



HORSESHOE METALS
LIMITED

ASX/MEDIA ANNOUNCEMENT

12 DECEMBER 2014

ASX Code: HOR

Management

Mr Neil Marston
*Managing Director/Company
Secretary*

Mr Michael Fotios
Non-Executive Director

Mr Alan Still
Non-Executive Director

Issued Capital

Shares: 169.0 Million

Options:

5.4 Million (60c, exp
5/15)

Performance Rights: 2.8 M

Share Price: \$0.024

Market Capitalisation:
\$4.1 Million

Cash at Bank
(30 Nov 2014)

\$0.50 Million

ADDITIONAL NEW COPPER TARGETS IDENTIFIED AT HORSESHOE LIGHTS PROJECT

SUMMARY

- Recent rock chip sampling conducted by the Company has reported copper results up to 0.15% Cu at 2 new prospects SE and SW of the Horseshoe Lights mine.
- Prospects have been named Tethys and Titan.
- Apart from geophysical surveys, no significant historical exploration or drilling has occurred at either of these prospects.
- Planning underway for follow-up exploration and drill testing copper targets in 2015.

Horseshoe Metals Limited (ASX: HOR) ("Horseshoe" or "the Company") is pleased to announce the identification of additional copper exploration targets at its Horseshoe Lights Copper-Gold Project in the Gascoyne region of Western Australia (see Figure 1).

The Company has identified two areas where anomalous copper was recorded in rock chip samples that have been collected as part of a reconnaissance programme completed by exploration staff.

The two new prospects have been named Tethys and Titan with their locations shown in Figure 1.

The Company intends undertaking additional exploration including drilling on these prospects in 2015 once the necessary approvals have been obtained.

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Field Activities

In May and November 2014 the Company undertook field mapping and sampling programmes across ground outside of the immediate Horseshoe Lights Mine area with the aim of identifying copper-gold exploration targets to test in the 2015 field season.

A total of 111 rock chip samples were collected with 12 samples recording copper results above 250ppm Cu. Details of these 12 samples are shown in Table 2 below and on Figure 1 together with the remaining (<250ppm Cu) rock chip sample location and results.

TABLE 2 2014 Rock Chip Sampling Anomalous Assay Results (>250ppm Cu)						
Sample ID	Easting	Northing	Cu (ppm)	Ni (ppm)	Zn (ppm)	Description
TETHYS PROSPECT AREA						
HSGR001	665,248	7,192,386	890	365	460	Gossanous ironstone with relic sulphides
HSGR002	665,247	7,192,385	1480	560	390	Gossanous ironstone with relic sulphides
HSGR003	665,299	7,192,411	560	105	205	Fragmental quartz in manganese & iron matrix
HSQV121	664,987	7,192,190	287	190	195	Qtz vein with relic boxwork striking NW-SE
HSQV145	665,255	7,192,370	408	236	245	Pelitic sediment with iron-rich stringers
HSQV146	665,251	7,192,344	341	971	200	Quartz with ilmenite veins
HSQV147	665,250	7,192,340	807	358	435	Fragmental quartz in manganese-rich matrix
HSQV148	665,248	7,192,383	646	205	280	Ironstone with botryoidal texture
HSQV151	665,238	7,193,054	1144	1630	585	Manganese-rich quartz vein with relic boxwork striking NNW-SSE
TITAN PROSPECT AREA						
HSNGR005	661,339	7,191,424	420	140	560	Gossanous ironstone (48.0% Fe) with relic sulphides
HSNGR013	662,629	7,191,738	450	70	580	Gossanous ironstone (45.7% Fe) with relic sulphides
HSNGR015	661,529	7,191,486	540	25	175	Ironstone (48.6% Fe)

Tethys Prospect

The Tethys Prospect is located approximately 2.5km south-east of the Horseshoe Lights open pit (see Figure 1). Thirteen rock chip samples, including nine anomalous rock chips were collected close to a south-east plunging syncline hinge. The main feature of interest is a zone of NW-SE striking gossanous ironstone outcrops (see Plate 1) containing visible sulphides including bornite and pyrite.

