Commissioners Gold Limited

Proposed Acquisition of a 20% interest in Viva No 20 Limited through the issue of shares

Independent Expert's Report
and Financial Services Guide

13 November 2014

FINANCIAL SERVICES GUIDE

Dated: 13 November 2014

What is a Financial Services Guide ("FSG")?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Nexia Court Financial Solutions Pty Ltd ABN 88 077 764 222, Australian Financial Services Licence Number 247300 ("NCFS").

This FSG includes information about:

- NCFS and how they can be contacted
- the services NCFS is authorised to provide
- how NCFS are paid
- any relevant associations or relationships of NCFS
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that NCFS has in place.

Where you have engaged NCFS we act on your behalf when providing financial services. Where you have not engaged NCFS, NCFS acts on behalf of our client when providing these financial services and are required to provide you with a FSG because you receive a report or other financial services from NCFS.

Financial services that NCFS is authorised to provide

NCFS holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients.

We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

NCFS's responsibility to you

NCFS has been engaged by the independent directors of Commissoners Gold Limited ("CGU" or the "Client") to provide general financial product advice in the form of a Report to be included in the Explanatory Memorandum attached to a Notice of Meeting ("Document") prepared by CGU in relation to the proposed acquisition of Viva No 20 Limited ("Viva") (the "Proposed Transaction").

You have not engaged NCFS directly but have received a copy of the Report because you have been provided with a copy of the Document. NCFS or the employees of NCFS are not acting for any person other than the Client.

NCFS is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General Advice

As NCFS has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Document before making any decision in relation to the Scheme.

Fees NCFS may receive

NCFS charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client, Fees are agreed on either a fixed fee or a time cast basis. In this instance, the Client has agreed to pay NCFS $20,000 (excluding GST and out of pocket expenses) for preparing the Report. NCFS and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

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From time to time NCFS, the Nexia Court & Co Partnership and related entities (Nexia entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

Over the past two years no professional fees have been received from the Client.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the Proposed Transaction.

Complaints resolution
If you have a complaint, please let either NCFS know. Formal complaints should be sent in writing to:

Nexia Court Financial Solutions Pty Ltd
Head of Compliance
PO Box H195
Australia Square NSW 1215

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer, Craig Wilford, on +61 2 9251 4600 and they will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing,

External complaints resolution process
If NCFS cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly at:
Financial Ombudsman Service Limited
GPO Box 3, Melbourne Victoria 3001
Telephone: 1300 56 55 62

Facsimile (03) 9613 6399
Email: info@fos.org.au

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements
NCFS has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact Details
You may contact NCFS at:
Nexia Financial Solutions Pty Ltd
PO Box H195
Australia Square NSW 1215

13 November 2014

The Directors
Commissioners Gold Limited
Suite 2501, Level 25, 31 Market Street
Sydney NSW 2000

Dear Sirs,

Independent Expert's Report on proposed acquisition of Viva No. 20 Limited

1. INTRODUCTION

1.1 Background

On 30 June 2014, Commissioners Gold Ltd ("CGU") announced the proposed acquisition of a 20% interest in Viva No 20 Ltd ("Viva"), a company incorporated in Papua New Guinea with the option to purchase a further 50% interest in Viva (the "Proposed Transaction"). The consideration for the acquisition is shares in CGU whereby Viva shareholders will receive 50 million shares in CGU ("Consideration Shares") for 20% of Viva's existing issued capital to CGU.

If the Proposed Transaction proceeds, Viva's shareholders will hold 50,000,000 of a total of 180,868,987 issued shares in CGU, an interest of 27.64%.

1.2 Purpose of Report

The purpose of this report is to advise the shareholders of CGU of the fairness and reasonableness of the Proposed Transaction.

Under s606 of the Corporations Act, a transaction that would result in an entity and its associates increasing their voting power in an entity from:

- 20% or below to greater than 20%; or
- a position above 20% and below 90%

is prohibited without making a takeover offer to all shareholders unless an exemption applies.

Item 7 of s611 of the Corporations Act provides an exemption from the above if the transaction is approved by shareholders in a general meeting.

If the Proposed Transaction is completed Viva shareholders will hold an interest of 27.64% in CGU. As the Viva's shareholders in aggregate obtain voting power above 20% the transaction requires shareholder approval.

2. SUMMARY AND OPINION

This section is a summary of our opinion and cannot substitute for a complete reading of this Report. Our opinion is based solely on information available as at the date of this report.

The principal factors that we have considered in forming our opinion are summarised below.

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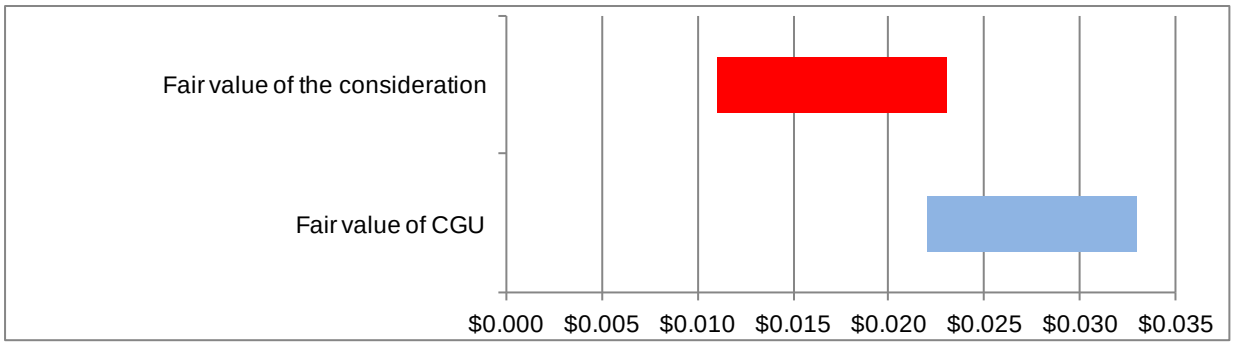
2.1 Assessment of Fairness

