ASX ANNOUNCEMENT
31 July 2015

Quarterly Activities Report for the Period Ended 30 June 2015

Riedel Resources Limited **(ASX: RIE, "Riedel"** or **"the Company"**) is pleased to present its 2015 June Quarter Activities Report:

HIGHLIGHTS

Marymia Project

Australian Mines Limited Earning Up to 80%

- Twelve RC holes drilled for a total of 2,237 metres.
- Best intersection of 21 metres @ 0.05% copper and 0.21% zinc from 193 metres in MMRC003 at the Burton Prospect.
- Further drilling is planned for the September Quarter at Burton Prospect.

Millrose Project

- Subsequent to the end of the June Quarter an Extension of Term and Retention Status were granted for E53/1304. This tenement covers the Millrose gold deposit.

Corporate

- Cash at 30 June 2015 - **$0.143M**

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Riedel's assets include a portfolio of gold, copper and nickel projects and significant land holdings in prospective Archaean- and Proterozoic-age terranes of Western Australia *(see Figure 1 for location of projects).*

The Company has a mixture of advanced and early stage prospects, including:

- Marymia – *(copper, gold, nickel and base metals)* Australian Mines earning up to 80% by project expenditure of up to $3.3M;
- Charteris Creek – *(copper, molybdenum, gold and base metals)* FMGR earning up to 80% by project expenditure of up to $1.0M*;*
- Cheritons Find *(gold - Inferred Resources of 1.4Mt @ 2.4g/t Au for 108,000 oz)*;
- Millrose *(gold - [i]*Inferred Resources of 4.0Mt @ 2.4g/t Au for 309,000 oz)*.

Furthermore, the Western Australian Projects are augmented by a number of additional prospects, including royalty agreements and free carried interests.

Figure 1: Western Australia Project locations

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[*] *Phil Jones (Al Maynard & Assoc) – 2010. This information was previously prepared and disclosed on the basis of compliance with the JORC Code – 2004 Edition. The Inferred Mineral Resources have not been subsequently updated to satisfy compliance with the JORC Code - 2012 Edition as the information has not materially changed since it was last reported.*

MARYMIA PROJECT JOINT VENTURE

Australian Mines earning interests up to 80%

On 30 April 2014 Riedel announced the key terms and conditions of a farm-in and joint venture arrangement over exploration licences 52/2394 and 52/2395 ("the Marymia Project") with Australian Mines Limited (ASX: AUZ, "Australian Mines"). A Heads of Agreement was signed by the parties and if the farm-in and joint venture arrangement proceeds to its full conclusion, the earn-in will be worth up to $3.3M.

During the June Quarter Australian Mines **earned a 51% interest in the Marymia Project** by completing more than $1,000,000 worth of expenditure on exploration during the "Stage 1 Earn-in". Australian Mines has now elected to proceed with the "Stage 2 Earn-in".

By spending a further $2,000,000 on exploration within a further 3 year period following the Stage 1 Earn-in, Australian Mines can earn an additional 29% interest (taking the total interest to 80%) in the Marymia Project.

Marymia Project tenement location and geology

E52/2394 and E52/2395, which collectively form the Marymia Project, cover an area of more than 425 square kilometres in the highly prospective Doolgunna-Thaduna region of the Proterozoic volcano-sedimentary Bryah and Yerrida Basins and Archaean Baumgarten Greenstone Belt in the Marymia Inlier.

The Marymia Project is located approximately 30 kilometres east of the 4.7M oz Plutonic gold mine, 55 kilometres north-east of Sandfire Resources NL's DeGrussa copper-gold mine (550,000 tonnes contained copper metal), and 12 kilometres east-north-east of Sandfire's Green Dragon and Thaduna copper deposits (100,000 tonnes contained copper metal) in Western Australia's Mid-West region *(see Figure 2)*.

Significant regional structures identified in the project area include the Jenkin Fault and prospective, mineralised geology including the Archaean-aged Baumgarten Greenstone Belt and Proterozoic-aged sediments belonging to the Yerrida and Earaheedy Groups. The project is prospective for copper, gold and nickel mineralisation and Riedel has delineated numerous high priority targets for each of these commodities.

Activities for the Quarterly period ended 30 June 2015

Australian Mines completed a 12 hole RC drilling programme, totalling 2,237 metres, which tested six different nickel, copper and gold targets. Targets tested included the Burton, Wyman and Baumgarten Prospects *(see Table 1 and Figure 2)*.

Several significant intersections were recorded *(see Table 2)*. The best intersection was 21 metres @ 0.05% copper and 0.21% zinc from 193 metres in MMRC003 at the Burton Prospect

(see Figure 3). Australian Mines has concluded that this drill hole was not in the optimal position and follow up drilling is planned during the September Quarter.

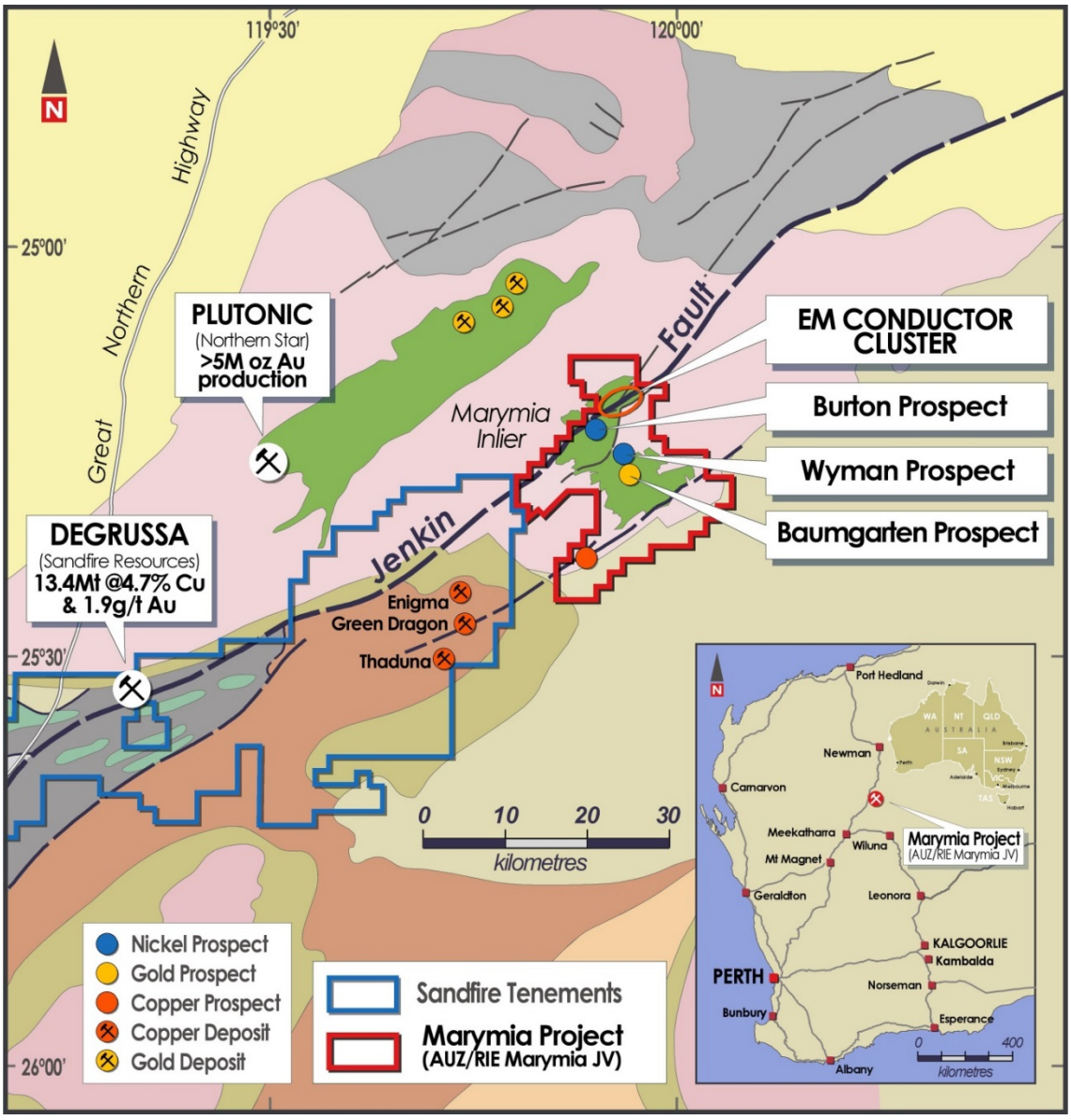

Figure 2:
Marymia Project region - Schematic geological map showing Burton, Wyman, Baumgarten Prospects, EM Conductor Cluster

