Paradigm Metals
ABN 28 102 747 133

ASX release
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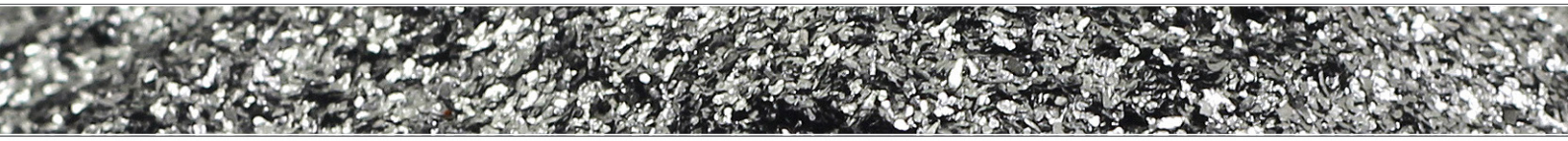

DRILLING COMPLETED AT CANINDÉ GRAPHITE PROJECT

Paradigm Metals Limited ("Paradigm" or "the Company") is pleased to advise that it has completed the HQ/NQ diamond drilling programme on the Pedra Preta target at its 80% owned Canindé Graphite Project ("the project") located in Ceará State, Brazil.

The final drilling programme comprised of eight drill holes for a total of 475.9 linear metres. (Table below and Figure 1).

Table

PROJECT	HOLE	AZIMUTH	DIP	DEPTH (m)	UTMZONE	EASTING	NORTHING	ELEVATION (m)
CANINDE	CAN_PP_DDH_001_15	270	60	102.51	24M	455633	9494250	380.45
CANINDE	CAN_PP_DDH_002_15	270	60	90.55	24M	455696	9494230	406.00
CANINDE	CAN_PP_DDH_03_015	270	60	50.91	24M	455746	9494596	382.50
CANINDE	CAN_PP_DDH_04_015	270	60	81.03	24M	455577	9494201	381.60
CANINDE	CAN_PP_DDH_05_015	270	60	90.55	24M	455625	9494201	384.70
CANINDE	CAN_PP_DDH_006_15	270	60	20.10	24M	455633	9494275	379.45
CANINDE	CAN_PP_DDH_007_15	270	60	20.20	24M	455633	9494230	380.95
CANINDE	CAN_PP_DDH_008_15	270	60	20.05	24M	455633	9494251	380.45
		TOTAL 475.90						

As previously reported the first drill hole in this programme CAN-PP-DDH-001-15 returned an exceptional intersection of **13.69 metres at 18.38% Cg from 3.09 metres, including 0.58 metres at 31.49% Cg from 4.77 metres.** (Refer ASX release dated 2nd March 2015 for full details).

Sample batches for all remaing drill holes will be submitted to the laboratory during this week and the Company expects assay results to be returned over the next four weeks.