As discussed in section 4, in determining whether or not the transaction is fair we have considered the substance of the transaction. Taking into account the requirements of RG 111, we consider that the fair value of the securities that CGU is offering to Viva shareholders is a control interest in CGU. As consideration, CGU's Shareholders receive a control interest in Viva with the option to purchase a further interest in Viva.

The fair value of a CGU share on a control basis compared to the fair value of the consideration received is summarised below:

$/share	Low	Preferred	High
CGU share on a control basis (see section 9)	$0.022	$0.027	$0.033
Fair value of consideration per CGU share (see section 10)	$0.011	$0.018	$0.023

The above valuation ranges are show graphically below:



The fair value of a share in CGU is higher than the fair value of the consideration under the Proposed Transaction.

Therefore, we have concluded that the **Proposed Transaction is not fair**.

2.2 Assessment of reasonableness

ASIC Regulatory Guide 111 considers the Proposed Transaction to be reasonable if:

- The Proposed Transaction is fair; or
- Despite not being fair, but considering other significant factors, shareholders should obtain an overall benefit if the Proposed Transaction proceeds.

We have concluded that the **Proposed Transaction is reasonable**. In forming our opinion we have considered the following relevant matters (see section 12):

Advantages	Disadvantages
• Acquisition of tenement with potential to prove future reserves • Proposed Transaction gives CGU an option to acquire a further 50% in Viva at a discount to Viva's fair market value • The Directors consider that CGU's existing tenements are not viable for further investment • Potential to raise additional funding should the exploration activity identify reserves • Since the announcement of the Proposed Transaction, CGU has issued shares at $0.03 which is higher than the VWAP prior to the announcement indicating the Proposed Transaction may have a positive impact on CGU's share price	• Consideration to acquire a further 50% is to be satisfied through the issue of shares, which depending on the valuation will significantly dilute existing shareholders • CGU shareholders are not receiving a premium for providing Viva access to funding through its ASX listing

2.3 Opinion

Accordingly, in our opinion, the Proposed Transaction is **not fair but reasonable**.

The ultimate decision however on whether to accept the Proposed Transaction should be based on shareholders own assessment of their circumstances. We strongly recommend that CGU's shareholders consult their own professional advisers, carefully read all relevant documentation provided, including the Explanatory Memorandum, and consider their own specific circumstances before voting in favour of or against the Proposed Transaction.

Yours faithfully
Nexia Financial Solutions Limited (AFSL 247300)

Brent Goldman
Authorised Representative

STRUCTURE OF REPORT

Our report is set out under the following headings:

APPENDICES

3. OUTLINE OF PROPOSED TRANSACTION

On 30 June 2014, Commissioners Gold Ltd ("CGU") announced the proposed acquisition of a 20% interest in Viva No 20 Ltd ("Viva"), a company incorporated in Papua New Guinea with the option to purchase a further 50% interest in Viva (the "Proposed Transaction"). The consideration for the acquisition is shares in CGU whereby Viva shareholders will receive 50 million shares in CGU ("Consideration Shares") for 20% of Viva's existing issued capital to CGU.

If the Proposed Transaction proceeds, Viva's shareholders will hold 50,000,000 of a total of 180,868,987 issued shares in CGU, an interest of 27.64%.

Completion of the Proposed Transaction is conditional on the following:

- completion by CGU to the satisfaction of the Directors of due diligence in respect of Viva and its assets;
- the entry into and completion of an acquisition agreement between Viva shareholders and CGU in relation to the Proposed Transaction;
- CGU completing a capital raising of a minimum of $800,000;
- the shareholders of CGU approving the issue of the CGU shares to the Viva shareholders in accordance with section 611 item 7 of the Corporations Act 2001 (Cth) and ASX Listing Rule approvals;
- receipt of all necessary ASIC, ASX and other regulatory approvals in respect of the Proposed Transaction; and
- receipt of all necessary approvals as may be required from the relevant government authority in Papua New Guinea in respect of the Proposed Transaction.

by no later than 31 December 2014. In consideration for exclusivity, CGU has paid Viva a non-refundable payment of $75,000.

Conditional on completion of the Proposed Transaction, Viva will grant CGU full management and operational rights and obligations in respect of Viva's assets for the period commencing from the completion date and ending on the second anniversary of the completion date. These rights are conditional on CGU spending $1 million over the two year period.

Conditional on the completion of CGU's $1 million expenditure on the development and maintenance of Viva's assets, Viva will grant CGU an option to acquire an additional 50% of the issued capital in Viva on the following terms:

- the exercise period for these options will commence on the date that an acquisition of more than 25% of the issued capital of Viva is permitted under the PNG Mining Act and ending on the date six months thereafter;
- the purchase price will be based on 70% of an independent valuation of Viva to be undertaken by an international accounting firm appointed by CGU from which the $1 million exploration expenditure is deducted; and
- the consideration will be paid in CGU shares based on the volume weighted share price of a CGU share for 20 days prior to their issue to Viva shareholders.

