

## Gold result at Mt Cannindah

Planet Metals Limited (ASX:PMQ) announced on the 29<sup>th</sup> of May 2014 that it was embarking on a new approach to the exploration at the Mt Cannindah project approximately 100km south of Gladstone. The program successfully identified geological, geochemical and geophysical evidence to support the continuation of a gold bearing structure over 1 kilometre in strike length linking the Cannindah East resource to the Little Wonder Historic Workings.

As part of that exploration initiative Planet's consulting geologists were tasked with mapping and sampling an area between the Little Wonder and Midway prospect areas within the mining lease area of Mt Cannindah. This program was designed to provide confirmation of a gold mineralised system which was historically underexplored and which could provide Planet with a parallel target to the existing Copper resource of 5.5Mt @ 0.92%Cu which also exists in the mining lease area\*.

A number of chip samples were taken within the area between Little Wonder and Midway. Geochemical evidence includes an outstanding **18.25g/t Au** rock chip sample (Sample 3011239) taken from float/lag material within this trend also showing elevated Cu, Pb, Ag and As. Two other samples (3011240 & 3011241) were also taken from this zone and whilst they did not show significant Au, however they did produce anomalous Cu, Pb and Zn. This interpreted mineralised trend remains poorly drill tested to date.

The local float samples exhibited gossanous quartz veining supporting a continuation of the mineralised structure. The samples pictured below were located approx. 200m NE of the Little Wonder workings, this result provides further evidence supporting a continuation of a gold bearing structure linking Little Wonder and Cannindah East via the Midway prospect area.

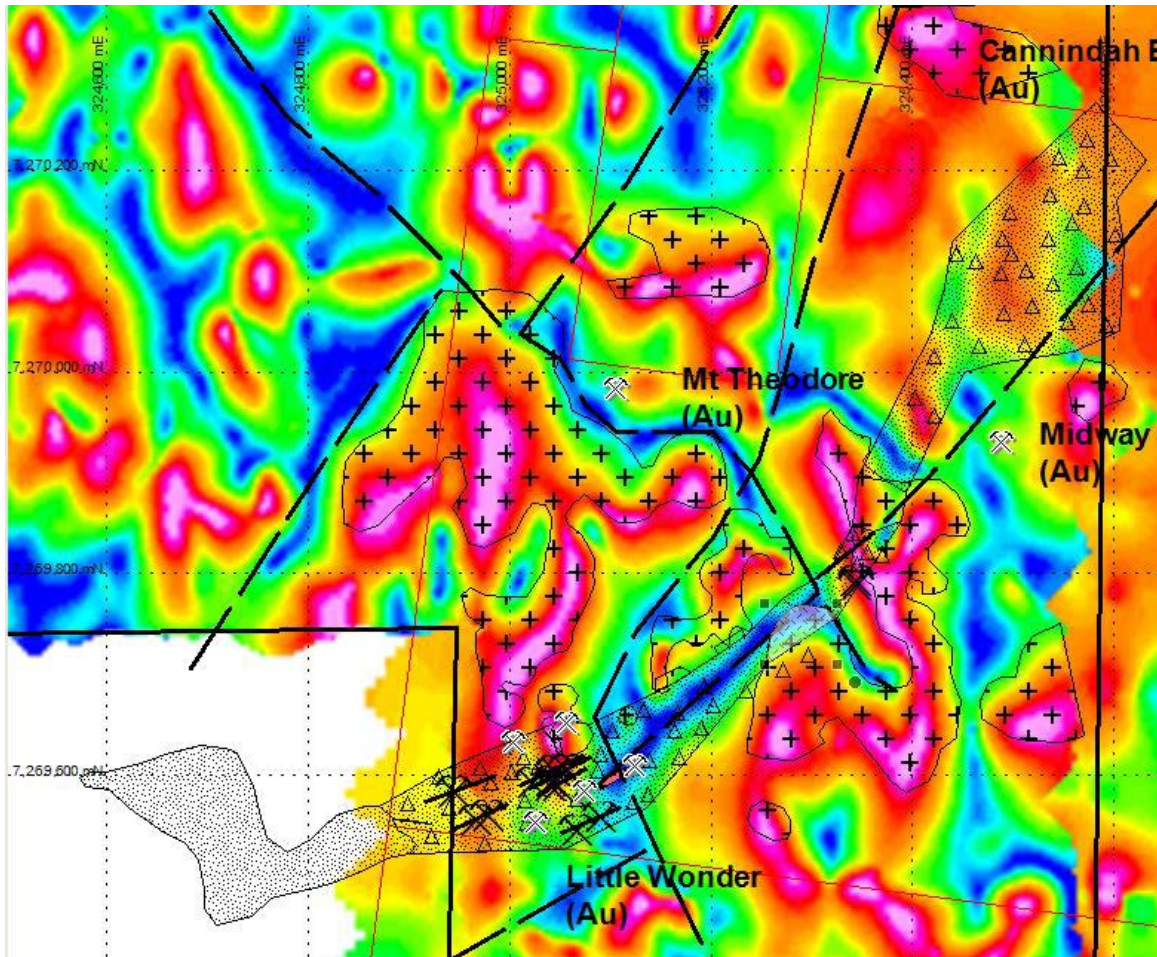
This great rock chip result along with the mapping, and ground based magnetic surveying of the area being recently completed, provides Planet with an encouraging gold target in addition to the significant copper system within the Mt Cannindah project area.



