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FINAL PHASE 2 DRILL RESULTS RECEIVED FOR PANDA HILL NIOBIUM PROJECT

Highlights

- **Results from the last 9,700m of drilling received and validated (November and December 2014 program)**
- **Mineral Resource update underway incorporating the additional 9,700m of drilling**
    - **New Mineral Resource expected in Q2 2015**
    - **New results are expected to expand mineralisation along trend, extend mineralisation deeper in the high-grade core of the deposit, and to infill in the central portion of the deposit**
- **Significant intersections in regions not previously tested (depth and trend extensions) include:**
    - **68m @ 0.89% Nb_2O_5 from surface in PHRC079 (equivalent to 4.3g/t Au[1])**
    - **42m @ 0.86% Nb_2O_5 from 22m in PHRC091 (equivalent to 4.2g/t Au[1])**
    - **24m @ 0.80% Nb_2O_5 from 6m in PHRC077 (equivalent to 3.9g/t Au[1])**
    - **50m @ 0.70% Nb_2O_5 from 150m to EOH in PHRC066 (equivalent to 3.4g/t Au[1])**
    - **43m @ 0.65% Nb_2O_5 from 269m in PHRCD067 (equivalent to 3.1g/t Au[1])**
    - **76m @ 0.57% Nb_2O_5 from 106m and 43m @ 0.70% Nb_2O_5 from 188.3m including 13m @ 1.38% from 192.4m Nb_2O_5 in PHRCD055 (equivalent to 6.7g/t Au[1])**
    - **24m @ 1.0% Nb_2O_5 from 136m (equivalent to 4.8g/t Au[1]) and 24m @ 0.66% Nb_2O_5 from 176m to EOH in PHRC076 (equivalent to 3.2g/t Au[1])**
    - **36m @ 0.68% Nb_2O_5 from 168.1m to EOH in PHRCD005 (equivalent to 3.3g/t Au[1])**

Cradle Resources Limited ("Cradle") is pleased to announce that final assay results have been received and validated for the Phase 2 drill program at Cradle's Panda Hill Niobium Project in Tanzania. The second stage of drilling activities is now complete, with a total of 57 holes (9,700m) drilled.

The Phase 2 RC and diamond drilling targeted infill drilling in the newly discovered Angel Zone and also trend extents to the north and south. Assay results reported here are from drill holes located throughout the Panda Hill Mineral Resource area. Hole locations are shown in Figures 1 and 2 below and are reported in Table 1 below. The section in Figure 3 illustrates examples of new mineralisation encountered to the north of the current Mineral Resource and the section in Figure 4 shows the depth extension of the Angel Zone near PHRC055.

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[1]The metal equivalent grades are shown to illustrate Nb_2O_5 grade data relative to more traditional commodities to aid in the interpretation of the results and are not intended to indicate the presence of Au credits. Au equivalent grades have been based upon spot prices of US$1,320/oz and an Nb metal price of $40/kg for Nb in FeNb. A recovery factor of 65% for Niobium and 90% for gold has been used for this comparison. The Niobium recovery is based upon testwork reported by Cradle Resources in January 2014. The formula used to estimate the metal equivalents is (A x B x C x Ra)/ (D x Rd), where A = Nb_2O_5 grade, B is the Nb_2O_5 to Nb oxide conversion (1/1.43), C is the niobium price per kg, Ra is the estimated niobium recovery, D is the comparison metal price unit, and Rd is the estimated comparison metal recovery. Metres have been rounded.

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Of particular note in this set of results:

The bulk of the infill drilling targeted the central core of the Mineral Resource region to enable a portion of the Mineral Resource of higher-confidence (Measured) to be established. The drill spacing in this area is 50m x 50m with localised 50m x 25m. This drilling has focussed on the region of the first 10 years of potential mine life. Additionally, northern and southern trend extents to the mineralisation were targeted.

The southern-most drilling has intercepted extensions of the Angel Zone, with high-grade drill intercepts occurring along depth-extension of mapped mineralised magnetite-carbonatite outcrop at surface. To the north, drilling targeting mineralised surface magnetite-carbonate exposure was successful in intersecting high-grade mineralisation in holes PHRH077, 79 and 91. This mineralisation also correlated with observed magnetic-highs based upon the 2014 aerial magnetic survey.

Assay results received are associated with fresh and weathered carbonatite lithologies. Results within the core of the deposit are generally in line with the 2014 Mineral Resource modelling and geological interpretation.

Niobium analysis has been undertaken by SGS Johannesburg using the XRF Borate fusion process. Cradle adheres to industry best-practice in conducting Quality Assurance Quality Assumptions (“QAQC”) procedures by inserting blanks and certified niobium standards at a rate of 1:20 samples. The QAQC data for the Project has been reviewed by Cradle’s Competent Person, Mr Neil Inwood. Representative metallurgical samples have been previously been sent to SGS Lakefield in Canada with test work results announced in early 2014 and more recent results announced in October 2014.

Grant Davey, the Managing Director of Cradle, commented: *“This latest phase of Mineral Resource drilling has exceeded our expectations in both providing confidence on the core of the known mineralisation, and allowing for trend and depth extensions. The region to the north of the Angel Zone is showing further high-grade niobium potential and we have prioritised this area for future exploration work. We look forward to the next Mineral Resource calculation due in May 2015, which will underpin the up-coming DFS study to be completed in the 4th quarter of 2015”.*

