Option to Acquire Gold and Base Metal Projects Adjacent to Mt Mulcahy Project

HIGHLIGHTS

- Option to acquire 100% interest in two exploration licence applications adjacent to existing Mt Mulcahy tenure
- Combined project footprint now 490km^2 in a highly prospective gold and base metals area
- Historic significant gold intercepts from previous drilling include:
  - **12 m @ 7.40 g/t Au from 44 m, incl. 2 m @ 42.4 g/t Au**
  - **16 m @ 3.09 g/t Au from 0 m, incl. 2 m @ 16.8 g/t Au**
  - **4 m @ 2.65 g/t Au from 28m to End of Hole**
  - **5 m @ 1.38 g/t Au from 53 m**
  - **4 m @ 1.36 g/t Au from 28 m**

Scorpion Minerals Limited (ASX: SCN) it pleased to announce it has agreed terms for an Option to Acquire 100% of two exploration tenement applications from Element 25 (ASX: E25). Applications E20/953 and E20/948 (refer Figure 1) cover 384 km^2, are contiguous with granted SCN tenure at Mt Mulcahy (refer ASX: SCN announcement 13th September 2010), and are considered highly prospective for gold mineralisation.

The new combined total project area is 490 km^2, including the granted Mt Mulcahy tenements (E20/931, E20/840). E20/931 contains the Mount Mulcahy copper-zinc volcanic-hosted massive sulphide (VMS) deposit, a zone of mineralisation with a JORC 2012 Measured, Indicated and Inferred Resource of **647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t Ag** (refer PUN:ASX release 25 September 2014 and Table 1) at the 'South Limb Pod' (SLP).

The two new tenements are to be known collectively as the Pharos Project, where systematic exploration will focus on interpreted structural controls for primarily gold mineralisation associated with NNW trending splay structures off the Big Bell Shear (refer Figure 2), a major regional structure associated with significant gold endowment, including the 5Moz Big Bell gold deposit (refer Figure 1). The company's geologists believe there is significant potential for new gold and base metal deposits exists within the expanded project area.

SCORPION MINERALS LIMITED
ABN 40 115 535 030
24 Mumford Place
Balcatta WA 6021
T: +61 8 6241 1877
F: +61 8 6241 1811
www.scorpionminerals.com.au

SCN has conducted an initial review of open file data, and has identified a number of significant historical gold intercepts (refer Figure 3) from Rotary Air Blast (RAB) drilling under taken by previous companies on the applications. Highlights from this review include:

• 12 m @ 7.40 g/t Au from 44 m, including 2 m @ 42.4 g/t Au	Candle Prospect
• 16 m@ 3.09 g/t Au from 0 m, including 2 m @ 16.8 g/t Au	Candle Prospect
• 4 m @ 2.65 g/t Au from 28m to End of Hole	Lantern Prospect
• 5 m @ 1.38 g/t Au from 53 m	Mustang Sally Prospect
• 4 m @ 1.36 g/t Au from 28 m	Laterite Hill Prospect

A number of companies have held tenure in the area; however, no systematic exploration was completed over the larger project area due to fractured ownership, and changing commodities focus over time from gold to base metals and then to iron ore. This has resulted in incomplete programmes, particularly for gold, that focused on stratigraphic trends rather than cross-cutting structural targets that the company's geologists believe offer enhanced prospectivity.

As an example, early limited RAB drilling at Candle was oriented across the NNW-trending structures and intersected significant shallow gold mineralisation, however more detailed follow-up drill traverses were oriented parallel to the trend and failed to adequately test the likely mineralisation trend (refer Figure 3).

The tenements are considered prospective for a number of gold mineralisation types including:

1. Shear zone hosted lode style mineralisation hosted in mafic, ultramafic and felsic volcanics
2. Banded Iron hosted "Hill 50" style replacement deposits
3. High grade quartz vein "Day Dawn" style mineralisation hosted within dolerite and basalt
4. Felsic porphyry hosted quartz stockwork and ladder vein mineralisation

The stratigraphic sequence to the west of and adjacent to the Big Bell shear contains all the above rock types and systematic exploration has not been undertaken historically where the NNW trending splays off the Big Bell shear intersect these lithologies (refer Figure 2). Previous explorers have noted repeated observation of sericite-chlorite-carbonate alteration and pyrite-arsenopyrite mineralisation associated with gold mineralisation, which the company believes indicative of large Archean gold hydrothermal systems.

