

# ASX Release

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## Issued Shares and Options:

Shares: 43 million  
Unlisted options: 1.5 million

ASX Code: SWR

## GEOCHEMICAL RESULTS HIGHLIGHT LUNA–LUNA EAST TREND AS ‘DRILL-READY’ TARGET

### Highlights

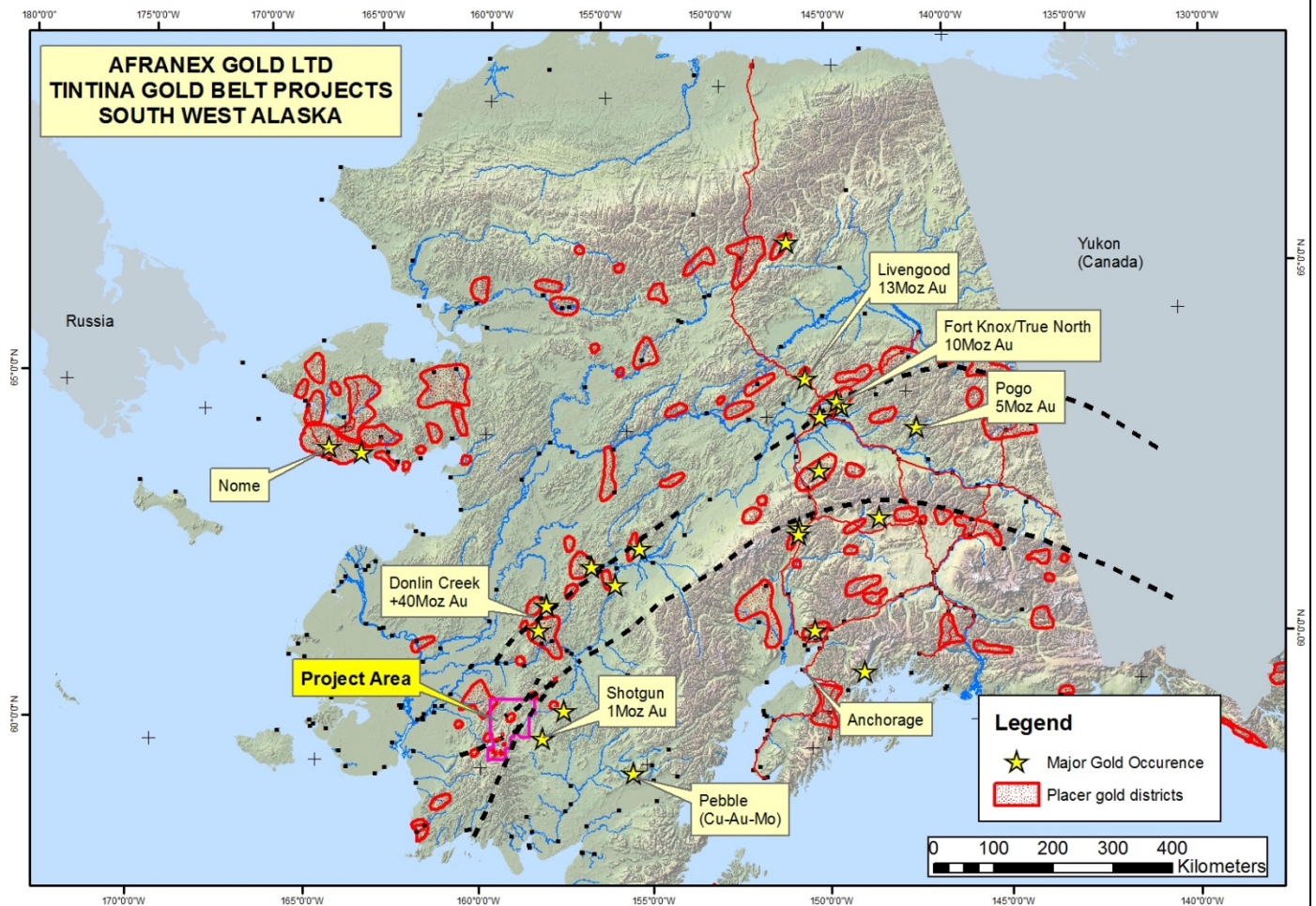
- Geochemical exploration has confirmed the anomalous 1.3km Luna–Luna East trend as a mineralised splay off the main Luna Fault.
- Channel sampling has returned up to 1480ppb gold (1.48g/t Au) with anomalous silver, antimony, bismuth and arsenic.
- Geochemical drilling returned up to 140ppb gold and 1,200ppb silver.
- Biogeochemical results indicate possible 800m extension to the existing 1.3km strike.