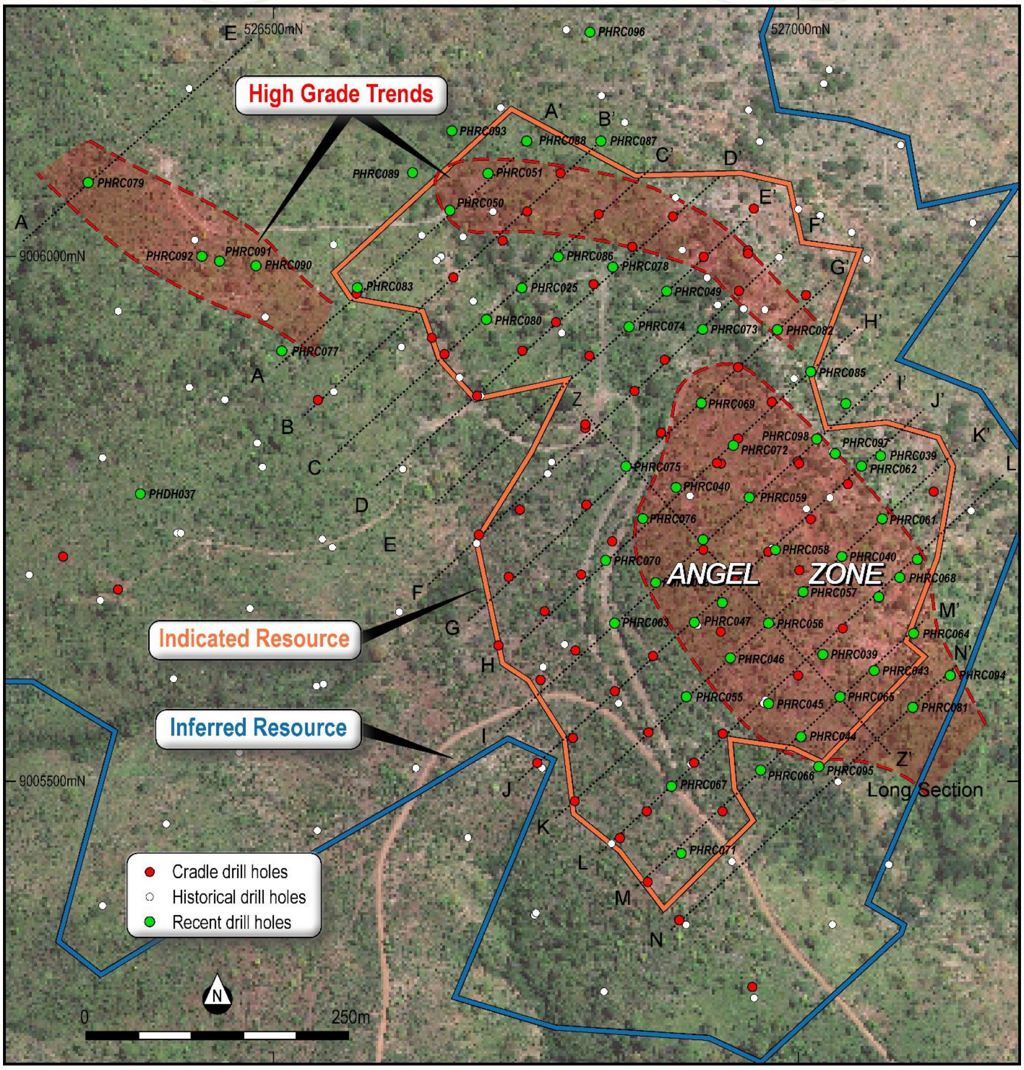

Figure 1: Panda Hill Mineral Resource drilling grid showing the location of all holes drilled in 2014 and the outline of the December 2014 Mineral Resource regions. Refer to section lines for subsequent figures. The approximate surface projection of emerging high-grade zones is shown in red shade.

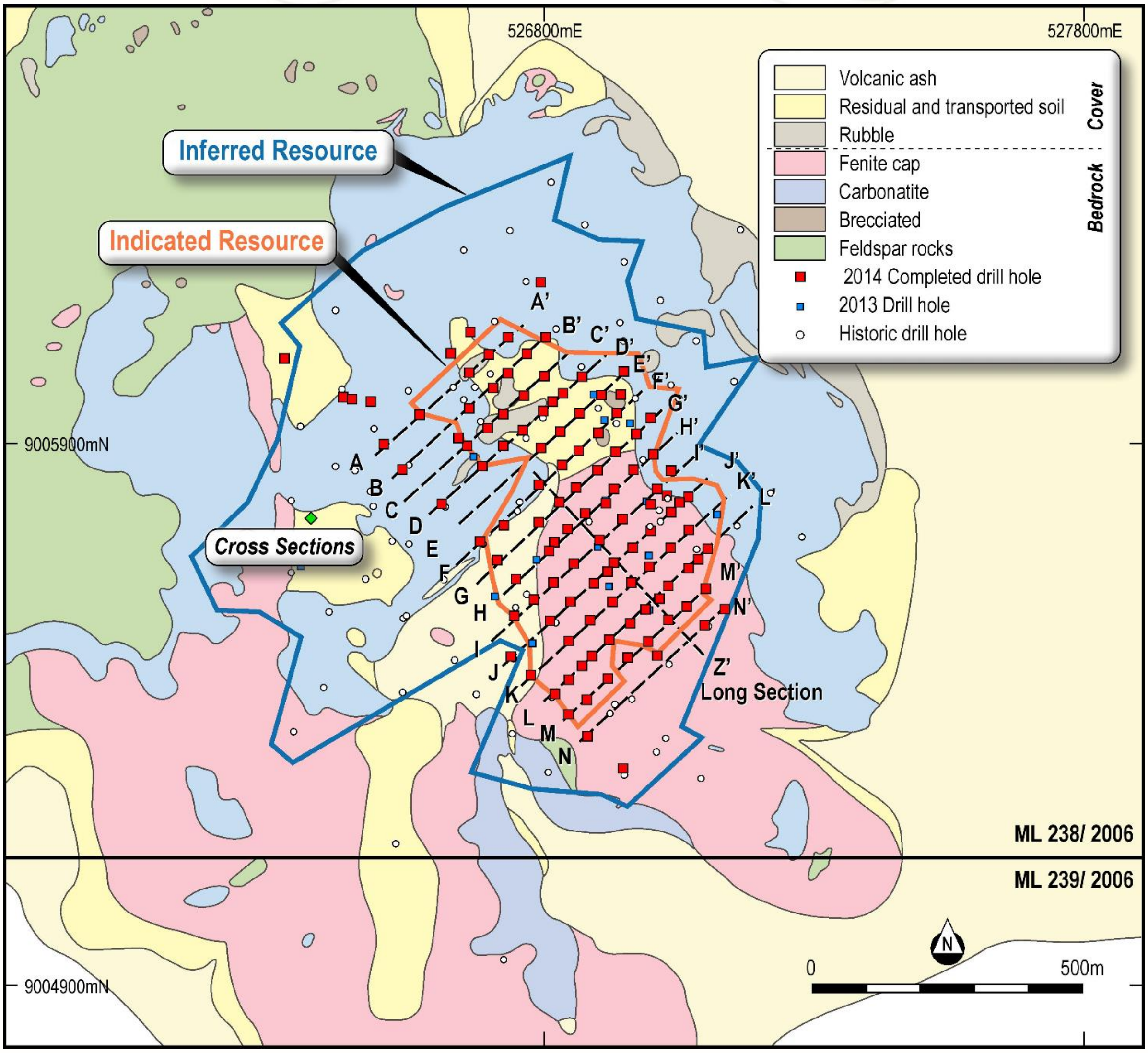

Figure 2: Panda Hill Mineral Resource drilling grid showing the location of all holes drilled in 2014 and the outline of the December 2014 Mineral Resource regions.