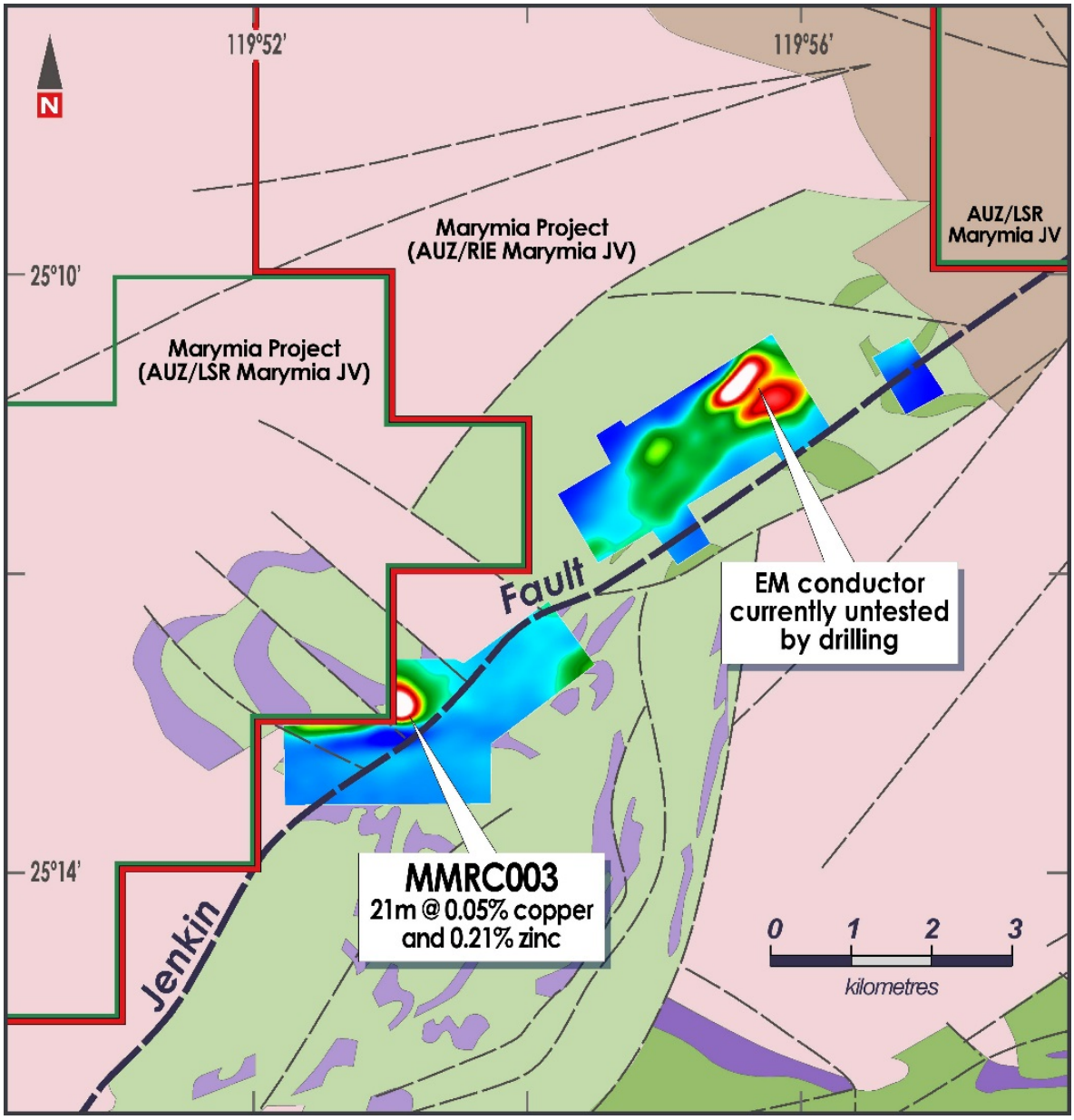

Figure 3:
Location of MMRC003 and EM anomalies at the Burton Prospect and along the Jenkin Fault. Due to the Burton target's close proximity to the tenement boundary, Australian Mines drilled a single, sub-optimal RC hole designed to test the eastern edge of this conductor. This drill hole intersected anomalous copper and zinc mineralisation. Following the recently announced joint venture with Lodestar Minerals[ii], Australian Mines is proposing to extend the drilling of the Burton conductor.

[ii] *Australian Mines Limited, Australian Mines increases Marymia ground holding, released 11 June 2015*

CHARTERIS CREEK PROJECT JOINT VENTURE

FMG Resources Pty Ltd earning interests up to 80%

In January 2014 FMG Resources Pty Ltd ("FMGR"), a wholly-owned subsidiary of Fortescue Metals Group Ltd, entered into a Farm In and Joint Venture Agreement with the Company worth up to $1M over Exploration Licence 45/2763.

Riedel's 100%-owned tenement is 131km^2 in area and is located approximately 45km north of Nullagine and 50km south-east of Marble Bar in the Pilbara Region of Western Australia *(see Figures 1 and 4 for project location)*.

