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ASX Release

31 January 2017

QUARTERLY ACTIVITIES REPORT

DECEMBER, 2016

Capital Mining Limited (ASX: CMY) (**"Capital"** or **"the Company"**) is pleased to present its Quarterly Activities Report for the period ending 31 December 2016.

Capital is a mineral resources company focused on the acquisition and exploration of key, demand driven commodities. Its project portfolio includes lithium prospective assets in the Republic of Ireland and Western Australia, plus gold and base metals projects in New South Wales.

QUARTER HIGHLIGHTS

- **Capital Mining completed positive first-phase, reconnaissance, field work programs across its portfolio of lithium prospective projects in Western Australia.**
- **Lithium-bearing Pegmatites identified across multiple project areas.**
- **Next phase of drilling completed at Mayfield Gold and Base Metals Project in NSW – Results due imminently.**
- **Subsequent to the quarter, Capital completed a successful first phase exploration program at its Wolfhound Lithium Projects in Ireland.**

LITHIUM PROJECTS, WESTERN AUSTRALIA

During the quarter, Capital completed an encouraging first phase, reconnaissance, field program at its lithium prospective assets in Western Australia. The Company had previously acquired a portfolio of 11 lithium prospective assets in geologically favourable regions in Western Australia. In the December quarter, it completed its systematic first phase of field work and reported encouraging results.

The results confirmed the presence of lithium-bearing pegmatites at multiple project areas, and confirmed the protential of these projects to host mineralised Lithium-Caesium-Tantalum (LCT) pegmatite systems.

Capital is now in process of assessing the results of its reconnaissance field program, before confirming plans for the projects for the year ahead.

Details of field work activities at the WA lithium assets in the quarter are provided following.

Reynolds, Caroline Creek & Yinnietharra Projects, Gascoyne region of WA – Lithium-bearing Pegmatites Identified

The projects comprise three exploration licence applications over a total area of 501.15km^2; Reynolds Project (ELA09/2209), Caroline Creek Project (ELA08/2869) and Yinnietharra Project (ELA09/2208). The Projects are located in an established and active mineral field in the Gascoyne region of WA (Figure 1 Project Location Map). Caroline Creek is the northern most project and is situated approximately 5km north west of the Reynolds Project. The Yinnietharra Project is located approximately 120km south east of Reynolds.

Capital commenced a soil sampling, rock chip sampling and mapping designed to identify spodumene (lithium-bearing) pegmatites in the previous quarter. A total of 55 rock chip samples were collected from the three project areas, and submitted for full laboratory analysis for lithium plus a suite of other associated LCT mineral elements at Intertek Genalysis in Western Australia.

All laboratory assays were received during the quarter and results confirmed the presence of multiple anomalous lithium-bearing pegmatites at all project areas, along with other key associated elements such as niobium (Nb), caesium (Cs), rubidium (Rb) and tantalum (Ta) (ASX announcement, 14 November 2016).

The results were significantly encouraging, and validated the Company's exploration model for the Gascoyne Projects; that the Projects may represent a significant new conventional LCT Pegmatite field. All laboratory assay results from the 55 samples collected are provided in Table 4 (attached).

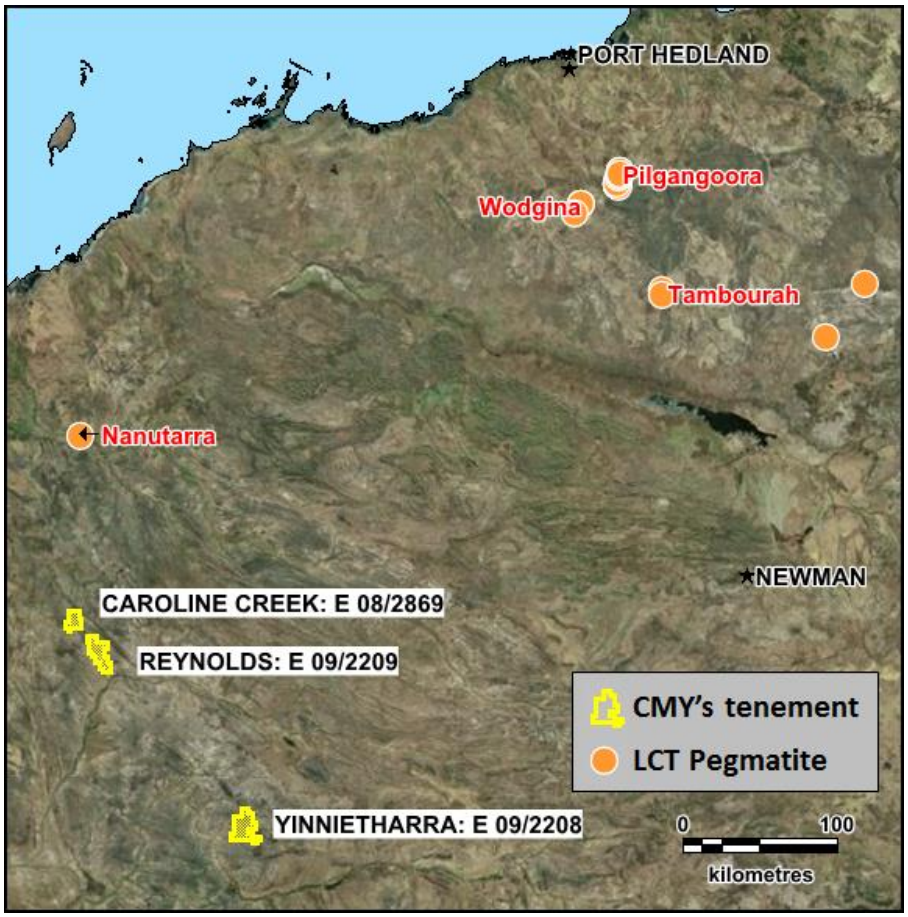

Figure 1: CMY's Reynolds, Caroline Creek and Yinnietharra Lithium Projects in the Gascoyne region of WA.

Yalgoo South, Big Bell South and Mindoolie Projects, Mid-West region of WA – Confirms projects' potential to host a LCT pegmatite system

The Company completed its first phase field work program at the Big Bell South Project (ELA20/906), Mindoolie Project (ELA20/907) and Yalgoo South Project (ELA59/2196), in Midwest region of WA in November (ASX announcement, 9 November 2016). The results were encouraging and identified the presence of pegmatites with elevated lithium index[1] values along with associated elements.

A total of 185 soil samples and 18 rock chip samples (see Images 1 and 2) were collected across the project areas, and were subjected to initial analysis via portable XRF. The pXRF analysis returned multiple anomalous rock chip samples and soil samples with elevated lithium index[1] values plus elevated niobium (Nb), caesium (Cs), rubidium (Rb), tantalum (Ta), tin (Sn) and gallium (Ga) values.

Based on the positive initial pXRF results, the elevated samples - 34 soil samples and 22 rock chip samples - were sent for full laboratory analysis for lithium and other associated and related mineral elements at Intertek Genalysis, in Western Australia.

All results were returned in the quarter and were particularly encouraging (ASX announcement, 2 December 2016). The program was successful in confirming the presence of pegmatites with elevated lithium values along with associated LCT elements in pegmatitic rock chip samples and soil samples. The results also helped validate Capital's exploration model that the projects' may represent a significant new conventional LCT Pegmatite field.

All sample results for lithium and other associated elements from the project areas are provided in Table 2 (attached).

Image 1: Mindoolie - Rock Chip sample

Image 2: Big Bell South - Rock Chip sample

The Yalgoo South Project is located approximately 230km from the Geraldton Port. The project area is well serviced by existing infrastructure. The Geological Survey of Western Australia (GSWA) has recorded a number of pegmatites in the Yalgoo Region including lithium-bearing LCT pegmatites.

[1] Portable XRF Services has developed a proprietary algorithm to estimate the lithium concentration using the multielement LCT pegmatite associations in rocks and soils. The lithium index is used and reported on by ASX listed companies including PIO (27/07/2016) and POS (21/07/2016).

Yalgoo South lies on the eastern margin of the north, north-west trending greenstone belt and extends into the granitic rocks (biotite and monzogranite), with magnetic features indicating greenstone rafts. The presence of greenstone is interpreted to further add to the projects' spodumene-bearing pegmatite potential.

