand high grade zones in historical workings and a drill possible extension zones in the Blue Dot level Main Zone, the Company will move into production when appropriate financing has been sourced.

For and on behalf of the Board



Peter Landau
Executive Director

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About Black Mountain Resources Limited

Black Mountain Resources Limited is a dual listed (ASX | AIM: BMZ) silver and gold focused development company focussed on the advancement of three highly prospective previously operating assets located in two of the world's most developed and proven silver and gold mining regions of Idaho and Montana, USA.

The Company holds a 70% interest in the New Departure Silver Project, the Conjecture Silver Project and the Tabor Gold and Silver Project pursuant to 45 year leases from Chester Mining Company, Lucky Friday Extension Mining Company and Brush Prairie Minerals respectively. Black Mountain plans to implement low cost production and development programmes across all three assets. It is also implementing exploration programmes to capitalise on the exploration upside potential apparent across its portfolio.

Black Mountain Resources Limited was incorporated on 29 October 2010 and is listed on the Australian Securities Exchange (ASX) and London's AIM Market – trading codes BMZ and BMZO.

Competent Persons Statement

The information included in this release that relates to historical mining data and exploration results is based on information compiled by Mr James Baughman, a technical consultant to the Company. Mr Baughman is a qualified geologist and a professional member (SME Registered Member) of the Society of Mining, Metallurgy and Exploration. Mr Baughman has sufficient experience in exploration and mine development which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Baughman has reviewed this release and consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

Forward Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the silver market, expectations regarding silver ore prices, production, cash costs and other operating results growth prospects and the outlook of the Company's operations including the likely commencement of commercial operations of the New Departure and Conjecture Silver Projects, its liquidity and the capital resources and expenditure, contain or comprise certain forward-looking statements regarding the Company's development and exploration operations economic performance and financial condition. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in silver ore prices and exchange rates and business and operational risk management. For a discussion of such factors refer to the Company's most recent annual report and half year report. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.



Annexure A: Sampling Process - New Departure Mine

Area	Sample #	Ag Opt	Cu %	Pb %	Zn %	X_NAD83Z12	Y_NAD83Z12	Sample Date	Type	Sample length (cm)	Orientation	Description
Blue Dot Level	14624	0.911	0.01	0.1	0.079	348844.51408806	5006831.51779753	4/09/2014	Channel	91.44	Vertical	35' W of 14521 - S Rib
Blue Dot Level	14625	1.56	0.01	0.42	0.040	348849.206663466	5006834.64618114	4/09/2014	Channel	91.44	Vertical	20' W of 14521 - S Rib
Blue Dot Level	14626	0.142	0.01	0.1	0.07	348852.73870947	5006837.21952894	4/09/2014	Channel	91.44	Vertical	10' W of 14521 - S Rib
Blue Dot Level	14627	80.9	0.462	3.51	4.15	348901.607500121	5006748.62323206	4/09/2014	Channel	45.7	Vertical	6' S of 14503
Blue Dot Level	14628	98.2	0.531	3.9	12	348903.33388885	5006747.91698212	4/09/2014	Channel	30.5	Vertical	8' S of 14503
Blue Dot Level	14629	1.01	0.01	0.1	0.104	348812.161682014	5006882.23726949	4/09/2014	Channel	45.7	Vertical	W Rib
Blue Dot Level	14630	0.313	0.01	0.1	0.137	348812.288806361	5006900.75504931	4/09/2014	Channel	30.5	Vertical	E Rib
Blue Dot Level	14631	2.15	0.014	0.136	0.1	348803.390102096	5006912.83186224	4/09/2014	Channel	15.2	Vertical	W Rib - 1 of 3 samples
Blue Dot Level	14632	1.12	0.01	0.824	1.48	348803.120497312	5006913.13304953	4/09/2014	Channel	10.2	Vertical	W Rib - 2 of 3 samples
Blue Dot Level	14633	0.1	0.01	0.1	0.184	348802.926003301	5006913.47881666	4/09/2014	Channel	20.3	Vertical	W Rib - 3 of 3 samples
Blue Dot Level	14634	5.45	0.061	0.442	0.806	348801.391661658	5006915.22926276	4/09/2014	Channel	60.96	Vertical	W rib
Blue Dot Level	14635	9.26	0.044	0.696	0.753	348800.228566865	5006916.55701907	4/09/2014	Channel	45.72	Vertical	W rib - 4' N of 14634
Blue Dot Level	14637	11.6	0.029	0.747	0.283	348824.133013155	5006871.16263762	4/09/2014	Channel	45.7	Vertical	E rib near Stinker Incline
Blue Dot Level	14636	3.68	0.01	2.04	1.33	348826.209238958	5006869.89613988	4/09/2014	Channel	45.7	Vertical	E rib near Stinker Incline
Blue Dot Level	14638	1.94	0.01	0.74	1.5	348822.1813609	5006872.63675794	4/09/2014	Channel	60.96	Vertical	E rib near Stinker Incline
Blue Dot Level	14639	54.1	0.21	1.63	2.3	348866.548752707	5006812.7108609	4/09/2014	Channel	30.48	Vertical	Resample 14516
Blue Dot Level	14640	0.791	0.01	0.1	0.082	348881.024203409	5006780.03960387	4/09/2014	Channel	91.44	Vertical	Resample 14506 W rib
Blue Dot Level	14641	0.1	0.01	0.1	0.011	348882.206320888	5006778.73434916	4/09/2014	Channel	60.96	Vertical	Between 14505/14506
Blue Dot Level	14642	0.1	0.01	0.1	0.020	348885.407889061	5006778.41419234	4/09/2014	Channel	30.48	Vertical	E rib across from 14505
Blue Dot Level	14643	0.1	0.01	0.1	0.038	348883.06828155	5006777.45372189	4/09/2014	Channel	91.44	Vertical	Resample 14505