Figure 1

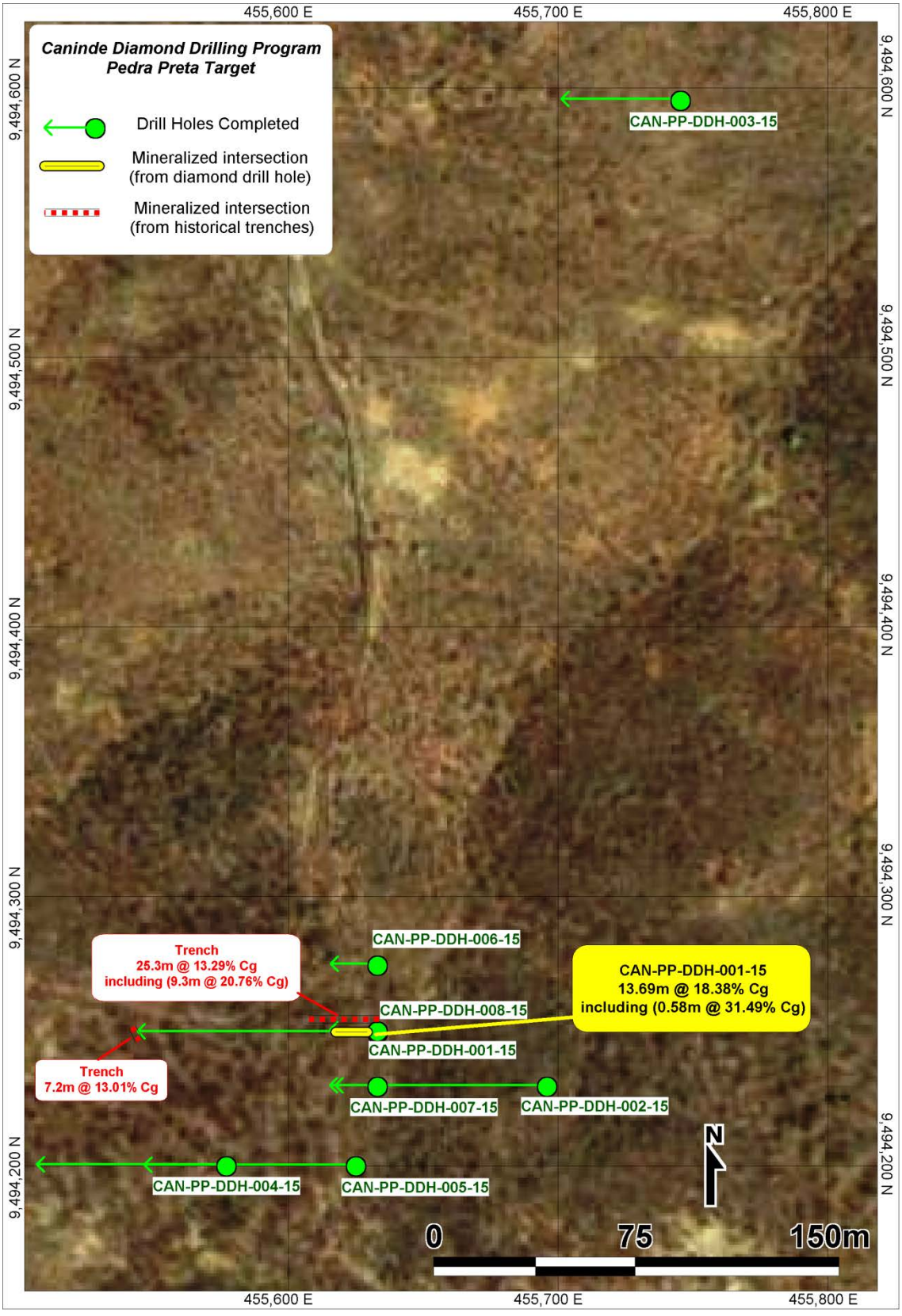

Figure 1. Drill hole locations and previous trenching results.

Drill hole CAN-PP-DDH-008-15 was drilled as a twin hole of CAN-PP-DDH-001-15 with the objective to provide enough material for future metallurgical testwork.

Additionally, given the high grade and shallow depth of the initial results the Company has commenced an assessment into the feasibility of commencing a small scale Trial mining operation. The Company intends to apply for the relevant Trial mining approvals during March 2015.

The Company looks forward to updating investors as results become available.

Yours sincerely,

Anthony Reilly
Chief Executive Officer
18th March 2015

Email: info@paradigmmetals.com.au
Website: www.paradigmmetals.com.au

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.

Level 1, 330 Churchill Avenue
Subiaco WA 6008
Tel: +61 8 9200 4482
Fax: +61 8 9200 4469

Contact :
Anthony Reilly
Managing Director
info@paradigmmetals.com.au

Directors:
Anthony Reilly
Nicholas Lindsay
Brian McMaster

Section 1 Sampling Techniques and Data

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.*	• *Sampling at the Canindé project is by diamond drill core.The intervals were defined based on a geological log, assuming sampling lengths between 0.5m up to 2.0metres.*
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• *The drill hole collars are located by handheld GPS. At the end of the drilling program, the company intends to survey all the drill hole collars with a Differential GPS.* *Drill core was logged by lithology, weathering, mineralogy and structure. Sampling was carried out under Paradigm protocols and QAQC procedures as per industry best practice.* *Certified standards and blanks were inserted into the sampling sequence at a nominal rate of 1 standard in every 20 samples and 1 duplicate in every 20 samples. Results from the QAQC sampling were considered acceptable.*
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• *All samples are dried, crushed, homogenized, riffle split and pulverized (total prep) to produce a sub sample for analysis.*
	• *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.*	• *Samples were prepared and analysed by SGS-Geosol laboratory, in Brazil* *Samples were analysed for graphitic carbon (Cg) by infrared detection - LECO.*
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).*	• *Drilling to date has been a combination of HQ and NQ-diameter diamond drilling. 8 drill holes completed and the program is terminated. A total of 475.90 metres have been drilled.*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• *Diamond core recoveries are logged and recorded in the database. Overall recoveries are consistently >90% in oxide and >95% in fresh rock. Drill sample recoveries are recorded as an average for each*