On completion of CGU exercising the option it will hold 70% of Viva's issued capital. Viva's shareholder's shareholding in CGU if the option to acquire the further 50% is exercised will be dependent on CGU's share price at the time of the issue of shares.

4. PURPOSE OF REPORT

The purpose of this report is to advise the shareholders of CGU of the fairness and reasonableness of the Proposed Transaction.

Under s606 of the Corporations Act, a transaction that would result in an entity and its associates increasing their voting power in an entity from:

- 20% or below to greater than 20%; or
- a position above 20% and below 90%

is prohibited without making a takeover offer to all shareholders unless an exemption applies.

Item 7 of s611 of the Corporations Act provides an exemption from the above if the transaction is approved by shareholders in a general meeting.

If the Proposed Transaction is completed Viva shareholders will hold an interest of 27.64% in CGU. As the Viva's shareholders in aggregate obtain voting power above 20% the transaction requires shareholder approval.

4.1 Basis of Evaluation

RG 74 and RG 111 provide guidance as to matters that should be considered in determining whether a transaction is fair and reasonable in a range of circumstances.

RG 74 and RG 111 state that in deciding an appropriate form of analysis, the expert needs to consider that the main purpose of the Report is to deal with the concerns that could reasonably be anticipated by those persons affected by the transaction. An expert should focus on the purpose and outcome of the transaction; that is the substance of the transaction, rather than the legal mechanism used to effect the transaction.

RG 111 requires analysis of a transaction under two distinct criteria being:

- is the offer 'fair'?; and
- is it reasonable?

That is the opinion of fair and reasonable is not considered as a compound phrase.

In determining what is fair and reasonable for a control transaction, RG 111 states that:

- an offer is fair if the value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer, assuming a 100% interest of the target and irrespective of whether consideration is cash or scrip; and
- an offer is reasonable if it is fair, or if the offer is not fair, the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of a higher bid before the close of an offer.

In determining whether the transaction is fair, the fair value is assumed to be based on a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length.

For the purpose of considering whether or not the Proposed Transaction is fair we have compared the fair value of a share in CGU on a control basis to the fair value of consideration received for each share being a 20% interest in Viva and an option to acquire a further 50% under the terms discussed above.

In our assessment of the reasonableness of the Proposed Transaction, we have considered the following matters:

- Viva shareholder's pre-existing voting power in securities in CGU;
- other significant security holding blocks in CGU;
- the liquidity of the market in CGU's securities;
- taxation losses, cash flow or other benefits through achieving 100% ownership of CGU;
- any special value to Viva, such as technology, the potential to write-off outstanding loans from CGU, etc;
- the likely market price if the Proposed Transaction is not exercised;
- the value to an alternate bidder and the likelihood of an alternative bid being made; and
- other significant matters set out in section 12.

4.2 Individual shareholders' circumstances

The ultimate decision whether to accept the terms of the Proposed Transaction should be based on each shareholders' assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt about the Proposed Transaction or matters dealt with in this report, shareholders should seek independent professional advice.

4.3 Limitations on Reliance on Information

The documents and information relied on for the purpose of this report is set out in Appendix B. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld. The information provided was evaluated through analysis, enquiry and review for the purpose of forming an opinion as to whether the Proposed Transaction is fair and reasonable to the shareholders. However, we do not warrant that our enquiries have identified or verified all of the matters which an audit or extensive examination might disclose.

We understand the accounting and other financial information that was provided to us has been prepared in accordance with generally accepted accounting principles.

An important part of the information used in forming an opinion of the kind expressed in this report is the opinions and judgement of management. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.

NCFS are not the auditors of CGU or Viva. We have analysed and reviewed information provided by the Directors and management of CGU or Viva and made further enquiries where appropriate. Preparation of this report does not imply that we have in any way audited the accounts or records of CGU or Viva.

In forming our opinion we have assumed:

- Matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so and that there are no material legal proceedings, other than as publicly disclosed;
- The information set out in the notice of meeting and explanatory memorandum to be sent by CGU to shareholders is complete, accurate and fairly represented in all material respect; and
- The publicly available information relied up by NCFS is its analysis was accurate and not misleading.

This report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this report which may impact upon this report or which may impact upon the assumptions referred to in the report.

5. OVERVIEW OF COMMISSIONERS GOLD LIMITED

5.1 Corporate History

CGU is an ASX listed mineral exploration, development and investment company headquartered in Sydney, Australia. The company was founded in 2005 and listed on the ASX on 2 September 2011 raising $2,542,710 in share capital from the issue of 12,713,550 fully paid ordinary shares at an issue price of $0.20. The IPO brought CGU's shareholding to 25,837,300 fully paid ordinary shares at the time. Subsequent to the IPO CGU has issued 105,031,687 shares to a total issued capital of 130,868,987 shares as at 21 October 2014.

5.2 Business Activities

CGU has an interest in four exploration tenements in NSW as follows:

- EL 6922 (Dalton, NSW) – 100% interest
- EL 8263 (Grenfell, NSW) – 100% interest
- EL 5939 (Cowarra, NSW) - 50% ownership interest, and potential to own 85%
- EL 7702 (Oberon, NSW) – potential to obtain a 70% interest in the licence

No significant activity was undertaken on these tenements during the 2014 financial year and the Board is presently evaluating options for each of the NSW projects.

In addition to the NSW projects, CGU has a 25% interest in a Peruvian company Goldsmith Resources SAC. CGU has no control over the operations of this company.

A summary of each project is set out below.

