

6 October 2014

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## DRILLING ASSAY AND TENEMENT UPDATE, BRAZIL

### HIGHLIGHTS

- **Diamond drill results increase confidence in continuity of inferred resources within 100m of surface for the União Prospect resource**

#### **Better Drill Assay Results Include;**

- **3.15m @ 2.12g/t Au** from 97m, – Hole LZG021
- **0.51m @ 5.99g/t Au** from 103m – Hole LZG024
- **0.75m @ 40.0g/t Au** from 103.5m – Hole LZG025
- **12.1m @ 1.35g/t Au** from 86.4m – Hole LZG026
- **7.23m @ 1.61g/t Au** from 138.27m – Hole LZG027

- **Two new exploration tenements granted consolidating the Peru Prospect target area located 4km west along trend from the União Prospect area**

International Goldfields Limited (ASX: IGS) (“IGS” or “the Company”) is pleased to announce assay results for an additional five diamond holes completed at the União prospect as part of confidence drilling on the flagship União Prospect, host to a significant portion of the Ouro Paz Gold Project’s maiden mineral resource estimation totalling 690,000oz gold averaging 2.5g/t Au at the Company’s Joint Venture in Brazil

The reported drilling targets inferred resource material to increase confidence on the existing resource estimation. The drilling has consistently intersected targeted mineralisation and demonstrates good continuity of the mineralised corridor through the União Prospect area.

The Ouro Paz JV has also had an additional two applications granted for key tenements that consolidate the highly prospective Peru Prospect area located 4km west of the União Prospect along the main mineralised trend. The JV is also in the process of relinquishing nine tenements on other areas where early stage exploration has not justified further exploration expenditure, leaving a balance of approximately 1,006km<sup>2</sup> held by the Joint Venture in the Alta Floresta Gold Province of Mato Grosso State in Brazil where IGS holds an effective 33% interest in the project.

### BOARD

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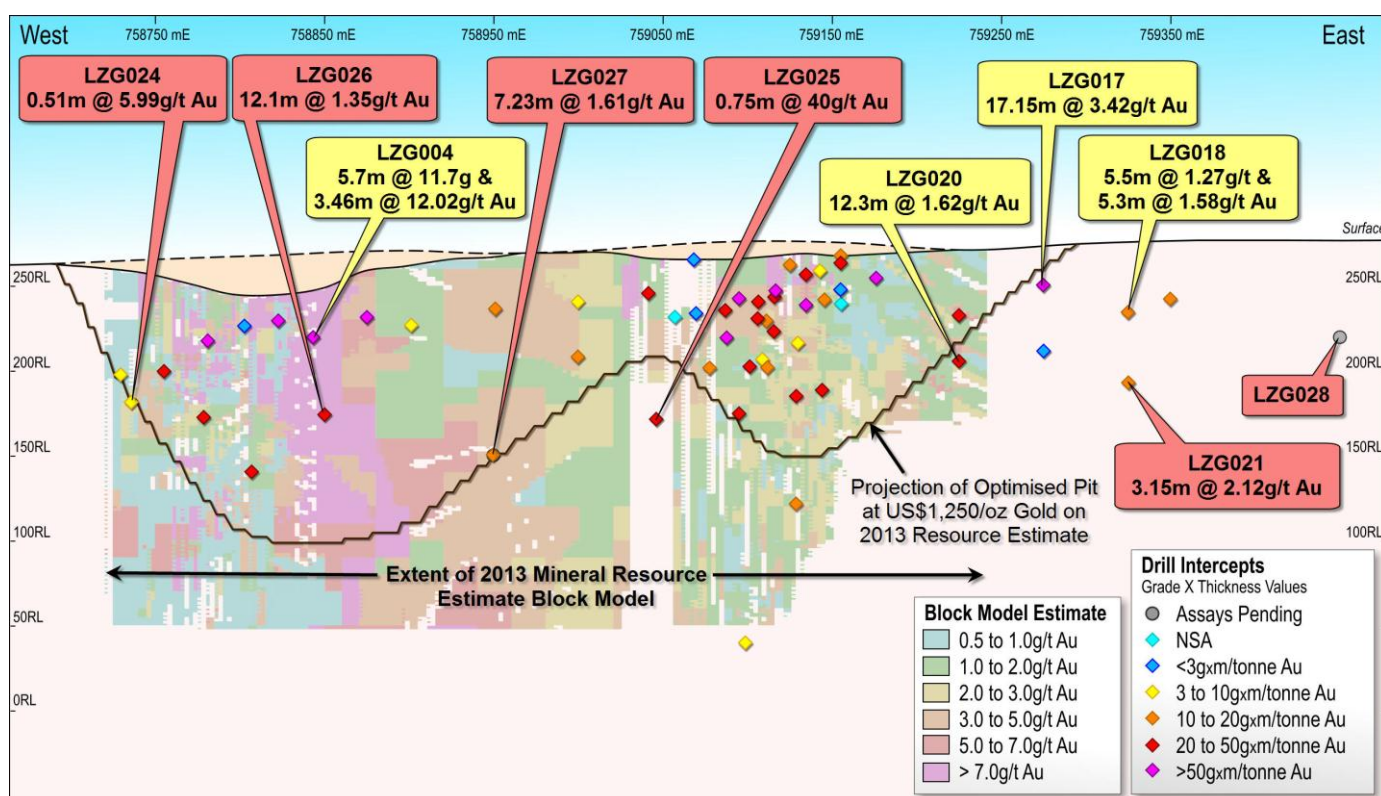
## União Prospect