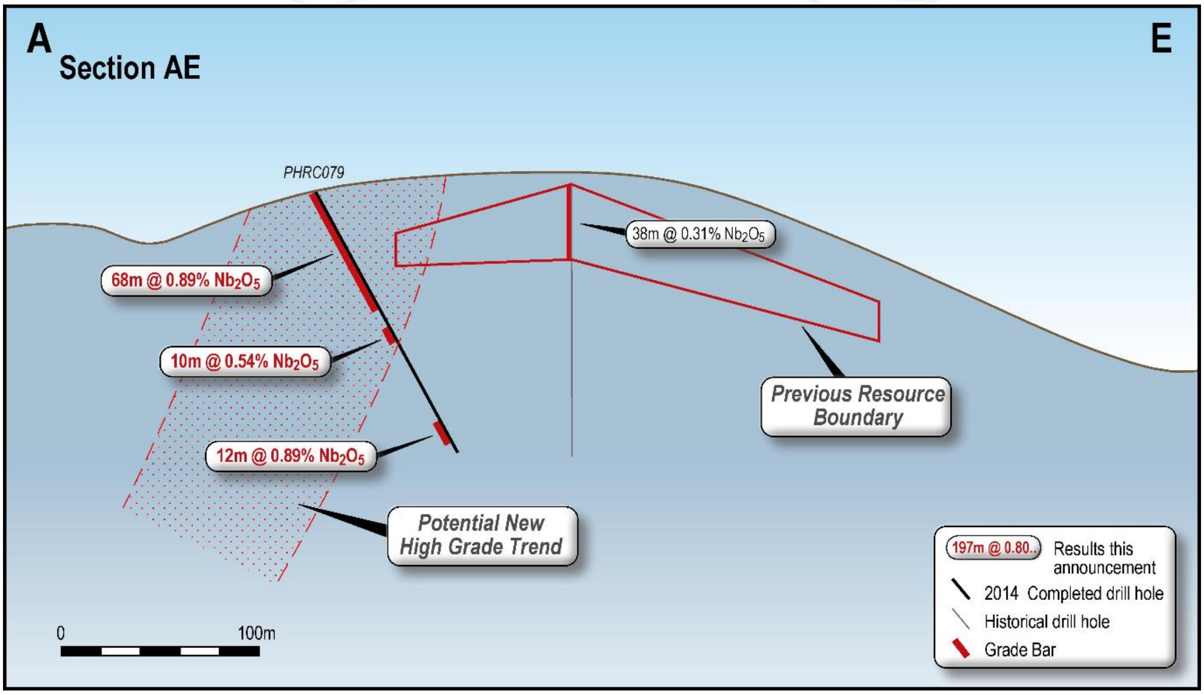

Figure 3: Section AE Showing the results from PHRC079 – the northern most hole drilled by Cradle. This shows significant near-surface mineralisation adjacent to historical holes which showed only low-grade mineralisation (J17/79). There are numerous outcrops of magnetite-carbonatite in this region.

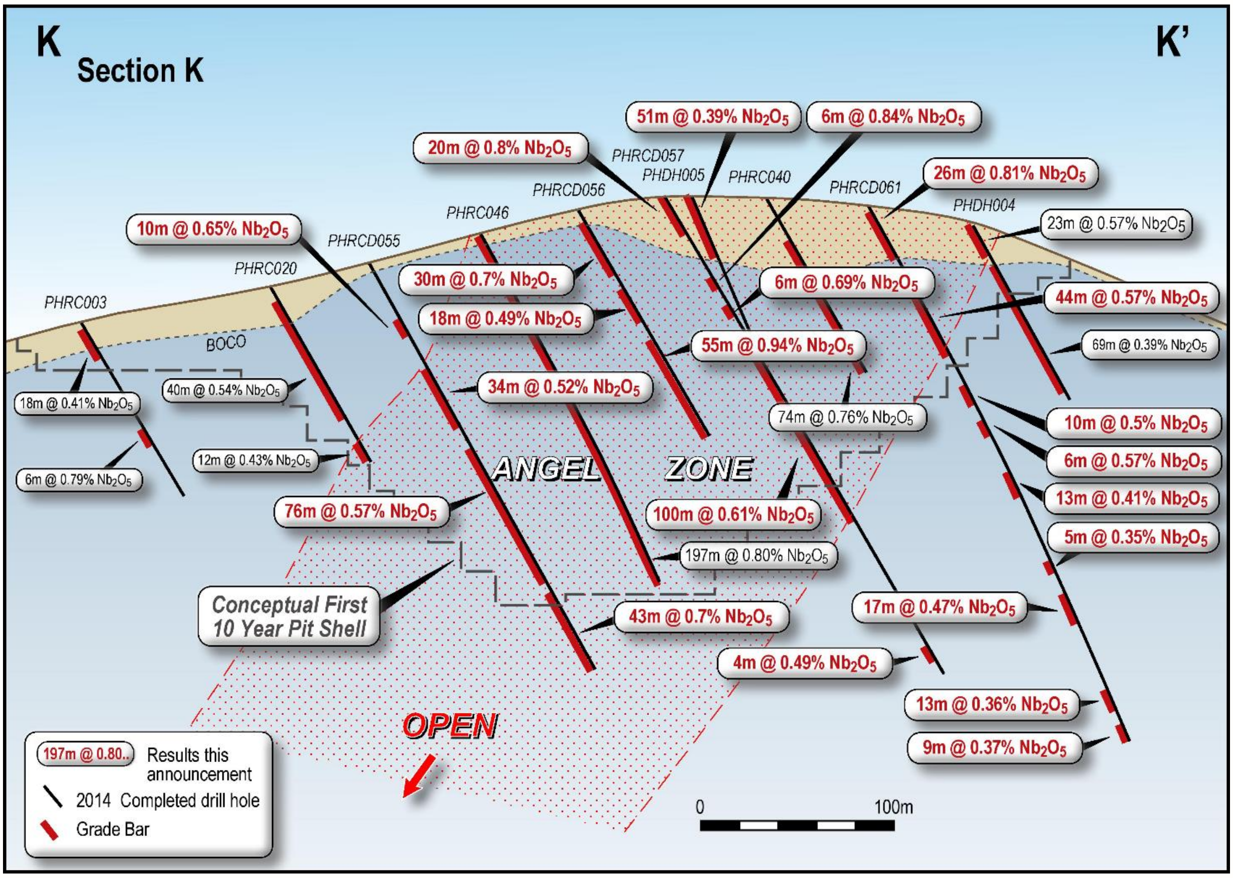

Figure 4: Section K with 2014 drill holes (thick black lines) showing previous results, significant new intercepts (red text). Hole PHRCD055 confirms the down-dip trend of the Angel Zone.