The Directors of Southern Crown Resources Limited ("**Southern Crown**" or "**the Company**") are pleased to report the results of an extensive exploration program completed at the Luna-Quicksilver project in Alaska, located approximately 550km west of Anchorage, Alaska, in the Tintina Gold belt, a belt which hosts a number of world class intrusion related gold ("IRG") systems including Donlin Creek (45Moz@ 2.21g/t) (Figure 1).

The exploration program consisted of collecting 57 auger geochemical samples, 151 channel samples, 350 biogeochemical ("BGC") samples and 10 rock chip samples. Detailed geological mapping was also completed. The channel sampling and auger geochemical data sets were used to evaluate gold distribution in close proximity to and in between the Luna and Luna East outcrops. The BGC samples were used to evaluate an approximately 18km<sup>2</sup> area centered on the Luna/Luna East trend.

Southern Crown's Chairman, Rhod Grivas commented: ***"The exploration program was successful in geochemically testing the trend between Luna and Luna East as well as completing exploration along strike and across the main Luna north east trending fault to ensure follow up bedrock drilling can be focused on the best targets."***

***The results confirmed the best target is the 1.3km Luna-Luna East trend, an interpreted NNE splay off the main Luna fault with a primarily silver rich signature accompanied by anomalous gold and important pathfinder elements (antimony and arsenic) typical of economic IRG systems."***



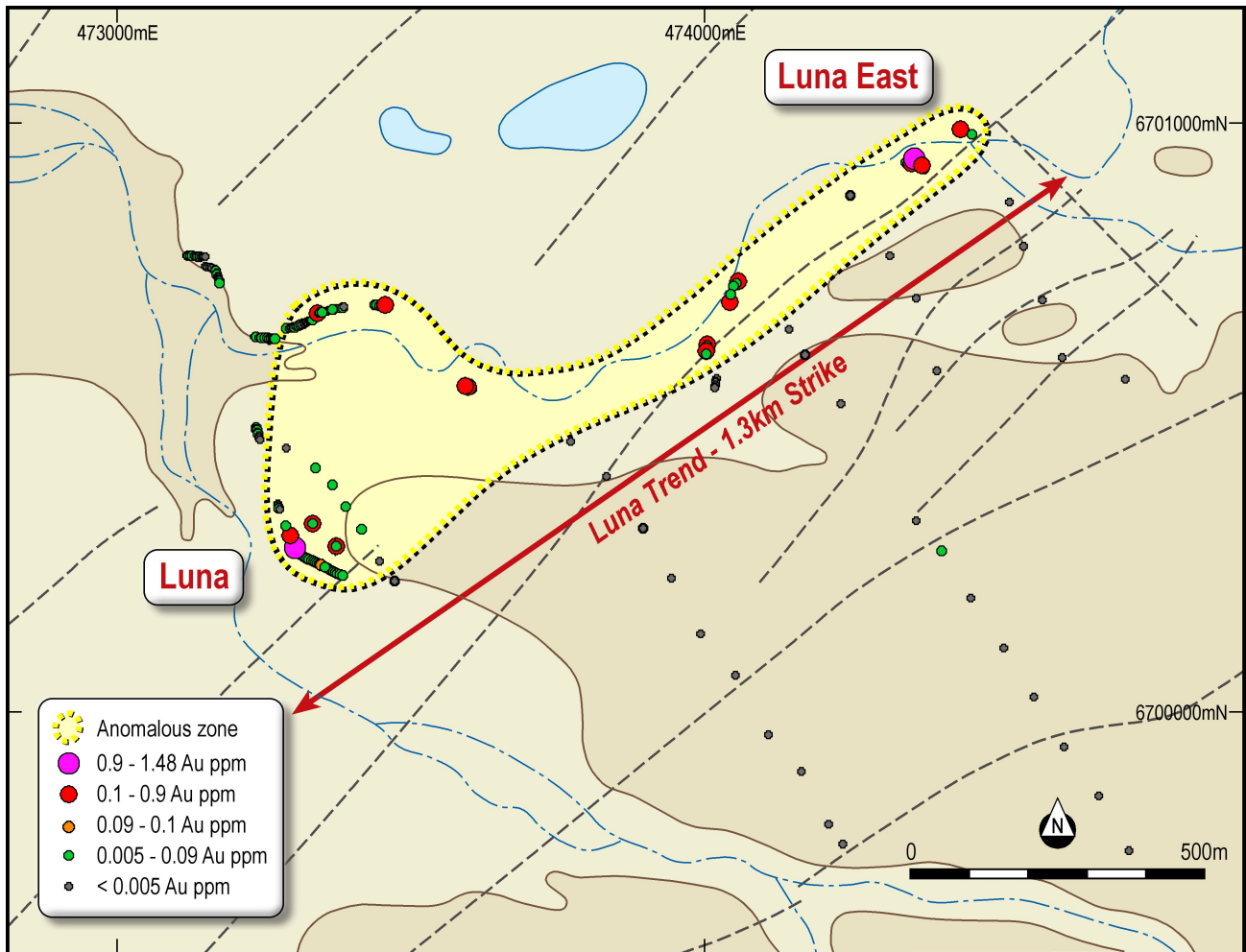
**Figure 1: Tintina gold belt showing project area in SW Alaska, 200km from Donlin Creek deposit**