5.2.1 Dalton, NSW

This tenement comprises a land area of 59.3km^2 and is located approximately 10km north of Gunning and 45km west of Goulburn and is wholly owned by CGU.

The area is dominated by a series of Upper Ordovician deep water sediments consisting of minerals such as shale, slate, siltstone sandstone/quartzite and some limestone. The presence of gold is associated with narrow regional shear zones. The principal gold mineral structure extends over 6 kilometres between the Coronation and Dalton mine.

In terms of exploration, the project area has been largely untouched with a notable exception taking place in 1985. At this time Nationwide Resources drilled three reverse circulation holes at Red Mine and two at the Coronation Mine.

To date CGU has engaged in a number of exploration activities since 2009. Further work is planned with expenditure commitments totalling $154,500 to 2015.

5.2.2 Grenfell, NSW

On 16 May 2014 CGU announced that it was granted the exploration license to the Grenfell site. From its discovery in 1865 to its closure in 1935, an estimated 150,000oz of gold were produced. CGU intends to focus on possible extensions on previous exploration.

The tenement is located on the Coolac-Narromine Fault with gold mineralisation residing in a series of steeply dipping lodes, ranging from 0.5m to 3m wide with some 15m wide veins identified.

While efforts on the site have just begun, CGU intends to complete a detailed site survey and geological mapping along with further analysis of previous reporting. CGU has stated that they intend to complete this as soon as practicable.

5.2.3 Cowarra, NSW

The Cowarra Project covers an area of 32.9km^2 and is located approximately 100km south of Canberra and 40km north of Cooma. While the tenement itself is held by Capital Mining NL, in 2011 CGU entered into a farm-in agreement with them to earn 50% equity. The terms of this involved CGU spending $500,000 on exploration activities, to which they also have the opportunity to earn 85% interest by spending an additional $350,000.

The Cowarra site has JORC inferred reserves of 38,000oz of gold.

Exploration at the Cowarra tenement has a long history dating back to the 1860s. Between 1936 and 1947, BHP actively prospected and developed the mine. By the time mining ceased in 1942, 52,838 tonnes of ore had been processed to retrieve 14,400oz of gold. The mine was later reopened in 1984 by Horizon Pacific Ltd who yielded 19,305oz of gold before the mine closed again in 1988.

In September 2011, drilling was performed to test depth extensions of high grade mineralisation known from historical efforts at the site. Further exploration will be required to establish economic reserves and progress it to project status.

5.2.4 Oberon, NSW

The Oberon site covers an area of 23km^2 and is located approximately 5km north of the township of Oberon and 130km west of Sydney. CGU has entered into a joint venture farm-in agreement with titleholder Central West Gold NL, in which if it expends $350,000 on the tenement it is entitled to a 70% interest in the licence. To date CGU has spent $200,000 with the remaining $150,000 to be spent by November 2014 unless the farm-in agreement is extended.

Various companies including BP Australia Gold, Windsor Resources, Renison Exploration and Sipa Exploration have undertaken exploration at the site since 1983. Their sampling revealed gold, silver, antimony, arsenic, copper and lead mineralisation.

In early 2010 CGU drilled four holes at the tenement. The drilling of two additional holes has since been postponed due to access restrictions which have now been resolved.

5.2.5 Goldsmith Resources SAC

In December 2012 CGU acquired 25% ownership in Goldsmith Resources SAC (“Goldsmith”) for an investment of US$400,000. CGU invested a further US$220,000 as a loan. CGU’s interest in Goldsmith has reduced to 18.75% as it did not take up all of its equity rights under previous issues.

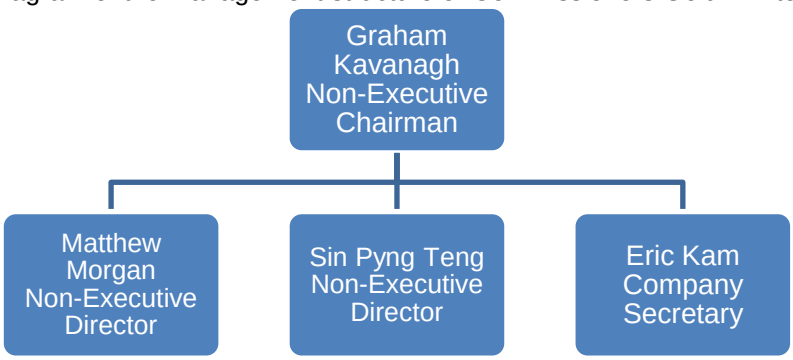
Goldsmith has three Peruvian projects. The first is the Mollehuaca Gold Processing Plant, located on the coast of southern Peru in the well-established mining belt of Nazca-Ocona. This plant has gone through major upgrades over the past 12 months and is now fully functional.

The Eladium project is located 35km east of the Mollehuaca Gold Plant and covers an area of 973.75ha. Measured gold grades have been recorded and the potential for yield of gold-copper porphyry and iron oxide copper gold has been identified. Goldsmith has commenced mining operations on this tenement.

The third project at Saulito is located in the Nazca-Ocona belt, 40km south east of the Mollehuaca Gold Plant in an area of 500 hectares. The site consists of gold, as well as potentially gold-copper porphyry and iron oxide copper gold.