The Big Bell South Project and the Mindoole Project comprise two exploration licence applications over a total area of 85.50 km^2. They are considered prospective for lithium-rich spodumene bearing pegmatites and are located in close proximity to known mineral occurrences associated with LCT Pegmatites. The Projects were identified and pegged on the basis that they both demonstrated a strong conventional LCT Pegmatite model

GOLD AND BASE METALS, NSW

Mayfield Project – EL 6358 (CMY 51%, BBI Group Pty Ltd 46.5% and Roberts Consulting 2.5%)

In November Capital announced plans for its next phase of drilling at the Mayfield Project (EL6358) in south-eastern New South Wales (ASX announcement 17 November 2016). The project area covers a significant gold-copper skarn deposit, where very encouraging exploration drill results have previously been reported by the Company. The project is located in close proximity to the world-class Majors Creek gold field near Braidwood in NSW.

The drilling program has now been completed and results are expected to be available in the near future. The Program comprised two holes, which drill tested the down-dip and along-strike extensions of the known mineralisation at the Mayfield Project, as shown in Figure 2. The holes were commenced as Reverse Circulation (RC) percussion holes but were completed as diamond drill holes (due to poor ground conditions). MAY 1 was drilled to a depth of 261.6 metres and MAY 2 to a depth of 216.5 metres.

Drilling was designed to follow up previous, highly encouraging drill results at the Mayfield Project, and to confirm the continuity and consistency of high-grade mineralisation within the project area, identified from previous drilling. Previous drilling intersections included up to; **32.3 g/t Gold, 44.5 g/t Silver and 15.4% Zinc** (ASX announcement 17 February 2012).

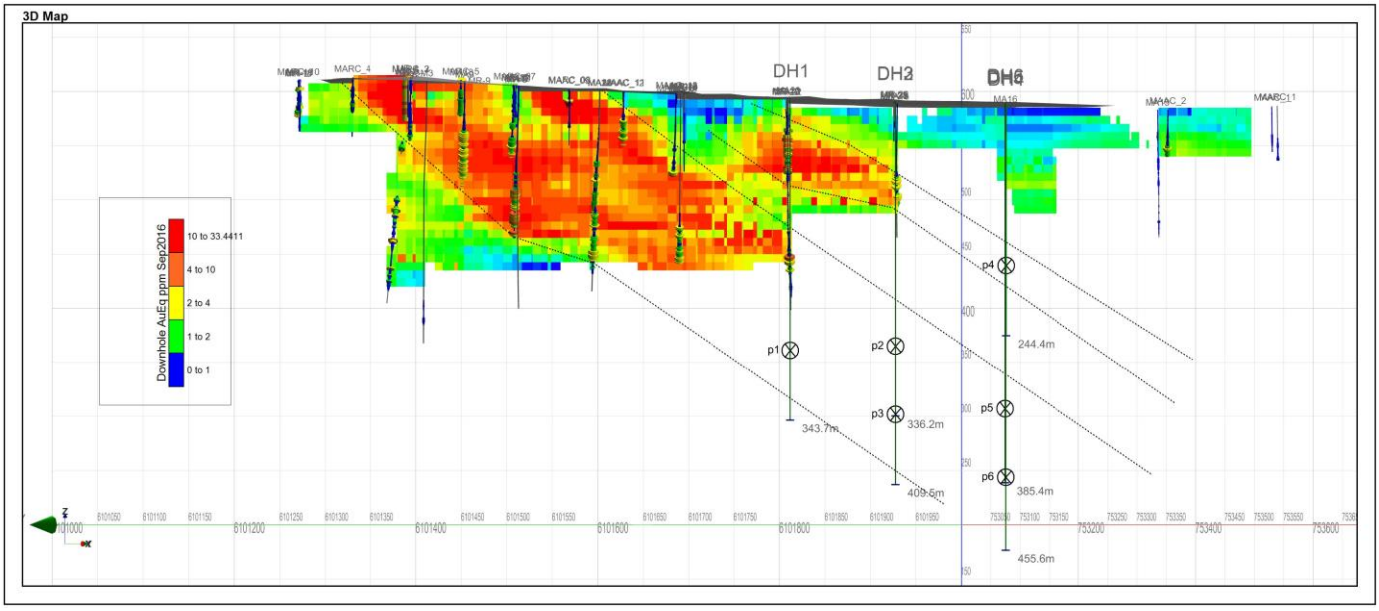

Figure 2: Mayfield Project - Trend of high grade gold (equivalent) mineralisation drill tested in current program.

About the Mayfield Project

The Mayfield Project is located in the minerals endowed Lachlan Fold Belt of eastern Australia within the highly prospective Braidwood Granodiorite geology, and hosts a significant gold-copper skarn deposit (Figure 3 - Project Location Map). Capital has a 51% equity interest in the Project. The remaining project ownership is held by BBI Group Pty Ltd (46.5%) and Roberts Consulting (2.5%). The Mayfield Project forms part of an active exploration area, and is situated in close proximity to the world-class Majors Creek Gold Field, which hosts the significant Dargues Reef Gold Project, near the town of Braidwood (Figure 3: Project Location Map).

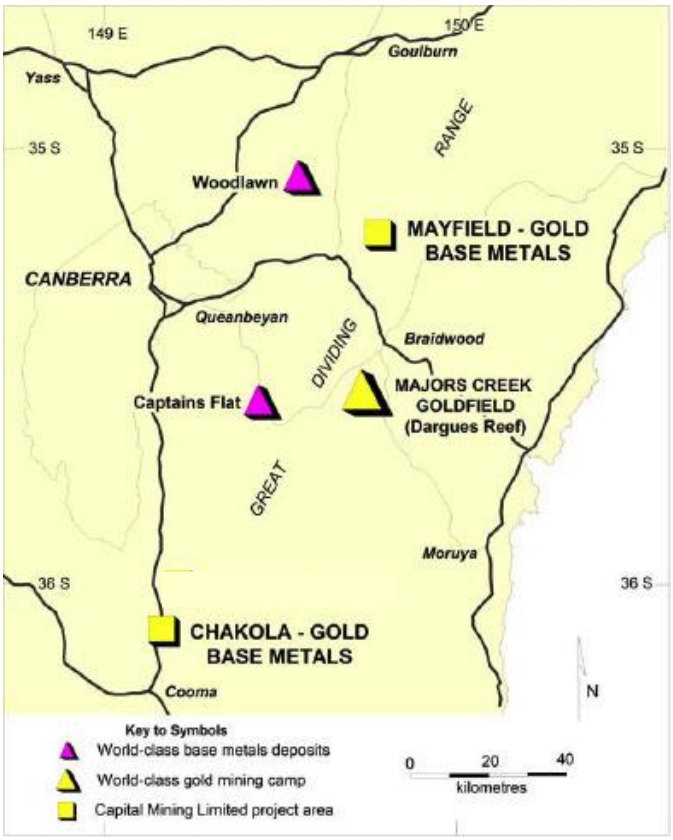

Figure 3: Capital Mining NSW Projects Location Map

The Mayfield Project resource currently stands at:

- **Gold-copper dominant mineralization: 4.0Mt at a 0.4% copper, 0.7 g/t gold, 8.8 g/t silver, 0.2% zinc and 25.4% iron; and**
- **Zinc dominant mineralization: 0.9Mt at a grade of 2.36% zinc, 5.9 g/t silver and 0.1% copper.**

It should be noted that the above resource estimate was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

RESOURCE CATEGORY	MINERALISATION TYPE	TONNES	Copper %	Gold g/t	Silver g/t	Zinc %	Iron %
Indicated	Copper-Gold Oxide	199,000	0.19	2.02	5.3	0.26	33.4
Inferred	Copper-Gold Oxide	3,335,000	0.42	0.70	9.2	0.16	24.0
Inferred	Copper-Gold Sulphide	450,000	0.47	0.49	7.7	0.49	32.0
	Total Copper-Gold	***3,984,000***	***0.41***	***0.74***	***8.8***	***0.20***	***25.4***
Indicated	Zinc Oxide	156,300	.11	.11	10.5	1.63	-
Inferred	Zinc Oxide	702,900	.11	.07	5.0	2.55	-
Inferred	Zinc Sulphide	68,300	.02	0.00	4.8	2.08	-
	Total Zinc	***927,500***	***0.10***	***0.07***	***5.9***	***2.36***	***-***

TOTAL ESTIMATED CONTAINED METAL

Copper	17,250	tonnes
Gold	94,800	ozs
Silver	1,303,000	ozs
Zinc	29,900	tonnes
Iron	1,010,000	tonnes

1 troy oz = 31.103 grams

Table 1: Mayfield Project – JORC 2004 Resource categories

Chakola Gold and Base Metals Project (EL 5697 - CMY 100%)

Following further assessment of the gold mineralisation at the Harnett Prospect within the Chakola Project, the Company has decided to undertake a geophysical program consisting of a Fixed Loop Electromagnetic (EM) survey over a targeted area of the prospect. This program is designed to test the known mineralisation for extensions at depth and along strike. It is anticipated that this work will be completed during the March quarter. Subject to results, Capital plans to undertake a drilling program of priority targets at the project.