## LUNA-QUICKSILVER PROJECT EXPLORATION UPDATE

### Luna-Luna East Geochemical Sampling

Southern Crown completed channel sampling along the river banks below the overburden. Outcrop is limited in the immediate area with exposures isolated in river cut stream banks. The channel sampling provided critical information involved digging away up to 0.5m of overburden to expose underlying weathered bedrock. In excess of 1600ft (487m) of bedrock channels were exposed from all feasibly accessible locations along the stream cut banks around Luna-Luna East. A total of 151 samples were collected. Samples were collected at nominal 10ft (3m) intervals.

A total of 39 auger geochemical holes for 829ft (253m) were drilled across the main NE structural trend between Luna and Luna East on four lines nominally spaced 400 metres apart with holes on each line nominally spaced 100m apart. The majority of holes intersected the top of bedrock, however some intersected fault clays, with the average depth to bedrock of 5 metres. A total of 57 samples were collected and analyzed. All samples were analyzed at the internationally certified ALS laboratory in Fairbanks, Alaska.



**Figure 2: Luna-Luna E topographic image with channel and auger geochemistry gold anomalism (NAD)**

The channel and auger drill sample types are similar in nature and combining these data sets allows for a comprehensive understanding of the spatial distribution of mineralization along the NE trending Luna-Luna East linear (Figure 2). Anomalous values consistently align along the NE trend between Luna and Luna East. Bismuth is the best pathfinder mineral with the best correlation to the potentially economic metals and highlights the Luna – Luna East trend in both the channel samples and geochemical holes. In the combined data set bismuth strongly correlates with gold, lead, antimony and sulphur and correlates well with silver, iron and arsenic. These correlations are spatially related to the sulphide rich stockworks evident on the river bank at Luna and the south side of Luna East as well as the massive sulfide vein present at Luna East (Tables 1 & 2).