Table 1 - Panda Hill Niobium Project										
Detailed Significant Intercepts as of April 2015										
Hole ID	Section Line	Easting	Northing	RL	Dip	Azimuth	EOH Depth	From	Length	Nb_2O_5 (%)
PHDH038		526,928	900,567	1,543	-60	47	302.2	**22.5**	**187.7**	**0.70**
								223.8	34.4	0.43
								277.2	11	0.48
								294.0	3.5	0.44
PHDH039		527,024	9,005,620	1,541	-61	49	309.5	**0**	**27.5**	**1.34**
								36.5	4.2	0.84
								44.8	**19.9**	**1.39**
								69.6	2.8	0.72
								89.3	8.3	0.72
								110.1	18.7	0.59
								147.6	16.0	0.49
								176	7.0	0.38
								193.4	12.1	0.40
								227.05	3.1	0.39
								234.45	12.7	0.50
								266	19.0	0.40
								295	8.9	0.39
PHDH040		526,884	9,005,780	1,550	-62	41	140	**0**	**15.2**	**0.76**
								26.2	31.0	0.59
								73.9	34.6	0.53
								125.9	**23.1**	**0.73**
PHRC056		526,972	9,005,650	1,546	-60	47	133	10	12.0	0.65
								26	**14.0**	**0.88**
								48	18.0	0.49
								78	22.0	0.90
								112	**20.0**	**1.41**
PHRC059		526,954	9,005,770	1,555	-62	47	200	**0**	**38.0**	**0.85**
								50	18.0	0.53
								80	70.0	0.71
								164	12.0	0.50
								196	4.0	0.46
PHRC062		527,061	9,005,800	1,547	-64	47	200	0	26.0	0.66
								44	8.0	0.47
								100	4.0	0.47
								112	4.0	0.47
								120	6.0	0.51
								142	6.0	0.49
								170	4.0	0.67
PHRC063		526,825	9,005,650	1,519	-63	47	200	16	4.0	0.41
								34	6.0	0.71
								58	4.0	0.40
								100	16.0	0.59
								124	14.0	0.57
								150	18.0	0.65
								172	4.0	0.44
PHRC064		527,111	9,005,640	1,534	-60	47	179	26	2.0	0.52
								36	4.0	0.53
								52	6.0	0.50
								84	4.0	0.54
								94	34.0	0.45
								140	**12.0**	**0.77**
								158	8.0	0.45
PHRC065		527,040	9,005,580	1,532	-66	47	200	0	10.0	1.30
								16	**10.0**	**1.07**
								44	14.0	0.49
								184	4.0	0.57
PHRC066		526,965	9,005,510	1,512	-64	47	200	4	6.0	0.79
								14	4.0	0.67
								24	14.0	0.62
								42	12.0	0.39

								64	4.0	0.62
								96	22.0	0.80
								130	16.0	0.66
								150	50.0	0.70
PHRC068		527,097	9,005,694	1,543	-60	47	185	28	4.0	0.45
								50	**50.0**	**0.78**
								120	4.0	0.45
								138	8.0	0.64
								156	8.0	0.44
PHRC069		526,908	9,005,860	1,539	-64	47	187	82	6.0	0.50
								110	42.0	0.43
								160	26.0	0.46
PHRC070		526,817	9,005,710	1,522	-60	47	91	**0**	**8.0**	**1.78**
								20	4.0	0.61
								48	**38.0**	**0.84**
PHRC071		526,889	9,005,431	1,506	-60	47	200	0	8.0	0.66
								24	4.0	0.54
								38	12.0	0.40
								100	12.0	0.65
								124	6.0	0.52
								142	20.0	0.43
PHRC072		526,939	9,005,820	1,546	-60	47	192	**2**	**76.0**	**0.87**
								84	6.0	0.45
								116	6.0	0.46
								132	4.0	0.51
								188	**4.0**	**1.24**
PHRC073		526,909	9,005,930	1,538	-60	47	200	8	8.0	0.45
								22	14.0	0.47
								58	6.0	0.55
								90	46.0	0.56
								154	20.0	0.49
PHRC074		526,839	9,005,933	1,535	-60	47	200	4	4.0	0.48
								34	16.0	0.40
								80	14.0	0.50
								152	**22.0**	**0.77**
								180	14.0	0.43
PHRC075		526,836	9,005,800	1,525	-60	47	200	2	30.0	0.72
								72	4.0	0.37
								110	10.0	0.67
								130	58.0	0.52
								196	4.0	0.56
PHRC076		526,852	9,005,750	1,539	-60	47	200	2	14.0	0.74
								28	24.0	0.57
								60	6.0	0.39
								72	12.0	0.59
								120	**8.0**	**0.81**
								136	**24.0**	**1.00**
								176	24.0	0.66
PHRC077		526,507	9,005,910	1,555	-60	2	145	6	24.0	0.80
								38	14.0	0.57
								70	12.0	0.43
								90	4.0	0.51
								110	22.0	0.46
PHRC078		526,823	9,005,990	1,537	-62	47	153	0	10.0	0.59
								32	60.0	0.64
								96	18.0	0.44
								118	8.0	0.46
PHRC079		526,323	9,006,070	1,536	-60	47	152	**0**	**68.0**	**0.89**
								78	10.0	0.54
								134	**12.0**	**0.89**
PHRC080		526,703	9,005,940	1,531	-60	47	166	2	14.0	0.47
								24	8.0	0.49
								40	8.0	0.62
								72	16.0	0.56
								94	4.0	0.56
								102	14.0	0.50