Planned future exploration will include:

1. Reprocessing of existing air magnetics and completion of a regional geologic interpretation
2. Detailed geological mapping of selected target areas.
3. Systematic auger soils geochemical sampling of the project initially focusing on high priority targets.
4. Follow up RC drilling of historic drill intercepts at Candle, Lantern, Mustang Sally, Ulysses and Laterite Hill

A summary of terms for the option to purchase are outlined below:

1. E25 to grant SCN a transferable, exclusive right to enter in to an option to purchase a 100% interest in each tenement for a non-refundable payment of $10,000 per tenement ($20,000 total) on signing, which is binding on E25 ("the non-refundable option fee").

2. SCN to complete due diligence prior to grant of tenement.

3. Upon grant of each tenement, E25 to grant SCN a 9-month transferable, exclusive right to enter in to an option to purchase a 100% interest in the project for a payment of $15,000 per tenement, which is binding on E25 ("the balance of option fee").

4. SCN to have the right to exercise the option to purchase 100% interest in the project at any time within the 9 month period after grant for a consideration of $75,000 per tenement (excluding the option fee above), payable within 7 days of signing formal binding legal agreements to transfer title ("the exercise price"). The option to purchase the first tenement will signal the binding intention to exercise the second tenement.

5. SCN to have the right to extend the exclusive option for one period of 6 months by payment of $50,000 ("the extension fee").

6. SCN to meet tenement expenditures during first year of grant, and pro-rata expenditure commitment for the extension period, should it be required.

7. E25 to retain a 1% NSR royalty on production from either tenement.

E25 has advised SCN that finalisation of a heritage agreement for E20/948 is imminent, and the tenement is expected to progress to grant shortly.

- ENDS -

Enquiries

Ms Bronwyn Barnes
Non-Executive Director
T: +61 8 6241 1877

Table 1: Current Mineral Resource Estimate, Mt Mulcahy Project
(refer ASX release 25/9/2014 "Maiden Copper - Zinc Resource at Mt Mulcahy", which also contains a list of significant drill intersections for the deposit)

Mt Mulcahy South Limb Pod Mineral Resource Estimate											
Resource Category	Grade						Contained Metal				
	Tonnes	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Cu (t)	Zn (t)	Co (t)	Ag (oz)	Au (oz)
Measured	**193,000**	3.0	2.3	0.1	25	0.3	5,800	4,400	220	157,000	2,000
Indicated	**372,000**	2.2	1.7	0.1	19	0.2	8,200	6,300	330	223,000	2,000
Inferred	**82,000**	1.5	1.3	0.1	13	0.2	1,200	1,100	60	35,000	
TOTAL	**647,000**	**2.4**	**1.8**	**0.1**	**20**	**0.2**	**15,200**	**11,800**	**610**	**415,000**	**4,000**

Competent Persons Statement 1

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a director and consultant to Scorpion Metals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the information in the form and context in which it appears.

The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

Forward Looking Statements

Scorpion Minerals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Scorpion Minerals Ltd, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.