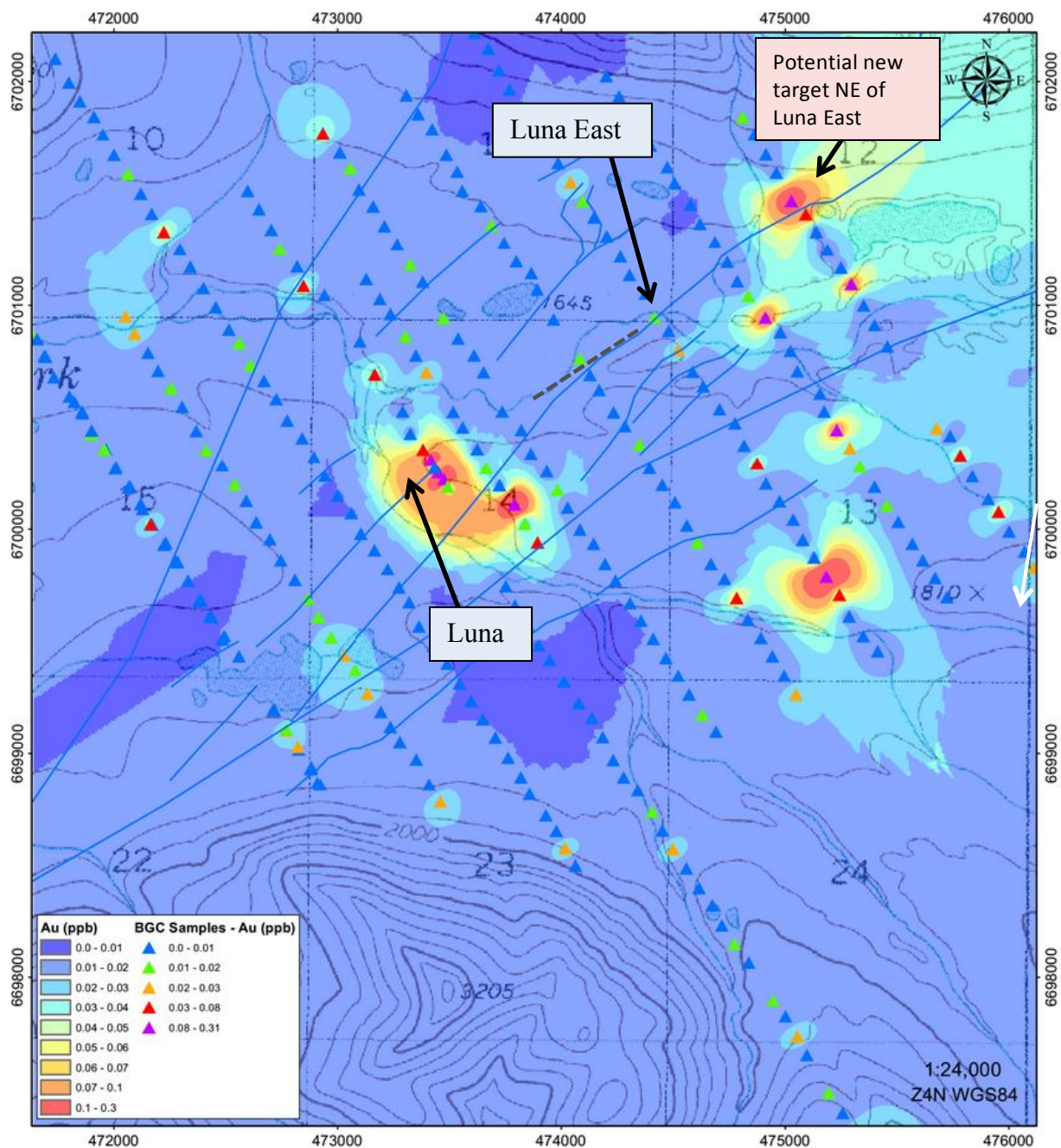
Silver is the most anomalous valuable metal, with good continuity along the Luna – Luna East trend. Values above 0.5g/t Ag were recorded over the 1.25km of strike tested, with a maximum of 66.6g/t Ag. Gold is also highly anomalous with values up to 1.48g/t Au. Copper anomalism of up to 976ppm was recorded close to the Luna East prospect with values in excess of 200ppm recorded over a strike of 1km towards the Luna prospect.

Results from this recent geochemical exploration program coupled with results from previous campaigns and knowledge from detailed mapping and geophysics have highlighted numerous second order splays off the main Luna Fault as possible mineralized structures that have a total strike length of at least 1.25km. Several viable drill targets exist along these splays.



### Luna-Luna East Biogeochemical Sampling

In order to test a larger area along strike to the Luna and Luna East prospects as well as gain additional lateral coverage, the company engaged a biogeochemical expert to oversee the collection and analysis of vegetation samples. Over 3km of the Luna-Luna East strike was covered with a total of 350 biogeochemical samples collected on lines spaced 400 metres with samples on each line spaced 100 metres. The BGC samples evaluated an approximately 18km<sup>2</sup> area centered on the Luna-Luna East trend. Samples were collected from common species of plants to ensure a reflective geochemical sample.



**Figure 3: Luna Quicksilver BGC sampling showing gold anomalism and structure interpreted from the geophysics.**

The biogeochemical data generally correlated with the rock data set with respect to structure and gold anomalism (Figure 3). The BGC data showed a very strong anomaly around the main Luna outcrop and identified the major NE trending structure (Luna fault) as well as several second order splays. The data set also provided key additional information – primarily the possible 800m NE extension of Au mineralization along the Luna-Luna East trend and evidence of a more subtle NW trend extending from the main Luna outcrop. Critical pathfinders show an offset mirrored pattern on opposite sides of the Luna fault and could provide kinematic information upon further analysis.

The biogeochemistry also identified a base metal (Ni-Co) +/- Ag dominated anomaly in the SE corner of the survey. Volatile pathfinders define a relatively tight cluster which identifies the center of the Ni-Co cell. The lack of gold in the BGC data set could be species dependent or possibly suppressed in the wet environment present within the survey. It is Southern Crown's belief that more emphasis should perhaps be placed on the broad As-Sb anomalies identified in the survey as these pathfinders correlate well with Au in the rock data and in other nearby deposits.