								140	14.0	0.49
PHRC081		527,110	9,005,570	1,524	-59	47	150	96	4.0	0.64
								110	14.0	0.69
								134	16.0	0.50
PHRC082		526,980	9,005,930	1,542	-60	47	200	10	20.0	0.48
								50	24.0	0.48
								84	22.0	0.49
								116	4.0	0.52
								132	2.0	0.57
								144	4.0	0.54
								176	4.0	0.50
PHRC083		526,579	9,005,970	1,557	-60	227		6	32.0	0.49
								48	68.0	0.53
PHRC084		527,046	9,005,860	1,544	-60	47	200	0	4.0	0.48
								50	6.0	0.49
								62	28.0	0.49
								124	18.0	0.41
PHRC085		527,012	9,005,890	1,544	-60	47	148	0	10.0	0.46
								24	6.0	0.48
								36	38.0	0.51
								88	24.0	0.54
								136	6.0	0.42
PHRC086		526,771	9,006,000	1,542	-61	47	200	0	24.0	0.94
								34	14.0	0.64
								82	**12.0**	**1.28**
								108	12.0	0.57
PHRC087		526,812	9,006,110	1,536	-64	47	142	0	4.0	0.77
								12	4.0	0.56
								24	14.0	0.40
								46	4.0	0.46
								90	4.0	0.57
								100	41.0	0.48
PHRC088		526,741	9,006,110	1,544	-60	32	196	30	4.0	0.52
								60	6.0	0.52
								72	4.0	0.44
								94	8.0	0.41
								112	4.0	0.52
								130	12.0	0.53
								172	20.0	0.42
PHRC089		526,632	9,006,080	1,540	-60	47	200	28	8.0	0.40
								72	6.0	0.52
								122	12.0	0.58
								178	**4.0**	**0.76**
PHRC090		526,483	9,005,991	1,550	-60	227	151	0	10.0	0.35
								42	6.0	0.44
								80	16.0	0.45
								104	12.0	0.46
PHRC091		526,448	9,005,995	1,550	-60	227	65	**22**	**42.0**	**0.86**
PHRC092		526,431	9,006,000	1,555	-60	207	151	0	8.0	0.53
								20	52.0	0.61
								80	22.0	0.44
								140	4.0	0.48
PHRC093		526,670	9,006,120	1,540	-60	47	200	0	10.0	0.56
								14	6.0	0.39
								32	10.0	0.84
								50	4.0	0.45
								78	6.0	0.52
								188	**12.0**	**0.88**
PHRC094		527,146	9,005,600	1,527	-60	47	200	12	14.0	0.51
								38	**16.0**	**0.86**
								70	10.0	0.48
								94	56.0	0.58
								178	6.0	0.64
PHRC095		527,020	9,005,514	1,518	-64	47	200	**8**	**42.0**	**0.76**
								66	44.0	0.62
								130	6.0	0.50

								198	2.0	0.58
PHRC096		526,802	9,006,214	1,522	-60	2	151	0	6.0	0.55
								30	12.0	0.90
								80	4.0	0.53
								88	8.0	0.39
								124	6.0	0.44
PHRC097		527,036	9,005,812	1,552	-60	47	100	8	46.0	0.49
								55	15.0	0.43
								94	4.0	0.68
PHRC098		527,018	9,005,826	1,552	-61	47	100	0	54.0	0.50
								74	6.0	0.49
PHRCD005		526,724	9,005,694	1,500	-62	38	168.1	132.1	36.0	0.68
PHRCD055		526,894	9,005,580	1,518	-62	47	235.5	32	10.0	0.55
								60	34.0	0.52
								106	76.0	0.57
								188.3	43.4	0.70
							including	***188.3***	***18.5***	***1.13***
PHRCD057		527,005	9,005,680	1,551	-59	47	278.1	0	20.0	0.81
								46	6.0	0.84
								62	6.0	0.69
								87	99.1	0.61
								262.8	4.0	0.49
PHRCD058		526,979	9,005,720	1,557	-65	46	301.2	**32**	**82.0**	**0.74**
								134	32.0	0.71
								255	45.0	0.51
PHRCD060		526,910	9,005,730	1,553	-66	54	302.2	**0**	**116.0**	**1.09**
								124	64.0	0.55
								217	4.4	0.66
								229	3.7	0.52
								239.7	5.5	0.74
								266.2	4.3	0.68
								284.1	2.5	0.36
								299.5	2.7	0.48
PHRCD061		527,080	9,005,750	1,547	-67	45	302.3	**6**	**26.0**	**0.81**
								44	44.0	0.57
								106	10.0	0.50
								126	6.0	0.57
								152	4.0	0.45
								162	4.0	0.38
								202.7	4.6	0.35
								220	16.6	0.48
								274.6	6.9	0.40
PHRCD067		526,879	9,005,495	1,507	-66	48	350.3	14	4.0	0.51
								30	8.0	0.35
								62	4.0	0.43
								80	8.0	0.35
								110	36.0	0.58
								198	5.0	0.49
								269.45	43.0	0.65
								347	2.8	0.43

Note: The major intercepts have been tabulated above a nominal 0.35% Nb_2O_5 lower cut-off and less than 4m internal dilution. (EOH) – End of Hole

Project Background

The Panda Hill Niobium Project (Figure 5) is located in the Mbeya region in south western Tanzania approximately 650km west of the capital Dar es Salaam. The industrial city of Mbeya is situated only 26km from the project area and will be a significant service and logistics centre for the Project. Mbeya has a population of approximately 280,000 people, located on the main highway to the capital Dar es Salaam and has a newly constructed airport with regular domestic flights from Dar es Salaam and plans for regional expansion. The Panda Hill Niobium Project is unique in that it is located close to highly developed surrounding infrastructure including the TAZARA Rail line (2km away), the Dar es Salaam - Tunduma Highway (5km away) and major power infrastructure (26km away).

The Panda Hill Niobium Project is located on three Mining Licences (ML237/2006, 238/2006 and 239/2006) granted to Panda Hill Mines Ltd on 16 November 2006 and covering a total area of approximately 22.1 km^2. Title of these licences was transferred to RECB Limited ("RECB") on 18 December 2012. Panda Hill Mining Pty Ltd ("PHM"), a wholly owned subsidiary of Cradle, currently has a 50% shareholding in RECB with a an additional exclusive right to acquire the remaining 50% of RECB by June 2017.

In June 2014 Cradle reached an agreement with Tremont Investments Limited (backed by Denham Capital) ("Tremont") to fund the Project to DFS and beyond. Tremont will earn up to a 50% in the Project for a consideration of up to US$20M. To date Tremont has acquired a 25% stake in the Project through funding of US$10M.

Exploration History

The Panda Hill carbonatite intrusion has been subject to multiple phases of exploration work since the 1950s. This work has targeted the niobium and phosphate endowment of the deposit. From 1953 to 1965, the Geological Survey of Tanzania ("GST") undertook mapping, diamond drilling and trenching (17 DDH for 1,405m) to assess the niobium and phosphate potential of the deposit.

From 1954 to 1963, the Mbeya Exploration Company ("MBEXCO") joint venture was formed between N. V. Billiton Maatschappij and Colonial Development Corporation, London. MBEXCO drilled 66 diamond holes for 3,708m, excavated numerous pits, sunk two shafts and undertook trial mining and constructed a trial gravity and flotation plant on site. Concentrate from site was sent to Holland for further processing, with positive early metallurgical test work results noted.

From 1978 to 1980 a Yugoslavian State Enterprise ("RUDIS") undertook a joint study primarily on the phosphate endowment in collaboration with the Tanzanian Mining Industrial Association and State Mining Corporation ("STAMICO"). This work included mapping, diamond drilling and pitting (13 diamond holes for 1,306m).