Criteria	JORC Code explanation	Commentary
		metre and recorded in the database. Current recoveries are excellent and there are no known sample recovery problems, with the exception of the 2-3 metres of top soil profile.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• *Diamond core is reconstructed into continuous runs on an angle iron cradle for recovery measurement and core orientation. Depths are checked against those marked on the core blocks, and against the drilling company's records.*
	• *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.*	• *Based on the actual sample recoveries existing on company´s database, there is no known sample bias or potential for sample bias.*
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.*	• *Logging samples records lithology, mineralogy, mineralisation, structural, weathering, colour and other features of the samples. Rock quality design, core recoveries, bulk density and sampling information are recorded. Core is photographed in dry form. The information was input into the company´s database.*
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• *Logging of core records lithology, mineralogy, mineralisation, grainsize, texture, weathering, oxidation, colour and other features of the samples. Drill samples for each hole were photographed either within core trays.*
	• *The total length and percentage of the relevant intersections logged.*	• *All drill holes are logged in full from start to finish of the hole.*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• *Core holes and half core sampled from cut core with a core saw.*
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• *Only core samples are being reported.*
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• *Preparation of samples was performed at SGS-Geosol laboratory. Samples were dried (105 ^{0}C), crushed to 80% passing 3 millimetres, homogenized, riffle split (primary split) and pulverized to 95% passing of 150 mesh.*
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• *Paradigm quality control procedures included submission into the sampling sequence certified reference material, field duplicates and*

Criteria	JORC Code explanation	Commentary
	• *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.*	*check assaying of 1 in every 20 samples, or 1 per batch. Blanks are inserted at a nominal rate of 1 in every 20 or 1 per batch. Laboratory quality control procedures include the submission of blanks, duplicates and standard reference material. Typically, for every 25 to 30 samples, a pulp duplicate, reagent blank and an aliquot of certified reference material is inserted into the sample stream. All QC results are reported within the final assay report.* • *The existing results of the duplicates show an acceptable level of repeatability* • *Sample size is deemed appropriate relative with the grain size based on industry standards of similar mineral styles and sampling methods.*
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.*	• *Graphitic carbon grades were determined by infrared detection using a LECO method. Samples were analysed by SGS-Geosol laboratory in Brazil.* • *No geophysical tools have been applied.* • *Paradigm QAQC procedures include the insertion of duplicates, blanks and commercial standards samples. Results are generally satisfactory demonstrating acceptable levels of accuracy and precision.* *Laboratory QAQC involves the use of internal laboratory standards using certified reference material, blanks, and splits as per laboratory procedures.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.*	• *Several company staff based within Brazil or off shore review and verify significant intersections from diamond core drilling either physically on site or from photographs of the intersections.* • *One twinned hole (CAN-PP-DDH-008-15) have being drilled with the objective to provide enough material of the mineralized interception obtained on hole CAN-PP-DDH-001-15. The twinned hole just cover the upper 20 metres interval of hole CAN-PP-DDH-001-15.*

Criteria	JORC Code explanation	Commentary
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• *Diamond core logging takes place at the company's core yard. Graphical logs are used to record the geological information. Grade control samples are not lithologically logged. Data entry personnel enter the graphic logs into standard Excel templates generated from the company SQL database. The Excel templates contain validation routines to ensure standard codes are enforced. All graphical logs are scanned and email to head office for digital capture.*
	• *Discuss any adjustment to assay data.*	• *No adjustments were made to any assay information, except for "lower than detection limit" values that are stored within*
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.*	• *Drill holes mentioned on this announcement were located with using a hand held GPS.* • *Geological stations were located with using a hand held GPS.* • *The unit used on both activities was a Garmin 62sc model and the accuracy of the locations is considered sufficient, based on the actual stage of the exploration program.*
	• *Specification of the grid system used.*	• *Universal Transverse Mercator, SAD69 zone 24 south hemisphere.*
	• *Quality and adequacy of topographic control.*	• *Digital Terrain Model (DTM) was used along the mapping phase at Pedra Preta target.* *Each geological station and drilling section were surveyed by a hand held GPS and the elevation values from the GPS survey were used as a topographic control, providing a reasonable quality control and adequate for the actual stage of exploration.*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• *The actual drilling program is exploration in nature and the data spacing is very broad to test the presence of mineralized horizons at depth.*
	• *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.*	• *The data spacing and distribution is sufficient to demonstrate spatial and grade continuity of the mineralized horizon however, much more drilling will be necessary to support the definition of Inferred/Indicated Mineral Resources and to identify Measured Ore Reserves.*
	• *Whether sample compositing has been applied.*	• *Samples were not composited.*
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• *Geology and mineralisation at Caninde project (Pedra Preta target) is gently (30-40 ^{o}) dipping to east. Thus the drill holes are angled to the west, in order to achieve intersections at the most optimal angle possible.*