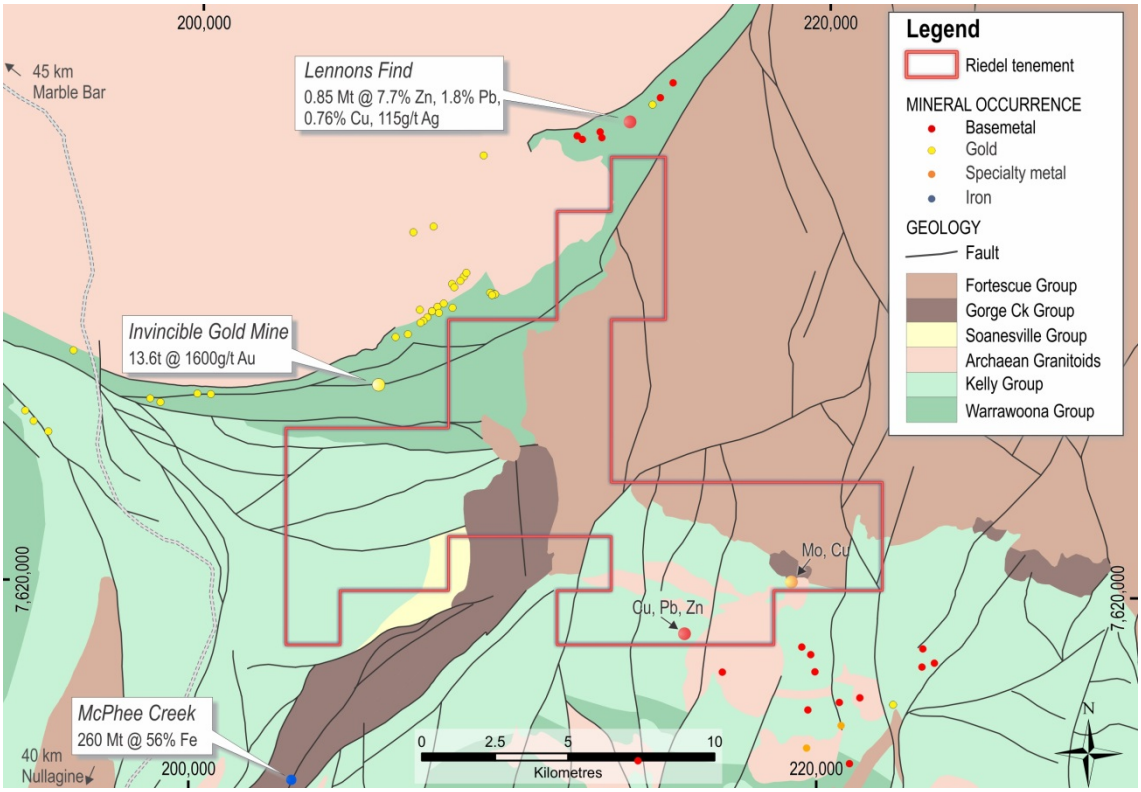

Figure 4: Charteris Creek Project – Geological Map highlighting known mineral occurrences and deposits

Tenement location and geology

E45/2763 is located within the East Pilbara Granite Greenstone Terrain. Tectonically, it is encompassed by the Marble Bar and Kelly Greenstone Belts and Mount Edgar Granitoid Complex in the west and northwest and McPhee Dome and Hamersley Basin to the east and southeast.

The Charteris Creek Project focuses on Archaean intrusive rocks, which are intruding the greenstones overlying the McPhee Dome structure. These are described as Gobbos Granodiorite, a locally porphyritic biotite granodiorite and monzogranite. Various copper and copper-molybdenum occurrences are reported in association with these intrusive rocks.

Indications for a porphyritic source of the minerals have been given in previous exploration reports.

Activities for the period ended 30 June 2015

There were no exploration activities carried out during the quarter.

CHERITONS FIND PROJECT

Riedel continued with work during the Quarter for the purpose of development of the Redwing gold deposit as a potential toll treatment project.

Redwing is located within Riedel's wholly-owned Cheritons Find Gold Project, which is located in the Forrestania-Southern Cross Greenstone Belt in the Eastern Goldfields Region of Western Australia *(see Figures 1 and 5)*. Importantly, Redwing is only ≈45 kilometres to the south of Hanking Gold Mining Pty Ltd's ("Hanking") gold processing plant at Marvel Loch, which has been recently recommissioned.

Based on 121 RC drill holes completed by Sons of Gwalia in the late 1990s and subsequent Mineral Resource estimation work, Redwing contains an Inferred Mineral Resource of ***1.4Mt @ 2.4g/t Au for 108,000 oz.***, which can be reported in accordance with requirements of the 2012 Edition of the JORC Code.

Riedel considers that, given current market contract mining and toll treatment processing costs, and assuming a toll treatment agreement can be negotiated, ***Redwing has potential to generate significant value from an open-pit mining operation for a relatively low initial capital investment*.**

The opportunity to develop the Cheritons Find (Redwing) gold deposit is substantially de-risked by the recent (2015) re-commissioning of Hanking's Marvel Loch processing facility located only 45 kilometres to the north of Cheritons Find. Hanking has indicated to Riedel a willingness to discuss proposals from third parties in the area who may wish to make use of the Marvel Loch processing facilities and other infrastructure (including camp and admin buildings where required).

In January 2015 Riedel engaged Amec Foster Wheeler to provide an independent review of the Cheritons Find Project and to best establish realistic options to bring the gold project into production. The review concentrated on establishing and assessing the key pre-development components which need to be satisfactorily completed, including establishing timelines and order of magnitude costs, to facilitate development of the Cheritons Find project.

In summary, Amec Foster Wheeler concluded that Riedel's Redwing toll treatment strategy appears to offer reasonable returns at reasonable risk for the initial drilling investment of ≈A$500,000 to improve the Mineral Resource confidence to a level that will support a Feasibility Study.

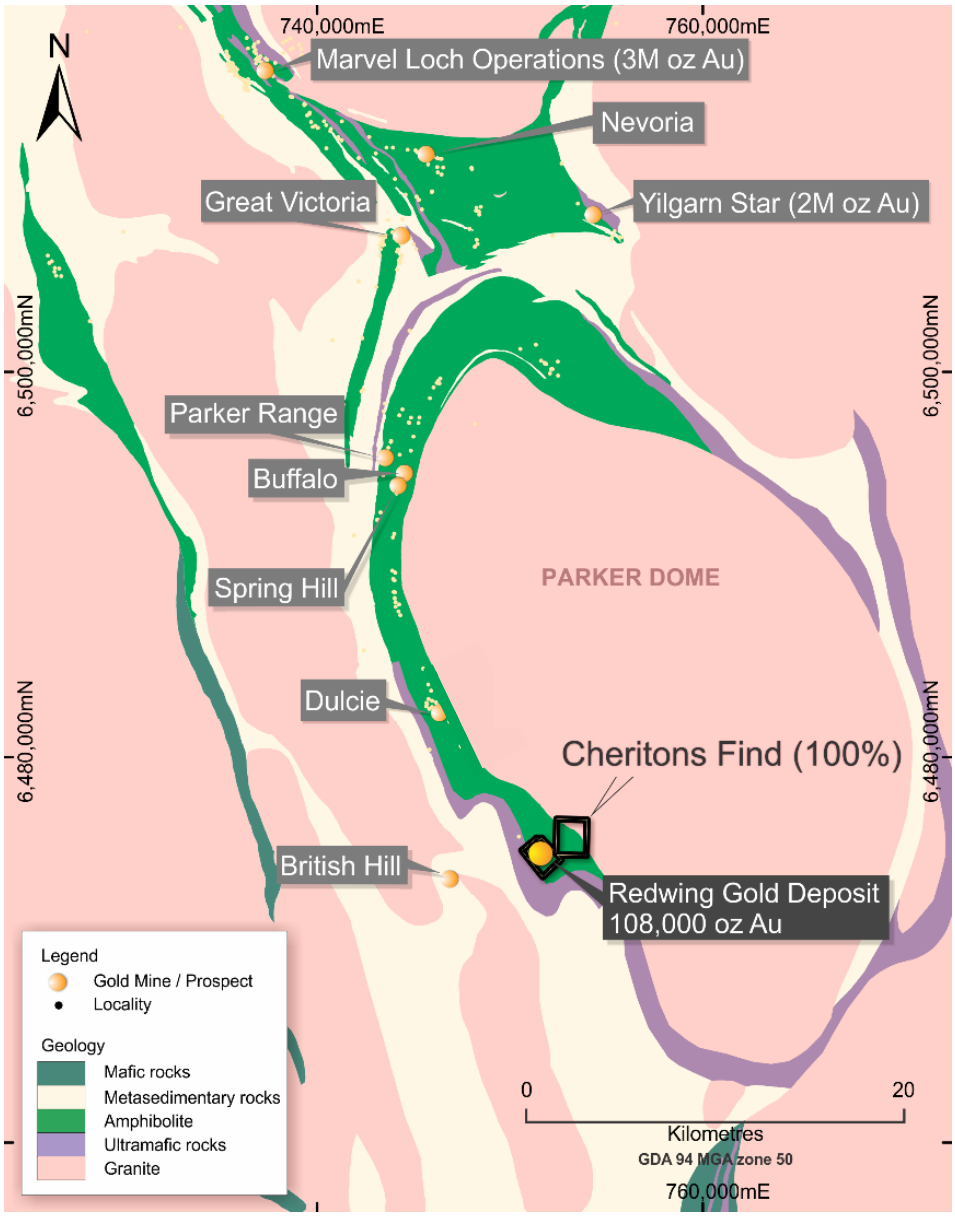

Figure 5: Cheritons Find Project and Redwing Gold Deposit – Location and regional geological map

Project Summary

Geological Setting

Exploration Licence 77/1793 covers a west-north-west striking sequence of mafic and ultramafic rocks, flanking the south-western part of the Parker Range Dome (*see Figure 5*).