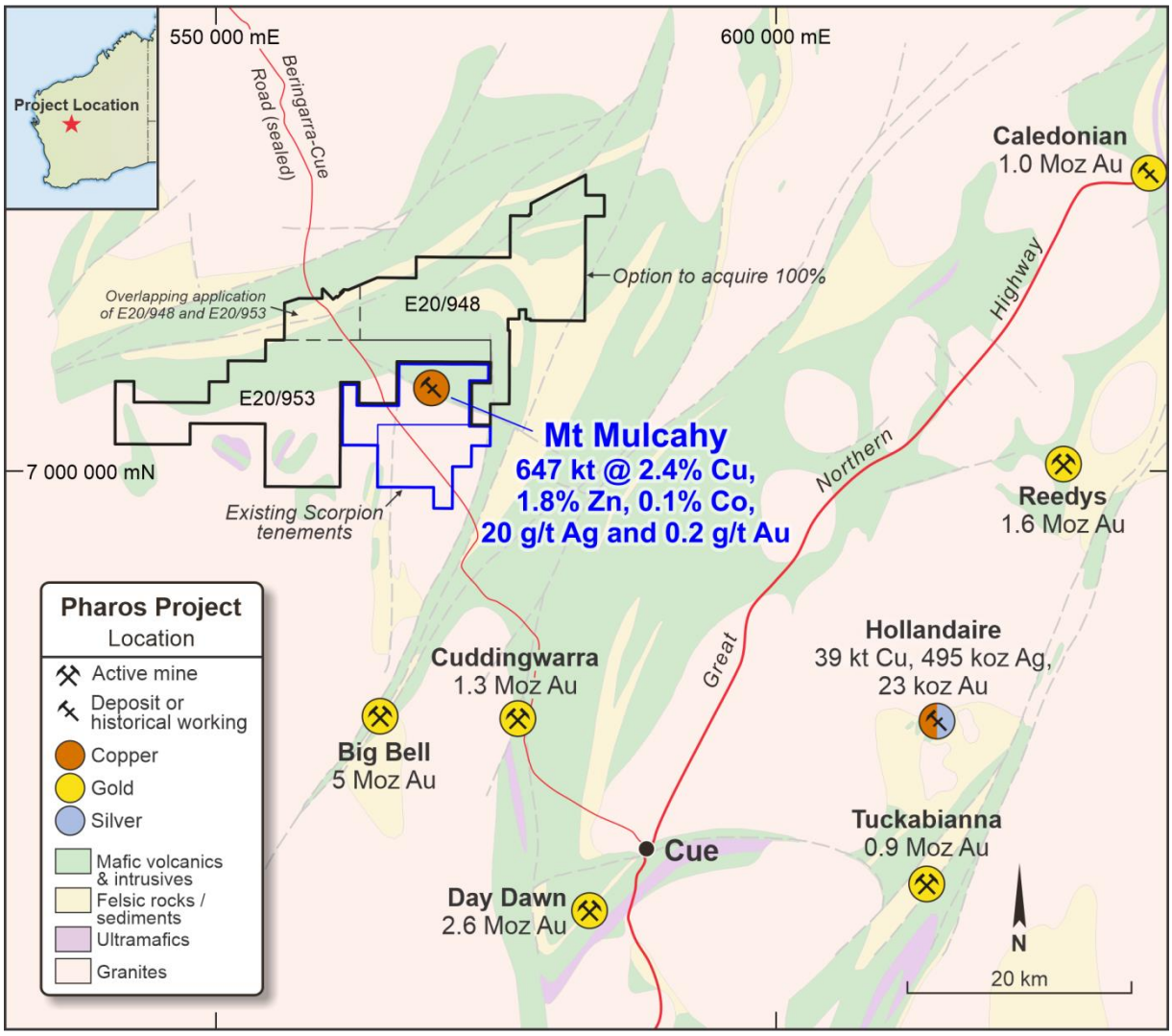

Figure 1 – Location of Mt Mulcahy Project and Regional Resources

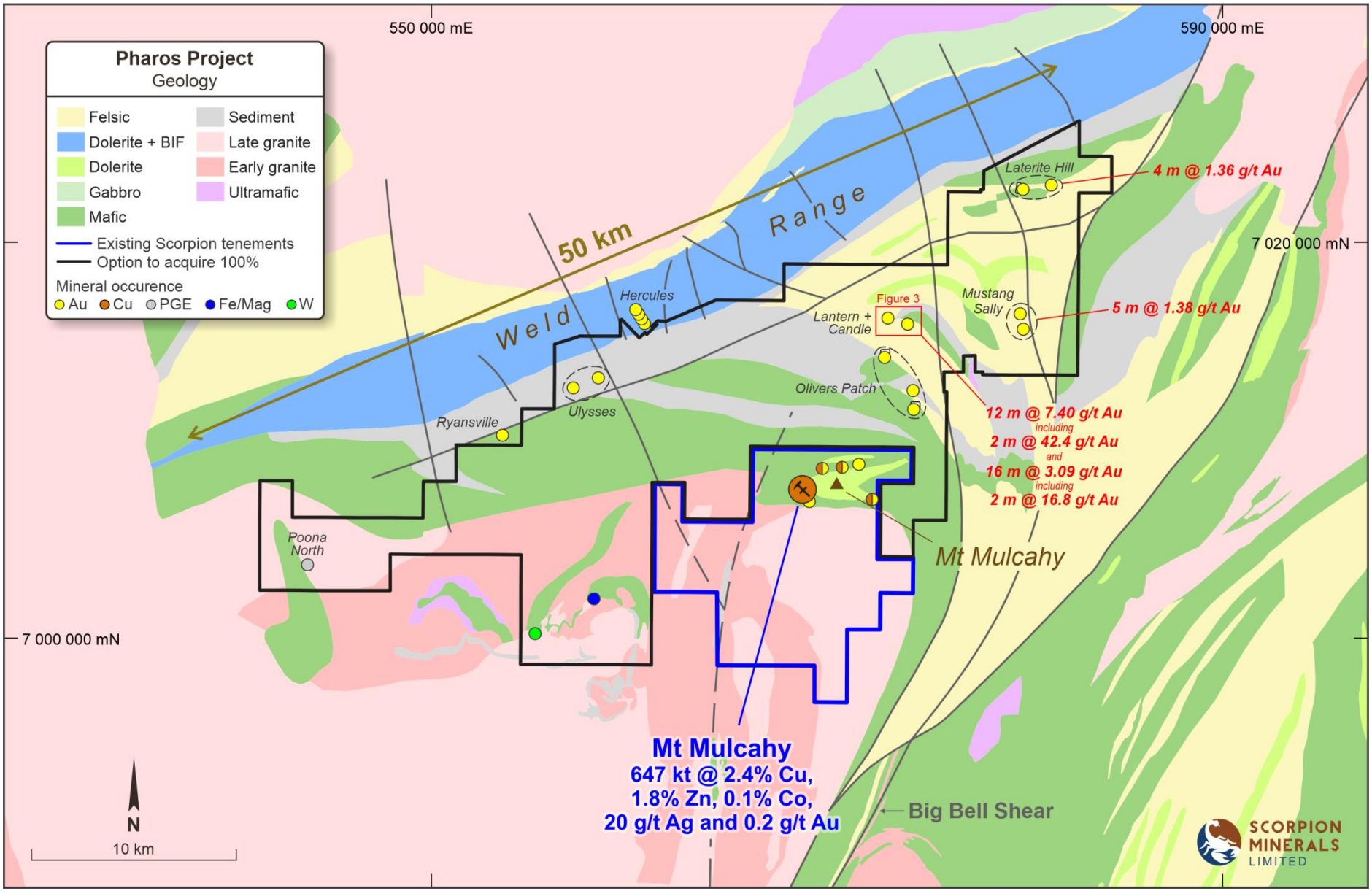

Figure 2 – Location of acquired landholdings and highlights

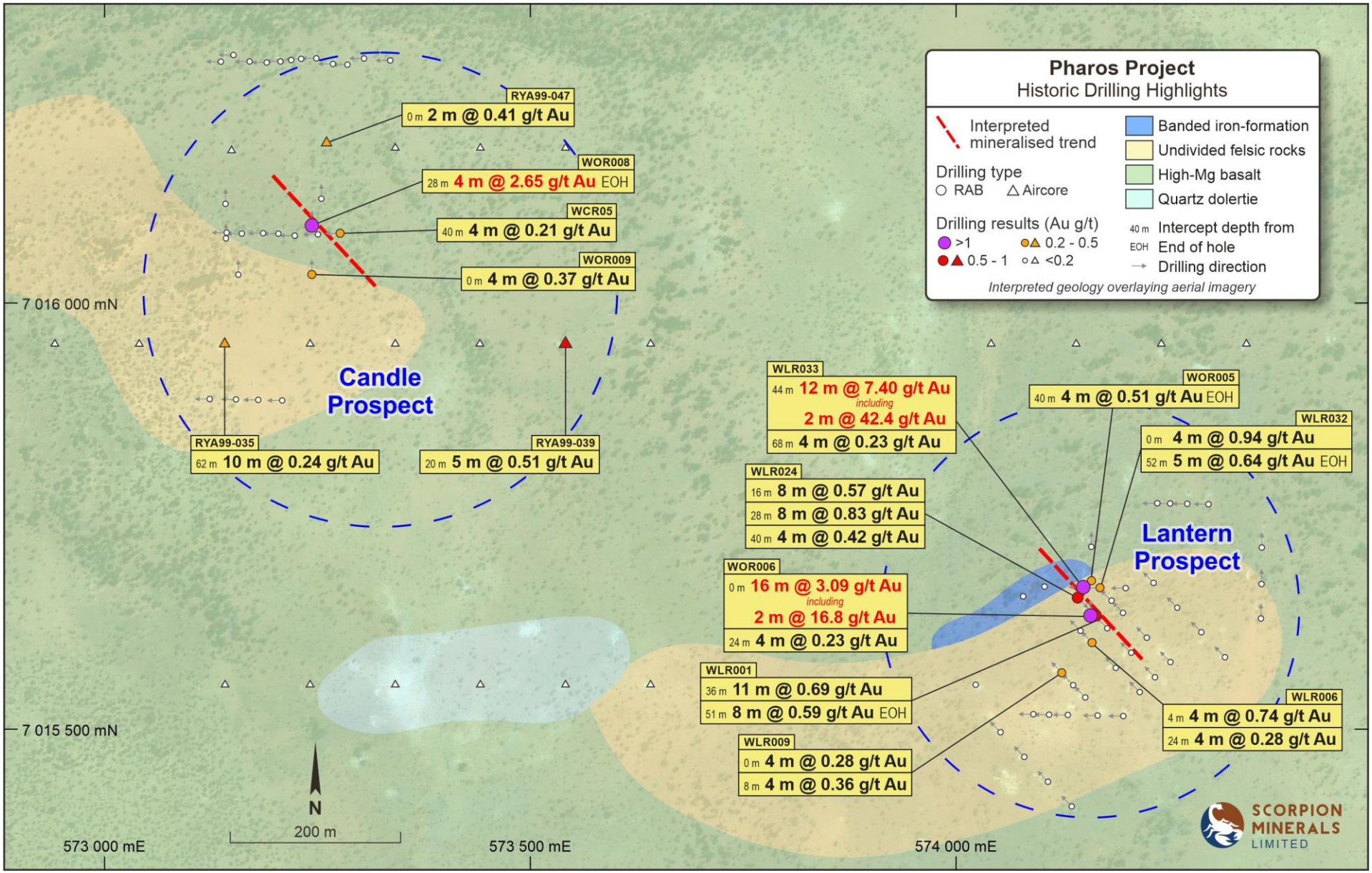

Figure 3 – Lantern and Candle Prospects showing Historic Drilling Results

- **Table 1: Material Historical Results (=/>4m @ >0.2 g/t Au)- Reported intervals are downhole lengths, true width not known**

Prospect	Hole ID	MGA Northing	MGA Easting	Assumed RL	MGA Azimuth	Dip	Max Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)	Drill Type	Company
Candle	RYA99-035	7015952	573141	0	0	-90	95.00	62.00	72.00	10.00	0.24	Aircore	Newcrest
Candle	RYA99-039	7015952	573541	0	0	-90	50.00	20.00	25.00	5.00	0.51	Aircore	Newcrest
Candle	RYA99-047	7016188	573260	0	0	-90	55.00	0.00	2.00	2.00	0.41	Aircore	Newcrest