5.3 Directors and Key Management

Following is a diagram of the management structure of Commissioners Gold Limited:



Since June 2014 there has been significant movement with the directors of CGU as follows:

- Graham Kavanagh was appointed as a non-executive director on 5 June 2014;
- Matthew Morgan was appointed as a non-executive director on 3 July 2014;
- Sin Pyng Teng was appointed as a non-executive director on 9 July 2014;
- Chris Battye was removed on 5 June 2014;
- Wesley Harder was removed on 5 June 2014;
- Robert Waring resigned on 11 July 2014;
- Bill Richie Yang was appointed as a non-executive director on 2 June 2014 and resigned on 18 July 2014;
- Eric Kam was appointed a non-executive director on 5 June 2014 and resigned on 18 July 2014.

5.4 Financial Information

The CGU auditor's report for the year ending 30 June 2014 stated that they were unable to an express an opinion on the investment in Goldsmith of $514,641 and the receivable reported from the same entity for $210,740 as the management reports for Goldsmith for the year ended 30 June 2014 were unaudited at the time of the auditor's report. As such, the auditor was unable to confirm that the financial position as at 30 June 2014 was true and fair.

In addition, for the three years ended 30 June 2012, 30 June 2013 and 30 June 2014, the auditor has raised a significant uncertainty regarding CGU as a going concern. In each of these years CGU incurred negative cash flows, and required capital raisings, the sale of assets and other initiatives to meet its obligations.

5.4.1 Financial performance

Set out below is the audited consolidated profit and loss account of CGU for the years 30 June 2012, 2013 and 2014:

	FY2012	FY2013	FY2014
Other income[1]	28,627	13,293	38,151
Administration costs	(261,816)	(233,778)	(322,555)
Employment costs	(249,708)	(309,943)	(169,138)
Exploration expense[2]	(334,899)	(815,488)	(46,953)
Interest expense	(2,150)	(1,267)	(11,359)
Marketing expense	(97,438)	(57,309)	(15,139)
Options expense	(17,700)	(23,250)	-
Share of net loss of associates accounted for using the equity method[3]	-	(131,359)	-
Loss before tax	(935,084)	(1,559,101)	(526,993)
Income Tax	-	-	-
Loss after tax	(935,084)	(1,559,101)	(526,993)

Source: Commissioners Gold Limited 30 June 2013, 2014 audited financial statements

(1) Other income for the years ended 30 June 2013 and 30 June 2012 is interest income on cash balances. In June 2014 other income includes a US$35,000 payment received in relation to the investment in Goldsmith. This is the first of four scheduled payments due to CGU as Goldsmith meets certain milestones.

(2) Exploration expenses in FY2014 dropped significantly as little to no exploration activities occurred during the year. The funds spent in FY2014 relate to the purchase of the Grenfell tenement.

(3) The loss in FY2013 relates to the impairment of the investment in Goldsmith. This is in line with financial statements received by Goldsmith. At FY2014 audited financial statements for Goldsmith had not been received, thus no impairment of the investment was recorded. As noted, the audit opinion on CGU's FY2014 financial statements was qualified.

5.4.2 Financial Position

Set out below is the audited consolidated balance sheets of CGU as at 30 June 2012, 2013 and 2014.

	FY2012	FY2013	FY2014
Current assets			
Cash and cash equivalents[1]	513,888	51,406	200,070
Trade and other receivables	36,036	1,708	226,226
	549,924	53,114	426,296
Non-current assets			
Trade and other receivables	-	89,441	-
Deferred exploration and evaluation expenditure[2]	880,313	606,436	626,376
Investments[2]	-	268,641	514,641
Other assets	50,000	50,000	60,000
	930,313	1,014,518	1,201,017
Total assets	1,480,237	1,067,632	1,627,313
Current liabilities			
Trade and other payables [4]	(77,078)	(243,025)	(55,493)
Borrowings[5]	-	(100,000)	(200,000)
Other liabilities[6]	-	(157,500)	-
	(77,078)	(500,525)	(255,493)
Non-current liabilities			
Other liabilities	(70,000)	-	-
	(70,000)	-	-
Total liabilities	(147,078)	(500,525)	(255,493)
Net assets	1,333,159	567,107	1,371,820
Equity			
Issued capital [3]	3,148,178	3,917,977	5,249,683
Reserves	67,725	90,975	90,975
Accumulated losses	(1,882,744)	(3,441,845)	(3,968,838)
Total equity	1,333,159	567,107	1,371,820

Source: Commissioners Gold Limited 30 June 2012, 2013, 2014 audited financial statements

1. The cash position consists of cash on hand and short-term bank deposits

2. The tenements value represents capitalised exploration expenditure adjusted for impairment.

3. Investments refer to CGU's interest in Goldsmith Resources SAC.

4. At 30 June 2013, trade and other payables partly consisted $68,286 payable to key management personnel. This amount was settled in the 2014 financial year and this account consists of trade payables and accrued expenses.

5. Borrowings relate to convertible notes, converting at $0.025 with a 31 December 2014 expiry. The convertible notes have a 0% interest rate to this date and at 5% per annum thereafter until repayment. If conversion is not approved by shareholders at a general meeting the noteholder may redeem the convertible notes.

6. Other liabilities at 30 June 2013 consists of accrued directors fees.

5.5 Capital Structure and Ownership

CGU's issued capital as at 31 August 2014 comprised 130,868,987 fully paid ordinary shares and 29,483,455 options to subscribe for shares. The details of the options are listed below.

Expiry date	No. of options	Exercise price
31 December 2014	500,000	$0.18
31 December 2015	750,000	$0.30
31 December 2016	500,000	$0.07
31 December 2015	27,733,455	$0.04
Total outstanding	**29,483,455**	

Source: Amended appendix 3B New issue announcement, application for quotation of additional securities and agreement

CGU also has 8 million convertible notes on issue. These notes will be converted on shareholders' approval on the basis of one ordinary share per note at 2.5 cents each. The expiry date of these notes is 31 December 2014.