The Company has previously identified a polymetallic deposit at the Harnett Prospect which consists of:

- **1.22Mt @ 0.8g/t gold, 0.5% copper, 8.1g/t silver, 0.4% lead and 0.7% zinc in Measured, Indicated and Inferred JORC compliant categories. The breakdown of these categories is outlined in Table 1:**

It should be noted that the above resource estimate was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

CATEGORY	TONNES	Grade Gold Equiv_g/t	Mineralisation Type	Au_g/t	Cu_%	Ag_g/t	Pb_%	Zn_%
Measured	811,300	3.40	Copper-Gold	0.9	0.6	8.2	0.4	0.6
Indicated	115,900	3.43	Copper-Gold	0.6	0.7	7.5	0.3	0.5
Inferred	nil	-	Copper-Gold	-	-	-	-	-
Sub Total	***927,200***	***3.4***	***Copper-Gold***	***0.9***	***0.6***	***8.1***	***0.4***	***0.6***
Measured	258,500	2.23	Lead-Zinc	0.36	0.25	8.1	0.45	0.97
Indicated	21,200	2.44	Lead-Zinc	0.33	0.23	9.0	0.53	1.29
Inferred	13,300	1.94	Lead-Zinc	0.40	0.19	9.8	0.37	0.61
Sub Total	***293,000***	***2.2***	***Lead-Zinc***	***0.36***	***0.25***	***8.2***	***0.45***	***0.98***
TOTAL	**1,220,000**	**3.1**		**0.8**	**0.5**	**8.1**	**0.4**	**0.7**

Table 2: Chakola Project Resource categories

WOLFHOUND LITHIUM PROJECT, REPUBLIC OF IRELAND

Subsequent to the end of the quarter, Capital reported that it had discovered Pegmatites in its recently completed first phase exploration program at the Company's Wolfhound Lithium Projects in the Republic of Ireland (ASX announcement, 31 January 2017).

The exploration program was reconnaissance in nature and targeted the priority Ballon (PL 2930 & PL 2931) and Borris (PL 3559, PL 3211 & PL 1597) prospects within the project area (see Figure 4 – Project Location Map). Exploration was designed to identify and sample spodumene (lithium-bearing) pegmatites in order to define and refine priority exploration targets for the next phase of field work at the project.

The program was successful in confirming the presence of pegmatite material at both prospects. A total of 18 samples were collected across both targets and will now be sent for laboratory analysis (see Table 3 - Rock Sample Results). The initial results help confirm the project area's potential to host lithium-bearing pegmatites, and validates Capital's exploration rationale at the Wolfhound Projects.

Spodumene-bearing pegmatites have previously been identified at two locations by the Geological Survey of Ireland (GSI), and the Ballon prospect is located immediately adjacent to International Lithium Corp's (TSXV: ILC) high grade Avalonia Lithium Project. ILC completed a highly successful 23 hole–1756 metre diamond drilling program at the Avalonia Project in 2016, which returned high grade intersections including; 2.33% Li_2O over 4.62m, including 3.29% Li_2O over 1.67m (refer ILC release, 21 July 2016).

ILC is advancing the Avalonia Project in joint venture with Ganfeng Lithium, China's largest integrated lithium producer - Ganfeng owns 55% of the project. The strategic partnership has expended US$2.1 million in exploration at the project to date (refer ILC release, 25 January 2017).

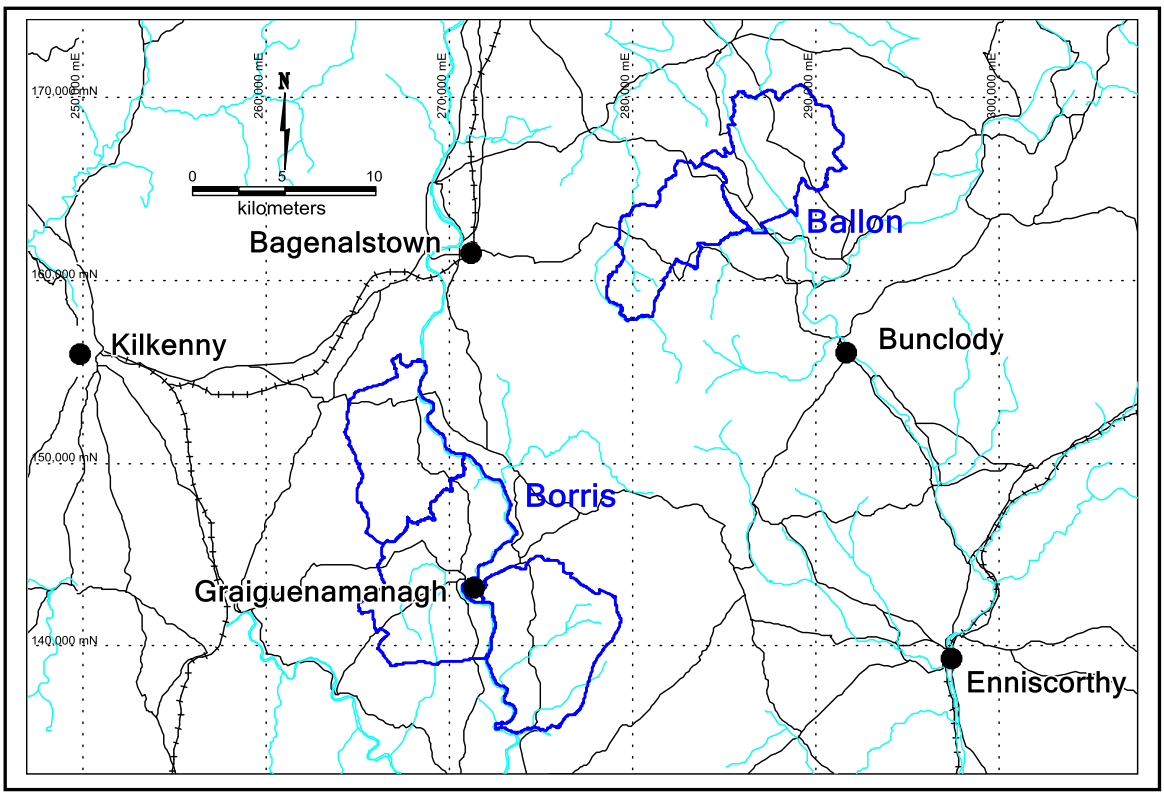

Figure 4: Wolfhound Project Location Map, Ireland

ILC's exploration success in the region and its commitment to the Avalonia Project helps provide confidence for Capital's lithium-focused exploration activities in the same geological terrain. As part of its next phase of field work Capital will test for extensions of the Avalonia pegmatite in to the Ballon target area.

The Company will provide results of the laboratory assay results when they become available. Subject to results from the initial field work program, Capital's next phase of exploration will be designed to identify and rank drill targets for a maiden drill program at the project area.

First Phase Exploration Overview

Ballon Target

The Ballon prospect consists of two contiguous licences covering an area of 68.62km^2. Exploration focused on the area which hosts the known mineral occurrence, recorded on the GSI database, in southern region of the prospect (Figure 5).

Reconnaissance field work focused on hedgerows, stonewalls, field boundary ditches and areas of rough ground where outcrop and float are most likely to be found. The geology of the area is the Tullow Equigranular Granite, a pale fine to coarse grained granite. Pegmatite material was discovered, and some good examples were found to the south (Sample ZMI-007) and northwest (Sample ZMI-008), where there was a pronounced increase in grain size.