The most anomalous sample was HSQV151 recording 0.11 % Cu and 0.16% Ni. This sample was collected closer to the hinge zone of the south-east plunging syncline from a north-south striking quartz vein outcrop. However, this sample also recorded a high manganese assay (8.7% Mn) and is therefore considered to have potentially scavenged the copper and nickel content. Further field work in this area is required to validate this isolated base metals anomalism.

Titan Prospect

The Titan Prospect is located approximately 3.0km south-west of the Horseshoe Lights open pit (see Figure 1). Thirteen rock chip samples including HSNGR005 & HSNGR015 were collected in May 2014 from the Titan Prospect where an interpreted NNW striking fault has deformed an east-west striking late dolerite dyke. This NNW striking fault appears to be along strike from the Saturn Prospect (see Figure 1) where anomalous Cu rock chip samples were recently collected (*refer to ASX Announcement dated 9 December 2014*).

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Plate 1 – Gossanous outcrop at Tethys Prospect looking North-West
with prominent feature (Chert Hill) and Horseshoe Lights mine dumps in the distance.

Historic 50m x 100m spaced soil sampling completed by previous explorers in 1994 had delineated a coinciding copper anomaly at this prospect. The area contains several gossanous ironstone outcrops that contain relic boxwork texture and visible sulphide minerals including pyrite and chalcopyrite.

Four rock chip samples, including HSNR013, were taken from a south-east plunging syncline hinge zone approximately 1.1km to the east of Titan and approximately 300m north of the same east-west striking late dolerite dyke. Further field work in this area is required to validate this isolated copper anomalism.

Future Activities

Apart from regional scale geophysics and earlier soil sampling there has not been any significant exploration undertaken over the Tethys or Titan Prospects in the past, highlighting the potential for the company to make a new copper-gold discovery by targeted exploration and drilling.

The company intends to seek the necessary approvals and site clearances to drill test the anomalous areas at the Tethys and Titan Prospects in 2015.

ENDS

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About Horseshoe Metals Limited

Horseshoe Metals Limited (ASX:HOR) is a copper and gold focused company with a package of tenements covering about 500km² in the highly prospective Peak Hill Mineral Field, located north of Meekatharra in Western Australia.

About the Horseshoe Lights Project

The Horseshoe Lights Project includes the old open pit of the Horseshoe Lights copper-gold mine (see Figure 1) which operated up until 1994, producing over 300,000 ounces of gold and 54,000 tonnes of copper including over 110,000 tonnes of Direct Shipping Ore (DSO) which graded between 20-30% copper.

The Horseshoe Lights ore body is interpreted as a deformed Volcanogenic Hosted Massive Sulphide (VMS) deposit that has undergone supergene alteration to generate the gold-enriched and copper-depleted cap that was the target of initial mining. The deposit is hosted by quartz-sericite and quartz-chlorite schists of the Lower Proterozoic Narracoota Formation, which also host Sandfire Resources' DeGrussa copper/gold mine.

Past mining was focused on the Main Zone, a series of lensoid ore zones which passed with depth from a gold-rich oxide zone through zones of high-grade chalcocite mineralisation into massive pyrite-chalcopyrite. To the west and east of the Main Zone, copper mineralisation in the Northwest Stringer Zone and Motters Zone consists of veins and disseminations of chalcopyrite and pyrite and their upper oxide copper extensions.

A Mineral Resource Estimate for the Horseshoe Lights deposit was completed by the Company in June 2013 (*see 30 June 2013 Quarterly Report announced on 31 July 2013*). The Mineral Resource Estimate meets the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves"

The total Measured, Indicated and Inferred Mineral Resource Estimate is **12.85 million tonnes @ 1.00% Cu and 0.1 g/t Au** for **128,600 tonnes Cu and 36,000 oz Au** (using a cut-off grade of 0.5% Cu).