The top 10 shareholders, as at the 21 October 2014, hold 44.9% of the issued capital of CGU and are set out below:

Shareholder	Shareholding	% Total
Duncan John Hardie Group	18,945,555	14.48%
G H A Development Pty Ltd.	14,271,111	10.90%
Xiaodan Lin	9,980,000	7.63%
Irene Teng	5,131,700	3.92%
Ghinan Mohamed Sani	5,000,000	3.82%
Octopi Enterprises Pty Ltd	4,310,100	3.29%
Aslan Equities Pty Ltd	3,750,000	2.87%
Gak San Seah	2,500,000	1.91%
Global Imaging Pty Ltd	2,500,000	1.91%
Bestvale Resource Consultants Pty Ltd <Bestvale Super Fund A/C>	2,500,000	1.91%
Top 10 shareholders	**68,888,466**	**52.64%**
Other shareholders	61,980,521	47.36
Total shareholders	**130,868,987**	**100.0%**

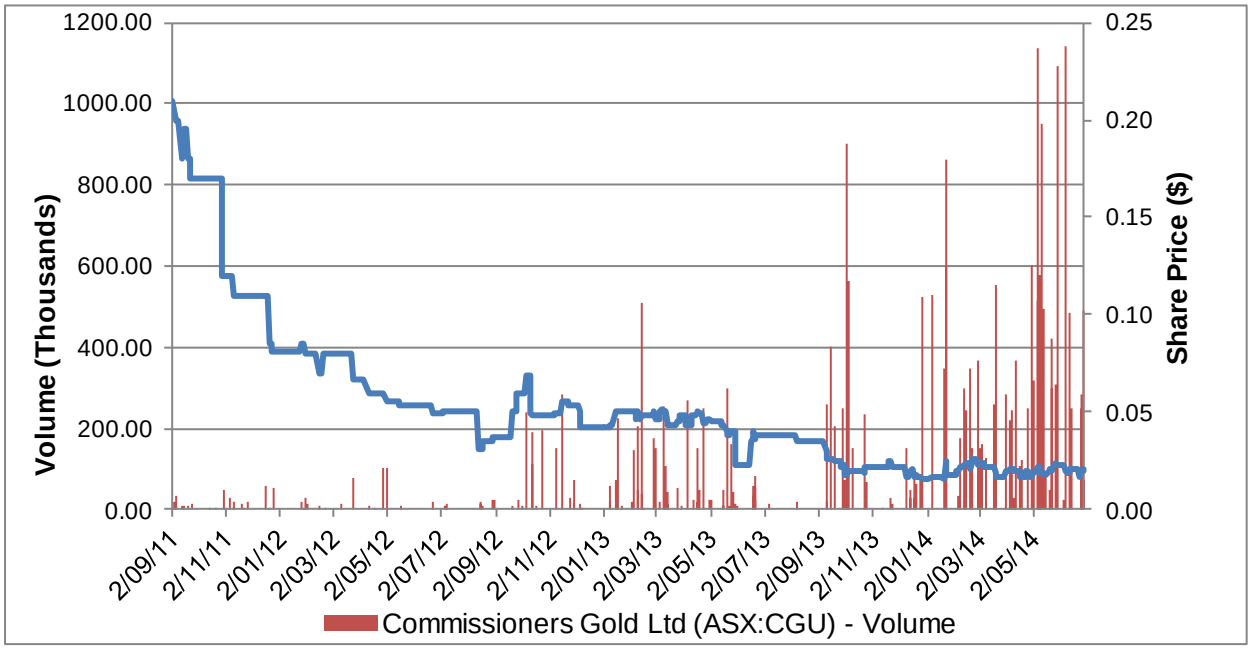
Source: Share register provided by Management

Spread of holdings	Holders	Units	% of Issued Capital
1 – 1,000	7	1,018	0.001%
1,001 – 5,000	3	5,027	0.004%
5,001 – 10,000	108	1,080,000	0.825%
10,001 – 100,000	151	6,313,635	4.824%
100,001 +	134	123,469,307	94.346%
Total on register	403	130,868,987	100.000%

Source: Share register provided by Management

5.6 Share price and volume trading analysis

The following chart provides a summary of the closing share price and trading volumes for CGU shares from admission to the ASX on 2 September 2011 to 29 June 2014, which was the last full trading day prior to the announcement of the Proposed Transaction.



Source: S&P Capital IQ

The chart above indicates that the closing share price of CGU has traded within a range of $0.21 and $0.02 from the period since admission to the ASX to the last full trading day before the announcement. The volume of CGU shares that have been traded over the past year has increased since IPO, trading volumes are summarised in the table below.

Period prior to 30 June 2014	Share Price Low	Share Price High	Cumulative volume traded	Trading as a % of current issued capital
1 day	$0.020	$0.020	75,000	0.057%
1 week	$0.017	$0.021	1,096,222	0.838%
1 month	$0.017	$0.023	2,993,829	2.288%
6 months	$0.016	$0.026	17,157,168	13.110%
1 year	$0.016	$0.038	21,637,513	16.534%

Source: S&P Capital IQ and Nexia Australia analysis

The table indicates that CGU's shares listed on the ASX display a moderate level of liquidity, with 16.534% of CGUs issued shares being traded in the year prior to announcement of the Proposed Transaction. The graph above indicates that the volume of trades has been increasing over the last 6 months.