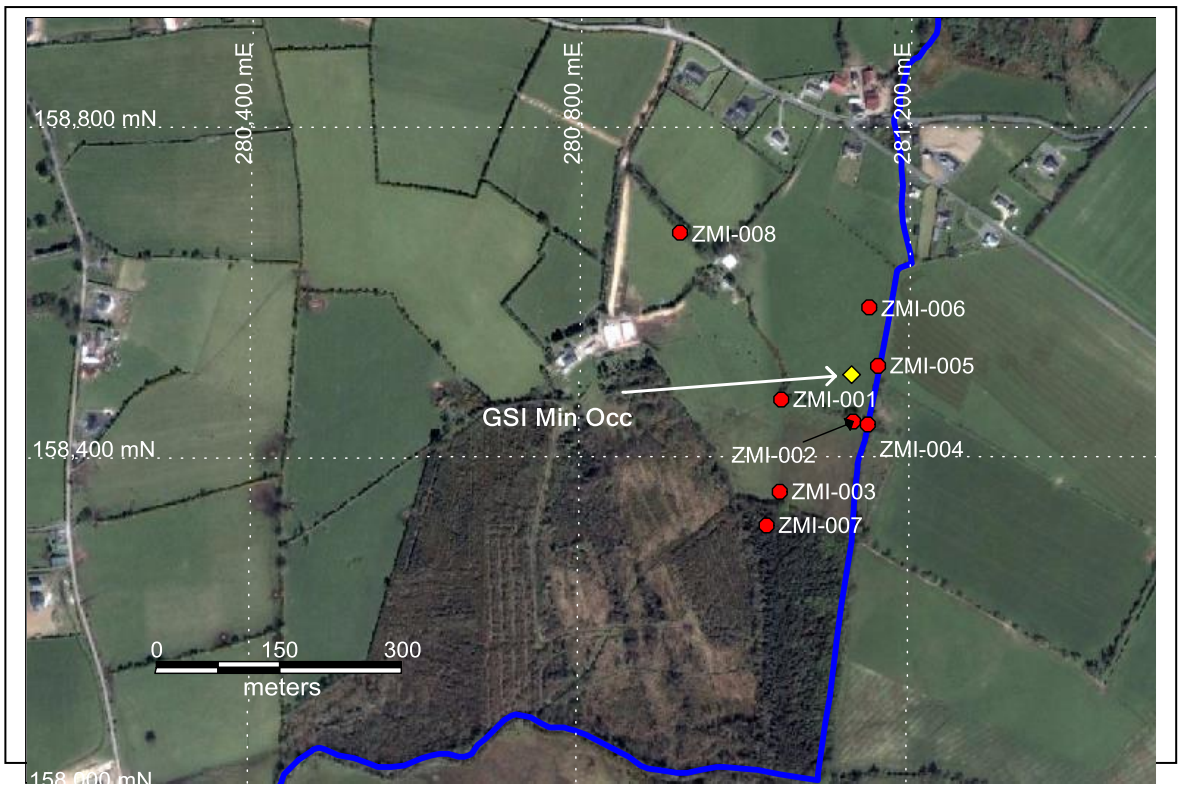

Figure 5: Ballon Prospect – Location of samples in southern region of Licence

Borris Target

The Borris prospect consists of three contiguous licences covering an area of 141.86km^2. The Borris mineral occurrence recorded on the GSI database is hosted within the Blackstairs, Equigranular Granite, which is a pale, fine to coarse granite. The Company's Reconnaissance field work at Borris identified well developed pegmatite float with large, well defined feldspars and in particular large coarsely crystalline mica crystals. There was also tourmaline noted in some of the hand specimens (see Figure 6 – Borris Sample Locations).

The field work focused on areas where outcrop and float would be expected to be identified, as per the approach at the Ballon target. The best pegmatite material was discovered to the south of the GSI mineral occurrence (in samples ZMI 15, 16 & 18) and this will be a priority target area for the next phase of field work. The area to the north and west of main occurrence also represents an area of untested potential.

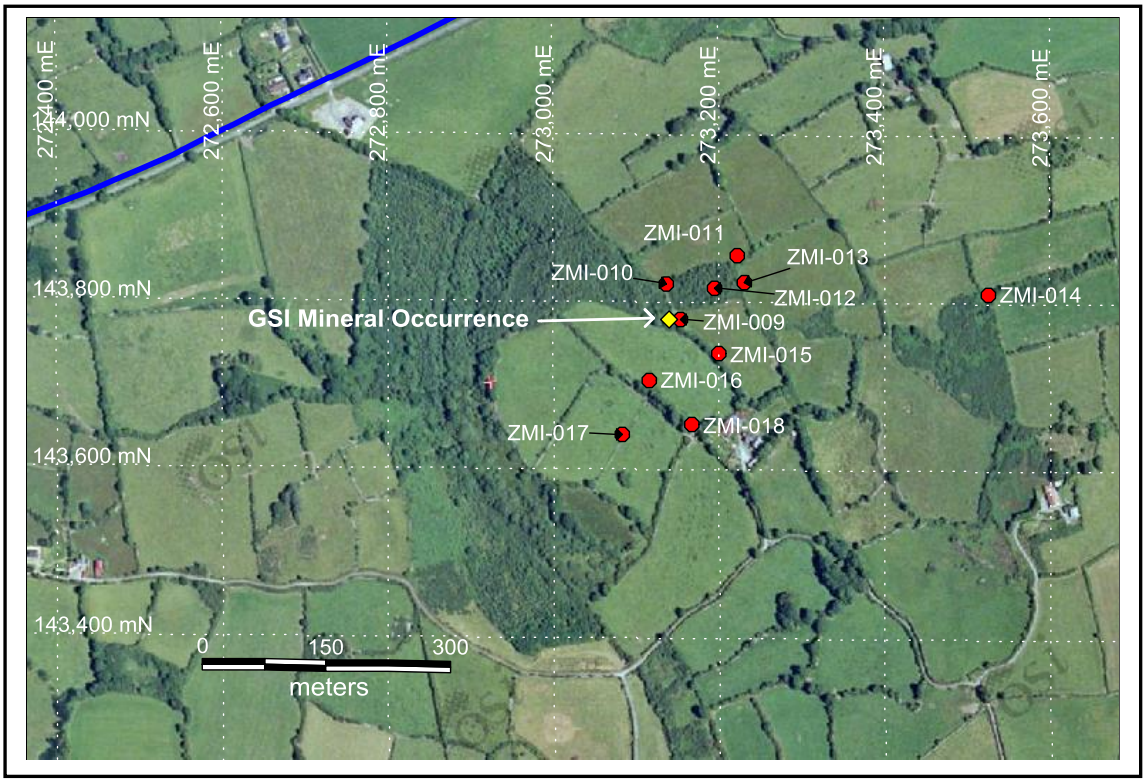

Figure 6: Borris Prospect – Location of samples in the Licence area

Sample_No	Easting	Northing	Elevation	Text	Sample_Type
ZMI-001	281045.00	158469.88	154.66	Coarse to Pegmatite Granite, micas relatively small comapred to Qtz & Feldspar	Float
ZMI-002	281132.91	158443.13	149.61	Coarse granite, some Qtz/Feldspar upto Pegmatite size, coarse micas	Float
ZMI-003	281043.80	158358.79	145.52	Pegmatite, verging on coarse granite. Medium to coarse micas	Float
ZMI-004	281149.71	158439.43	164.99	Coarse to Pegmatite Granite, medium to coarse micas, fine tourmaline	Float
ZMI-005	281162.74	158511.04	151.29	Coarse to Pegmatite Granite, well devloped Qtz/Feldspars, coarse micas	Float
ZMI-006	281150.86	158580.62	155.86	Medium Grained granite, 40/40/20 qtz/feld/micas	Float
ZMI-007	281028.46	158317.91	151.77	Pegmatite Granite, large feldspar & qtz, coarse micas	Float
ZMI-008	280921.54	158671.61	168.36	Pegmatite Granite, pronounced increase in mica grain size	Float
ZMI-009	273154.28	143779.55	81.12	Pegmatite Coarse Granite contact	Float
ZMI-010	273136.43	143821.72	82.56	Pegmatite Granite, coarse micas, possible fine tourmaline	Float
ZMI-011	273223.31	143855.15	86.16	Pegmatite Granite, pronounced increase in mica crystal size	Float
ZMI-012	273194.63	143816.02	85.68	Coarse to Pegmatite Granite, coarse micas crystals	Float
ZMI-013	273230.50	143824.73	94.82	Pegmatite Granite, well developed feldspars, coarse micas.	Float
ZMI-014	273524.92	143811.44	107.31	Coarse to Pegmatie Granite, well developed feldspars, coarse qtz/micas	Float
ZMI-015	273199.08	143738.73	83.04	Granite Pegmatite, well developed feldspars and micas. Trace biotite	Float
ZMI-016	273115.33	143706.56	74.63	Pegmatite, well developed feldspars and micas	Float
ZMI-017	273082.06	143642.45	66.22	Coarse to Pegmatite Granite, caorse mica crystals	Float
ZMI-018	273166.30	143653.68	65.01	Pegmatite Granite, well developed feldspars, qtz and micas	Float