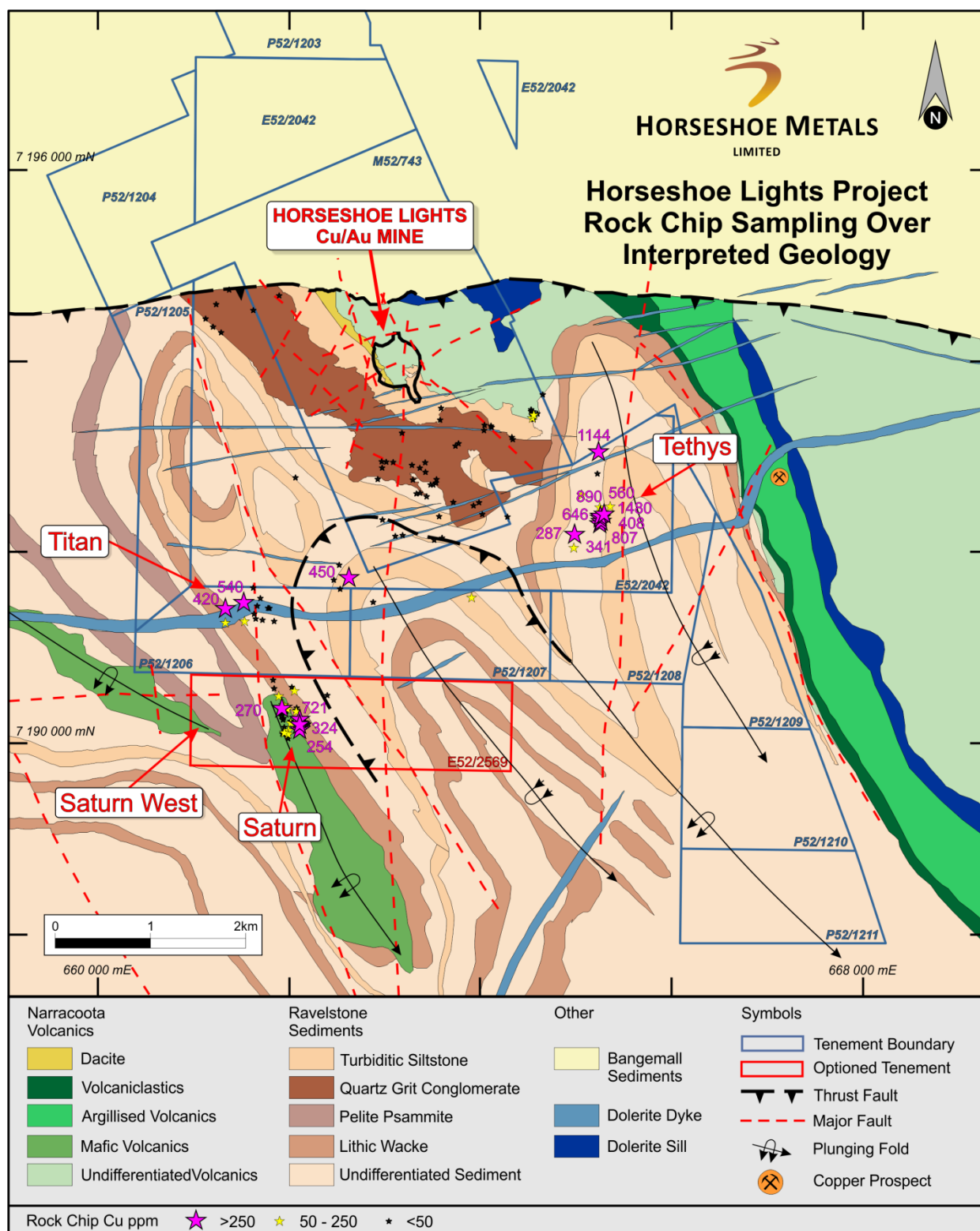


Figure 1 – Horseshoe Lights Project
Rock Chip Sampling over Interpreted Geology Plan