The União Prospect is host to a portion of the mineral resource estimate for Ouro Paz JV Project's maiden Mineral Resource Estimation (MRE) totalling 700koz Au contained metal in 3.4M tonne Measured & Indicated resource averaging 2.55g/t gold, and a 5.1M tonne Inferred resource averaging 2.48g/t gold (IGS – 33% effective interest) as announced to the ASX on 19 December 2013 in accordance with the principles of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (JORC Code), and based on documentation prepared by a Competent Person as defined by the JORC Code.

### Drilling

A total of 3,532m of drilling in 32 holes have been completed towards a 6,000m campaign for the 2014 field season, which includes 1,962m of drilling in sixteen holes now completed that focus on extension drilling and increasing confidence on the current MRE within the União – Carrapato – Ana Prospect's mineralised structural corridor.

The reported assay results from diamond drilling are comprised of down-dip tests below previously drilled mineralisation at União to assess continuity and increase confidence in the inferred resource estimate at relatively shallow depths near the anticipated limit of potential open pit extraction. Four holes are drilled on 100m spacing (LZG024 through LZG027) with substantial mineralised widths intercepted in holes LZG026 and LZG027 returning 12.1m @ 1.35g/t Au and 7.23m @ 1.61g/t Au respectively.



*Figure 1: União Prospect Longitudinal Section – projection of mineralised intercepts with grade time thickness values at a 0.5g/t Au cut-off projected on current mineral resource estimation block model, with better previously announced results in yellow.*