Table 3: Ballon and Borris Prospects - Rock Samples from Initial Field work Program

UPCOMING ACTIVITY IN MARCH QUARTER

- Assay results from drilling at Mayfield Gold and Base Metals Project, NSW
- Laboratory results from Wolfhound Lithium Projects, Ireland
- EM survey at Chakola Gold and Base Metals Project, NSW
- Next phase of Field Work at Wolfhound Lithium Project, Ireland
- Next phase of Field Work at Mayfield and Chakola Projects
- Review and assessment of WA Lithium Projects
- New project assessment and acquisition program - ongoing

ASX LISTING RULE 5.3.3

The Company presents the tenement information in Table 4 below in accordance with ASX Listing Rule 5.3.3.

Table 4: Tenement Information

Project Name	Location	Tenement Licence	Interest held at 30 September 2016	Interest acquired/ disposed of	Interest held at 31 December 2016
Mayfield	NSW	EL6358	51%	N/A	51%
Mayfield	NSW	ELA5415	Nil	100%	100% (Application only)
Chakola	NSW	EL5697	100%	N/A	100%
Gascoyne	WA	EL09/2209	100%	N/A	100% (Application only)
Gascoyne	WA	EL08/2869	100%	N/A	100% (Application only)
Gascoyne	WA	EL09/2208	100%	N/A	100% (Application only)
Ravensthorpe	WA	EL74/609	100%	N/A	100% (Application only)
Yalgoo	WA	EL59/2195	100%	N/A	100% (Application only)
Yalgoo	WA	EL59/2196	100%	N/A	100% (Application only)
Yalgoo	WA	EL59/2221	Nil	100%	100% (Application only)
Murchison	WA	EL20/906	100%	N/A	100% (Application only)
Murchison	WA	EL20/907	100%	N/A	100% (Application only)
Wail	WA	EL09/2205	100%	N/A	100% (Application only)
Wail	WA	EL09/2206	100%	N/A	100% (Application only)
Wail	WA	EL09/2207	100%	N/A	100% (Application only)
Borris	Republic	PL1597	100%	N/A	100%
Borris	Republic	PL3211	100%	N/A	100%
Borris	Republic	PL3559	100%	N/A	100%
Ballon	Republic	PL2930	100%	N/A	100%
Ballon	Republic	PL2931	100%	N/A	100%
Tinahely	Republic	PL1473	100%	N/A	100%
Tinahely	Republic	PL1715	100%	N/A	100%

-ENDS-

Peter Dykes
Director
Capital Mining Limited

Competent Persons Statements

Statements contained in this report relating to exploration results and mineral resources on the Chakola and Mayfield Projects are based on information compiled by Mart Rampe, who is a Member of the Australasian Institute of Mining and Metallurgy and is an independent consultant geologist engaged by Capital Mining Limited. He has sufficient relevant experience in relation to the mineralisation styles being reported on, to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC Code). Mart Rampe consents to the use of applicable information in this report in the form and context in which it appears. The Company is reporting the historical exploration results under the 2004 edition of the Australian Code for the Reporting of Results, Mineral Resources and Ore reserves (JORC Code 2004) on the basis that the information has not materially changed since it was last reported.

Statements and the information in this report that related to Exploration Results on Lithium Projects is based on information supplied to and compiled by Mr. Graeme Johnston. Mr. Johnston is a full time employee of Corad Pty Ltd and a Fellow of the Geological Society of London (member 16555). Mr. Johnston has sufficient experience which is relevant to the activities 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.' The information referenced in this report was provided in part by Dr Nigel Brand of Geochemical Services in Perth. Mr. Johnston consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Table 5. Sample results for lithium and other associated elements from the Reynolds, Caroline Creek and Yinnietharra Projects - all rock types including non-pegmatites and country host rocks

PROJECT	Sample ID	EASTING	NORTHING	Be_ppm	Cs_ppm	Ga_ppm	Li_ppm	Nb_ppm	Rb_ppm	Sn_ppm	Ta_ppm	Tl_ppm	W_ppm
Caroline Creek	CMS00001	338666	7384596	3.76	13.46	16.93	44.4	14.21	326.04	4.7	1.83	1.49	2.5
Caroline Creek	CMS00002	339951	7383076	15.23	9.92	14.3	31.7	10.48	312.04	3.4	1.19	1.23	3.3
Caroline Creek	CMS00003	340157	7383148	9.34	19.31	18.2	33.5	12.83	392.7	3.5	2.08	1.71	3.3
Caroline Creek	CMS00004	343128	7383135	0.91	1.35	3.82	16.2	1.85	39.45	0.6	0.2	0.16	0.6
Caroline Creek	CMS00005	341648	7385457	0.23	0.3	1.42	3	0.57	6.02	0.3	0.06	0.05	0.3
Caroline Creek	CMS00006	341736	7385407	0.84	0.23	2.42	8.9	0.79	3.51	0.4	0.09	0.07	0.3
Caroline Creek	CMS00007	341170	7388338	1.7	2.9	15.55	15.1	8.94	169.49	3.4	0.97	0.79	1.6
Caroline Creek	CMS00008	341157	7388338	3.87	7.53	18.35	37.2	14.95	232.61	4.3	1.71	0.91	3.9
Caroline Creek	CMS00009	341667	7389292	1.93	7.67	15.82	27.4	9.19	201.55	2.1	1.29	0.82	3.7
Caroline Creek	CMS00010	341698	7391476	3.78	10.56	16.58	47.4	9.25	203.48	2.4	1.25	0.88	2.2
Caroline Creek	CMS00011	345413	7382240	3.28	9.64	15.24	33.5	7.02	211.06	1.6	0.95	0.9	2.6
Caroline Creek	CMS00012	345671	7382501	2.41	14.41	18.01	41.7	9.9	262.13	2.6	1.16	1.21	1.4
Caroline Creek	CMS00013	342838	7386006	1.64	6.19	18.08	9.6	11.01	173.77	3.5	1.01	1.1	2
Caroline Creek	CMS00014	343085	7386122	2.27	11.04	17.58	31.2	8.65	234.73	3.3	1.25	0.95	2.9
Caroline Creek	CMS00015	343454	7386381	1.45	5.03	14.37	14.6	6.43	222.48	1.5	0.84	0.87	2.3
Caroline Creek	CMS00016	344072	7387203	0.53	0.14	4.07	3.7	1.14	4.56	0.4	0.14	0.05	0.4
Caroline Creek	CMS00017	344626	7387372	4.21	26.52	25.63	39.6	12.05	372.27	2.9	1.01	1.6	3.5
Caroline Creek	CMS00018	342692	7389298	2.01	8.87	18.09	34.5	9.82	211.24	3.1	1.09	0.94	2.5
Caroline Creek	CMS00019	342443	7389551	2.7	10.84	16.75	41.2	9.28	211.02	2.7	1.04	0.86	2.3
Caroline Creek	CMS00020	341589	7389005	7.12	10.78	23.38	52.4	15.36	232.38	1.8	1.38	0.94	2
Caroline Creek	CMS00021	341296	7388884	4.07	12.49	19.81	32.2	13.16	285.87	2.9	1.38	1.28	2.1
Reynolds	CMS00022	357685	7365125	3.99	11.08	21.79	30.8	16.46	333.67	4.9	1.12	1.47	1.3
Reynolds	CMS00023	355055	7369520	4.96	8.35	21.11	34.7	8.37	200.35	1.8	0.85	0.81	1.5
Reynolds	CMS00024	355688	7371918	2.7	7.87	17.57	26.3	8.26	232.06	2.4	0.92	0.93	1.3
Reynolds	CMS00025	355136	7375196	3.22	10.84	17.25	32.7	10.6	250.14	2.6	1.07	1.07	3.5
Reynolds	CMS00026	354919	7374753	3.01	7.74	18.81	34.3	12.16	236.21	2.8	1.24	0.91	2.2
Reynolds	CMS00027	354700	7373990	3.98	8.21	21.08	37	12.01	211.85	3.4	1.12	0.88	1.3
Reynolds	CMS00028	354525	7373395	2.09	8.55	20.78	51.5	12.74	265.88	3.5	1.06	1.2	1.3
Reynolds	CMS00029	354583	7372330	4.56	5.53	35.39	50.5	18.63	205.15	2	2.07	0.96	1.6
Reynolds	CMS00030	356148	7375643	5.19	20.54	29.34	77.9	19	394.23	5.4	1.76	1.74	3.8
Reynolds	CMS00031	355598	7374481	4.24	8.41	20.24	41.4	9.73	220.77	2	0.91	0.9	1.5
Reynolds	CMS00032	356535	7374785	1.77	9.13	18.7	32.3	9.38	206.21	3	0.82	0.85	2.2
Reynolds	CMS00033	357623	7374714	5.94	13.02	27.17	55.9	13.9	316.94	3.7	1.17	1.31	2.1
Reynolds	CMS00034	358207	7374644	4.39	10.1	26.83	43.3	13.54	261.13	3.6	1.3	0.98	2.4
Reynolds	CMS00035	358035	7372782	2.44	8.4	22.84	43.7	14.67	211.24	6.5	3.57	0.72	22.7
Reynolds	CMS00036	358127	7371572	3.88	9.58	23.24	53.1	13.48	242.03	2.2	1.29	0.98	1.3
Reynolds	CMS00037	360654	7366581	3.54	3.36	16.18	19.8	5.51	86.33	2.7	0.61	0.56	1.4
Reynolds	CMS00038	361680	7365879	4.49	11.7	27.14	38.7	17.49	386.52	7.5	1.68	1.58	7.1
Reynolds	CMS00039	359715	7365113	4.39	5	18.66	20.3	5.4	195.5	4.5	0.76	0.71	10.2