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Table 1 - JORC Code Reporting Criteria

Section 1 Sampling Techniques and Data

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

Criteria	JORC-Code Explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. 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.</i>	Rock chip samples (approx. 1-3kg) are grab samples collected from specific geological features of interest, including veins and lithological units thought to have potential for mineralisation.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Samples collected were of a sufficient size to be considered representative of the overall rock being tested.
	<i>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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	Industry standard practice was used for element analysis whereby a 1-3kg rock chip sample was used to obtain a 40g charge for aqua regia digest.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	No drilling undertaken as part of this program.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	No drilling undertaken as part of this program.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	No drilling undertaken as part of this program.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No drilling undertaken as part of this program.



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Criteria	JORC-Code Explanation	Commentary
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	A brief description of each rock chip sample was recorded at the time of sampling and transferred to the database. Additionally each rock chip was photographed.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	No logging undertaken.
	<i>The total length and percentage of the relevant intersections logged.</i>	No logging undertaken.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No drilling undertaken as part of this program.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	No drilling undertaken as part of this program.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples ranging from 300g - ≤3kg are crushed to nominal topsize of ~2mm using a jaw crusher and then pulverised using LM2, LM5 or Mixer Mill pulverisers to 95% passing 75µm. After pulverising a 40g charge sample is taken directly from the pulveriser bowl and submitted to the laboratory for analysis.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Laboratory QAQC methods include insertion of blanks and undertaking check samples for significant assay results.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	No field duplicates were collected during this program.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample size is considered industry standard for base metal mineralisation.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>All samples are submitted to Nagrom laboratories. The Copper and Gold assays are derived using a mixed acid digest of nitric and hydrochloric acids on 0.2g of sample.</p> <p>The copper and gold assays were derived using an aqua regia technique where 40g of prepared sample is digested using nitric and hydrochloric acid and analysed using ICP Optical Emission Spectrophotometry.</p> <p>These methods are considered adequate and effective for this style of mineralisation.</p>



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Criteria	JORC-Code Explanation	Commentary
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No handheld XRF analysis was used to determine rock chip selection in this program.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Nagrom conduct their own internal laboratory quality control standards (blanks, standards and duplicates) as well as repeats for any anomalous results.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	None undertaken in this programme.
	<i>The use of twinned holes.</i>	None undertaken in this programme.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All sample data is captured in the field electronically using established templates and verified in Perth office before upload into database.
	<i>Discuss any adjustment to assay data.</i>	No adjustments undertaken.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	All rock chip sample points located with handheld Garmin GPS, with accuracy of about 5m. This is considered appropriate at this early stage of exploration.
	<i>Specification of the grid system used.</i>	Grid system coordinates are GDA94 MGA Zone 50.
	<i>Quality and adequacy of topographic control.</i>	Topographic control was created from known survey stations and air photography in strict accordance with Mines Regulation Act 1946 by the authorised mine surveyor.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Rock chip sample spacing is not applicable in this instance as sample locations are random.
	<i>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.</i>	Sampling information will not be used for resource estimation work.
	<i>Whether sample compositing has been applied.</i>	No compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Rock chip samples are from visually altered and mineralised material, sampling method is biased to the detection of mineralisation and provides no indication of the potential average grade of the sampled structures.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No drilling undertaken as part of this program.



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Criteria	JORC-Code Explanation	Commentary
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	Prior to submission all samples are stored on-site under supervision of the senior geologist. Sample submission forms are sent to Nagrom laboratories as an electronic copy. Samples are transported to Nagrom laboratories by Horseshoe Metals personnel. Delivered samples are reconciled with the batch submission form prior to the commencement of any sample preparation.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits or reviews have been performed to date.