Cradle commenced exploration work on the Project in 2013 and has drilled 137 holes (RC and DDH) for 20,724m to December 2014. The bulk of the drilling has been on a 50m x 50m pattern with broader lines of up to 100m x 100m. Cradle also undertook extensive geological mapping campaigns over the carbonatite intrusion and has undertaken a magnetic and radiometric survey over the broader region.

Geology

The Panda Hill carbonatite is a mid-Cretaceous volcanic intrusion which has intruded into gneisses and amphibolites of the NE-SE trending mobile belt. It forms a steeply dipping, near-circular plug of approximately 1.5km diameter and is partly covered by fenitised country rocks and residual soil material. The fenite forms a "cap" or roof over the south of the carbonatite complex, and is in turn overlain by residual and transported soils. Volcanic ash over part of the complex suggests a later stage of volcanic activity. It is apparent that portions of fenite, ash and soil cover are underlain by carbonatite and these areas are only lightly explored.

In the main exposed portion of the carbonatite evidence supports three stages of carbonatite activity outwards from the centre of the plug. An early-stage calcite carbonatite forms the core, while intermediate and late-stage carbonatites, composed of more magnesian-rich and iron-rich carbonatites, form the outer parts of the plug. Later stage apatite-magnetite rich rocks and ferro-carbonatite dykes are also found in the complex. Fenitisation of the pre-existing gneisses led to the development of potassium-rich rocks containing K-feldspar and phlogopite.

The Sovite carbonatite from Panda Hill is composed mainly of calcite, which forms an average of 60 - 75% by volume. The fresh Sovite carbonatite may contain up to 5% apatite, with pyrochlore, magnetite, phlogopite and quartz. Dolomite-rich carbonatites (Rauhaugite) and ankerite/siderite-rich carbonatites (Beforesite) are also present and can be mineralised.

Panda Hill Niobium Mineral Resource and Pre-Feasibility Study

A significant Mineral Resource upgrade was finalised in December 2014 by Coffey Mining, with 96Mt @ 0.52% Nb_2O_5 in total Mineral Resources now available. *Results of the 57 hole (9,300m) December 2014 infill and expansion drilling have not yet been included in the Mineral Resource and further extensions are expected in the Mineral Resource update due in Q2 2015.* To date only ~40% of the area of the carbonatite has been drill-tested by Cradle, the remainder of the carbonatite is highly prospective, with mineralisation indicted both by historical drilling and field observations by Cradle.

On 31 March 2015, Cradle finalised a Pre-Feasibility Study over the Project. The results were highly positive and can be seen on our website (www.cradleresources.com.au).

Panda Hill Niobium Mineral Resource - December 2014 Reported Above a 0.3% Nb_2O_5 Lower Cut-off			
Combined			
Classification	Million Tonnes	Nb_2O_5 %	Nb_2O_5 Content (kt)
Indicated	41.0	0.54	223
Inferred	55.3	0.51	280
Total	**96.3**	**0.52**	**504**
Primary Carbonatite[1]			
Classification	Million Tonnes	Nb_2O_5 %	Nb_2O_5 Content (kt)
Indicated	35.9	0.54	194
Inferred	52.5	0.51	265
Total	**88.4**	**0.52**	**459**
Weathered Carbonatite[2]			
Classification	Million Tonnes	Nb_2O_5 %	Nb_2O_5 Content (kt)
Indicated	5.1	0.59	30
Inferred	2.8	0.53	15
Total	**7.9**	**0.57**	**45**

Note: Figures have been rounded. [1] Primary Carbonatite is defined as a region of fresh to Moderately Oxidised material dominated by carbonatite lithologies. This material is expected to have a higher metallurgical recovery. [2] Weathered Carbonatite is a region dominated by strongly oxidised material dominated by weathered carbonatite with other mixed lithologies. This material is expected to have a lower recovery than the Primary carbonatite material.