PROJECT	Sample ID	EASTING	NORTHING	Be_ppm	Cs_ppm	Ga_ppm	Li_ppm	Nb_ppm	Rb_ppm	Sn_ppm	Ta_ppm	Tl_ppm	W_ppm
Reynolds	CMS00039	359715	7365113	4.39	5	18.66	20.3	5.4	195.5	4.5	0.76	0.71	10.2
Reynolds	CMS00040	358472	7365061	6.78	13.63	30.11	36	27.97	304.11	8.3	3.31	1.15	7.6
Yinnietharra	CMS00041	460970	7255508	7.36	24.37	33.55	61.9	28.23	340.87	17.3	10.1	1.11	36.6
Yinnietharra	CMS00042	454547	7253854	1.75	2.95	24.59	19.5	16.96	132.91	13.7	2.22	0.49	4.1
Yinnietharra	CMS00043	454406	7253856	3.66	6.31	57.57	20.8	60.1	343.93	93.7	4.37	1.32	14.2
Yinnietharra	CMS00044	454369	7253885	2.96	4.99	45.91	19.2	51.78	335.49	55.4	4.69	1.27	13.7
Yinnietharra	CMS00045	454100	7253797	2.95	3.95	39.4	34.9	45.8	278.25	46.4	3.92	1.05	10.7
Yinnietharra	CMS00046	454250	7253830	2.49	5.09	41.04	30.3	55.18	327.22	43.2	5.06	1.17	13.7
Yinnietharra	CMS00047	447726	7259428	2.03	14.86	16.42	17.3	9.1	355.61	4.6	0.66	1.67	1.6
Yinnietharra	CMS00048	448933	7259210	1.63	2.42	20.78	11.3	10.37	193.67	3.9	0.81	0.85	0.3
Yinnietharra	CMS00049	451508	7257952	1	2.61	16.25	13.1	14.37	128.39	5	1.11	0.6	6.2
Yinnietharra	CMS00050	451460	7256382	1.7	4.77	30.78	20.4	13.36	248.32	6.7	1.11	1.15	0.6
Yinnietharra	CMS00051	451607	7255957	1.47	1.86	27.81	10.3	7.5	186.54	9.7	0.7	0.64	3
Yinnietharra	CMS00052	452978	7255020	3.57	3.53	24.13	4.9	16.17	142.75	10.8	1.89	0.59	1.2
Yinnietharra	CMS00053	453055	7255033	8.93	2	28.84	5.6	15.37	156.46	11.9	2.17	0.54	2.4
Yinnietharra	CMS00054	453962	7253565	3.65	3.26	23.7	15.9	20.72	224.29	13.2	2.71	1.02	4.9
Yinnietharra	CMS00055	454032	7253560	3.28	3.84	29.1	32.3	31.53	199.09	28.5	2.74	1.07	6.3

Table 6: Sample results for lithium and other associated elements from the Midwest Projects

Project	Sample	Type	East	North	Be ppm	Cs ppm	Ga ppm	Li ppm	Nb ppm	Rb ppm	Sn ppm	Ta ppm	Tl ppm	W ppm	Li2O pct	Ta2O5 pct
Big Bell Sth	BBGS01	Rock	565217	6975055	1	2	26	28	2	49	1	0	3	225		
Big Bell Sth	BBGS02	Rock	565505	6973316	5	169	48	1237	56	2102	41	10	13	1.2	0.27	
Big Bell Sth	BBGS03	Rock	565795	6973259	0	1	9	40	1	15	0	0	0	1.7		
Big Bell Sth	BBGS04	Rock	567459	6966328	20	20	57	79	90	584	32	31	3	3.2		
Big Bell Sth	BBGS05	Rock	565628	6973237	5	149	36	834	44	1608	41	4	10	0.7	0.18	
Big Bell Sth	BBGS06	Rock	565308	6973154	2	8	29	9	22	1023	3	4	6	2.3		
Big Bell Sth	BBGS07	Rock	565345	6972621	3	12	46	57	88	903	56	10	5	5.3		
Big Bell Sth	BBSS01	Soil	564945	6974129	1	4	20	18	17	119	3	2	1	1.9		
Big Bell Sth	BBSS02	Soil	564858	6974206	2	5	23	25	21	136	4	3	1	2.0		
Big Bell Sth	BBSS03	Soil	564788	6974272	2	5	25	26	22	144	5	2	1	2.0		
Big Bell Sth	BBSS04	Soil	564716	6974342	2	5	23	27	20	142	4	2	1	1.8		
Big Bell Sth	BBSS05	Soil	564643	6974408	2	5	23	27	22	145	4	2	1	1.9		
Big Bell Sth	BBSS06	Soil	564571	6974479	2	5	23	28	22	151	5	2	1	1.9		
Big Bell Sth	BBSS07	Soil	564498	6974547	2	5	24	29	31	155	5	3	1	2.0		
Big Bell Sth	BBSS08	Soil	564423	6974619	2	5	24	29	23	155	5	2	1	2.0		
Big Bell Sth	BBSS09	Soil	564351	6974684	2	5	24	29	24	156	5	3	1	1.9		
Big Bell Sth	BBSS10	Soil	564286	6974744	2	6	25	29	24	155	5	2	1	2.0		
Big Bell Sth	BBSS29	Soil	565658	6973437	5	12	20	67	18	166	4	2	1	8.8		
Big Bell Sth	BBSS30	Soil	565589	6973508	3	10	20	44	19	156	4	3	1	3.6		