Section 2 Reporting of Exploration Results

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

Criteria	JORC-Code Explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>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.</i>	<p>The Horseshoe Lights Project comprises one Mining Lease (M52/743), one Exploration Licence (E52/2042), nine Prospecting Licences (P52/1203-1211) and five Miscellaneous Licences (L52/42 -45 and L52/66) covering an area of approximately 70 km² (7,000 hectares). Current registered holder of the tenements is Murchison Copper Mines Pty Ltd which is a wholly owned subsidiary of Horseshoe Metals Limited.</p> <p>Murchison Copper Mines Pty Ltd has 100% interest in the tenements. Unrelated party Horseshoe Gold Mine Pty Ltd retains a 3% net smelter return royalty in respect to all production derived from some of the Horseshoe Lights Project tenements, namely M52/743, P52/1203 – 1206, E52/2042 (portion only) L52/42 – 45 and L52/66.</p> <p>Native title interests appear to have been extinguished in regards to Mining Lease 52/743.</p> <p>There are no historical or environmentally significant sites on Mining Lease 52/743.</p>
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	All tenements are in good standing and the Company is unaware of any impediments to it obtaining a licence to operate in the area.



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Criteria	JORC-Code Explanation	Commentary
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>All exploration activities mentioned here include work carried out on all Exploration and Prospecting Licences within the Horseshoe Lights Project Area. For exploration activities carried out around the immediate open pit on Mining Lease M52/743 please refer to past announcements.</p> <p>The Horseshoe Lights Project Area, Exploration and Prospecting Licences have been subject to exploration activity by numerous companies due to the proximity of the ground to the Horseshoe Lights Mine. The following summarises all documented activity reported to the Department of Mines.</p> <p>Between 1965 and 1967, Electrolytic Zinc Company of Australia Ltd completed widespread geochemical surveys including a grid soil sampling program, channel sampling and 3,400 stream sediment samples across all prospects in the area. Electrolytic Zinc Company of Australia Ltd contracted McPhar Geophysics Pty Ltd to carry out induced polarisation and magnetometer surveys. Magnetic anomalies were interpreted as being due to finely disseminated magnetite.</p> <p>In 1969, Planet Mining Company Pty Ltd carried out geological mapping in the Horseshoe Lights area and collected 503 geochemical soil samples on a 15.2m x 45.7m grid (50ft x 150ft) to augment existing data.</p> <p>In the period 1975 to 1977, Amax Iron Ore Corporation and its partner Samantha Mines NL ("Samantha") investigated the Horseshoe Lights area for base metals. Low level colour aerial photography and aeromagnetics, reconnaissance geological mapping was carried out across the tenement area.</p> <p>Between 1983 and 1984, Homestake Australia Ltd completed 1:10,000 scale mapping and contracted Aerodata Pty Ltd to carry out a detailed aeromagnetic survey across some of these tenements.</p> <p>In 1989, Barrack Exploration Pty Ltd contracted Geochemex Australia to carry out a BLEG (bulk leach extractable gold) stream sediment program, followed up with a BLEG soil-sampling program.</p>

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Criteria	JORC-Code Explanation	Commentary
		<p>In 1989, Horseshoe Gold Mine Pty Ltd drilled 42 RAB holes for 1,791 metres to test for mineralisation along a broad south-east trending shear zone SE of Chert Hill on M52/743. All holes were drilled to +/- 40m depth and failed to locate any significant Cu anomalism.</p> <p>In 1994, Sabminco N.L. implemented a soil sampling program across the Horseshoe South Project. 1071 soil samples were collected on a 100 x 50m grid, oriented on AMG co-ordinates with east/west traverses. Au anomalism identified two priority targets located on cross-cutting linear structures. This programme also identified copper anomalism at what is now the Titan Prospect area.</p> <p>During 1995 and 1996, exploration work carried out by Plutonic Operations Ltd was confined to data interpretation, including acquisition of topographic base plans, aeromagnetic data and Landsat interpretation.</p> <p>Between 1997 and 1998, Plutonic Operations Ltd completed a Moving Loop Electromagnetic (MLEM) survey, single point soil sampling and rock chip sampling. The geochemical soil sampling was successful in replicating a 50ppm Cu soil anomaly, and initial interpretation of the MLEM survey identified a few favourable conductors NW of the Horseshoe Lights mine. These conductors were tested with three drill holes. No significant mineralisation was intercepted.</p> <p>Geophysical surveys completed since 2010 include an Airborne Magnetic and Radiometric survey flown on N-S lines by Talisman Mining Limited.</p> <p>In 2011 Horseshoe completed a heliborne Variation Time-domain Electromagnetics survey on 100m line spacings orientated on SW-NE lines.</p> <p>In October 2012 HyVista Corporation Pty Ltd completed a programme to acquire airborne multispectral imagery over the Horseshoe Lights.</p> <p>In December 2012 Horseshoe completed a gravity survey with ~1,000 stations spaced at 200m x 200m intervals with a portion of the survey infilled by ~1,500 stations at 100m x 100m intervals.</p>