### **Future Work**

With Southern Crown's program of exploration work along with historical exploration in and around the Luna – Luna East trend, the obvious next stage is to conduct a bedrock drilling program. The Company is awaiting the final technical report from the biogeochemist before finalising plans for follow-up exploration. Alaska has a summer field season commencing in May and finishing in October. Drilling can be conducted during winter however it requires a winterised camp and the Company does not intend conducting any further exploration until summer. Although the scout geochemistry drilling rig used during August and September 2014 was track mounted, it had limited ability to move around on the tundra surface at Luna. Prior to the commencement of the field season, Southern Crown will review the type and availability of suitable cost effective drill rigs.

### **For further information please contact:**

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### **Competent Person's Statement**

*The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Rhoderick Grivas, an employee of the Company and a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Grivas has sufficient experience that is relevant to the style of mineralisation 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'. Mr Grivas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## APPENDIX 1

**Table 1 – Anomalous channel sample assay results nominally above 0.1g/t Au or 0.3g/t Ag**

Sample#	Easting	Northing	Au_ppm	Ag_ppm	As_ppm	Bi_ppm	Cu_ppm	Fe_%	Pb_ppm	S_%
18884	473,313	6,700,267	0.02	0.36	70.9	0.37	21.6	3.42	14.2	0.1
18892	473,336	6,700,256	0.03	0.43	215	0.71	58.8	4.97	9.3	0.6
<b>18898</b>	<b>473,355</b>	<b>6,700,246</b>	<b>0.04</b>	<b>1.01</b>	<b>83.2</b>	<b>0.89</b>	<b>107.5</b>	<b>3.61</b>	<b>16.3</b>	<b>0.29</b>
<b>18899</b>	<b>473,358</b>	<b>6,700,245</b>	<b>0.03</b>	<b>1.41</b>	<b>100.5</b>	<b>1.05</b>	<b>102</b>	<b>3.88</b>	<b>30.3</b>	<b>0.46</b>
18907	473,261	6,700,633	0.01	0.38	14.4	0.25	95.2	5.86	18.8	0.77
18917	473,304	6,700,653	0.03	0.32	41.6	0.47	81	5.5	8.2	0.46
18933	473,444	6,700,690	0.04	0.35	12.5	0.08	58	5.72	27.8	0.65
18935	473,451	6,700,690	0.07	0.56	24.9	0.12	91.9	6.32	20.7	0.87
18937	473,457	6,700,690	0.14	0.55	18.4	0.16	94.8	5.78	24.2	0.68
<b>1313167</b>	<b>474,356</b>	<b>6,700,938</b>	<b>1.48</b>	<b>16.05</b>	<b>10000</b>	<b>36.6</b>	<b>976</b>	<b>14.85</b>	<b>32.7</b>	<b>2.99</b>
1313601	473,361	6,700,243	0.07	0.76	506	0.82	78.8	3.5	14.4	0.24
1313603	473,367	6,700,240	0.02	<b>0.31</b>	46.8	0.4	42.1	3.36	10.2	0.27
1313608	473,385	6,700,231	0.04	0.3	129	0.55	48.5	3.75	9.4	0.13
<b>1313611</b>	<b>474,057</b>	<b>6,700,730</b>	<b>0.12</b>	<b>3.36</b>	<b>3430</b>	<b>4.9</b>	<b>845</b>	<b>6.78</b>	<b>7.8</b>	<b>1.62</b>
<b>1313612</b>	<b>474,053</b>	<b>6,700,727</b>	<b>0.07</b>	<b>2.28</b>	<b>1875</b>	<b>2.21</b>	<b>709</b>	<b>5.56</b>	<b>4.9</b>	<b>1.2</b>
1313613	474,050	6,700,723	0.04	0.48	155	0.93	234	5.28	3.9	0.45
<b>1313615</b>	<b>474,043</b>	<b>6,700,696</b>	<b>0.79</b>	<b>0.43</b>	<b>10000</b>	<b>6.05</b>	<b>119</b>	<b>6.15</b>	<b>4.6</b>	<b>0.39</b>
1313617	473,599	6,700,551	0.19	0.58	56.5	0.07	308	6.3	7.1	0.28
1313618	473,594	6,700,552	0.13	0.65	45.5	0.2	483	6.07	6.7	0.71
1313619	474,342	6,700,932	0.06	0.99	66.7	2.98	96.6	6.33	5.9	0.11
<b>1313621</b>	<b>474,352</b>	<b>6,700,930</b>	<b>0.28</b>	<b>9.07</b>	<b>10000</b>	<b>12.35</b>	<b>526</b>	<b>8.15</b>	<b>12.1</b>	<b>0.74</b>
1313625	474,363	6,700,927	0.005	0.3	65.9	1.61	114.5	5.86	8.1	0.69
1313627	474,369	6,700,927	0.04	0.36	93.8	1.71	273	6.78	7	0.44
<b>1313629</b>	<b>474,373</b>	<b>6,700,921</b>	<b>0.01</b>	<b>1.13</b>	<b>274</b>	<b>1.08</b>	<b>169.5</b>	<b>6.22</b>	<b>5.4</b>	<b>0.37</b>
1313635	474,004	6,700,622	0.03	0.99	1070	1.09	188	5.27	15.9	0.14
1313636	474,003	6,700,619	0.02	0.71	273	1.14	140.5	5.61	18.5	0.04
1313637	474,003	6,700,615	0.04	0.4	714	1.14	86.7	4.99	19.7	0.04
<b>1313638</b>	<b>474,002</b>	<b>6,700,612</b>	<b>0.55</b>	<b>0.96</b>	<b>1015</b>	<b>1.94</b>	<b>90.7</b>	<b>5.19</b>	<b>93.3</b>	<b>0.04</b>
<b>1313649</b>	<b>473,342</b>	<b>6,700,676</b>	<b>0.6</b>	<b>0.97</b>	<b>1970</b>	<b>3.86</b>	<b>238</b>	<b>6.61</b>	<b>12.5</b>	<b>0.25</b>
1313651	473,347	6,700,677	0.02	0.3	372	0.94	68.3	5.13	12.5	0.14
1313663	473,388	6,700,687	0.005	0.36	26.6	0.44	139	6.2	17.8	0.49