Area	Sample #	Ag Opt	Cu %	Pb %	Zn %	X_NAD83Z12	Y_NAD83Z12	Sample Date	Type	Sample length (cm)	Orientation	Description
Blue Dot Level	14644	0.1	0.01	0.1	0.062	348879.275654638	5006773.98125179	4/09/2014	Channel	30.48	Vertical	N Rib 202XC
Blue Dot Level	14645	0.1	0.01	0.1	0.047	348888.764274968	5006775.99361813	4/09/2014	Channel	91.44	Vertical	E rib
Blue Dot Level	14646	0.1	0.01	0.1	0.057	348891.147166818	5006766.48944029	4/09/2014	Channel	91.44	Vertical	W rib
Blue Dot Level	14647	0.1	0.01	0.1	0.016	348892.324917963	5006762.13450001	4/09/2014	Channel	60.96	Vertical	W rib
Blue Dot Level	14648	51.1	0.295	0.887	1.16	348896.570299994	5006758.13562404	4/09/2014	Channel	30.48	Vertical	Chasing Ag in 14503 - N Rib
Blue Dot Level	14649	25.5	0.106	0.503	0.975	348898.462415835	5006755.60159715	4/09/2014	Channel	10.16	Vertical	Chasing Ag in 14503 - N Rib
Blue Dot Level	14650	1.79	0.013	0.138	0.23	348892.546414002	5006755.02643031	4/09/2014	Channel	15.24	Vertical	W rib near incline
Blue Dot Level	14799	62.7	0.306	2.18	5.7	348905.090529	5006744.56387151	4/09/2014	Channel	15.24	Horizontal	Back near pillar

Appendix B – JORC 2012 edition Table 1, Sections 1-2

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Channel samples were cut chip samples collected from zones of known and possible silver mineralization based upon prior sample results (2013) and historical assays and maps. Channel samples are vertical, horizontal or perpendicular to the mineralized beds.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<ul style="list-style-type: none"> Rock samples vary in size, they are shipped to an independent laboratory where sample is crushed and homogenized from which 250g is pulverised to produce a 50g charge for gold analysis by Fire Assay with AA finish and a 30g charge for a two acid digest and ICP-AES finish.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All samples were shipped for analysis to ALS Minerals, an independent laboratory who crushes the entire sample to passing 2mm, then splits a 250g sample and pulverises to 95% passing a 150 mesh to prepare a 50g charge for multi-element analysis by aqua regia digest.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core 	<ul style="list-style-type: none"> Not Applicable as no drilling was undertaken as part of the channel sampling

Criteria	JORC Code explanation	Commentary
	<i>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).</i>	
Drill sample recovery	o <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	o Not Applicable as no drilling was undertaken as part of the channel sampling
	o <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	o Not Applicable as no drilling was undertaken as part of the channel sampling
	o <i>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.</i>	o Not Applicable as no drilling was undertaken as part of the channel sampling
Logging	o <i>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.</i>	o Not Applicable as no logging was undertaken as part of the channel sampling
	o <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	o Not Applicable as no logging was undertaken as part of the channel sampling
	o <i>The total length and percentage of the relevant intersections logged.</i>	o Not Applicable as no logging was undertaken as part of the channel sampling
Sub-sampling techniques and sample preparation	o <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	o Not Applicable as no sub-sampling techniques were used as part of the channel sampling
	o <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	o Not Applicable as no sub-sampling techniques were used as part of the channel sampling
	o <i>For all sample types, the nature, quality and appropriateness of the sample</i>	o Not Applicable as no sub-sampling techniques were used as part of the channel sampling