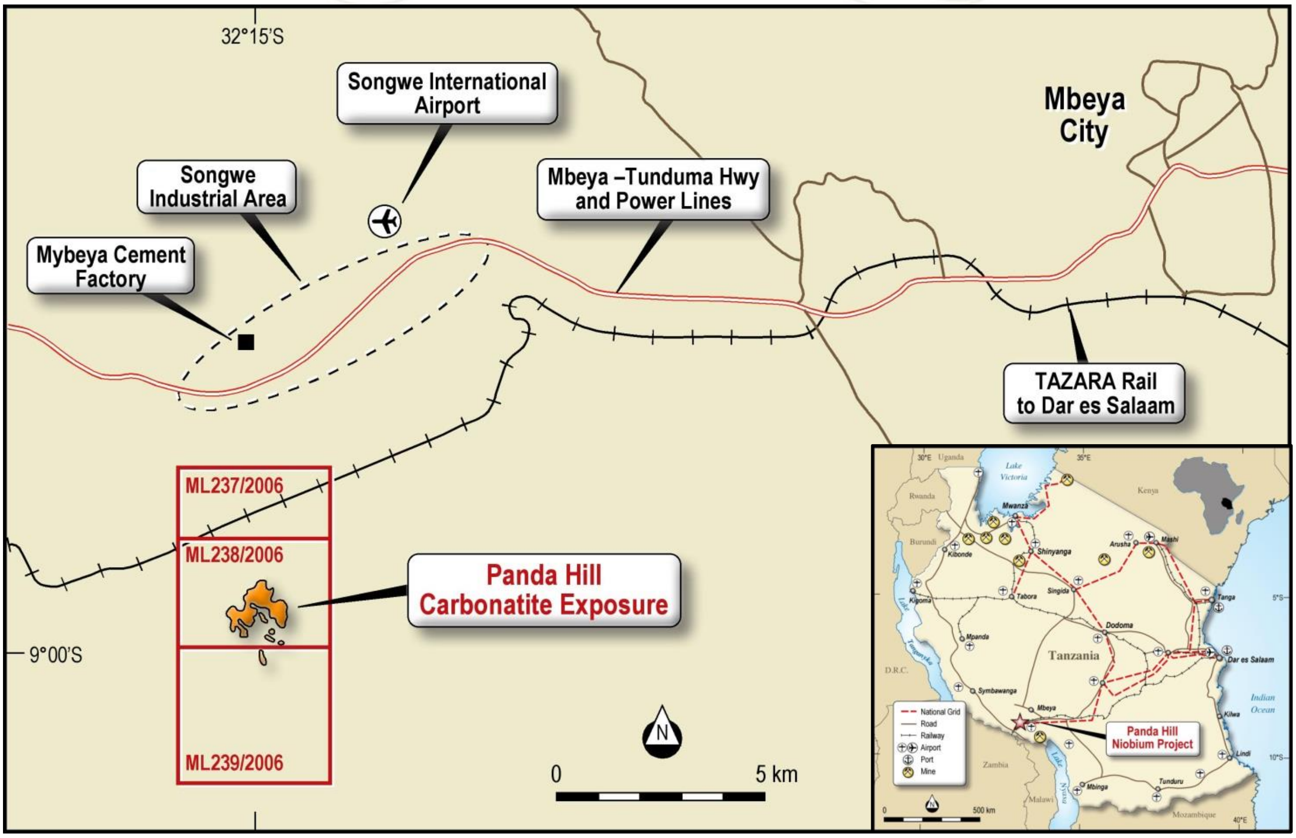

Figure 5: Location of the project tenure and surrounding infrastructure

By order of the Board

Competent Person's Statement

The information in this document that relates to Exploration Results and Mineral Resources is based on information compiled or reviewed by Mr Neil Inwood who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Inwood is a full time employee of Verona Capital Pty Ltd. Mr Inwood 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Inwood consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information relating to the Mineral Resource is extracted from the report entitled 'Significant Resource Upgrade for Panda Hill Niobium Project" created on 20th January 2015 and is available to view on www.cradleresources.com.au*. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.'*

For further information, please visit www.cradleresources.com.au or contact:

Grant Davey Managing Director Tel: +61 8 9389 2000

The following extract from the JORC Code 2012 Table 1 is provided for compliance with the Code requirements for the reporting of Exploration result.

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. ▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. ▪ 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 1m samples from which 3kg was pulverised to produce a 30g 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.	• Sample intervals for the 2014 drill core were based on lithological units. Care was taken not to mix different lithologies or weathering types. Sample intervals were nominally 1m length but range from 0.3m to a maximum of 1.5m in barren uniform material. Sample lengths are kept to 1m in mineralised material if possible. • Quarter core samples were taken from the HQ and ½ core from NQ core for assaying. Competent core was cut using a core saw. Friable material was carefully sampled by hand. • RC Samples are split using a cone splitter into 1m samples, then a combined 2m composite is taken using a riffles splitter. RC sample weights are approximately 2kg. • Samples were dispatched to the SGS preparation laboratory in Mwanza, Tanzania, for crushing and pulverising to 85% passing 75 µm. Pulps were then sent to SGS Johannesburg, South Africa, for niobium assay by XRF Borate Fusion. • A calibrated hand-held Niton XRF analyser is used to aid in mineralisation identification.
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 was conducted by Capital Drilling. Drilling typically started in HQ3 core to allow for safe collaring and to capture sufficient material for metallurgical test work. When difficult drilling conditions were encountered, the HQ rods were left as casing to allow for continuation of drilling using NQ rods. HQ and NQ core is typically taken. • RC Drilling is by a Schram 450 rig drilling with a y a 5.5" diameter bit typically and a 900cfm compressor. No booster compressor was required for RC drilling. • Core orientation is with the reflex orientation tool.
Drill sample recovery	▪ Method of recording and assessing core and chip sample recoveries and results assessed. ▪ Measures taken to maximise sample recovery and ensure representative nature of the samples. ▪ 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.	• Core recovery is measured as a % and any cavities or missing intervals are recorded. • Recovery was generally high for all core. Up to 4% voids are reported in some regions. • RC recovery is recorded by visual estimation of recovered sample bags and by weighing all sample rejects from the splitter. Recovery is generally of good quality.
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. ▪ Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. ▪ The total length and percentage of the relevant intersections logged.	• Logging of the 2014 drill holes included recording of lithological contacts, weathering contacts, vein/dyke orientations, and the orientation of any observed flow banding. Structural measurements (alpha and beta and dip/strike) were Wet and dry core photos were taken. All core was logged. • Geotechnical logging was completed for all holes by a geotechnical engineer. RQDs, defects, weathering, strength, infill, and jointing were recorded. • Logging is of sufficient quality for current studies.
Sub-sampling techniques and sample preparation	▪ If core, whether cut or sawn and whether quarter, half or all core taken. ▪ If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. ▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique. ▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. ▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including	• For the 2014 drilling, half core samples were sent to SGS Vancouver for metallurgical testing and quarter core samples were sent to SGS Johannesburg after being sent to SGS Mwanza (Tanzania) for preparation. • All sampling was carefully supervised. Ticket books were used with pre-numbered tickets placed in then sample bag and core tray double checked against the ticket stubs to guard against sample mix ups. • One metre lengths of quarter HQ and ½ NQ core is considered sufficient to provide an adequately representative sample for assaying.

Criteria	JORC Code Explanation	Commentary
	for instance results for field duplicate/second-half sampling. ▪ Whether sample sizes are appropriate to the grain size of the material being sampled.	• Whilst field duplicates were not submitted, a program of coarse reject duplicates is planned. • RC field duplicates are taken.
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.	• Coffey conducted an inspection of the Johannesburg laboratory during a site visit in August 2013 and found the laboratory to be of industry standard with no problems noted. • Matrix matched standards are inserted every 20 samples on sample numbers ending in 0 (eg *00, *20, *40 etc). Eight different standards were used. Approximately 10g of standard was used for the XRF Borate fusion analysis samples (note: borate fusion only used ~4g of pulp). Standards were either supplied pre=packaged or were measured into a small paper bag so the standards were not blind. • Blanks were inserted at a 1:50 ratio (i.e. samples *10, *70) and at the start of each batch.
Verification of sampling and assaying	▪ The verification of significant intersections by either independent or alternative company personnel. ▪ The use of twinned holes. ▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. ▪ Discuss any adjustment to assay data.	• Coffey conducted a site visit in August 2013, during the drilling program, observing all drilling procedures. All procedures were considered industry standard, well supervised and well carried out. • Geological data is entered directly into a "tough book" (logging tablet). The data is then downloaded to a computer where it is compiled into an access database. • Assay data is provided as /csv files from the laboratory and extracted through a query into the assay table, eliminating the chance of data-entry errors. Spot checks are made against the laboratory certificates. Datashed is used for final assay importation. • 3 RC holes have been planned to twin the 2013 diamond drilling.
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. ▪ Specification of the grid system used. ▪ Quality and adequacy of topographic control.	• Collar positions were set out using a Handheld Garmin GPS with reported accuracy of 3m. Two pegs lined up using a Suunto compass were used to align the rig. Historic holes were drilled on the Tanzanian ARC60 grid. Cradle Resources are using WGS84, UTM36S. • Downhole surveys were taken using a Reflex electronic multi shot instrument. Collar surveys were taken using a compass and inclinometer. Whilst there is the possibility of deviations in the recorded azimuth due to the presence of magnetite in the carbonatite, overall the surveys showed only minor deviations in azimuth and dip. There is no apparent trend to the deviations based on drilling direction. • The surface topography used in the resource is derived from the local topography map at 1:3000 scale • A surveyor will be used to locate all drill holes at the end of the program.
Data spacing and distribution	▪ Data spacing for reporting of Exploration Results. ▪ 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. ▪ Whether sample compositing has been applied.	• The drill holes are spaced on a nominal 50m to 100m spacing; with 50m section lines. • The 2014 drilling had a nominal sample length of 1m for diamond and 2m for RC. • The data spacing is considered suitable for resource estimates.
Orientation of data in relation to geological structure	▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. ▪ 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 distribution of pyrochlore and hence of niobium within the carbonatite is fairly uniform for the lower grade material. Higher grade areas occur in the steeply dipping schlieren (flow banding), particularly in the magnetite rich zones. The recent drilling has been oriented with a dip of 60° with an azimuth of 045 degrees, which is considered acceptable to test the mineralisation.
Sample security	▪ The measures taken to ensure sample security.	• Samples from the 2014 drilling were placed into small plastic bags with the pre-printed sample number. These bags were stapled shut in the core yard. The samples were then put into large polyweave or plastic bags with approximately 10 samples per bag. These were sealed shut using tape prior to being transported to the SGS preparation laboratory in Mwanza (northern Tanzania)
Audits or reviews	▪ The results of any audits or reviews of sampling	• Coffey conducted a site visit during the drilling program in August