6. VIVA NO.20 LIMITED

6.1 Corporate History

Viva No. 20 Limited ("Viva") was registered on 20 February 2010 in Papua New Guinea. Viva is a gold mining company that owns three exploration licenses in the Enga Province which is known collectively as the Wabag project.

6.2 Business Activities

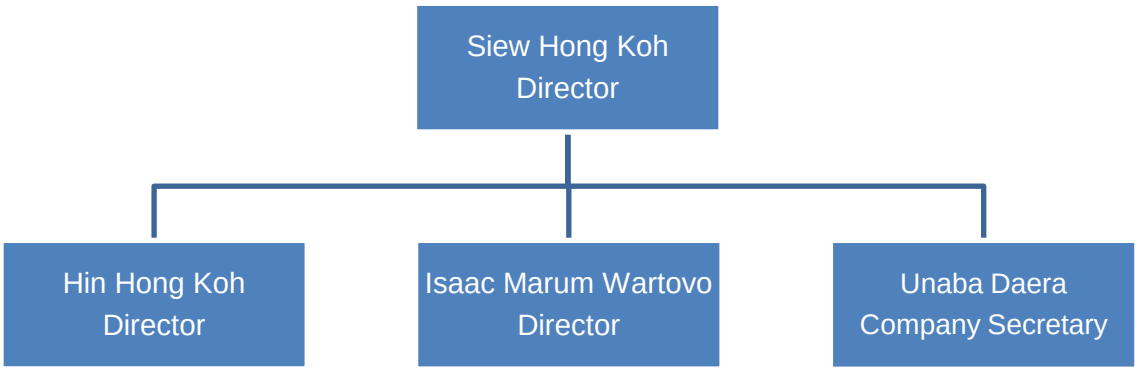
Viva holds three exploration licenses being EL1966, EL1967 and EL1968 which are 100% owned. The Wabag project is located within the New Guinea Thrust Belt, which is a major tectonic feature that hosts several copper-gold-molybdenum deposits.

Exploration programs conducted within the Wabag project by Viva have only been at a reconnaissance stage to date. Geos Mining states that several styles of magmatic arc related mineralisation are likely to be found in the Wabag project.

The reconnaissance of the area has identified a small number of zones with significant gold and copper geochemistry worthy of follow-up exploration. In particular, the Sak Creek prospect with anomalous gold and copper stream sediment assays identified from the GEOMAP sampling program and alluvial gold being mined by local landowners is a high prospect for Viva. Other prospective areas include the Timun River, Tarua River and Wale River.

Further details are included in the valuation of the tenements prepared by Geos Mining dated 14 October 2014, which is included in appendix E to our report.

6.3 Directors and Key Management



6.4 Financial Information

Viva does not have audited accounts for the years ending 30 June 2012, 2013 and 2014. CGU has received a signed indemnity from the directors of Viva stating that Viva is a special purpose vehicle that holds the tenements in Papua New Guinea as its only asset. It has no liabilities and the only funds it holds are approximately $222 (493 Kina) for the 250 shares on issue.

6.5 Capital Structure and Ownership

Viva's issued capital as at 25 June 2014 comprised 250 fully paid ordinary shares.

The shareholders, as at 25 June 2014 are set out below:

Shareholder	Shareholding	% Total
Khor Eng Hock & Sons (PNNG) Limited	150	60.0%
Siew Hong Koh	51	20.4%
Hin Hon Koh	49	19.6%
Total shareholders	250	100.0%

Source: Independent state of Papua New Guinea, Company extract as at 25 June 2014

7. INDUSTRY ANALYSIS[1][2][3]

7.1 Gold

Gold is both a commodity and an international store of monetary value. During periods of weak economic growth and political turbulence the demand for gold increases as it is seen to be a safe haven investment. This is particularly evident on financial markets since gold is viewed as more resilient and less risky than world currencies. Demand for gold has an inverse relationship with global economic performance as when the global economy improves demand for gold and its value decreases. These trends were demonstrated during the global financial crisis with investors investing in gold due to the volatility on financial markets.