(Figure 1. Rock chips between Little Wonder and Cannindah East workings)

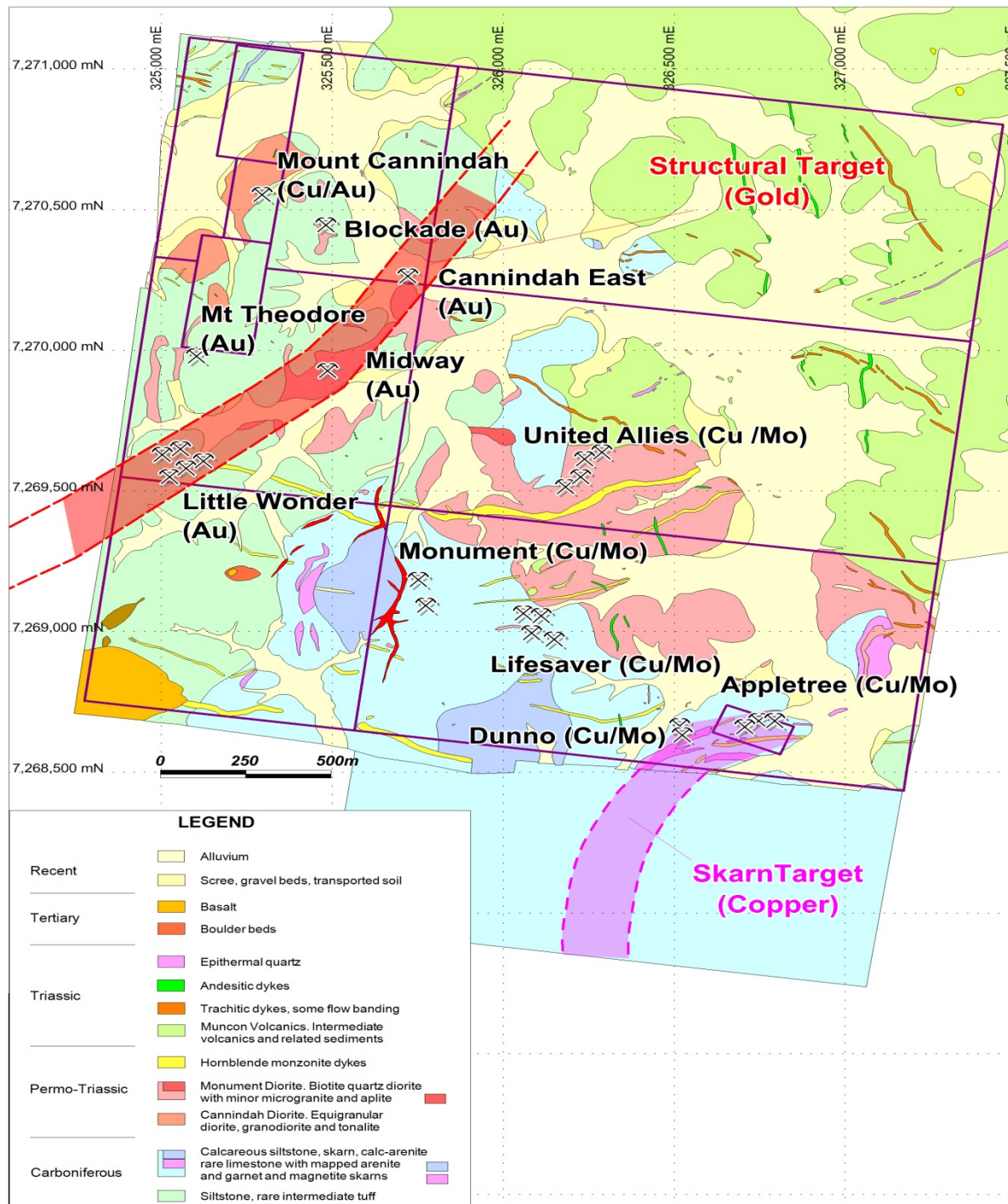
\* Information in this report relating to the Mineral Resource at Mt Cannindah was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Planet Metals Limited is continuing its further exploration of the Southern Skarn targets within the EPM surrounding the mining leases at Mt Cannindah.



***(Figure 2. GMAG image from Little Wonder to Cannindah East)***





**Figure 3: Mt Cannindah Project – New Exploration Approach**

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Technical information in this report relating to Exploration Results has been compiled and/or supervised by Mr Laurie Johnson B.Sc (Geology) F.AusIMM who is a Director of Planet Metals Limited. Mr Johnson is a member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Johnson has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Johnson consents to the inclusion of this information in the form and context in which it appears in this report.