Note: A total of 151 channel samples were collected and analysed, 31 are reported here are considered anomalous

**Table 2 – Auger geochemistry sample assay results nominally above 0.1g/t Au or 0.3g/t Ag**

Hole Number	Depth (ft)	Sample#	Easting	Northing	Au_ppm	Ag_ppm	As_ppm	Bi_ppm	Cu_ppm	Fe_%
<b>LN-14-001</b>	<b>47</b>	<b>1313101</b>	<b>473474</b>	<b>6700222</b>	<b>0.07</b>	<b>0.61</b>	<b>46.1</b>	<b>0.33</b>	<b>141</b>	<b>5.53</b>
LN-14-002	25	1313102	473448	6700256	0.005	0.17	43.1	0.14	58	5.43
<b>LN-14-003</b>	<b>14</b>	<b>1313103</b>	<b>473417</b>	<b>6700310</b>	<b>0.02</b>	<b>0.42</b>	<b>96.4</b>	<b>0.23</b>	<b>89.1</b>	<b>5.31</b>
<b>LN-14-004</b>	<b>22</b>	<b>1313104</b>	<b>473390</b>	<b>6700348</b>	<b>0.06</b>	<b>0.31</b>	<b>63.1</b>	<b>0.44</b>	<b>89.5</b>	<b>3.61</b>
LN-14-005	20	1313105	473368	6700386	0.03	0.23	49	0.32	40.7	3.78
LN-14-006	12	1313106	473340	6700414	0.02	0.25	71.3	0.36	64.5	4.4
LN-14-007	7	1313107	473290	6700448	0.005	0.12	18.9	0.15	46.3	4.23
LN-14-007	9	1313108	473290	6700448	0.005	0.12	24	0.15	50.2	4.22
LN-14-007	12	1313109	473290	6700448	0.005	0.16	28.4	0.16	55.8	4.51
<b>LN-14-008</b>	<b>13</b>	<b>1313111</b>	<b>473374</b>	<b>6700281</b>	<b>0.03</b>	<b>0.23</b>	<b>99</b>	<b>0.21</b>	<b>91.6</b>	<b>5.15</b>
<b>LN-14-008</b>	<b>14</b>	<b>1313112</b>	<b>473374</b>	<b>6700281</b>	<b>0.14</b>	<b>1.21</b>	<b>173</b>	<b>0.91</b>	<b>92.3</b>	<b>3.65</b>
<b>LN-14-009</b>	<b>12</b>	<b>1313113</b>	<b>473334</b>	<b>6700320</b>	<b>0.14</b>	<b>0.64</b>	<b>1200</b>	<b>0.84</b>	<b>69.3</b>	<b>3.53</b>
LN-14-009	13	1313114	473334	6700320	0.01	0.16	40.2	0.16	50.9	5.61
LN-14-010	13.5	1313115	473772	6700458	0.005	0.08	52	0.42	35	4.69
<b>LN-14-010</b>	<b>12.5</b>	<b>1313116</b>	<b>473772</b>	<b>6700458</b>	<b>0.005</b>	<b>0.08</b>	<b>48.1</b>	<b>0.53</b>	<b>42.3</b>	<b>4.83</b>
LN-14-011	12	1313117	473834	6700400	0.005	0.16	36.8	0.14	64.8	5.53
LN-14-012	12	1313118	473895	6700312	0.01	0.17	119.5	0.09	78.4	4.05
LN-14-012	13	1313119	473895	6700312	0.005	0.07	39.3	0.03	16.6	3.68
LN-14-013	21	1313121	473944	6700227	0.005	0.18	21.4	0.17	61.6	4.54
LN-14-014	20	1313122	473994	6700132	0.005	0.12	20.5	0.15	49.2	4.75
LN-14-015	23	1313123	474052	6700062	0.005	0.22	13.4	0.15	58.1	5.16
LN-14-016	11	1313124	474108	6699961	0.005	0.14	16.6	0.18	73.1	5.51
LN-14-017	12	1313125	474164	6699900	0.005	0.14	17.9	0.17	60	5.02
LN-14-018	22	1313126	474211	6699809	0.005	0.15	16.9	0.18	66.7	5.68