At the Redwing deposit, significant gold mineralisation has been discovered along a strike length of 500 metres and to a vertical depth of 160 metres. The mineralised deformation zone dips shallowly to the south and has a true thickness of between 5 metres and 30 metres although the host rock sequence and associated structural deformation zone extends for at least a further 2,500 metres to the south of Redwing.

Within the overall mineralised/deformation zone, free gold is hosted by a series of stacked, sheeted quartz veins ranging in thickness from one to four metres within alteration halos which are characterised by calc-silicate, carbonate, garnet and pyrite assemblages *(see Figure 6)*.

Inferred Mineral Resources

In 2000, Sons of Gwalia Limited ("SOG") estimated an Inferred Mineral Resource Estimate for Redwing of **1.4 Mt @ 2.4g/t Au for 108,000 ounces of gold** *(see Table 3 below)*. Amec Foster Wheeler has completed a high-level review of the data methodology supporting SOG estimate and considers the SOG Inferred Resource Estimate can be reported in accordance with the requirements of the JORC Code 2012. A JORC Table 1 for the estimate in appended to this release.

TABLE 3 - Redwing Gold Deposit – Inferred Mineral Resources

Material	Resource Category	Lower Gold Cutoff (g/t Au)	Top Gold Cut (g/t Au)	Tonnes	Gold Grade (g/t Au)	Contained Gold (oz Au)
Oxide	Inferred	0.5	20	30,000	2.3	2,200
Transition	Inferred	0.5	20	100,000	2.0	6,400
Primary	Inferred	0.5	20	1,270,000	2.5	102,000
TOTAL	Inferred	0.5	20	1,400,000	2.4	108,000

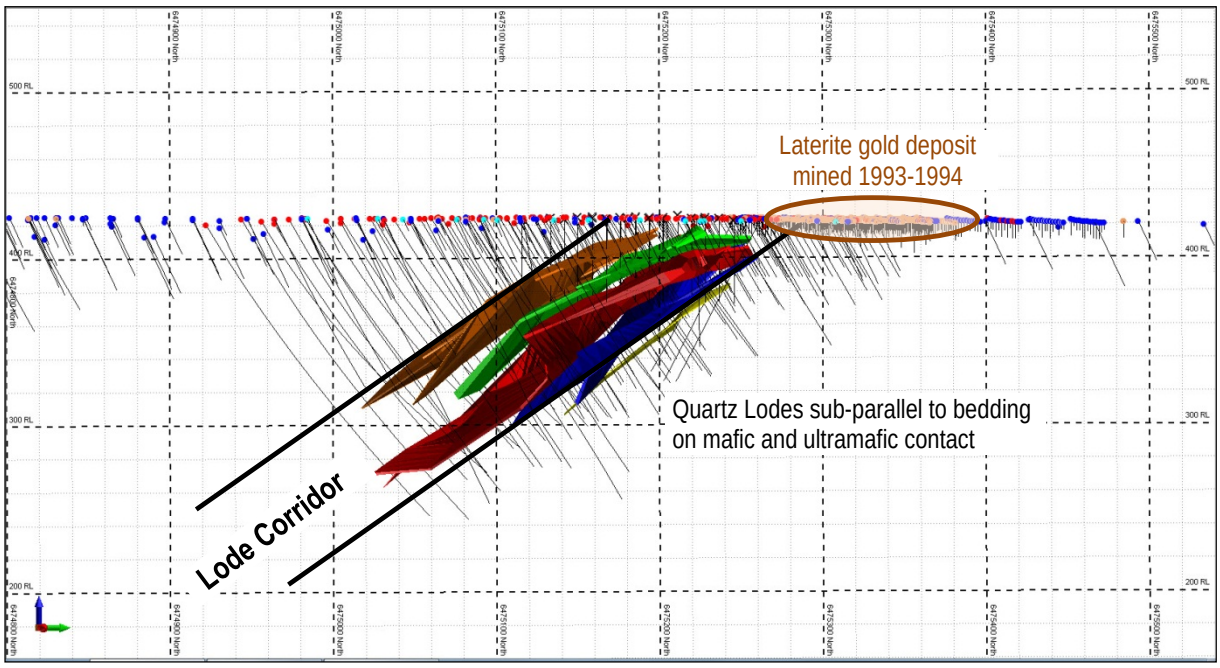

Figure 6: Cheritons Find – Redwing Gold Deposit Cross-Section – All lodes projected to single section looking west.

MILLROSE PROJECT

Subsequent to the end of the June Quarter, Retention Status was granted over the part of Exploration Licence 53/1304 that includes the Millrose Gold Deposit *(Inferred Resource of 4.0Mt @ 2.4g/t Au for 309,000 oz)* and an extension of term was also granted. The tenement has reduced in size from 21 blocks to 8 blocks and has a new expiry date of 23 April 2019.

OTHER PROJECTS

During the Quarter, three tenements, namely E36/623, M36/670 and E36/734, near the Bronzewing Gold Mine were returned to Riedel after Metaliko Resources failed to complete their their Stage 1 earning obligations in the required time. Subsequent to the end of the June Quarter, M36/670 was relinquished and E36/734 expired, an extension of term was not sought.

CORPORATE

The Company held Cash Reserves at 30 June 2015 of **$0.143M**.

The Company has agreed with the Convertible Noteholders to a further extension of the redemption of the 400,000 secured Convertible Notes to 31 August 2015.

The extension is provided for the parties to continue to discuss the redemption options which may include a conversion of the Convertible Notes to Ordinary shares or the sale of an asset of the Company in full and final settlement of the redemption amount.

TENEMENT SCHEDULE

Following is the schedule of Riedel Resources minerals tenements as at 30 June 2015.

Area of Interest	Tenement reference	Nature of interest	Interest
Charteris Creek	E45/2763	Direct	100%
Bronzewing South	E36/623	Indirect	80%
Bronzewing South	M36/670	Indirect	80%
Delaney Well	E36/734	Direct	100%
West Yandal	M36/615	Royalty	0%
Marymia	E52/2394	Direct	49%
Marymia	E52/2395	Direct	49%
Millrose	E53/1304	Direct	100%
Porphyry	M31/157	Royalty	0%
Cheritons Find	E77/1793	Direct	100%

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About Riedel Resources Limited

Riedel Resources Limited listed on ASX on 31 January 2011 and is an Australian-based exploration company established to explore for and develop mineral deposits.