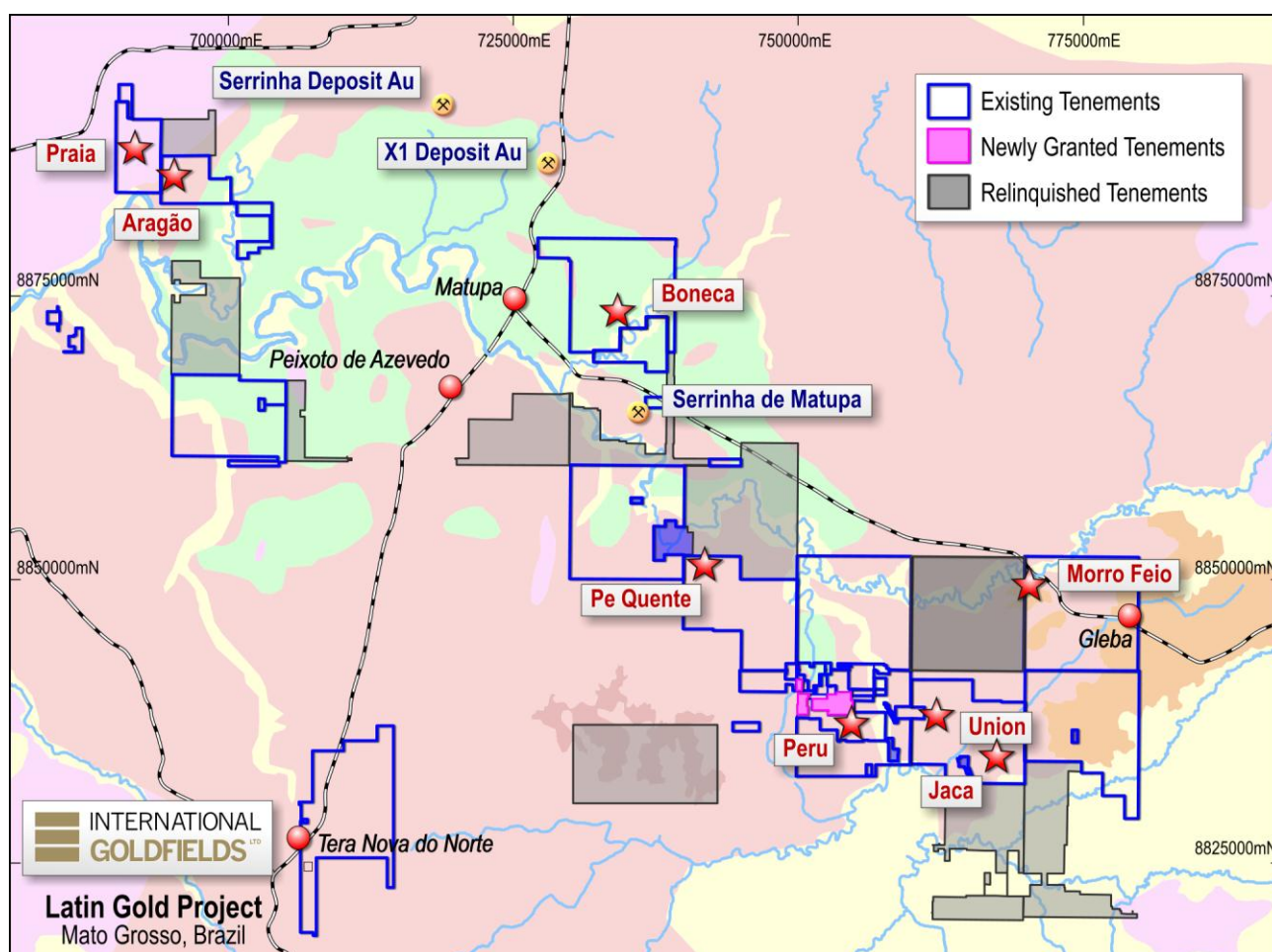
The results received confirm continuity of the mineralising system and help to better delineate potential for plunging high grade shoots of mineralisation within the mineralised structural corridor.

The hole LZG021 is a down-dip test to the newly drilled eastern extension of the União mineralisation, that intersected 3.15m @ 2.12g/t Au located approximately 40m below the recently drilled LZG018 which intersected 5.5m @ 1.27g/t and 5.3m @ 1.58g/t Au (refer to release to ASX dated 23 June 2014).

This additional drilling provides strong confidence in the continuity of the mineralising system. The potential for additional mineralisation along strike between the União and Carrapato mineral resource estimations exists, and is where exploration activity continues to target extensions to mineralisation and additional shoots of high-grade mineralisation. Targets are being prioritised by integration of detailed surface mapping, surface geochemistry, and high resolution airborne geophysics correlated within the mineralised structural corridor with anomalies highlighted in the recently completed ground IP geophysics (refer to release to ASX dated 29 August 2014).

### **Tenement Update**

Two applications for exploration authorisation have been granted in favour of the Ouro Paz JV for key tenements that consolidate the highly prospective Peru Prospect area. The two tenements are located from four to nine kilometres west of the União resource estimation and total 8km<sup>2</sup> of mineral rights added to the extensive land position 100% held by the Ouro Paz JV.



The Ouro Paz JV is also in the process of relinquishing nine tenements totalling 425km<sup>2</sup> area in the Ouro Paz JV on other areas within the extensive land position where early stage exploration has not justified further exploration expenditure commitments.

The combined changes in tenure leave a balance of approximately 1,006km<sup>2</sup> held by the Ouro Paz Joint Venture in the Alta Floresta Gold Province of Mato Grosso State in Brazil with an additional 122km<sup>2</sup> of applications still pending approval.

### **About the Ouro Paz JV**

The Ouro Paz Gold Project is located in the state of Mato Grosso, Brazil, held in Joint Venture between IGS' 93% owned subsidiary Latin Gold Ltd, and Brazil-based Biogold Investment Fund. The project is 100% held by the Brazilian entity CIA Mineradora Ouro Paz S.A., which is 35% owned by Latin Gold Ltd.