Criteria	JORC Code Explanation	Commentary
	techniques and data.	2013. The sampling techniques were reviewed and found to be of industry standard and entirely appropriate for this type of deposit.

Section 2 Reporting of Exploration Results

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

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 project area is located on three granted MLs (ML237/2006, 238/2006 and 239/2006) located approximately 25km WSW of regional capital of Mbeya, in southern Tanzania. The three MLs cover an approximate area of 22km^2. Cradle Resources holds a 50% interest in all three MLs through its ownership of Panda Hill Mining Pty Ltd (PHM). RECB Ltd (a BVI Company) owns the three Panda Hill MLs, PHM owns 50% of RECB Ltd and has an option to purchase the remaining 50%. It is understood that a 3% royalty may be payable to the Tanzanian Government once mining has started. The licences are not subject to any 3rd party agreements. • The resource and the bulk on ML237/2006 and ML238/2006 are located within a region of designated Prison grounds. The Resource itself is removed from any buildings or infrastructure. As the location of the resource is located within the prison boundaries, only the prison-related community would be directly affected by any potential mining activities. • The three granted MLs are current until 16 November 2016. Department of Prisons approval is required for any work to be conducted on ML237/2006 and ML238/2006. Cradle Resources has obtained permission to operate on these areas and is not aware of any impediment for future operations.
Exploration done by other parties	▪ Acknowledgment and appraisal of exploration by other parties.	• The Panda Hill Niobium Project has been explored since the 1950s. The Geological Survey of Tanzania (GST) and Mbeya Exploration Company (MBEXCO) drilled 83 diamond drill holes for a total depth of 5,187m in the Panda Hill project area in the 1950's and early 1960's. Yugoslavian company RUDIS, in joint venture with the State Mining Company of Tanzania (STAMINCO), drilled 13 diamond drill holes for a total of 1,305m in the period of 1978 to 1980. These holes were drilled on a 100m x 100m spaced centres on the Tanzanian ARC60 grid. Drillhole logs and assays are available for the historic drilling. Laboratory certificates have been sighted for the GST drilling and original data printouts have been obtained for the RUDIS drilling.
Geology	▪ Deposit type, geological setting and style of mineralisation.	• The project is characterised as a carbonatite hosted niobium deposit. The bulk of the Panda Hill niobium mineralisation is found within pyrochlore and lesser columbite. The bulk of the known mineralisation is located within carbonatite lithologies, with Nb_2O_5 grades typically ranging from 0.1% to 1%. Higher-grade niobium mineralisation is noted within flow-banding (schlieren) within the carbonatite and within the surficial weathered cap.
Drillhole Information	▪ 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 drillhole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar o dip and azimuth of the hole o down hole length and interception depth	• Drillhole coordinates and orientations are provided in Table 1 of this report. • This statement relates to Exploration Results.

Criteria	JORC Code explanation	Commentary
	○ 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.	
Data aggregation methods	▪ 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.	• Exploration results have been quoted above a nominal 0.35% Nb_2O_5 cut off, and with less than a nominal 4m of internal dilution. No top-cuts were used as these were not deemed to be required. • Meal equivalents were used to explain the assay results in context to Au and Cu to make it easier for a layperson to understand the potential economic consequences of the results. There is no economic Cu or au in the deposit. The method for estimating metal equivalents is shown on page 1 of the document.
Relationship between mineralisation widths and intercept lengths	▪ These relationships are particularly important in the reporting of Exploration Results. ▪ If the geometry of the mineralisation with respect to the drillhole 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 width not known').	• The bulk of the drilling is at right angles to the understood strike of mineralisation and to the dip of the mineralisation. It is estimated that the quoted intercepts would be between 80 and 100% of the true width of the mineralisation. • Considerable surface structural mapping has been undertaken to optimize the drillhole directions.
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 drillhole collar locations and appropriate sectional views.	• A drillhole plan and accompanying cross-sections are provided in Figures 1 and 2 of this report.
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.	• The exploration results have been reported above a nominal 0.35% Nb_2O_5 lower cutoff and short reporting intervals have been avoided wherever possible. This method results in intervals which should have bearing on potential future economic extraction. Intervals not reported should be considered effectively mineralised to the level of economic interest.
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.	• Detailed geological mapping has been conduction by the Tanganyika Geological Survey in the 1950s and RUDIS in the 1980s. Two papers detailing the geology of the Panda Hill carbonatite were subsequently published in Economic Geology. • Cradle conducted geological mapping at the same time as the drilling program. Both the recent and historic mapping provide information relating to the orientation of the flow banding within the carbonatite. • Metallurgical test work has been conducted by MBEXCO and RUDIS in the past. MBEXCO also conducted trial mining. Cradle has undertaken metallurgical test work on the mineralized carbonatite material. At the time of writing the results are not available, however there is no reason to suspect they will be materially different from the historic test work results.
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.	• The current drill program is aimed at producing an improved Resource estimate to higher levels of confidence and to enable for e more detailed metallurgical and lithological/weathering model to be generated. • A magnetic survey has been commissioned over the project which will aid in the understanding of the broader structures resent within the deposit.