Further information can be found at the Company's website www.riedelresources.com.au

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ed Turner, who is a Member of The Australian Institute of Geoscientists. Mr Turner is a full time employee of Riedel Resources Limited. Mr Turner has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities 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 Turner consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 1: Exploration Drilling Results

Table 1: Marymia Reverse Circulation (RC) Drilling Programme – Drill Hole Information Summary

Hole ID	Depth (m)	Easting (MGA50)	Northing (MGA50)	RL	Dip	Azimuth	Tenement
MMRC001	198	788477	7189772	580	-60	145	E52/2394
MMRC002	185	791249	7189460	580	-60	135	E52/2394
MMRC003	252	790652	7207945	580	-60	180	E52/2395
MMRC004	120	798572	7203541	580	-60	180	E52/2394
MMRC005	156	798827	7203543	580	-60	180	E52/2394
MMRC006	237	799805	7201241	580	-60	140	E52/2394
MMRC007	219	799325	7200730	580	-60	130	E52/2394
MMRC008	198	799330	7200732	580	-60	310	E52/2394
MMRC009	126	799347	7201207	580	-60	130	E52/2394
MMRC010	216	794855	7211721	580	-60	150	E52/2395
MMRC011	150	794816	7211751	580	-60	150	E52/2395
MMRC012	180	794861	7211675	580	-60	150	E52/2395

Table 2: Marymia Reverse Circulation (RC) Drilling Programme – Assays

Hole ID	Depth (m)	Easting (MGA50)	Northing (MGA50)	From (m)	To (m)	Intersection (m)	Copper (%)	Gold (g/t)	Zinc (%)	Nickel (%)
MMRC001	198	788477	7189772	131	133	2	0.13			
MMRC002	185	791249	7189460	89	90	1		1.29		
MMRC003	**252**	**790652**	**7207945**	**194**	**214**	**21**	**0.05**		**0.21**	
MMRC004	120	798572	7203541	-	-	NSA				
MMRC005	156	798827	7203543	-	-	NSA				
MMRC006	237	799805	7201241	-	-	NSA				
MMRC007	219	799325	7200730	-	-	NSA				
MMRC008	198	799330	7200732	-	-	NSA				
MMRC009	126	799347	7201207	33	89	54				0.13
MMRC010	216	794855	7211721	-	-	NSA				
MMRC011	150	794816	7211751	-	-	NSA				
MMRC012	180	794861	7211675	-	-	NSA				

Appendix 2: JORC Code, 2012 Edition

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• 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. • 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 (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.	**Marymia Project** Samples from Australian Mines' reverse circulation (RC) drill program were collected at one-metre intervals using a cone splitter to produce an approximate three kilogram sample, which is representative of the full drill metre. Sampling is guided by Australian Mines' protocols and QA/QC procedures which were designed in consultation with SRK Consulting, Perth. All samples were submitted to the Intertek Genalysis laboratory in Perth for Fire Assay and Four Acid ICP-OES analysis. Australian Mines analyse for the following elements: Au, Ag, Al, As, Ba, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, K, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sn, Sr, Te, Ti, Tl, V, W, Zn. **Charteris Creek Project** No samples taken during the quarter. Rock samples that underwent petrological analysis were taken as part of a reconnaissance mapping and sampling program in 2014. **Cheritons Find Project** The Redwing deposit has been tested using 121 RC drill holes, 1 Diamond drill hole RC drilling is an acceptable method for definition of mineral resources (see below) in the deposit type under consideration. Riedel's planned infill drilling can be used to verify SOG's prior MRE drilling.
Drilling techniques	• 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	**Marymia Project** The Marymia drill program comprised 12 reverse circulation (RC) drill holes and was completed by

	diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.)	Orbit Drilling Pty Ltd. **Charteris Creek Project** No drilling undertaken during the quarter. **Cheritons Find Project** SOG reports for the RC drill holes (61 drill holes for 8,264 m) with a CFC prefix were drilled by Drillex using a RCD250S rig with an auxiliary compressor and booster for additional air capacity on deeper holes. Cubic feet minute values are recorded as being between 350 and 1,800 CFM and pressure is recorded as being between 350 and 900 psi. The size and type of the drill bit is not documented. All drill holes are angled. No information is available for the RC drill holes prefixed PC. These 60 drill holes represent 33% of the total RC drilled length. These drill holes are mostly drilled as angled with only two vertical holes. The single angled diamond drill hole was drilled by Drillcorp-Western Deephole using a Sandvik UDR1000 rig. The hole was drilled with 21.1 m of RC pre-collar and then 156.49 m of NQ-sized core (47.6 mm diameter). No documentation is available regarding use (or not) of triple tube, wireline drilling, or core orientation. SOG's documented descriptions of RC and diamond core drilling are consistent with good industry standards prevailing at the time of the original MRE drilling. While the drill bit and size is not documented it is unlikely that cross-over subs (which are prone to downhole smearing) were in use at the time of this drilling. Drilling of angled holes is appropriate for the style of mineralisation under consideration. The angled holes plunge nominally 60°→10° (magnetic), which is approximately normal to the strike and dip of the lode structures.
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.	**Marymia Project** Sample recovery from this RC program was high with more than 90% of the sample returned for most metres. All samples were visually checked for recovery, moisture and contamination with the appropriate

	• 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.	notes being recorded in the sampling logs. There is no observable relationship between recovery and grade, and there no sample bias is assumed. Australian Mines protocols, designed in consultation with SRK Consulting (Perth) are followed to preclude any issues of sample bias due to material loss or gain. **Charteris Creek Project** No drilling undertaken during the quarter. **Cheritons Find Project** No information is currently available regarding the sample recovery from the RC drill holes. Recoveries are available for the diamond drill hole (CFD614) with an average recovery of 99.2% over the total length. The recoveries range from 12% to 113%. The relationship between recovery and grade is not documented.
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.	**Marymia Project** Geological logging of drill chips have been recorded for this drill hole, including lithology, mineralogy, grainsize, texture, weathering, oxidation, colour and other features of the samples. Drill chips were not logged to any geotechnical standard and the data is insufficient to support Mineral Resource estimation at this stage. Logging of reverse circulation drill chips is considered to be semi-quantitative given the nature of rock chip fragments and the inability to obtain detailed geological information. The drill hole was logged in full to the end of the hole. **Charteris Creek Project** No drilling undertaken during the quarter. **Cheritons Find Project** The total length of the RC drill holes have been logged for geology in a qualitative manner (refer SOG, 2011 for a description of the codes used). The total length of the drill core has been logged for geology and geotechnical structure in a qualitative manner for geology and a semi-quantitative manner for geotechnical structure. All drill core is reported to have been

		photographed. From SOG's reports chip and core logging appears to be in good order and consistent with good industry standards prevailing at the time of the MRE drilling.
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 instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	**Marymia Project** All one metre splits were passed through a cone splitter to produce a 12% split for assaying. The 78% off-split was collected in green bags for future testing as required. Samples are dried and pulverised using industry standard methods by Intertek Genalysis at their Perth assay laboratory. All samples are pulverised to produce a 50-gram charge, which is analysed by Fire Assay and Four Acid ICP-OES. The sample sizes are considered to be appropriate to correctly represent the sought after mineralisation style. **Charteris Creek Project** No sampling completed during the quarter. **Cheritons Find Project** RC drilling (CFC prefixed holes) was sub sampled by: o Spear samples of 3 m composite samples collected to first identify zones of mineralisation (no mass specified) o If 3 m composite sample returned assays ≥ 0.1 ppm Au, 1 m sub samples (no mass specified) were subsequently collected from the rejects using a riffle splitter (actual equipment not specified) and despatched for analysis. o There are 64 samples from seven drill holes labelled as repeats in the database. No information is documented regarding these samples or analysis of the results. RC drilling (PC prefixed holes) has no documentation available regarding sub-sampling and sample preparation. Diamond drill core was cut and half core samples

		taken over 1 m intervals. SOG considered the sample method was reasonable for the type of mineralisation under consideration, but did note some duplicate results were suggestive of coarse free gold in some areas of the deposit. The sub sampling methods described by SOG are generally consistent with good industry standards prevailing at the time of the original MRE drilling, albeit the documentation is lacking in many respects.
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	**Marymia Project** Samples submitted to Intertek Genalysis in Perth are assayed using a Fire Assay and mixed four acid digest. The samples are digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric acids and analysis conducted for multi-elements including Au, Ag, Al, As, Ba, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, K, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sn, Sr, Te, Ti, Tl, V, W, Zn. This method approaches a total digest for many elements although some refractory minerals may not be completely attacked. The quality of the analytical results is monitored through the use of internal laboratory procedures to ensure the results are representative and within acceptable ranges of accuracy and precision **Charteris Creek Project** No samples submitted for assay or laboratory testing during quarter. **Cheritons Find Project** The CFC prefixed RC drill holes samples have been analysed for Au, Cu, Pb, Ni, Sb and Zn by Ultra Trace Analytical Laboratories in Perth, Western Australia. For Au, Cu, Pb, Ni and Sb a 40 g sample was analysed using aqua regia digest with Inductively Coupled Plasma Mass Spectrometry (ICP-MS) used as the method for final measurement. For subsequent samples, identified as having potentially ≥ 0.1 ppm Au, a 40 g sample analysed using fire assay with Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES) used as the method of measurement. Drill hole CFD614 samples were analysed at Ultra