The Ouro Paz JV Project is host to a maiden MRE of 3.4M tonne Measured & Indicated Resource averaging 2.55g/t gold, and a 5.1M tonne Inferred resource averaging 2.48g/t gold for a total of 690koz Au of contained metal. The MRE for the Ouro Paz JV was completed by independent consultant Coffey Consultoria e Serviços Ltda (Coffey), a Brazilian subsidiary of Coffey International Ltd in accordance with the principles of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (JORC Code), and based on documentation prepared by a Competent Person as defined by the JORC Code. The MRE was prepared based on data acquired through 22 November 2013 and released to the ASX on 19 December 2013.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement dated 19 December 2013 and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ENDS



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**Competent person statements:**

*The information included in this report that relates to Exploration Results is based on information compiled by Travis Schwertfeger, B.Sc, M.Sc., MAIG, a competent person who is a member of the Australian Institute of Geoscientists. Mr. Schwertfeger is a full-time employee of the Company in the role of Managing Director for International Goldfields Ltd, with a related party holding securities in International Goldfields. Mr Schwertfeger has worked as a geologist in regional exploration, mine evaluation, resource estimation and mineral production roles for over 15 years in precious and base metal deposits. Mr. Schwertfeger has sufficient experience that is relevant to the style of mineralization 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'. Travis Schwertfeger consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information is extracted from the report entitled 'Maiden Resource Estimate of 690,000oz Gold - Ouro Paz Joint Venture, Mato Grosso, Brazil' created on 19 December 2013 and appended with the report entitled 'Additional information for the Ouro Paz Joint Venture Mineral Resource Estimation and Scoping Study' created 31 December 2013 and are available to view on [www.intgold.com.au](http://www.intgold.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

**Forward Looking Statement:**

*Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.*

**Appendix A: Drill Collar Table**  
(Significant Intercepts at 0.5g/t Au cut-off)

Hole ID	Prospect	Easting	Northing	RL	Inclination	Azimuth	Total Depth (m)		From (m)	To (m)	Drilled Interval (m)	Estimated True Thickness (m)	Au (g/t)	Ag (g/t)	Cu (percent)
LZG021	União	759275	8838055	273	-55	0	140.2		82.88	84.8	1.92		0.72	NA	NA
									88.8	89.8	1.0		0.55	NA	NA
									91.7	94.45	2.75		0.61	NA	NA
									97	100.15	3.15		2.12	NA	NA
LZG024	União	758755	8838085	266	-55	0	134.5		91.4	92.67	1.27		0.82	3	<0.1%
									94.5	95.4	0.9		1.71	10	<0.1%
									103.42	103.93	0.51		5.99	41	<0.1%
LZG025	União	759050	8838150	265	-55	180	131.6		35.4	36.4	1.0		1.43	NA	NA
									50.8	51.7	0.9		1.89	NA	NA
									103.5	104.25	0.75		39.99	NA	NA
LZG026	União	758850	8838185	265	-55	180	129.8		30.8	31.86	1.06		0.59	NA	NA
									46.6	47.25	0.65		0.54	NA	NA
									57.65	58.65	1.0		0.55	<1	<0.1%
									64.9	65.75	0.8		2.74	23	<0.1%
									72.18	80.5	8.32		1.65	2	<0.1%
									82.25	83.2	0.95		0.594	2	<0.1%
									86.4	98.5	12.10		1.35	1	<0.1%
								including	88.5	94.4	5.90		2.09	1	<0.1%
LZG027	União	758960	8838200	267	-55	180	170.41		121.10	122.10	1.00		1.70	28	<0.1%
									124.10	125.50	1.40		2.25	7	0.15%
									127.65	128.48	0.83		0.54	3	<0.1%
									138.27	145.50	7.23		1.608	57	0.15%
								including	138.27	139.30	1.03		4.93	77	0.32%

