

## **Annual Report Clarifying Statement Mineral Resources and Ore Reserves**

Padbury Mining Limited (ASX:PDY) has reviewed its annual report released on 24 October 2014 and makes the following clarification statement with respect to its obligations under ASX Listing Rule 5.21 which requires that a mining entity must include a mineral resources and ore reserves statement in its annual report.

The attached statement provides a summary of Padbury's mineral resources as at 30 June 2014 including a comparison with its mineral resources as at 30 June 2013.

The resources quoted in this announcement should be read in conjunction with the supporting technical data contained in the ASX releases dated 28<sup>th</sup> June and 4<sup>th</sup> October 2012.

An annual Mineral Resources and Ore Reserves update will be included within the annual corporate planning cycle and will be approved by the Board. All Mineral Resource and Ore Reserve estimations are undertaken by independent geological service providers, are done as part of the company's exploration programs and the results reported to the ASX.

### **Further inquiries:**

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**Table 1. Global Mineral Resource Statement - Magnetite**

Magnetite Resource as at 30 June 2014						Magnetite Resource as at 30 June 2013			
Location	Category	Tonnes (Mt)	Iron Fe(%)	Silica SiO2(%)	Alumina Al2O3(%)	Tonnes (Mt)	Iron Fe (%)	Silica SiO2 (%)	Alumina Al2O3 (%)
Telecom Hill West BIF 1	Indicated	251	29.55	45.72	1.78	251	29.55	45.72	1.78
	Inferred	288	27.99	45.93	3.08	288	27.99	45.93	3.08
Telecom Hill West BIF 2	Inferred	197	23.84	49.22	5.70	197	23.84	49.22	5.70
Telecom Hill East BIF 4	Inferred	190	26.47	45.98	4.24	190	26.47	45.98	4.24
Total	Indicated	251	29.55	45.72	1.78	251	29.55	45.72	1.76
	Inferred	675	26.35	46.90	4.17	675	26.35	46.90	4.17
	Total	925	27.22	46.58	3.52	925	27.22	46.58	3.52

**Note1:** The CSA Mineral Resource was estimated within constraining wireframe solids based on Ordinary Kriging with high-grade treatment and a nominal lower cut-off grade of 20% Fe. The resource is quoted from blocks above the specified 20% Fe cut-off grade

**Note2:** These Resources were originally reported under the JORC Code 2004, Padbury is not aware of any new information or data that materially affects the information included in the Announcement to the ASX on the 4<sup>th</sup> October 2012 titled "JORC Upgraded Resource at Peak Hill Iron Project". In the case of the Mineral Resources the company can confirm the assumptions and the technical parameters underpinning the estimates continue to apply and have not materially changed. The form and context of the Competent Person's findings as presented in the announcement have not materially changed.

**Table 2. Global Mineral Resource Statement - Hematite**

Hematite Resource as at 30 June 2014								Hematite Resource as at 30 June 2013					
Location	Category	Tonnes (Mt)	Iron Fe %	Silica SiO <sub>2</sub> %	Alumina Al <sub>2</sub> O <sub>3</sub> %	Phos P%	Loss On Ignition LOI%	Tonnes (Mt)	Iron Fe%	Silica SiO <sub>2</sub> %	Alumina Al <sub>2</sub> O <sub>3</sub> %	Phos P%	Loss On Ignition LOI%
Telecom East	Hill Inferred	11.5	58.55	9.64	2.29	0.21	3.12	11.5	58.55	9.64	2.29	0.21	3.12
	Total	11.5	58.55	9.64	2.29	0.21	3.12	11.5	58.55	9.64	2.29	0.21	3.12

**Note1:** The CSA Mineral Resource was estimated using ordinary Kriging treatment with high grade treatment within constraining wireframe solids based on a nominal lower cut-off grade of 50% Fe. The Resource is quoted from blocks above the Fe specified cut-off grade and above 470mRL.

**Note2:** These Resources were originally reported under the JORC Code 2004, Padbury is not aware of any new information or data that materially affects the information included in the Announcement to the ASX on the 28<sup>th</sup> June 2012 titled "Peak Hill Iron Project – Maiden DSO Inferred Mineral Resource.". In the case of the Mineral Resources the company can confirm the assumptions and the technical parameters underpinning the estimates continue to apply and have not materially changed. The form and context of the Competent Person's findings as presented in the announcement have not materially changed.

#### COMPETENT PERSONS STATEMENT

The information in this report that relates to Mineral Resources is based on information compiled by Dr Bielin Shi, who is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Dr Shi has sufficient experience 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 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Dr Shi consents to the inclusion of such information in this report in the form and context in which it appears. Dr Shi has no conflicts of interests relating for this work with Padbury Mining.