Candle	WCR05	7016082	573277	0	270	-60	58.00	40.00	44.00	4.00	0.21	RAB	Hampton
Lantern	WLR001	7015633	574164	0	315	-60	59.00	36.00	47.00	11.00	0.69	RAB	Guardian
								51.00	59.00	8.00	0.59 EOH		
Lantern	WLR006	7015601	574159	0	315	-60	53.00	4.00	8.00	4.00	0.74	RAB	Guardian
								24.00	28.00	4.00	0.23		
Lantern	WLR009	7015566	574124	0	315	-60	40.00	0.00	4.00	4.00	0.28	RAB	Guardian
								8.00	12.00	4.00	0.36		
Lantern	WLR024	7015654	574143	0	135	-60	56.00	16.00	24.00	8.00	0.57	RAB	Guardian
								28.00	36.00	8.00	0.83		
								40.00	44.00	4.00	0.42		
Lantern	WLR032	7015666	574169	0	270	-60	57.00	0.00	4.00	4.00	0.94	RAB	Hampton
								52.00	57.00	5.00	0.64 EOH		
Lantern	WLR033	7015666	574149	0	270	-60	94.00	**44.00**	**56.00**	**12.00**	**7.40**	RAB	Hampton
							Including	***46.00***	***48.00***	***2.00***	***42.41***		
								68.00	72.00	4.00	0.23		
Lantern	WOR005	7015674	574159	0	0	-60	44.00	40.00	44.00	4.00	0.51 EOH	RAB	Guardian