		Trace Analytical Laboratories in Perth, Western Australia for Au, Pt and Pd using fire assay with ICP-OES used as the method of measurement. There is no documentation available for PC prefixed drill holes. A proportion (13%) of the accepted gold assay data is the result of averaging multiple gold assay results. The majority are averaged from two gold assay values. There is a very small proportion of the data (<0.1%) that is the result of averaging four or five results. The assaying methods described by SOG are consistent with good industry standards prevailing at the time of the original MRE drilling. The laboratory used by SOG has a good reputation in Western Australia for quality and accuracy. The accepted gold assays derived from the averaging of multiple gold assays for the single interval should be reviewed. The primary (first) gold assay should be used as the accepted gold assay for MRE purposes.
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.	**Marymia Project** Any materially significant intersections are initially verified by Australian Mines' Managing Director, and are then independently verified by the external consulting company, rOREdata. Primary data was collected using a set of standard Excel templates using lookup tables. The information was sent to the Company's external database consultant, rOREdata, for validation and compilation into Australian Mines' database. No twinned hole drilling is proposed by Australian Mines at this stage. No adjustments or calibrations were made to any assay values. **Charteris Creek Project** No additional assay data collected or reviewed during the quarter. **Cheritons Find Project** SOG's report states that selected samples were sent to an alternative laboratory (ALS in Malaga, Western Australia) with 3 m composite samples being assayed for gold using an aqua regia digestion followed by flame AAS determination to

		identify mineralisation zones, and then 1 m re-split samples assayed for gold by fire assay. The results showed good reproducibility. The presence of coarse gold is suggested for duplicate pairs with more variable comparisons. The number of samples submitted and the actual results are not documented. The current database contains 613 samples from 7 drill holes identified as repeats (replicates). No twin drill holes have been drilled. No documentation relating to data entry, data verification, data storage protocols is available. No documentation regarding adjustments (or not) to assay data is available, albeit there seems to be no reason for any such adjustments in SOG's documentation. The verification methods described by SOG are consistent with good industry standards prevailing at the time of the original MRE 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.	**Marymia Project** Drill hole collar locations at Marymia were recorded using handheld Garmin GPS. The expected accuracy is +/- 5 metres for easting and northings. The grid system used is Map Grid of Australia (MGA) GDA94 Zone 51. **Charteris Creek Project** All rock sample points were located using a hand held GPS. Data captured in GDA 94, Zone 51. **Cheritons Find Project** The grid system used for the SOG 2000 MRE is assumed to be based on the Geocentric Datum of Australia 1994 Map Grid of Australia zone 50. There is no documentation available regarding the grid system used other than reference to the aforementioned grid system in Riedel (2013). The collar database contains three different sets of easting and northing fields. In the collar database there are three codes for the LOCMETHOD field (refer SOG, 2001 for codes but the code SV is not listed): CT, DG and SV. The accuracy of the particular method is included in the database field LOCACC with values of 1, 2 or 5. In summary:

		o CT (compass and tape) 51 drill holes with an accuracy of ±5 m; the PC prefixed drill holes are all located using CT o DG (differential GPS) 13 drill holes with an accuracy of 2 m and 5 holes with an accuracy of ±5 m o SV (unknown method) 22 drill holes with an accuracy of 1 m and 20 drill holes with an accuracy of ±2 m. The downhole surveys of the CFC prefixed RC holes and the diamond hole were collected using a downhole gyroscope survey instrument by Surtron Technologies. The instrument accuracy is ±1° azimuth. The accuracy in dip is not documented. The PC prefixed drill holes do not have downhole surveys with only the orientation at the collar in the database. The reliability of the orientations is not documented other than an 'X' in the RELIANCE field in the survey database which represents 'unspecified or unknown'. SOG's descriptions of surveying are consistent with average industry standards prevailing at the time of the original MRE drilling. The codes used in the collar database for location method and accuracy should be reviewed and drill holes considered to have poor location reliability flagged to be higher risk (and possibly excluded from any future MRE if they cannot be verified within reasonable expectations).
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.	**Marymia Project** Australian Mines' drill program at Marymia involved 12 reverse circulation (RC) hole targeting six separate geophysical anomalies interpreted for the Company's recently completed moving loop electromagnetic (EM) survey. No fixed spacing, therefore, relates to the location of these drill holes. This drill data is not being used for estimating a Mineral Resource or modelling of grade at this stage in exploration. No sample composting was applied to the exploration results. **Charteris Creek Project** No samples were taken during the quarter.

		Cheritons Find Project The majority of the drill holes are angled and drilled on nominal 80 m spaced sections aligned along 010° (magnetic) and 40 m within the section. In the central part of the deposit there is an area of 40 m spaced sections. The spacing increases to approximately 160 m spaced sections at depth (below approximately 300 mRL). The drilled depth is shallower in the northern part of the deposit with drill hole lengths of approximately 60 m. The drill hole lengths in the southern part of the deposit are approximately 180 m. The sample spacing is either 3 m or 1 m downhole for assaying purposes. Notwithstanding considerations regarding data quality, Amec Foster Wheeler considers the data spacing is adequate to define an Inferred Mineral Resource under JORC 2012 requirements. Parts of the closer spaced drilling volumes are likely to be acceptable for acceptable for Indicated Mineral Resource. The geological continuity of the lode package appears to be reasonably well defined but closer spaced drilling will be required (overall) to define the Mineral resource to a high level of confidence for Ore Reserve estimation
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.	**Marymia Project** Australian Mines is targeting komatiite-hosted nickel sulphide, DeGrussa-style copper-gold and Plutonic-style gold mineralisation at Marymia. The orientations of the Company's drilling were designed to intersect modelled electromagnetic (EM) conductors at right angles in an attempt to minimise the risk of biased sampling. The orientation of the drilling is deemed sufficient at this stage of exploration. **Charteris Creek Project** No sample data collected during the quarter. **Cheritons Find Project** The majority of the available MRE drill holes are angled with a few vertical holes. The majority of the drill holes are angled to normally intersect the interpretation of the lodes.

		The direction and angle of the majority of drilling provides a quasi-normal intersection of the lode package. This approach is correct to prevent any orientation biases in the drilling results
Sample security	• The measures taken to ensure sample security.	**Marymia Project** The chain of custody is managed by Australian Mines. Samples are stored on site and are delivered in tamper-proof/evident bags via Toll IPEC directly to the assay laboratory. **Charteris Creek Project** No samples collected during the quarter. **Cheritons Find Project** No documentation regarding sample security or storage of any retained samples or pulps.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	**Marymia Project** Australian Mines' sampling techniques and data collection processes are of industry standard and have been subjected to internal reviews. Any data received from the assay laboratories are independently verified by rOREdata in Perth, Australia. **Charteris Creek Project** No sample data available during the quarter for audit or review. **Cheritons Find Project** Annett Consulting reviewed the drill hole database in 2011. However, no documentation is available on any major findings of this work.