## 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"> <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> </ul>	<ul style="list-style-type: none"> <li>Diamond core drilling is being utilised for sub-surface sampling in the current exploration results. Diamond drilling program for the reported exploration results is consistently drilled HQ diameter in weathered material and reduced to NQ diameter in fresh rock using standard tubes with wire-line extraction to recover core.</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole collar locations surveyed using a GPS/GNSS TOPCON model ES-105 HiPer receiver with base station for all drill holes and other located data included in the resource estimation datasets. refer to Section 1 Criteria: Location of Data Points below for additional survey information)</li> <li>Diamond drill-holes utilise a Tropari single-shot, micro-mechanical borehole surveying instrument operated by a timing device. Borehole direction is measured from the earth's magnetic field. The Tropari provides both direction and inclination which can be used to define the attitude of the borehole at the survey depth to provide control on modelling the geometry of mineralisation.</li> </ul>
	<ul style="list-style-type: none"> <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</li> </ul>	<ul style="list-style-type: none"> <li>All samples are shipped for analysis by an independent laboratory who crushes the entire sample to passing 2mm, then splits a 250 to 300g sample and pulverises to 95% passing a 150 mesh to prepare a 50g charge for fire assay and multi-element analysis by 2 acid digest.</li> <li>Diamond samples assayed are ½ NQ2 diamond core which is cut by diamond saw, and ½ HQ diamond core in weathered profile sampled by splitting.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>warrant disclosure of detailed information.</i>	
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>○ <i>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).</i></li> </ul>	<ul style="list-style-type: none"> <li>○ Diamond core samples are collected from surface and extracted with standard tubes and collected at HQ diameter through weathered profile and reduced to NQ diameter core in fresh rock.</li> <li>○ No oriented diamond core has been collected in the reported exploration results.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>○ <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> </ul>	<ul style="list-style-type: none"> <li>○ Diamond core recovery is recorded and marked in core boxes at the drill site measuring recovered core lengths with driller's downhole advance marked with stamped aluminium plates attached to wooden spacers which are secured to the wood/plastic core storage boxes with nails/staples.</li> </ul>
	<ul style="list-style-type: none"> <li>○ <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> </ul>	<ul style="list-style-type: none"> <li>○ Overall, core recovery in the granitic host rocks is very high, with rare occurrences of very minor core loss. Core is aligned prior to cutting and a cut line is marked perpendicular to the dominant orientation of mineralising structures in the core.</li> </ul>
	<ul style="list-style-type: none"> <li>○ <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></li> </ul>	<ul style="list-style-type: none"> <li>○ The core sample recoveries are of an acceptable level and no bias is expected from sample losses. Significant core loss rarely encountered in mineralised zones.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>○ <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></li> </ul>	<ul style="list-style-type: none"> <li>○ All core material recovered from Diamond drilling logged in detail for lithology, structure, alteration, and mineralisation type and photographed for archive.</li> <li>○ Geotechnical logging completed on select holes with reported exploration results that are proximal to existing resource areas to support pit slope stability studies to define input criteria for open-pit optimisation studies.</li> </ul>
	<ul style="list-style-type: none"> <li>○ <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> </ul>	<ul style="list-style-type: none"> <li>○ Logging of lithology types is quantified in petrographic work completed on several "type" sections for the project. A substantial proportion of the Lithology logging dataset available is qualitative based on relative association with charts and petrology descriptions generated from localised petrology studies.</li> <li>○ Logging of geological characteristics includes qualitative estimates for various alteration types salient to the mineralisation style.</li> <li>○ Quantitative estimates of quartz veining and sulphide content are made from visual</li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>observations.</p> <ul style="list-style-type: none"> <li>Colours of chips are also logged. Colour logging is subjective with no standardised colour schemes or standardised colour charts utilised.</li> </ul>
	<ul style="list-style-type: none"> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>All recovered sample material is logged and recorded</li> <li>All core hole are logged in their entirety</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples assayed are ½ NQ2 diamond core cut by diamond saw and ½ HQ diamond core drilled predominantly in the weathered profile is sampled by hand-splitting where easily split, and sawn where required.</li> </ul>
	<ul style="list-style-type: none"> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to reported exploration results</li> </ul>
	<ul style="list-style-type: none"> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> </ul>	<ul style="list-style-type: none"> <li>No sub-sampling techniques used for trench and surface rock chip sampling</li> <li>For diamond, ½ core materials was shipped for analysis by an independent laboratory who crushes the entire sample to passing 2mm, then splits a 250 to 300g sample and pulverises to 95% passing a 150 mesh.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> </ul>	<ul style="list-style-type: none"> <li>No sub-sampling techniques used for trench and surface rock chip sampling</li> <li>Quality Assurance and Quality Control (QAQC) protocols for drilling outline in the 'Quality of assay data and laboratory tests' Criteria Section</li> </ul>
	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>No duplicate sampling or repeat assay work completed on reported exploration results.</li> </ul>
	<ul style="list-style-type: none"> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>Both petrographic studies and metallic screen analyses of crushed ½ core samples have been undertaken to assess the project for potential on previous exploration results.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> </ul>	<ul style="list-style-type: none"> <li>Regarding surface geochemistry exploration results; Certified reference materials (CRM), duplicates from pulverised material, and blanks were inserted into sample streams by the independent laboratory to assess the accuracy, precision and methodology of the independent laboratory's methods.</li> <li>Diamond Drill samples are shipped for 50g aliquot fire assay analysis for gold and silver and</li> </ul>