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Criteria	JORC-Code Explanation	Commentary
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>Primary VMS mineralisation at Horseshoe Lights occurs in the core of a NNW trending and SE plunging parasitic anticline, that is overturned to produce intermediate SW dips on western limbs and steep SW dips on eastern limbs. The massive and disseminated sulphide envelope of the deposit itself is also SW dipping and plunging to the SSE (150°), and was likely folded. It sits within altered basalt and mafic volcanoclastic units along the contact with overlying felsic volcanic schist. The VMS mineralisation in the mine area is constrained by the tightly folded and sheared stratigraphy, and appears to be affected by offsets along N-S and NE trending brittle cross faults.</p> <p>Except for around the Horseshoe Lights mine, the geology of the Project area is dominated by early Proterozoic rocks of the Ravelstone Formation which locally comprise interbedded pelites and psammities, lithic and manganese rich siltstones, medium to coarse grained quartz greywackes and haematitic/pyritic chert lenses.</p> <p>Northwest striking zones of underlying Narracoota Volcanics, consisting of mafic to ultramafic basalts with minor argillised felsic volcanics, outcrop in the western area of E52/2569. Pyritic cherts at the contact between the two units are reported to be locally associated with Au anomalism.</p>
Drill hole Information	<p><i>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:</i></p> <p><i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i></p> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<p>No drilling undertaken as part of this program.</p> <p>No drilling undertaken as part of this program.</p>



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Criteria	JORC-Code Explanation	Commentary
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	No data aggregation applied.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No data aggregation applied.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No data aggregation applied.
<i>Relationship between mineralisation widths and intercept lengths</i>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></p>	Not relevant to rockchip sampling.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to diagrams in body of text.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	See Appendix 1 for all exploration results.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	In the company's opinion this material has been adequately reported in previous announcements and the detail is not relevant for reporting of these exploration results.
<i>Further work</i>	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Planning for future exploration and drilling has not yet been finalised.

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Criteria	JORC-Code Explanation	Commentary
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to diagrams in body of text.

Competent Persons Statement

The information in the report to which this statement is attached that relates to Exploration Results is based on information compiled by Mr Geoff Willetts, BSc. (Hons) MSc. who is a Member of the Australian Institute of Geoscientists. Geoff Willetts is an employee of Horseshoe Metals Limited. Geoff Willetts has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Geoff Willetts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Horseshoe Lights Project Mineral Resources is based on information compiled by Mr. Dmitry Pertel, who is a member of the Australian Institute of Geoscientists. Mr. Pertel is an employee of CSA Global Pty Ltd. The information was previously issued with the written consent of Mr Dmitry Pertel in the Company's 30 June 2013 Quarterly Report released to the ASX on 31 July 2013. The Company confirms that:

- (a) the form and context in which Mr. Dmitry Pertel's findings are presented have not been materially modified.*
- (b) it is not aware of any new information or data that materially affects the information included in the 31 July 2013 ASX announcement and that all the material assumptions and technical parameters underpinning the estimate in the 31 July 2013 ASX announcement continue to apply and have not materially changed.*
- (c) it is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources in accordance with the JORC Code.*