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,	**Marymia Project** The Marymia Project (and Simmons prospect) is located within the Western Australian exploration licences of E52/2394 and E52/2395. On 30 April 2014, Australian Mines announced it had signed a Heads of Agreement with Riedel

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.

Resources Limited (ASX code: RIE) in relation to the Marymia Project.

Exploration licences E52/2394 and E52/2395 are within the Marymia and Ned's Creek Pastoral Leases and contained within the Native Title Claim boundaries of the *Gingirana* (WAD6002/03) and *Yugunga-Nya* (WAD6132/98) Traditional Owners.

Exploration activities on E52/2394 and E52/2395 are permitted under agreements dated; 7 October 2010 between Audax Resources Ltd (a subsidiary of Riedel Resources) and the Yamatji Marlpa Aboriginal Corporation as agent for the *Yugunga-Nya* people; and

23 October 2010 between Audax Resources and Gingirana Pty Ltd. Australian Mines is permitted to operate under these agreements as the company is joint venturing with Riedel Resources on this project.

Exploration licences E52/2394 and E52/2395 are in good standing with no impediments to exploration known to exist at the time of writing.

Charteris Creek Project

Exploration activities were all undertaken on EL 45/2763, which comprises the Charteris Creek Project. The Licence is held by Riedel Resources Ltd ('Reidel') and registered in the name of Audax Minerals Pty Ltd.

The Licence was granted on 8 November 2011 and is due to expire on 8 November 2016.

On 16 January 2014 FMG Resources Pty Ltd entered into a Farm In and Joint Venture Agreement with Reidel to earn an 80% interest in the tenement over a six year period.

The Licence is in good standing. The minimum expenditure commitment has been exceeded in the first and second terms and will be met in the third year of term.

Cheritons Find Project

Redwing is located on tenement EL77/1793.

The tenement is owned by Audax Minerals Pty Ltd which is a wholly owned subsidiary of Riedel Resources. The expiry date of the tenement is 3 May 2017.

The Redwing gold deposit is subject to a 3.5% gross proceeds royalty payable to Hanking Gold Mining Pty. Ltd.

The tenement is located within the Jilbadji Nature

		Reserve, which is a national A Class nature reserve and, as such, is subject to both federal and state legislation.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	**Marymia Project** Limited exploration and drilling programs have previously been undertaken across the Marymia Project by other companies. A summary of the historic anomalous gold and nickel intersections are outlined in the Prospectus released by Riedel Resources Limited on 23 November 2010. Plutonic Operations Limited's technical reports submitted to the WA Department of Mines and Petroleum for tenement E52/533 (which now forms part of Australian Mines' tenement E52/2395) are also referenced in the accompanying report. **Charteris Creek Project** Exploration around the Gobbos Granodiorite intrusion started in the mid-1960s. Five main project areas were identified, namely the Bridget, Gobbos, Lightning Ridge, Otways and Wallabirdee Ridge prospects by previous explorers. **Cheritons Find Project** A summary of the exploration activities pertaining to Cheritons Find is included in Riedel's annual report (2013).
Geology	• Deposit type, geological setting and style of mineralisation.	**Marymia Project** AUZ are targeting three types of mineral deposits at Marymia; (i) DeGrussa-style volcanogenic massive sulphide copper-gold, (ii) Kambalda-style komatiite-hosted nickel sulphide, and (iii) Plutonic-style Archaean gold. The Marymia Project overlies the Baumgarten Greenstone Belt, which is the interpreted northern extension of the Eastern Goldfields Province of the Yilgarn Craton. The geology of the Marymia Project comprises an Archaean greenstone sequence of basalts and komatiitic ultramafic rocks.

		Charteris Creek Project Copper porphyry target. Porphyry systems within or marginal to the intrusions. Granodiorite and tonalite intrusives rocks of Archean age are situated within the McPhee Dome and have intruded volcanic and sedimentary rocks of the also Archean Yilgalong (or: McPhee) Greenstone Belt. Copper-molybdenum-silver-zinc-gold mineralization proximal and distal to porphyry systems has been reported. **Cheritons Find Project** The Redwing deposit is located within the Southern Cross province of the Archean Yilgarn Craton. The deposit lies within a sequence of west-northwest striking, and shallow westerly dipping, amphibolites, ultramafics, sediments and banded iron formation units that occur along the southern margin of the Parker Dome intrusive. The units are metamorphosed to upper greenschist to lower amphibolite facies. The Redwing gold mineralisation is hosted by a medium grained metasediment and associated with quartz veining. Alteration zoning about the veins are characterised by a distal potassic and garnet halo around a silica-diopside-biotite-disseminated pyrite and magnetite alteration proximal zone. The gold mineralisation is hosted within two to three quartz vein arrays, which are shallowly west dipping and are up to 4 m in true thickness. Sporadic supergene mineralisation occurs near surface and is associated with ferruginous, quartz veined saprolite.
Drill hole 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 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.	**Marymia Project** Refer to Appendix 1. **Charteris Creek Project** No drilling undertaken during this quarter. **Cheritons Find Project** A tabulation of the collar locations, interval and gold grades for significant intercepts for the CFC prefixed drill holes and the diamond drill hole are included in the SOG Mineral Resource report. A detailing listing for public reporting is not required as a Mineral Resource has been estimated.

	• 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 (e.g. 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.	**Marymia Project** Any reported intersections of Australian Mines' drilling results are based on a regular sample interval of one metre. Where quoted, gold intersections are based on a minimum gold threshold of 0.2 g/t gold. Nickel and zinc metal intersections are based on a minimum threshold grade of 0.1% (1,000ppm). The copper intersection reported for drill hole MMRC003 is based on a minimum threshold of 250ppm (0.025%). No upper cuts are applied and a maximum internal dilution of three metres is used for any intersection calculations. No metal equivalents have been used in this report. **Charteris Creek Project** No drilling undertaken. **Cheritons Find Project** A proportion (13%) of the accepted gold assay data is derived by averaging multiple gold assays for the interval. The majority of the averaged data is from two gold assays but a very small proportion (<0.1%) are averaged from four or five assay results.
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 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	**Marymia Project** There is insufficient understanding of the bedrock geology at present to determine the true thickness of any reported drill intersections. Any intersections included in the accompanying report are down hole lengths. The true widths of these intersections are not known. **Charteris Creek Project** No drilling undertaken.

	statement to this effect (e.g. 'down hole length, true width not known').	**Cheritons Find Project** No documentation is currently available regarding any relationship between mineralised grade and intercept width.
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.	**Marymia Project** Appropriate maps and sections are included in the body of the accompanying report. Whilst the copper assays from drill hole MMRC003 as reported in the body of this report are encouraging, the Company does not consider these results to be a material discovery at this time. **Charteris Creek Project** An image depicts significant alteration styles in petrological samples completed by Fortescue. **Cheritons Find Project** Plans and cross-sections of the drill hole data and mineralisation interpretations are included in the SOG MRE report. Plans and cross-sections of drill hole data, mineralisation interpretations and block model are included in the Annett Consulting reports. The body public report contains representative images depicting the extent of drilling and mineralised lode interpretations.
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.	**Marymia Project** The accompanying document is considered to represent a balanced report. **Charteris Creek Project** Geological mapping and geochemical sampling have been the primary exploration tools used to date. Interpretation of the acquired data is preliminary and by no means comprehensive. **Cheritons Find Project** The Mineral Resource estimate includes both low and high grade intercepts and is considered balanced.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological	**Marymia Project** Other exploration data collected by the Company is not considered material to this report at this stage. Further data collection will be reviewed