Project	Sample	Type	East	North	Be ppm	Cs ppm	Ga ppm	Li ppm	Nb ppm	Rb ppm	Sn ppm	Ta ppm	Tl ppm	W ppm	Li2O pct	Ta2O5 pct
Big Bell Sth	BBSS31	Soil	565509	6973573	4	10	22	53	28	177	4	5	1	3.9		
Big Bell Sth	BBSS32	Soil	565441	6973646	4	10	19	38	21	150	3	3	1	13		
Big Bell Sth	BBSS33	Soil	565372	6973709	3	10	24	38	14	126	3	2	1	14		
Big Bell Sth	BBSS34	Soil	565302	6973778	2	6	19	23	16	110	3	2	1	5.2		
Big Bell Sth	BBSS35	Soil	565225	6973848	2	4	19	19	17	106	3	3	1	3.5		
Big Bell Sth	BBSS36	Soil	565153	6973920	2	4	19	19	17	116	2	2	1	2.8		
Big Bell Sth	BBSS37	Soil	565079	6973987	1	3	16	14	16	125	2	3	1	1.7		
Big Bell Sth	BBSS38	Soil	565014	6974060	1	3	17	13	15	124	2	2	1	1.5		
Mindoolie	MDGS01	Rock	540020	7004503	5	25	61	136	158	842	25	16	4	3.2		
Mindoolie	MDGS02	Rock	540020	7004503	9	28	30	63	43	452	14	8	3	0.8		
Mindoolie	MDGS03	Rock	542578	7004559	1	1	37	5	7	77	5	1	0.4	0.6		
Yalgoo Sth	YSGS2	Rock	486445	6876257	3	33	20	67	8	382	2	1	2	0.9		
Yalgoo Sth	YSGS3	Rock	486163	6876219	3	3	25	10	58	316	7	9	2	1.3		
Yalgoo Sth	YSGS4	Rock	486163	6876219	2	9	23	4	17	1209	1	4	7	0.3		
Yalgoo Sth	YSGS5	Rock	486115	6876420	3	15	64	216	136	1443	47	13	6	13		
Yalgoo Sth	YSGS6	Rock	486339	6876491	3	9	52	93	124	788	37	14	3	9.3		
Yalgoo Sth	YSGS7	Rock	486348	6876480	3	9	59	133	117	1013	58	9	4	11		
Yalgoo Sth	YSGS8	Rock	486451	6876258	2	21	19	88	6	313	1	0	2	0.8		
Yalgoo Sth	YSSS34	Soil	483659	6875745	1	4	19	20	17	141	2	2	0.8	1.5		
Yalgoo Sth	YSSS35	Soil	483765	6875759	1	3	17	14	18	139	2	3	0.8	1.4		
Yalgoo Sth	YSSS36	Soil	483864	6875776	1	3	18	17	15	136	2	1	0.8	1.2		
Yalgoo Sth	YSSS37	Soil	483965	6875792	2	3	19	20	18	140	2	2	0.9	1.4		
Yalgoo Sth	YSSS38	Soil	484061	6875812	2	4	20	21	22	152	3	2	0.9	1.7		
Yalgoo Sth	YSSS39	Soil	484157	6875833	2	4	20	22	22	152	3	2	0.9	1.6		
Yalgoo Sth	YSSS40	Soil	484255	6875852	2	4	23	25	25	148	3	4	0.9	1.8		
Yalgoo Sth	YSSS41	Soil	484356	6875866	2	4	22	25	21	145	3	2	0.9	1.6		
Yalgoo Sth	YSSS42	Soil	484454	6875885	1	3	19	16	18	142	2	2	0.9	1.3		
Yalgoo Sth	YSSS43	Soil	484550	6875905	1	3	19	17	16	134	2	2	0.8	1.4		
Yalgoo Sth	YSSS44	Soil	484650	6875924	1	3	19	17	16	137	2	2	0.8	1.4		
Dalgaranga	DalGS03	Rock	524368	6938925	84	4	53	292	69	52	10	135	0.3	2.7		
Dalgaranga	DalGS04	Rock	524368	6938925	2	24	13	221	1	315	2	0	2	0.8		
Dalgaranga	DalGS06	Rock	524217	6938633	40	746	111	1657	44	8565	199	157	38	36	0.36	0.02
Dalgaranga	DalGS07	Rock	524237	6938631	29	288	57	2332	32	5412	186	38	27	35	0.50	
Dalgaranga	DalGS08	Rock	524237	6938631	7	41	27	287	8	785	25	19	4	4.5		
Dalgaranga	DGSS01	Soil	524217	6938633	29	56	30	130	118	621	20	666	3	5.8		0.08
Dalgaranga	DGSS02	Soil	524237	6938631	17	73	35	208	78	992	28	526	5	5.9		0.06
Dalgaranga	DGSS03	Soil	524242	6938583	86	76	38	229	480	1134	34	1114	6	14		0.14

TABLE 1 - ASSAY RESULTS FOR DRILL HOLE MAY2									
ANALYTICAL METHOD		Au-ICP22	ME-MS61L	ME-MS61L	ME-MS61L	ME-MS61L	ME-MS61L	ME-MS61L	ME-MS61L
ELEMENT		Au	Ag	Cu	Fe	Mn	Pb	Sn	Zn
REPORTED AS		ppm	ppm	%	%	ppm	ppm	ppm	%
INTERVAL (METRES)									
FROM	TO								
175.35	176.00	<0.001	0.1	<0.10	0.99	488	32	13	<0.10
176.00	177.00	<0.001	0.1	<0.10	1.10	593	28	13.95	<0.10
177.00	177.80	<0.001	0.1	<0.10	1.63	652	16	15.5	<0.10
177.80	178.80	<0.001	0.1	<0.10	3.35	884	18	10.15	<0.10
178.80	179.85	<0.001	0.1	<0.10	3.41	796	18	7.34	<0.10
179.85	180.60	<0.001	0.1	<0.10	4.11	978	22	11.65	<0.10
180.60	181.10	<0.001	0.1	<0.10	2.71	922	23	11.05	<0.10
181.10	182.05	<0.001	0.1	<0.10	2.61	1195	23	10.5	<0.10
182.05	183.02	<0.001	0.1	<0.10	3.60	1035	17	11	<0.10
183.02	184.00	<0.001	0.1	<0.10	3.28	1135	17	11.8	<0.10
184.00	185.00	<0.001	0.1	<0.10	3.34	1060	16	18.3	<0.10
185.00	186.00	0.00	0.1	<0.10	2.12	700	16	9	<0.10
186.00	186.50	0.01	0.2	<0.10	5.11	12250	28	58.7	<0.10
186.50	187.03	0.00	0.3	<0.10	10.05	11350	22	94	<0.10
187.03	187.65	0.59	21.7	0.99	22.30	2750	138	>500	<0.10
187.65	188.03	0.13	30.0	2.20	24.60	2940	54	>500	<0.10
188.03	188.50	0.04	12.0	0.62	27.90	2840	26	>500	<0.10
188.50	189.05	0.05	18.9	1.11	26.90	3360	28	>500	<0.10
189.05	189.96	0.02	10.7	0.63	33.00	4120	34	490	0.12
189.96	190.50	0.02	14.5	0.99	26.80	3270	30	>500	<0.10
190.50	191.00	0.02	10.8	0.67	26.80	3180	50	>500	<0.10
191.00	191.35	0.01	7.7	0.35	27.30	3360	73	>500	0.42
191.35	191.77	0.01	8.8	0.56	24.90	4310	91	>500	0.21
191.77	192.42	0.03	13.8	0.74	26.80	2960	138	>500	0.21
192.42	193.90	0.02	18.8	1.14	28.00	4190	230	412	0.39
193.90	194.10	0.10	5.7	0.67	21.30	3000	241	>500	0.27
194.10	194.80	0.13	8.9	0.73	24.90	3810	451	>500	0.22
194.80	195.50	0.21	6.8	0.31	30.10	5610	166	500	0.46
195.50	196.00	0.09	12.3	0.79	28.80	4390	96	>500	0.29
196.00	196.90	0.06	11.6	0.74	27.50	4700	158	>500	0.40
196.90	197.50	0.09	10.6	0.69	26.70	5170	334	412	0.73
197.50	198.00	0.03	12.2	0.80	22.90	4500	126	338	0.81
198.00	198.50	0.01	13.8	0.68	24.20	4550	101	313	0.93
198.50	198.80	0.02	17.2	0.81	24.90	4090	183	256	1.37
198.80	199.27	0.01	12.7	0.45	19.95	5450	321	210	5.33
199.27	199.70	0.00	1.8	0.05	11.85	4510	58	157.5	0.84
199.70	200.15	0.01	5.6	0.22	18.95	6360	168	75.4	3.37
200.15	200.70	0.01	11.1	0.46	21.50	6580	341	88.6	3.86
200.70	201.00	0.02	14.1	0.45	18.80	5290	882	500	4.11
201.00	201.50	0.02	14.3	0.64	22.70	4470	244	171.5	4.36
201.50	202.00	0.02	19.2	0.77	28.70	5980	152	>500	0.98
202.00	202.50	0.03	11.5	0.39	27.90	5850	223	>500	0.85
202.50	203.00	0.03	11.3	0.43	23.90	4860	812	>500	0.53
203.00	203.50	0.10	48.9	1.62	24.00	4500	4290	>500	1.49
203.50	204.10	0.04	34.1	1.09	14.75	3490	2450	>500	1.55
204.10	204.65	0.02	13.6	0.55	13.35	3900	461	>500	2.91
204.65	205.00	0.05	18.2	0.56	22.90	5190	1545	>500	4.87
205.00	205.47	0.40	3.9	0.09	19.80	5580	127	67.2	28.70
205.47	205.70	0.28	7.2	0.32	23.40	5230	180	377	4.50
205.70	206.36	0.01	0.6	<0.10	17.60	3900	38	>500	0.50
206.36	206.90	0.01	0.5	<0.10	18.80	3730	38	>500	0.25
206.90	207.33	0.01	0.5	<0.10	21.20	3390	16	>500	0.10
207.33	207.90	0.02	1.1	0.12	26.90	3990	33	>500	<0.10
207.90	208.67	0.00	0.3	<0.10	7.36	4220	54	32.4	<0.10
208.67	209.03	0.00	0.2	<0.10	2.14	2070	29	20.8	<0.10
209.03	210.00	0.01	0.7	<0.10	2.98	1705	30	39.8	<0.10