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

(Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples of outcropping lithologies float and historic mine dump material was collected using grab sampling techniques.</li> <li>Grab samples weighed approximately 1.5kgs</li> <li>all samples were routinely assayed for gold using the 50g Fire Assay Digest technique and Atomic Absorbtion Spectrometry (ALS code: Au-AA26)</li> <li>All samples were also subject to multi-element analysis using ICP-AES techniques for the following elements: Au, Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Ti, U, V, W, Zn. (ALS code ME-ICP41)</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li><i>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).</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – drilling results not reported</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – drilling results not reported</li> </ul>
Logging	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>All grab samples were geologically logged. Logging recorded lithology, textures and alteration</li> </ul>
Sub-sampling	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core</i></li> </ul>	<ul style="list-style-type: none"> <li>Sub-Sampling Techniques not applicable – drilling results not</li> </ul>

(Criteria	JORC Code explanation	Commentary
<i>techniques and sample preparation</i>	<p><i>taken.</i></p> <ul style="list-style-type: none"> <li><i>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>• 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.</i></li> <li><i>• Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<p>reported</p> <ul style="list-style-type: none"> <li>• Sample preparation included crushing of entire sample to 70% -6mm (ALS code CRU-21) before being riffle split and pulverized to 85% passing 75 microns</li> <li>• The above techniques are considered to be of a high quality, and appropriate for the nature of mineralisation anticipated. The sample size is appropriate for the rock being sampled</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li><i>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>• 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.</i></li> <li><i>• 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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The primary assay method used is designed to measure total gold in the sample. The laboratory procedures are appropriate for the testing of gold at this project given its mineralisation style. The technique involves using a 20-50g sample charge with a lead flux which is decomposed in a furnace with the prill being totally digested by 2 acids (HCl and HNO3) before measurement of the gold content by an AA machine. This method is considered appropriate for assessing narrow, free milling , nuggetty gold vein style deposits that exist in the area.</li> <li>• Quartz flushes were used after every sample</li> <li>• Internal ALS Chemex Laboratory QAQC is routinely done</li> <li>• 2 Certified Reference Materials, and 2 blanks and duplicates were inserted in the sample batch being reported and performed well.</li> <li>• QAQC samples are monitored on a batch-by-batch basis</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li><i>• The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>• The use of twinned holes.</i></li> <li><i>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>• Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Consulting geologists (Terra Search Pty Ltd) have inspected the rock chips to verify the correlation of mineralised zones between assay results and lithology, alteration and mineralisation</li> <li>• Field note books and ticket books were used to record primary data</li> </ul>

(Criteria	JORC Code explanation	Commentary
		<p>in the field. Primary data was then entered digitally and is stored and archived to Terra Search's server in Excel format and imported to an industry standard SQL database by the database geologist using data entry procedures and database import tools. Data is visually checked and validated prior to import and additional validation is carried out upon entry to the database.</p> <ul style="list-style-type: none"> <li>• No adjustments or calibrations were made to any assay data used in this report</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• Handheld GPS was used to determine sample locations. Handheld GPS's have an accuracy of approximately +/-10m.</li> <li>• Grid Co-ordinate system used is GDA94 MGA Zone 55</li> <li>• Original Handheld GPS co-ords are maintained in the database.</li> <li>• Topographic control utilized Shuttle Radar Topography Mission (SRTM) data</li> <li>• This is considered appropriate at this early stage of exploration.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• 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.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Data spacing for samples are varied as samples were taken of specific lithologies.</li> <li>• Data spacing is sufficient for this early stage of exploration</li> <li>• No sample compositing has been applied</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable, non-directional grab samples collected only</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• Bagged samples were transported directly to the laboratory by consultant geologists, Terra Search at completion of field program.</li> </ul>



(Criteria	JORC Code explanation	Commentary
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audits or reviews have been undertaken</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Exploration conducted on ML's 2301, 2302, 2303, 2304, 2307, 2308, 2309 and EPM 15261. 100% owned by Planet Metals Pty Ltd</li> <li>An access agreement with the current landholders in place</li> <li>No impediments to operate are known</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration has been conducted by multiple companies but not specifically investigating the targets presented within this report</li> <li>Current exploration program conducted by consultant geologists Terra Search Pty Ltd, Townsville QLD</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Shear hosted Au bearing quartz veins and base metal skarns adjacent to a Cu-Mo porphyry</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>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:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – drilling results not reported</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>No weight averaging has been undertaken</li> <li>No short lengths have been aggregated</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No metal equivalent has been reported</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – no widths or intercepts reported</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Location plans and sample points of interest are contained within this announcement</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Sample results are reported within announcement</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Geological and geophysical results have been summarized in order to put context around sample results</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Future exploration programs under development</li> </ul>