<b>LN-14-019</b>	<b>23</b>	<b>1313127</b>	<b>474234</b>	<b>6699776</b>	<b>0.005</b>	<b>0.21</b>	<b>16.1</b>	<b>1.12</b>	<b>76.3</b>	<b>5.33</b>
LN-14-020	25	1313128	474720	6699765	0.005	0.08	27.1	0.18	59.2	5.64
LN-14-021	16	1313129	474670	6699857	0.005	0.05	364	0.09	52.3	5.65
LN-14-022	17	1313130	474610	6699941	0.005	0.16	26.6	0.15	84.2	4.77
<b>LN-14-023</b>	<b>19</b>	<b>1313131</b>	<b>474559</b>	<b>6700025</b>	<b>0.005</b>	<b>0.3</b>	<b>34.8</b>	<b>0.17</b>	<b>61.3</b>	<b>5.27</b>
LN-14-024	25	1313132	474508	6700108	0.005	0.16	22.9	0.17	54.1	5.08
LN-14-025	35	1313133	474452	6700194	0.005	0.14	10.8	0.18	63.6	5.15
LN-14-026	25	1313134	474403	6700274	0.02	0.13	18.4	0.19	53.1	5.16
LN-14-027	13	1313135	474359	6700325	0.005	0.17	33.8	0.23	55.4	4.59
LN-14-028	15	1313136	474394	6700579	0.005	0.12	20.2	0.13	42.5	3.8
LN-14-029	18	1313137	474231	6700523	0.005	0.18	7.4	0.17	63.8	5.42
LN-14-030	21	1313138	474170	6700606	0.01	0.13	19.8	0.07	59.4	4.77
LN-14-030	23	1313139	474170	6700606	0.005	0.2	17.6	0.04	172.5	4.81
LN-14-031	12	1313141	474144	6700649	0.005	0.1	12.4	0.05	16.3	3.29

LN-14-031	15	1313142	474144	6700649	0.005	0.24	16.5	0.07	18.4	3.3
LN-14-032	10	1313143	474607	6700601	0.005	0.12	18.1	0.14	52.7	4.74
LN-14-032	13	1313144	474607	6700601	0.005	0.09	15.4	0.12	55.3	4.74
LN-14-032	17	1313145	474607	6700601	0.005	0.13	20.3	0.11	43.2	4.93
LN-14-033	15	1313146	474714	6700564	0.005	0.1	19.8	0.12	61.6	6.13
LN-14-033	23	1313147	474714	6700564	0.005	0.1	21.3	0.15	65.2	4.83
LN-14-034	26	1313148	474574	6700699	0.005	0.16	21.2	0.16	58.5	4.93
LN-14-035	32	1313149	474541	6700790	0.005	0.12	22.5	0.15	48.4	4.13
LN-14-035	35	1313150	474541	6700790	0.005	0.14	25.8	0.16	48.9	4.52
LN-14-035	42	1313151	474541	6700790	0.005	0.29	20.1	0.19	64	5.33
LN-14-036	24	1313152	474517	6700865	0.005	0.16	28.4	0.17	53.7	4.36
<b>LN-14-036</b>	<b>36</b>	<b>1313153</b>	<b>474517</b>	<b>6700865</b>	<b>0.005</b>	<b>0.16</b>	<b>61.7</b>	<b>0.52</b>	<b>73.8</b>	<b>6.31</b>
<b>LN-14-037</b>	<b>25</b>	<b>1313154</b>	<b>474247</b>	<b>6700876</b>	<b>0.01</b>	<b>0.35</b>	<b>118.5</b>	<b>0.73</b>	<b>78.3</b>	<b>4.43</b>
LN-14-037	31	1313155	474247	6700876	0.005	0.12	40.8	0.22	60.4	5.34
LN-14-038	27	1313156	474315	6700773	0.005	0.12	25.5	0.15	53.8	4.46
LN-14-038	30	1313157	474315	6700773	0.005	0.11	23.2	0.15	45.9	4.29
LN-14-038	34	1313158	474315	6700773	0.005	0.12	17.3	0.15	45.6	4.04
LN-14-039	25	1313159	474360	6700701	0.005	0.13	19.2	0.16	66.2	5.84