Lantern	WOR006	7015633	574158	0	0	-60	27.00	**0.00**	**16.00**	**16.00**	**3.09**	RAB	Guardian
							Including	***8.00***	***10.00***	***2.00***	***16.80***		
								20.00	24.00	4.00	0.37		
Candle	WOR008	7016072	573243	0	0	-60	32.00	28.00	32.00	4.00	**2.65 EOH**	RAB	Guardian
Candle	WOR009	7016033	573243	0	0	-60	32.00	0.00	4.00	4.00	0.37	RAB	Guardian
Mustang Sally	MS256-4	7016797	579630	0	117	-60	102	89.00	91.00	2.00	2.46	RAB	Equinox
Mustang Sally	MS255-3	7016689	579607	0	117	-60	81	49.00	50.00	1.00	3.50	RAB	Equinox
Mustang Sally	MS264-5	7016606	579558	0	117	-60	89	53.00	58.00	5.00	1.38	RAB	Equinox
Laterite Hill	LWL100-4	7022651	581237	0	156	-60	55	28.00	32.00	4.00	1.36	RAB	Equinox
Laterite Hill	LWN329-3	7022599	582096	0	117	-60	71	43.00	44.00	1.00	1.18	RAB	Equinox
Laterite Hill	LWN330-4	7022716	582134	0	117	-60	54	29.00	30.00	1.00	1.35	RAB	Equinox