Criteria	JORC Code explanation	Commentary
		the technique is considered to recover total gold and silver content. Multielement data is acquired with a 2 acid digest.
	<ul style="list-style-type: none"> <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> </ul>	<ul style="list-style-type: none"> <li>No geophysical methods or handheld XRFs were utilised to estimate or ascertain gold grades or any other physical properties from direct measurement of core sample material.</li> </ul>
	<ul style="list-style-type: none"> <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>Diamond drilling quality control procedures targets 5% QaQc sample material in cut core shipments for analysis, with standards inserted every 25<sup>th</sup> sample and one blank inserted every 100 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> </ul>	<ul style="list-style-type: none"> <li>Significant intercepts shipped to 3<sup>rd</sup> party lab for metallic screen analysis and petrographic work of mineralised zone confirming gold content, and indicating relatively fine grained gold hosted in mineralised zone in previously reported drill results.</li> <li>No 3<sup>rd</sup> party or repeat analysis verification work has been completed on exploration results included in this report.</li> </ul>
	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>	<ul style="list-style-type: none"> <li>No twinned holes completed in exploration drilling results</li> </ul>
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>	<ul style="list-style-type: none"> <li>All geologic and sample assaying datasets are collected on paper forms designed by the Company and completed at the logging site. Scribed data is hand entered into digital spreadsheets by the project geologist completing and/or supervising the lithologic logging and assay sampling activities. Excel spreadsheets are digitally transferred to a database administrator with original paper and digital files archived at field site.</li> <li>The database administrator validates datasets for accuracy and consistency and merges all digital spreadsheets' information into central database software. The database administrator also tracks sample submissions and is responsible for receiving lab certificates and digital assay results from the laboratory and merges the assay results based on a combination of matching records including the hole name, the sample ID and depth of sample.</li> <li>Regular database updates are sent from Ouro Paz to each of the Joint Venture partners and retained on redundant server systems.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>No adjustment to assay data relevant to reported exploration results.</li> <li>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.</li> <li>Where the lab has reported an over limit value, and no additional analysis has been completed to quantify the metal content. The upper limit of the analysis used is taken as the assay value for calculation of significant intercepts.</li> </ul>
<i>Location of data points</i>	<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> </ul>	<ul style="list-style-type: none"> <li>Surface Rock Chip survey sample sites and geophysical survey data stations are located with a Garmin Map60c GPS device.</li> <li>Surveying completed post completion of drilling using a GPS/GNSS TOPCON model ES-105 HiPer receiver with base station and prism accessories and data processed with SISTEMA TOPOGRAPH version 4.03 software</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>The handheld GPS receiver used in soil and rock chip geochemistry collects, and data is recorded in UTM SAD69.</li> <li>The differential GPS receiver collects data in SIRGAS 2000 datum, and data is translated for reporting, plotting, and field work into datum SAD69.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control</li> </ul>	<ul style="list-style-type: none"> <li>Topography for the project area is available at two scales. <ul style="list-style-type: none"> <li>For the implementation of regional mapping at 1:10,000 scale Surface contours generated from SRTM (Shuttle Radar Thematic Mapping)</li> <li>For detailed mapping and resource calculation, a second set of contours is collected in the field using planialtimetric survey equipment described above providing 1m contour datasets.</li> </ul> </li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>For drilling, reported exploration results are comprised of single hole test with no standardised data spacing yet defined</li> <li>Sufficient continuity in both geology and mineralisation has been established to support the classification of Company's existing JORC Reported Mineral Resources as defined in the 2012 JORC Code. As the Company progresses resources to higher levels of confidence in the JORC classification, it will collect appropriate data for JORC compliance.</li> </ul>
	<ul style="list-style-type: none"> <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</li> </ul>	<ul style="list-style-type: none"> <li>Reported exploration results are not defining any mineral resource estimations.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>classifications applied.</i>	