	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.	and reported when considered material. **Charteris Creek Project** Nothing to report for this quarter. **Cheritons Find Project** Downhole gamma density collected from four drill holes. Four 30 kg composite samples from four RC drill holes (CFC597, CFC615, CFC444 and CFC623) evaluated using gravity leach test work. Documentation regarding the test work results is included in the SOG MRE report. SOG has addressed estimation of bulk density, which is important for MRE estimation. This is discussed further below. Metallurgical testing is evaluated by Amec Foster Wheeler in this review.
Further work	• The nature and scale of planned further work (e.g. 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.	**Marymia Project** Australian Mines is currently undertaking a thorough review of the recently received drilling data together with all other exploration results received from the Marymia Project to date (including the ground-based electromagnetic survey). The Company is proposing further EM surveys and RC drilling as part of any future follow-up exploration. **Charteris Creek Project** Finalising the interpretation of data gathered to date will lead to a more robust mineralisation model for the project area. **Cheritons Find Project** Infill RC drilling to close the current drill spacing to 40 m by 40 m is planned. The planned RC drill holes are all vertical and 50 m in length. Recommend that five existing drill holes are twinned to both verify the existing data and provide information on short range variability. A number of close spaced holes (perhaps on a 10 m by 10 m grid) should be drilled as a pre-grade control test and to help resolve the trend of high grade mineralisation, which will be critical to the MRE estimate. Planned drill holes should be drilled inclined at

	approximately 60°.

Section 3: Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	**Cheritons Find Project** Drill data is currently in a number of unverified Microsoft Access databases. The integrity of the drill hole database should verified by random checks of original records (where available) for at least 20% of the digital data. This work should be completed as part of a Mineral Resource update.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	**Cheritons Find Project** A site visit was made by the Competent Person in January 2012.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	**Cheritons Find Project** The SOG 2000 MRE is based on 29 individual, generally shallow west dipping, lodes interpreted using a 0.5 ppm Au cut-off with a minimum drill hole intercept of 2 m. A maximum of 2 m internal dilution was incorporated if the overall grade criteria is maintained. The SOG 2000 MRE is subdivided into oxide, transitional and primary zones but there is no documentation regarding the basis of the subdivision. The subdivisions are shown on the cross-sections in the MRE report. The Annett Consulting 2011 MRE is based on six individual, shallow south dipping, lodes interpreted as sub-parallel to bedding on the contact of mafic and ultramafic units. The interpretation of weathering zones to will need to be completed as part of a Mineral Resource update. Amec Foster Wheeler recommends that the Mineral Resource model be based on modelling the full lode package at a nominal >0.1 ppm Au sample cut-off grade as the connectivity of lode structure from section to section is subjective.

Criteria	JORC Code explanation	Commentary
		Infill drilling will be critical to the precision of the Mineral Resource going forward.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	**Cheritons Find Project** The deposit has extents in the horizontal plane of approximately 500 m north to south and 800 m east to west. The deposit has been drill tested to a maximum depth in the order of 160 m below surface.
Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	**Cheritons Find Project** SOG estimated the MRE using length weighting in average polygons. SOG applied a top-cut of 20 ppm Au to the input gold assay data. The software used for estimating the MRE is not documented. As discussed above, Amec Foster wheeler recommend that the mineralisation envelope is developed by estimating a 0.1 ppm Au indicator and using the results as the basis for interpretation. Statistical analyses should be completed to determine the boundary treatment for weathering subdivisions and also any top-cuts to be applied. Grade estimation is recommended to be completed using ordinary kriging within this envelope as Amec Foster Wheeler has found the current data has determinable ranges of continuity in test variography inside a 0.1 ppm Au envelope.

Criteria	JORC Code explanation	Commentary
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	**Cheritons Find Project** All tonnages are estimated as dry tonnages. SOG reported that hypersaline ground waters were encountered between 70 m and 80 m vertical depth. This is supported by comments in the database for 14 intervals from 6 drill holes. Original logs, should be investigated to determine the depth to water table in past drilling. Depth to water table tests should be completed as part of planned infill drilling. Water quality sampling may be required if the likely pit depths result in any dewatering discharges.
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	**Cheritons Find Project** The SOG 2000 is reported at a 0.5 ppm Au cut-off. The cut-off grade needs to be assessed from economic parameters, which are determined partly in this review. The MRE should also be limited to a realistic optimistic gold price rather than to the total depth of drilling and modelling.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	**Cheritons Find Project** An assumption of conventional truck (50 t) and backhoe excavators is reasonable for the style of mineralisation under consideration. Ore will be hauled by triple trailer road train to the mill for toll treatment. A mining bench height of 3 m may be required to deal with the shallow dip of the lode structures. Blasting heights of 6 m should be reasonable for mine planning assumptions.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider	**Cheritons Find Project** Four composite samples from four RC drill holes (CFC597, CFC615, CFC444 and CFC623) evaluated using gravity leach test work.

Criteria	JORC Code explanation	Commentary
	potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Amec Foster Wheeler has reviewed the SOG's metallurgical tests and has found no issues with the estimated recovery and metallurgical performance.
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	**Cheritons Find Project** The deposit is wholly contained within the Jilbadji Nature Reserve. Exploration activities must be conducted with approval to reduce environmental impact to significant flora and fauna. A Conservation Management Plan has been submitted to the Department of Environment and Conservation by Riedel. Environmental assessment is being completed by consultants. This will be necessary to progress to a mining lease status. Riedel will need to submit a New Program of Work to the Department of Mines and Petroleum for the proposed infill drilling programme. Riedel has completed an environmental survey for the drilling of 22 drill holes through consultants RPS of Subiaco. Riedel may need to carry out further surveys for additional drill holes recommended in this report. Riedel has received a consultants proposal to identify the (minimum) environmental studies that will need to be completed to satisfy the DMP, DER, EPA, DPaW and DAA for project progression. Riedel can initiate the application for a Mining Lease with much of the documentation currently at hand and the various approvals studies should progress in parallel with other project development studies (MRE, ORE and so on).
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency	**Cheritons Find Project** In 2000 SOG estimated average in situ density values from downhole gamma-density

Criteria	JORC Code explanation	Commentary
	of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	logging from three RC drill holes (CFC637, CFC642 and CFC644) and diamond drill hole CFD614. These drill holes are located 5 km to the south of Cheritons Find. The values used by SOG are: o 2.0 t/m^3 for oxide mineralisation o 2.5 t/m^3 for transitional mineralisation o 2.8 t/m^3 for primary mineralisation. A dry bulk density of 2.5 t/m^3 used for lode mineralisation in 2011. No documentation is available for the basis of this value. The remaining half core for the diamond drill hole CFD614 should be located and density samples measurements using the water displacement method. The results should be compared with the density values estimated from by downhole geophysics. As part of the MRE update that the down hole density data be reviewed statistically, with respect to weathering and mineralisation domains.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	**Cheritons Find Project** The MRE is classified as Inferred Mineral Resources (JORC, 2004). Amec Foster Wheeler is of the opinion that the current MRE could be updated to JORC Code 2012 requirements, but this would be best left to a time when the MRE is updated.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	**Cheritons Find Project** Annett Consulting reviewed the SOG 2000 Mineral Resource in 2011. AMEC completed a high-level review of both SOG and Arnett Consulting's work in 2015. Any major findings from the review should be documented.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral	**Cheritons Find Project**

Criteria	JORC Code explanation	Commentary
	Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No studies have been completed to determine the relative accuracy or confidence in the Mineral Resource estimate. AMEC considers the estimate is reasonable for an Inferred Mineral Resource classification under JORC 2012.