



UPDATE ON CANINDÉ GRAPHITE PROJECT

Paradigm Metals Limited ("Paradigm" or "the Company") is very pleased to provide an update on its 80% owned Canindé Graphite Project ("the Project") located in Ceará State, Brazil.

The Project comprises approximately 15,614 hectares with exploration licenses granted and several graphite targets already delineated. A diamond drilling core programme has been planned and drilling is expected to commence imminently. The Company has completed exploration activities to support the drilling programme.

Geological mapping over Pedra Preta target has revealed at least two sub parallel graphite rich layers with a gentle dip towards the east. Along these layers, the Company believes there are massive graphite zones that can reach up to **20% of graphitic carbon ("Cg")**¹.

The initial exploration diamond drilling programme for the Pedra Preta target will comprise five drill holes for a minimum of 420 metres distributed on three separate drill sections (**table 01**) along 400m strike and open from both sides. All drill holes will be angled towards a western direction and the drilling program should be concluded within a three weeks period.

Table 01: Drilling program to test Pedra Preta graphite target.

TARGET	PLANNED HOLE_ID	UTMZONE	EASTING (UTM)	NORTHING (UTM)	ELEV. (m)	AZIMUTH (°)	DIP (°)	ESTIMATED DEPTH (m)
PEDRA PRETA	CAN_PP_DDH_01	24M	455752	9494596	380.70	270	60	60
PEDRA PRETA	CAN_PP_DDH_02	24M	455680	9494255	380.70	270	60	100
PEDRA PRETA	CAN_PP_DDH_03	24M	455635	9494255	380.45	270	60	80-100
PEDRA PRETA	CAN_PP_DDH_04	24M	455627	9494201	384.40	270	60	100
PEDRA PRETA	CAN_PP_DDH_05	24M	455577	9494201	381.60	270	60	80-100

Datum: SAD 69

The Company expects to have initial drilling results by the end of March 2015.

Competent Persons Statement

The technical information in this release is based on compiled and reviewed data by Mr. Paulo Brito. Mr. Brito is a consulting geologist for Paradigm Metals Limited and is a Member of AusIMM-The Minerals Institute, as well as, a Member of Australian Institute of Geoscientists. Mr. Brito has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is 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. Brito consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. Mr. Brito accepts responsibility for the accuracy of the statements disclosed in this release.

1. Refer to ASX Announcement dated 4 November 2014 titled "Acquisition of Caninde Graphite Project"