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>No Sample compositing has been applied to reported exploration results</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> </ul>	<ul style="list-style-type: none"> <li>With regards to diamond drilling, holes are oriented as orthogonal to interpreted mineralisation orientation as possible.</li> </ul>
	<ul style="list-style-type: none"> <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>No sampling bias determined in relationship in reported exploration results</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>Chain of custody is managed by the Company's project geologists managing drilling activities. Samples are transported from the sample site by company vehicle to a secure sample preparation yard where samples are prepared for dispatch.</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>All (Quality Assurance &amp; Quality Control) QAQC data is reviewed in an ongoing basis and reported internally in summary reports with the completion of each drill campaign.</li> <li>Coffey Mining completed a review of sampling techniques and QAQC protocols and found that the current QAQC program is effective for the monitoring precision and accuracy of sampling and chemical analysis of samples of the Gleba União Project. Coffey considers the results of QAQC within the acceptance limits, and sampling techniques and analytical results have resulted in data suitable for incorporation into the Mineral Resource Estimation</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure</b>	<ul style="list-style-type: none"> <li>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,</li> </ul>	<ul style="list-style-type: none"> <li>All tenements host to the reported exploration results are 100% owned by CIA Mineradora Ouro Paz S.A and/or are subject to terms for the incorporated Ouro Paz JV.</li> <li>Ouro Paz JV is 35% owned by Latin Gold Ltd (a 93% owned subsidiary of IGS) and 65% owned by Biogold Investment Fund and managed under an incorporated Joint Venture</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>status</i>	<i>wilderness or national park and environmental settings.</i>	<p>agreement.</p> <ul style="list-style-type: none"> <li>○ The current mineral resource estimation is located within 5 tenements held by the Ouro Paz JV. The five tenements have process area numbers, 866.322/2005, 866.357/2005, 866.377/2005, 866.688/2009, and 866.353/2003, and each have had its final exploration report accepted by the DNPM and those tenements are currently in the staged process for application of mining tenement.</li> <li>○ A contingent liability remains with Latin Gold Ltd on a subset of tenements within the Ouro Paz Gold Project tenement group, which pertains to 3 of the 5 tenements host to mineralisation in the MRE; 866.357/2005, 866.377/2005 and 866.322/2005 which are host to the Ney, Ana PF, Ana South, and Pé Quente portions of the total MRE. The contingent liability relates to a milestone in the original vend agreement to Latin Gold Ltd for tenements formerly held in the Brazilian subsidiary Amazongold Pesquisas Minerais Ltda: <p><i>If a proven and probable reserve in excess of 1,500,000 ounces is discovered, then £1,200,000 is payable by Latin Gold Limited in cash or the allotment and issue of ordinary shares in Latin Gold Limited with a market value equal to this amount is due to the original vendor of the project.</i></p> </li> <li>○ The Company has completed a review of available digital datasets from State and Federal agencies, including the Brazilian Institute of Environment and Natural Resources (IBAMA) and searched the tenement area for any form of Conservation area, Natural Heritage Reserves, Units of Integral Protection Conservation and has found no cultural or environmental restrictions at the state or federal level outside the standard environmental permitting process outlined under Brazilian Mining law that could prevent or hinder development of a mining operation over any of the tenements host to resource estimation.</li> <li>○ The mining tenements host to the MRE are located within a “Garimpo Reserve”, where small miners (Garimpeiros) retain preference to be awarded ground in the application process for mineral rights extending up to 30m in depth. There are no Garimpeiro tenements overlying the extent of the MRE Prospect areas.</li> </ul>
	<ul style="list-style-type: none"> <li>○ <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></li> </ul>	<ul style="list-style-type: none"> <li>○ All tenements with reported exploration results, with the exception of the tenements listed below are exploration licences requiring renewal on regular intervals under Brazilian Mining Law. At the time of reporting all tenements have been granted required renewals and are in good standing.</li> <li>○ The Ouro Paz Joint Venture has lodged “positive reports” over the five tenements hosting the JORC compliant MRE (866.322/2005, 866.357/2005, 866.377/2005, 866.688/2009, and 866.353/2003) which initiates the application for mining tenement, environmental permitting</li> </ul>