Note: All drill holes samples collected are presented in this table. Generally a bottom of hole sample was collected.



## APPENDIX 2

### JORC TABLE 1

#### Section 1 Sampling Techniques and Data

Criteria	Explanation	Notes
<b>Sampling techniques</b>	<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> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <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 warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Channel sampling benches were dug into the river bank to access in-situ material, usually oxidized. This was channel sampled using geo-pick to ensure representative samples for each 10ft interval</li> <li>After the completion of each auger drill hole a spear was hammered into the material below the base of the auger to collect an in-situ uncontaminated sample.</li> <li>Both auger and channel samples were in the order of 2-3kg in weight.</li> <li>Standard weight biogeochemical samples were collected using secateurs from the recent growth of two specie groups and documented to homogenize sample medium.</li> <li>Biogeochemistry samples were in the order of 0.25-0.5kg weight.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>After the completion of each auger drill hole a spear was hammered into the material below the base of the auger to collect an in-situ uncontaminated sample.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>After the completion of each auger drill hole a spear was hammered into the material below the base of the auger to collect an in-situ uncontaminated sample.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All spear samples were logged and a representative chip or clay sample was stored in a chip tray.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>Auger spear samples were collected below the bottom of the auger drill bit to collect one sample at the bottom of the hole. This technique is appropriate for geochemical reconnaissance sampling</li> </ul>

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	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <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> <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>Samples have been submitted to ALS laboratories in Fairbanks, Alaska.</li> <li>Standards and blanks were submitted with 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> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling was conducted by an independent consultant who is a Competent Person and contractors who were trained and overseen by the Competent Person. Sampling technique and procedure was reviewed by the author of this report.</li> </ul>
<b>Location of data points</b>	<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> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling and drill collars were recorded using a handheld recreational GPS in UTM NAD83 Zone 4N – 4m accuracy</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <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 classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Auger drilling and Biogeochemistry was on a nominal 400m x 100m spacing.</li> <li>Channel sampling was on 10ft (3m) spacing in areas of weathered in-situ bedrock.</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> <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>Drilling and sampling was perpendicular to the strike of the main structure and the apparent strike of the Luna – Luna E mineralization.</li> <li>Auger drilling was vertical.</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>Samples were collected, bagged and boxed by company consultants and company employees and shipped using reputable freight company, ensuring Chain of Custody standard guidelines.</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>No audit was conducted, which is appropriate for this stage of exploration.</li> </ul>

**JORC TABLE 1**  
**Section 2 Reporting of Exploration Results**

<b>Criteria</b>	<b>Explanation</b>
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Southern Crown has employed a permit consultant to ensure the tenure documentation is up to date. The claims can be viewed on the Alaska department of Natural Resources website. ACA Howe completed an independent review during April 2013. No independent review has been completed since.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Afranex engaged ACA Howe to write a 43-101 standard report on the projects. It details all exploration by other companies. A database and reports has also been provided by previous explorers.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>The mineralisation is located in a major NE regional shear zone associated with the bounding faults of the Tintina gold belt. Intrusions into the regional belt have hornfels and altered surrounding sedimentary country rock. Mineralisation has been emplaced in and around the intrusions suggesting the Luna-Quicksilver prospects have the potential to be IRG systems.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>Auger drillholes were all drilled vertically through to the bedrock. Drillhole locations are displayed on Figure 3.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>No data aggregation methods have been used.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>The only drilling conducted at Luna – Luna East are the drillholes that are presented in this report.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Diagrams provided show location of projects and location of auger drill holes.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Exploration is at an early stage and surface geochemistry and geophysics has been collected over all prospects over a 7 year period. Details have been provided in separate releases on 20 Aug, 4 Sept and 15 Sept 2014.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Data provided on 20 Aug, 4 Sept, 15 Sept details early stage exploration including geophysics, geological mapping and surface geochemistry.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The Company will assess the results from this program to plan follow-up targeting.</li> </ul>