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.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As by method B/AAS, 1m re-splits taken and assayed when anomalous. • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, samples collected as 4m composites and sent to ALS for assaying of Au by method PM209, 50g fire assay with AAS finish. • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As, by unknown method, 1m re-splits taken when Au >0.01 ppm. • **Newcrest Operations Limited**, 1999, WAMEX report a59755, Aircore (AC) drilling, samples collected as 4m or 5m composites and sent to AMDEL for assaying of Au by method AA9, Aqua Regia digest and for Cu, Pb, Zn, As, NI, Co and Sb by method IC9, ICP and Aqua Regia digest
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).*	• **Guardian Resources NL**, 1992, WAMEX report a37370, • RAB drilling, no further details • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, • RAB drilling, no further details • **Equinox Resources NL**, 1994, WAMEX report a 43716, • RAB drilling completed byGeotechnical Drilling Engineers using a Gemco H13 drill rig with 150 psi and 750 cfm air capacity • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling, • AC drilling completed by Prodrill of Kalgoorlie using an Edison drill rig with 350psi and 600cfm air capacity
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.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • Not recorded • Not recorded • Not known • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • Not recorded • Not recorded • Not known

Criteria	JORC Code explanation	Commentary
		• **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling • Not recorded • Not recorded • Not known • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling, • Not recorded • Not recorded • Not known
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.* • *The total length and percentage of the relevant intersections logged.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • While logged to a level of geological detail; drill method is inappropriate to support studies • Quantitative, not supported by photography • All relevant intersections logged • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • While logged to a level of geological detail; drill method is inappropriate to support studies • Quantitative, not supported by photography • All relevant intersections logged • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling • While logged to a level of geological detail; drill method is inappropriate to support studies • Quantitative, not supported by photography • All relevant intersections logged • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling, • While logged to a level of geological detail; drill method is inappropriate to support studies • Quantitative, not supported by photography • All relevant intersections logged
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.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • Non-core, generally sampled dry • Qualitative only • Not known • Not known • Not known • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • Non-core, generally sampled dry • Qualitative only • Not known • Not known • Not known • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling • Non-core, generally sampled dry • Qualitative only • Not known • Not known

Criteria	JORC Code explanation	Commentary
		• Not known • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling, • Non-core, generally sampled dry • Qualitative only • Not known • Not known • Not known
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.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As by method B/AAS, 1m re-splits taken and assayed when anomalous. • Appropriate for shallow geochemical drilling, B/AAS is an Aqua Regia technique and generally considered a partial extraction technique, although suitable for oxide material. • N/A • Nature of client-side QC not known, levels of accuracy not established • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, samples collected as 4m composites and sent to ALS for assaying of Au by method PM209, 50g fire assay with AAS finish. Cu Pb, Zn, As also reported by method G001(As Method G003) • More than appropriate for shallow geochemical drilling, PM209 is an Fire Assay technique and considered a total extraction technique. • N/A • Nature of client-side QC not known, levels of accuracy not established • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As, by unknown method, 1m re-splits taken when Au >0.01 ppm. • Not known, gold detection specified to 5ppb, suggesting a sophisticated technique. • N/A • Levels of accuracy not established • **Newcrest Operations Limited**, 1999, WAMEX report a59755, Aircore drilling, samples collected as 4m or 5m composites and sent to AMDEL for assaying of Au by method AA9, Aqua Regia digest and for Cu, Pb, Zn, As, NI, Co and Sb by method IC9, ICP and Aqua Regia digest • Appropriate for shallow geochemical drilling, AA9 is an Aqua Regia technique and generally considered a partial extraction technique, although suitable for oxide material. • N/A • Nature of client-side QC not known, levels of accuracy not established
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,*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • Not known • NA • Not known, retrieved from WAMEX • NA.