Criteria	JORC Code explanation	Commentary
	<i>preparation technique.</i>	
	<ul style="list-style-type: none"> ○ <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> 	<ul style="list-style-type: none"> ○ Not Applicable as no sub-sampling techniques were used as part of the channel sampling
	<ul style="list-style-type: none"> ○ <i>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.</i> 	Not Applicable as no sub-sampling techniques were used as part of the channel sampling
	<ul style="list-style-type: none"> ○ <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> ○ Not Applicable as no sub-sampling techniques were used as part of the channel sampling
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> ○ <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> 	<ul style="list-style-type: none"> ○ Channel samples averaged 2 kilograms in weight and were shipped to ALS Minerals in Elko, Nevada, an independent laboratory where the sample was crushed and homogenized from which 250 g is pulverized to produce a 0.5 g charge for silver analysis by aqua regia digestion then analysis by ICP AES. Over limit results (>100 g) were made on a 0.5g charge with an aqua regia digestion and run by ICP AES. Over limit above 1500g were made by gravimetric fire assay with a 3g charge for fire assay with a gravimetric finish. One sample was above 10,000 g and was assayed by the concentrate method – 3g charge for a fire assay with a gravimetric finish. Assay work was performed in Reno, Nevada & Vancouver, BC. ○ ALS Minerals QA/QC report on assay work included a number of standards at various grades, duplicates results of assays and blank assays in the production of the assay report
	<ul style="list-style-type: none"> ○ <i>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.</i> 	<ul style="list-style-type: none"> ○ Not Applicable as no geophysical methods or handheld XRFs were used as part of the channel sampling
	<ul style="list-style-type: none"> ○ <i>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</i> 	<ul style="list-style-type: none"> ○ ALS Minerals inserted standards (high and low range values), blanks, and duplicates with internal laboratory checks. The levels of accuracy and precision were within acceptable levels.

Criteria	JORC Code explanation	Commentary
	<i>have been established.</i>	
<i>Verification of sampling and assaying</i>	o <i>The verification of significant intersections by either independent or alternative company personnel.</i>	o Significant silver assays were checked by ALS Minerals internal QA/QC control. The significant silver intersections were verified by the independent QP for the Company.
	o <i>The use of twinned holes.</i>	o Not Applicable as no twinned holes were completed as part of the channel sampling
	o <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	o All sample and geologic data was collected on paper forms designed by the Company and completed at the logging site. Scribed data was hand entered into digital spreadsheets by the project geologist. o All sample sites were photographed that included the sample number, orientation, and length
	o <i>Discuss any adjustment to assay data.</i>	o No adjustment to assay data relevant to reported exploration results. o With regards to reporting of exploration results, no adjustment is made to original assay results were a pulp/lab duplicate is presented by the lab. o Where the lab has reported an over limit value for silver, additional assay work was undertaken to derive an assay.
<i>Location of data points</i>	o <i>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.</i>	o Sample points were located in relation to existing underground mapping, existing sample points, and existing underground survey markers. o Sample points were transferred to a GIS program and UTM coordinates and elevations were assigned to each sample point.
	o <i>Specification of the grid system used.</i>	o Map Datum used is UTMNAD83 Zone 12 to locate and report sample results. Underground workings are mapped on a local mine grid in State Plane coordinates.
	o <i>Quality and adequacy of topographic control</i>	o Topography for the project area is available.
<i>Data spacing and distribution</i>	o <i>Data spacing for reporting of Exploration Results.</i>	o Sample spacing was determined based upon existing data in the form of prior sample results and historical reference to silver mineralization. The goal of the sample program was to cover mineralized rock with evenly spaced samples and to follow up prior sample sites (2013).
	o <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity</i>	o Reported exploration results are not defining any mineral resource estimations.

Criteria	JORC Code explanation	Commentary
	<i>appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	
	<ul style="list-style-type: none"> ○ <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> ○ No Sample compositing has been applied to reported exploration results
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> ○ <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> 	<ul style="list-style-type: none"> ○ With regards to reported channel sampling, channels were oriented perpendicular, vertical, and horizontal to targeted mineralisation to obtain unbiased sampling at various intervals.
	<ul style="list-style-type: none"> ○ <i>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.</i> 	<ul style="list-style-type: none"> ○ No sampling bias determined in relationship in reported exploration results
<i>Sample security</i>	<ul style="list-style-type: none"> ○ <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> ○ Chain of custody is managed by the Company's project geologists managing sampling activities. Samples are transported from the sample site by company vehicle to a secure site where samples held until dispatch by freight.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> ○ <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> ○ For surface geochemistry surveys, No audits or reviews of reported exploration results have been completed. ○ All (Quality Assurance & Quality Control) QAQC data is reviewed in an ongoing basis and reported internally in summary reports with the completion of each sample campaign.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure</i>	<ul style="list-style-type: none"> ○ <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties,</i> 	<ul style="list-style-type: none"> ○ Black Mt has acquired a 70% interest in ABM Mining Corporation which holds the properties that are subject to this report. The New Departure Mine Property is located at UTM coordinates 349046.3 E., 5006679.0 N., Zone 12 N. WGS 84. The ND Property is on the United States Geologic Survey (USGS) Bannack Quadrangle Montana, Beaverhead County