Criteria	JORC Code explanation	Commentary
		<p>and trial mining approval process. All positive reports have been accepted by the DNPM. A brief overview of required steps to advance towards grant of mining licence is outlined below;</p> <ul style="list-style-type: none"> <li>- <i>The positive reports are filed with the National Department of Mineral Production (DNPM) with the acceptance and approval of those reports pending a field review by the DNPM.</i></li> <li>- <i>With acceptance and approval of the positive report by the DNPM, the Ouro Paz JV will have one year to file a Preliminary Use Plane (PAE Report) then seek to obtain the Preliminary Environmental License ("LP"), issued by the competent environmental agency and submit the LP to the DNPM. The LP is obtained at the planning stage of the mining project, and an Environment Impact Assessment ("EIA") and a plan for the restoration of degraded areas will also be prepared.</i></li> <li>- <i>The second stage of the environmental licensing process is the Installation Licence ("LI") where the JV will produce an Environmental Control Plan ("PCA"), among other documents and submit it to the environmental authorities. Once the PCA is approved, the LI is granted and filed with the DNPM.</i></li> <li>- <i>Pursuant to completion of the environmental and reporting obligations and other basic conditions met, a request for a mining concession is made to the Ministry of Mines and Energy through an application by the holder of the exploration authorisation licence.</i></li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>o <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>o Work within the broader area was undertaken by Geological Service of Brazil (CPRM) from 1995 to 2001, with a 1:250,000 scale geology compilation published in 2005. The CPRM completed additional metallogenic reporting including regional geochemistry and geophysical datasets as part of a program in 2008.</li> <li>o Exploration activities completed by Cougar Metals NL between 2002 and 2007 resulted in 52 drill holes (19 holes totalling 2,728m diamond drilling and 32 holes totalling 32 RC holes) completed on nominal 10m spacing defining a zone of mineralisation with 150m strike extent. Exploration work was completed in accordance with industry standard and reported by a competent person in adherence with 2004 edition of the JORC code in the area that are.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>o <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>o The project is located on the Vila Guarita geologic quadrangle (1:250,000 scale mapping – Sheet: SC.21-Z-B, 2005). The area comprises the south-southeast sector of the Amazon Craton and occupies the greatest part of the Jurueña Magmatic Arc, Cordani (1979) and Cordani and I Crush Snow (1982) The Jurueña Magmatic Arc is host to rocks aging from 1.75 to 1.82Ga following a NW-SE general structural trend. In the current model it would</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>have amalgamated into several arches, with an Archean central nucleus and younger ages from east to west.</p> <ul style="list-style-type: none"> <li>Refer to Main body of ASX release dated 19 December 2013 for description of regional and local scale geology and style of mineralisation.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>This information has been included, refer to Appendix A</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Included as deemed appropriate by the CP</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No weight averaging techniques or upper cut-offs are applied. Analyses with below detection results use a ½ detection limit value for modelling purposes.</li> <li>High Grade cut-off values for the purpose of reporting significant intercepts are related to upper limits imposed by analytical techniques used in assay analysis (refer to foot notes in Appendix A).</li> </ul>
	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>No aggregate intercepts are included in the reported exploration results</li> <li>Reported intersections are based on a 0.5 g/t gold lower cut-off, no upper-cut applied and maximum 2m internal dilution on nominal 1m interval sampling, with sample intervals varied to match geologic contacts where required.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>shown in detail.</i></p> <ul style="list-style-type: none"> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>No metal equivalent values reported.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>The orientation of mineralisation is primarily east-west and predominantly sub-vertical to steeply north or south dipping within to project area, with geometry of mineralisation controlled by several structural settings including but not exclusively related to; <ul style="list-style-type: none"> <li><i>east-west enechelon quartz veins and quartz healed hydrothermal breccias within northwest to west-northwest trending regional scale sheared structures,</i></li> <li><i>east-west flexures in northwest trending regional scale structures</i></li> <li><i>Narrow northeast trending vein sets on high frequency brittle style faults.</i></li> <li><i>Plunging shoots of gold mineralisation at the intersection of northeast trending vein sets and northwest trending regional scale shears.</i></li> </ul> </li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Appropriate diagrams in relation to the exploration results included in body of report.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Consistent methodology of reporting assay results for drilling used and all holes with no significant intercepts under reporting criteria included in exploration results.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li><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,</i></li> </ul>	<ul style="list-style-type: none"> <li>Included as deemed appropriate by the CP</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> </ul>	<ul style="list-style-type: none"> <li>Proposed Work is included in body of this report</li> </ul>
	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Included in this report as deemed appropriate by the CP</li> </ul>