Criteria	JORC Code explanation	Commentary
	data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	• **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • Not known • NA • Not known, retrieved from WAMEX • NA. • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, • Not known • NA • Not known, retrieved from WAMEX • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling • Not known • NA • Not known, retrieved from WAMEX • NA.
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.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • Not known • Not specified, originally local • None • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • Not known • Not specified • None • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, • Not known • AMG AGD84 • None • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling • Not known • AMG AGD84 • None
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.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • RAB drilling, NA • NA • Samples originally composited, no further data compositing • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • RAB drilling, NA • NA • Samples originally composited, no further data compositing • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, • RAB drilling, NA • NA • Samples originally composited, no further data compositing

Criteria	JORC Code explanation	Commentary
		• **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling • AC drilling, NA • NA • Samples originally composited, no further data compositing
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.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • Not Known • Not Known • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • Not Known • Not Known • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, • Not Known • Not Known • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling • Not Known • Not Known
Sample security	• *The measures taken to ensure sample security.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • Not Known • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • Not Known • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, • Not Known • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling • Not Known
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• **Guardian Resources NL**, 1992, WAMEX report a37370, RAB drilling, • NA • **Hampton Hill Mining NL**, 1994, WAMEX report a45300, RAB drilling, • NA • **Equinox Resources NL**, 1994, WAMEX report a 43716, RAB drilling, • NA • **Newcrest Operations Limited**, 1999, WAMEX report a59755, AC drilling • NA

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.*	• ELA Applications E20/948 and E20/953 Yallon and Sunday Well are exploration licence applications in the name of ASX listed Element 25 (ASXE25). They are both subject to Exploration and Heritage Agreement between The Weld Range Wajarri Yamatji and the tenement holder being signed before progressing to grant. Details surrounding the option to purchase both tenements by Scorpion Metals (ASX:SCN) is listed in this announcement. • No known impediments other than listed above should impede progression to grant
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Primarily Guardian Resources NL, and Equinox Resources between 1991 and 1995, and after that later Hampton Hill Mining NL undertook geological mapping, airborne and ground magnetic surveys, soil sampling, rock chip and RAB, Vacuum and Aircore drilling. MIM entered the area searching for VHMS bas metals and shear related gold, successfully outlining a coherent 3km long >20ppb Au in saprolite anomaly at Ulysses East with RAB, Aircore and RC drilling, but withdrew in 1997. Newcrest Operations Limited then entered the area, completing additional RAB drilling and a 438.5 m diamond core hole at Ulysses East., and extending that anomaly to 4.5km in length, and drilling additional anomalism at Oliver 's Patch, at the Candle prospect.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The company is targeting: • Shear-hosted lode-style mineralisation within mafic, ultramafic and felsic volcanics • Banded Iron Formation (BIF) hosted "Hill 50" style replacement deposits • High grade quartz vein "Day Dawn" style mineralisation hosted within dolerite and basalt • Felsic porphyry-hosted quartz stockwork and ladder vein mineralisation

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*
		• Refer to list of drillhole intercepts, Table 1: Material Historical Results.

Criteria	JORC Code explanation	Commentary
	○ *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.*	
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.*	• Assays have been length weighted for calculation of intercepts, no top cut has been applied, lower cut is 0.2 g/t Au • The company has listed internal intervals >2m>10g/t for emphasis • NA
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').*	• Intercept lengths are downhole lengths • Not known • Downhole lengths, true width not known
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to maps included in this report
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 report and Table 1 list low and high grade intervals to provide balanced reporting
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.*	• More detailed geological review will follow in subsequent report

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.*	• Discussed in this report • NA