210.00	211.00	<0.001	0.2	<0.10	2.25	1225	23	11.7	<0.10
211.00	212.00	<0.001	0.1	<0.10	1.70	866	19	10.85	<0.10
212.00	213.00	0.001	0.1	<0.10	1.51	829	16	15.15	<0.10
213.00	214.00	<0.001	0.1	<0.10	1.31	599	18	11.9	<0.10
214.00	215.00	<0.001	0.1	<0.10	1.45	614	16	10	<0.10
215.00	216.00	<0.001	0.0	<0.10	1.38	621	20	12.5	<0.10
216.00	216.49	<0.001	0.0	<0.10	1.33	593	16	13.5	<0.10

Zones of highly anomalous or high grade mineralizartion

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Diamond Drilling (DD) core is the sample type. • DD Core samples. Half core samples taken for analysis. • DD Drilling carried out to industry standard to obtain drill core samples, which are split longitudinally in half along the core axis using a diamond saw. Core samples taken at lithological boundaries or around 0.5 metre intervals. The sample is crushed with a 1kg split taken to pulverization, to obtain four (4) 250 gram pulp samples. A 30g charge is taken from one of the 250 gram pulp packets for fire assay gold analysis and base metal analysis. The remaining pulp samples are retained in a secure storage for future reference.
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).*	• Drilling from surface by Reverse Circulation method until bad ground and/or excess water prevented further progress. Then, from 52 meters downhole length switch to NQ – 47.6mm diameter Diamond coring • Drill hole was collared with PVC until well bedded in competent bedrock. • Drill core orientation is measured using Ezy-Mark frontend core orientation tool.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• For each core run, total core length is measured with the recovery calculated against drilled length. Recovery averaged around 95%, which is considered acceptable. • RC samples homogenized and collected using 'cyclone' system. • Sample recovery is maximized by monitoring and adjusting drilling parameters (eg. Mud mix, drill bit hardness, rotation speed, etc). • No known relationship has yet to be observed between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Core logging of the mineralized zone has been undertaken to a sufficient level of detail to enable geological interpretation to be undertaken. Lithology, structure, mineralization, alteration, sulphide mineralogy, and Rock Quality Designation (RQD), including fracture density, core recovery, is observed, measured and recorded by the site

Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	geologist and a technician, and entered into a database. • Detailed logging is carried out on mineralized sections. A photographic record is also obtained.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All drill core is sawn longitudinally in half – along the core axis using a diamond saw. The core rests in a specifically designed cradle to ensure straight and accurate cutting. • No non-core drill hole sampling has been carried out for the purposes of this report. • Sample preparation techniques are to industry standard. • The sample preparation procedure employed follows volume and grainsize reduction protocols to ensure that a representative aliquot sample is taken for analysis. • Core sample submission sizes vary between 2-5kg depending upon sampling interval and recovery. The assay sample sizes are considered to be appropriate for the style of mineralization.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Sample preparation and analytical procedures for gold and base metals are based on industry standards. • Quality control for assaying work is based on well established laboratory procedures. • Grade control samples have been incorporated into the sample suite. • Blank inserted as first sample, and standards and duplicates as every twentieth sample • Internal laboratory checks indicate acceptable levels of accuracy and precision • External QA/QC procedures are yet to be established but will follow when more data is available
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant core is logged by the on-site geologist and verified by the site supervising geologist. • Twinned holes are not appropriate • Geological logging of drill core is initially hand written and then transferred to a digital record. All data is stored on the field geologists and supervisors database. Where appropriate, data is transferred to dedicated exploration software for processing.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill holes are positioned based on locational data available from historic drill hole collar data. Hand held GPS units for positioning are considered adequate at this stage of exploration. • All data are projected in WGS84 SUTM Zone 55 grid system. • A Digital Terrain Model (DTM) was generated from relief spot heights surveyed every 25 meters, along 100-meters-apart lines transverse to strike of mineralized structure.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Data spacing based on providing adequate certainty of existing mineralization trends, and which could be used for resource estimation at an 'Inferred' level of confidence. • No sample compositing has been applied.
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.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Mineralisation is hosted in the main by skarn deposits, the orientation of which have been relatively well established. All drilling is carried out at highest possible angles to the deposit, thereby reducing the potential for biased sampling. • At this point in the exploration program, the impact of other (ie , not skarn) mineralized structures is not considered material.
Sample security	• *The measures taken to ensure sample security.*	• Drilling is supervised by Company appointed geological consultants and exploration personnel. All samples are retrieved from the drill site at the first opportunity and taken to a secure compound where the core is logged, photographed and sampled. Samples are collected in tagged plastic bags and stored in the compound prior to transportation to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of sampling techniques and data have been undertaken to date.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Exploration Licence, Title No. 6358, 'Mayfield', located 15km southeast of Tarago, NSW. • Capital Mining Ltd has 51% interest in this licence, with the remaining 46.5% interest owned by Rutila Resources Ltd and 2.5% by Roberts Consulting. • Licence anniversary date is 23 December 2016. An application for renewal has been lodged with NSW Department of Industry, Resources and Energy. The application is currently pending.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Prospect has been explored by other parties in the past and all data generated by these parties has been assessed as part of Capital Mining's exploration process.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Endoskarn in Devonian granodiorite, Lachlan Fold Belt of southeast Australia • Polymetallic copper, zinc, silver, gold, iron in sulphides and oxides •

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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• **Drill Hole MAY1**
		• Easting: 753630.7 mE
		• Northing: 6101521 mN
		• RL: 591.5 m
		• End of Hole Length: 261.60 m
		• Collar Dip: -60º
		• Collar Azimuth (Magnetic): 288.7º
		
		• **Drill Hole MAY2:**
		• Easting: 753581.2 mE
		• Northing: 6101437 mN
		• RL: 594.1 m
		• End of Hole Length: 216.50 m
		• Collar Dip: -60º
		• Collar Azimuth (Magnetic): 288.7º

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No top cutting of assays was done for the reporting of exploration results. • Short lengths of high grade (of Cu, Zn or Ag) included within composited intercept are also individually reported. • Metal equivalent values are not reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Down hole length of mineralized skarn in MAY 1 is 23.1 meters and in MAY 2 is 20.5 metres. True width is currently unknown although an estimate of between 15-18 metres is considered reasonable.
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.*	• Plan view of recently completed and historic drill holes is provided in report. Cross sections and other diagrams will be made available after all drill hole results (including geophysical surveys) have been come assessed and interpreted.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The detailed reporting of the MAY 2 results from 66 samples in this announcement is considered balanced.
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.*	• These results should be read in the context of other exploration results about this project and released previously to the market by the Company

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).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Upon the analysis and interpretation of all geological and geophysical data (including that data yet to be acquired), the Company will release appropriate plans and diagrams of any proposed exploration program going forward.