Criteria	JORC Code explanation	Commentary
<i>status</i>	<i>native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>7.5 minute series topographical map. The ND property is approximately 95 km southwest of Butte, Montana and 23 km west of Dillon, Montana. The ND property is off Montana Highway 278. Head west on Montana 278 for 13 km to the intersection of the Bon Accord Road. Turn south on the gravel Bon Accord Road for 8 km to the New Departure Mine Property. The property is at an elevation of approximately 1980 meters above mean sea level (MSL). The ND Property consists of the IM Group with 60 federal unpatented mining claims (Table 2), and 8 patented mining claims: the Cliff Lode, Mother Lode, Director, Guardian, Protector, Quien Sabe, Shield and Signal (Table 3). The ND Property is in sections 21, 22, 23, 26, 27, 28, T. 7 S., R. 11 W., Montana Principal Meridian. The ND Property is in the Blue Wing Mining District, controlling a total of 427 hectares of mineral rights. Most of the mine's previous production has come from the Signal and Shield</p> <ul style="list-style-type: none"> ○ The remaining 30% interest is held by Abbot Mining Corporation
	○ <i>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.</i>	○ Patented Claims allowing for Mining Exploration
<i>Exploration done by other parties</i>	○ <i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> ○ The most recent underground work at the New Departure Mine was done by the Spokane National Mines in the 1960's & 1970's with the development of the 208 ore body and the Blue Dot Level. ○ ABM Mining Corp. undertook claim staking, surface sampling and IP Geophysical work in 2012. The company conducted an underground channel sampling program in 2013 and took metallurgical samples and reported the results. The company also drove ___ meters of drift and mining development in 2013.
<i>Geology</i>	○ <i>Deposit type, geological setting and style of mineralisation.</i>	○ The New Departure Mine is located in the Blue Wing Mining District 23 km west of Dillon, Montana in Beaverhead County. Silver mineralization occurs in a klippe of Mississippian dolomites and limestones as replacement deposits (mantos) and short veins. Silver occurs as oxidized ore in a brown to black aggregate of iron and manganese oxides with distinctive malachite in higher grade occurrences. Primary ore minerals include a host of silver bearing sulphides in a gangue of quartz, calcite, and rhodochrosite. The klippe that hosts the New Departure Mine is approximately 0.8 km wide and 1.6 km long and rests on a fault contact with Cretaceous volcanic rocks.
<i>Drill hole</i>	○ <i>A summary of all information material to the understanding of the exploration results</i>	○ Not Applicable as no drilling was undertaken as part of the channel sampling

Criteria	JORC Code explanation	Commentary
<i>Information</i>	<p><i>including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> 	
	<ul style="list-style-type: none"> ○ <i>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.</i> 	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> ○ <i>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.</i> 	○ Not Applicable as no drilling was undertaken as part of the channel sampling
	<ul style="list-style-type: none"> ○ <i>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.</i> 	○ Not Applicable as no drilling was undertaken as part of the channel sampling
	<ul style="list-style-type: none"> ○ <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	○ Not Applicable as no drilling was undertaken as part of the channel sampling

Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> ○ <i>These relationships are particularly important in the reporting of Exploration Results.</i> ○ <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> ○ <i>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').</i> 	<ul style="list-style-type: none"> ○ Not Applicable as no drilling was undertaken as part of the channel sampling
<i>Diagrams</i>	<ul style="list-style-type: none"> ○ <i>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.</i> 	<ul style="list-style-type: none"> ○ Not Applicable as no drilling was undertaken as part of the channel sampling
<i>Balanced reporting</i>	<ul style="list-style-type: none"> ○ <i>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.</i> 	<ul style="list-style-type: none"> ○ Not Applicable as no drilling was undertaken as part of the channel sampling
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> ○ <i>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.</i> 	<ul style="list-style-type: none"> ○ Included as deemed appropriate by the CP
<i>Further work</i>	<ul style="list-style-type: none"> ○ <i>The nature and scale of planned further</i> 	<ul style="list-style-type: none"> ○ Proposed further work is included in body of this report

Criteria	JORC Code explanation	Commentary
	<p><i>work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p>	
	<ul style="list-style-type: none"> o <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> o Included in this report as deemed appropriate by the CP