Criteria	JORC Code explanation	Commentary
geological structure	• *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.*	• *The company does not believe that any sample bias has been introduced which could have a material effect a future resource model, particularly given the strong correlation between mineralisation and potential lithologies.*
Sample security	• *The measures taken to ensure sample security.*	• *All core samples are received intact and in their entirety in their core trays at the Company's core yard. All sampling and work on the samples is carried out within the confines of this facility. Samples are delivered by Paradigm to the laboratory. Paradigm has protocols and procedures for tracking the progress of the samples through the laboratory, ensuring accurate validation and authentication of results issued by the laboratory in relation to the samples that were submitted.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *The property has not enough exploration data that supports an audits or reviews.*

Section 2 Reporting of Exploration Results

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.*	• *The Caninde Project comprises 17 exploration licenses already granted covering a total area of 15,614 hectares.* • *The mineral property are registered under the following processes; 801.063/2010, 801.064/2010, 800.011/2011, 800.012/2011, 800.013/2011, 800.014/2011, 800.015/2011, 800.016/2011, 800.017/2011, 800.018/2011, 800.019/2011, 800.662/2011, 800.663/2011, 800.018/2012, 800.019/2012, 800.294/2012 and 800.295/2012.* • *The company is not aware of any impediment to obtain a license to operate in the area.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Significant exploration works were conducted by other parties on the project area and can be resumed to regional mapping, rock grab and chip sampling, soil sampling, shallow pits and trenching. No drilling has being conducted.* *All the analysis available are historical in nature but were produced by an ISO-accredited laboratory.*

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>• Graphite mineralization in Paleoproterozoic high metamorphic terrain. Stratabound graphite-rich beds and massive graphite discordant lenses/veins.</td></tr>
<tr><td>Drill hole Information</td><td>• 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:
o easting and northing of the drill hole collar
o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
o dip and azimuth of the hole
o down hole length and interception depth
o 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.</td><td>• Drill holes collar location details are presented on the table below. All the drill holes (total 8) reported on this announcement were drilled 270 ^{0} azimuth and -60 ^{0} dip. A total of 475.90 metres have been drilled.
<table>
<tr><th>HOLE_ID</th><th>UTMZONE</th><th>EASTING</th><th>NORTHING</th><th>ELEVATION</th><th>DEPTH (m)</th></tr>
<tr><td>CAN-PP-DDH-001-15</td><td>24M</td><td>455633.00</td><td>9494250.00</td><td>380.45</td><td>102.51</td></tr>
<tr><td>CAN-PP-DDH-002-15</td><td>24M</td><td>455696.00</td><td>9494230.00</td><td>406.00</td><td>90.55</td></tr>
<tr><td>CAN-PP-DDH-003-15</td><td>24M</td><td>455745.50</td><td>9494596.00</td><td>382.50</td><td>50.91</td></tr>
<tr><td>CAN-PP-DDH-004-15</td><td>24M</td><td>455577.00</td><td>9494200.50</td><td>381.60</td><td>81.03</td></tr>
<tr><td>CAN-PP-DDH-005-15</td><td>24M</td><td>455625.00</td><td>9494200.50</td><td>384.70</td><td>90.55</td></tr>
<tr><td>CAN-PP-DDH-006-15</td><td>24M</td><td>455633.00</td><td>9494275.00</td><td>379.45</td><td>20.10</td></tr>
<tr><td>CAN-PP-DDH-007-15</td><td>24M</td><td>455633.00</td><td>9494230.00</td><td>380.95</td><td>20.20</td></tr>
<tr><td>CAN-PP-DDH-008-15</td><td>24M</td><td>455633.00</td><td>9494250.60</td><td>380.45</td><td>20.05</td></tr>
</table></td></tr>
<tr><td>Data aggregation methods</td><td>• 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.</td><td>• Drill intercepts are reported as down hole lengths and do not represent true thickness of the mineralization.

• Drill intercept mentioned on this report was announced and detailed illustrated on a previous announcement (March 2, 2015).

• No assumptions are included in this report, because Metal Equivalents have not been used.</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>• 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</td><td>• The geometry of the mineralization is not clearly defined at the current level of exploration.

• Thickness reported on the drill hole intercept refers to down hole length. True width is not known at the current stage.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	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 figure(s) and table(s) contained within the announcement body.*
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.*	• *All the assays received to date on drill hole CAN-PP-DDH-001-15 were reported on a previous announcement (March 2, 2015), totalling 17 assays. The graphite grades ranged from 0.50% Cg up to a maximum of 31.49% Cg.*
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.*	• *There is no other material data to be reported.*
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.*	• *Conduct a metallurgical test work;* • *Trenching;* • *Induced polarization or EM-loop survey;*