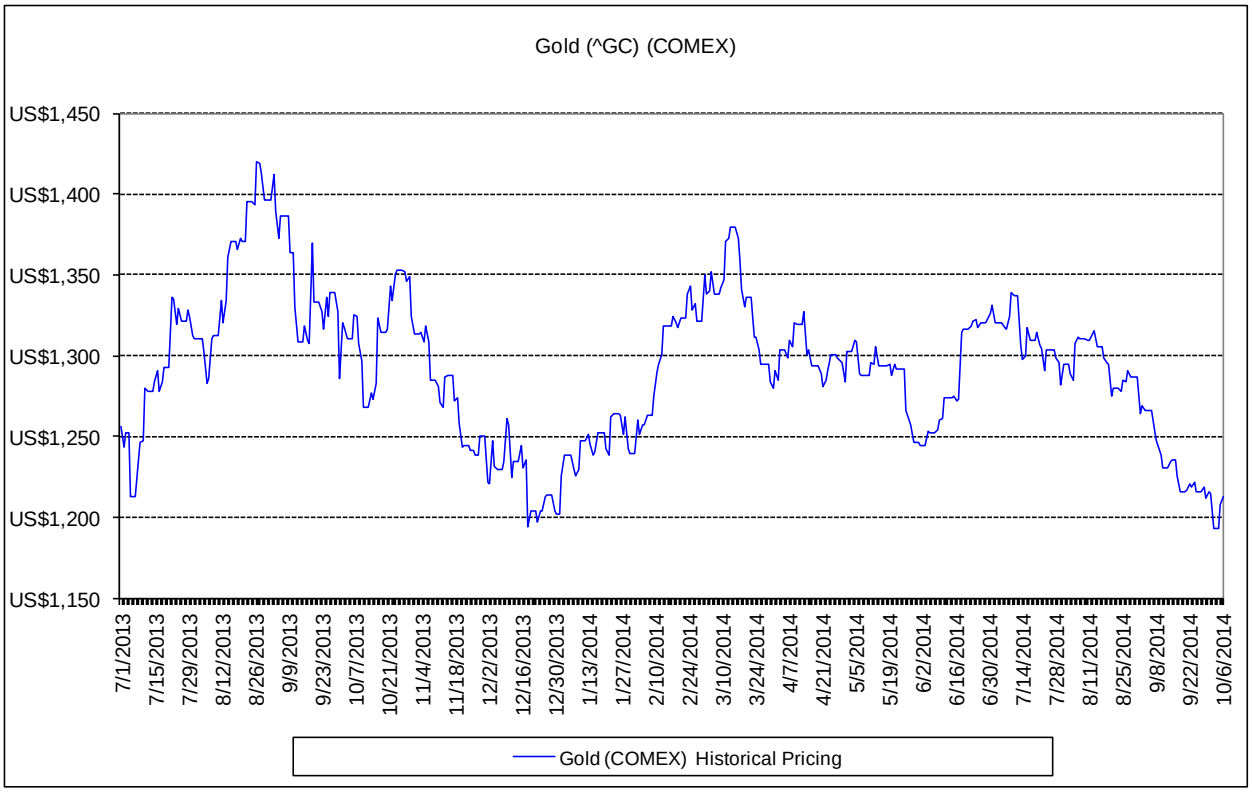
Gold mining production increased by 6% in 2013 with growth again increasing by 4.1% for the first half of 2014 calendar year. For the full calendar year of 2014, forecasts estimate gold mine production growth to increase 2.1% and total 3,088 tonnes. The tapering off of this growth in the second half of 2014 can be attributed to the anticipated closure of several large, high-cost mines. The development of new mines is also expected to become less frequent as interest rates are expected to rise while prices fall in the next 18 months. In the long-run production is forecast to increase at a much slower rate of 1% on average per year to around 3180 tonnes in 2019.

Global gold fabrication consumption is forecast to decrease 4.6% to around 2,250 tonnes in 2014. This follows world fabrication demand for the June quarter 2014 declining sharply by 25% to the same period the previous year. This decline largely stems from lower jewellery consumption by India and China of 18% and 45%, respectively, despite lower gold prices. These fluctuations are anticipated to be temporary, however, as forecasts estimate global fabrication consumption to increase at an average annual rate of 3.1% and reach 3,151 tonnes by 2019. In addition to this slowing of production, one should consider the high costs of mining production including capital intensity expenditure and many associated indirect costs for exploration, royalties, overheads, marketing, native title laws and research & development. With these costs industry performance and profitability does really depend largely on movement in the world price of gold.

Average gold prices in 2014 are forecast to be US$1,283/oz after reaching a high of US$1,379/oz in March and dropping to US$1,260/oz in September. It is expected that the average price of gold will decrease further in 2015 by 4.7% to US$1,223/oz per ounce. This decline is linked to an anticipated higher US interest rate which is expected to reduce the appeal of gold as opposed to other investment assets. In the long run gold prices are projected to recover to an average around US$1,336/oz by 2019 (in 2014 dollars). This recovery will be underpinned by growth in emerging economies and central banks whom are expected to remain net purchasers in the forecast period.

[1] BREE 2014, *Resources and Energy Quarterly*, September Quarter 2014, BREE, Canberra, September 2014
[2] IBISWorld Pty Ltd, *Gold Ore Mining in Australia,* March 2014
[3] IBISWorld Pty Ltd, *Iron Ore Mining in Australia,* April 2014

Below is the historical gold price movement since 1 July 2013:



Source: S&P Capital IQ and Nexia Australia analysis

8. VALUATION METHODOLOGIES

8.1 Definition of market value

In forming our opinion as to whether or not the Proposed Transaction is fair and reasonable to the Shareholders of CGU, we have assessed the value of the issued shares of CGU and the consideration provided by Viva on a fair value basis. RG 111 defines fair value as the amount:

"assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length..."

8.2 Selection of Methodology

RG 111 provides guidance on the valuation methods that an independent expert should consider. These methods include:

- the discounted cash flow method and the estimated realisable value of any surplus assets;
- the application of earnings multiples (appropriate to the business or industry in which the entity operates) to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets;
- the amount that would be available for distribution to security holders on an orderly realisation of assets;
- the quoted price for listed securities, when there is a liquid and active market and allowing for the fact that the quoted price may not reflect their value, should 100% of the securities be available for sale;

- any recent genuine offers received by the target for the entire business, or any business units or assets as a basis for valuation of those business units or assets; and

- the amount that an alternative bidder might be willing to offer if all the securities in the target were available for purchase.

Each methodology is appropriate in certain circumstances. The decision as to which methodology to apply generally depends on the nature of the asset being valued, the methodology most commonly applied in valuing such an asset and the availability of appropriate information.

Appendix D summarises different valuation methodologies available.

In determining the fair value of CGU we have considered the quoted market price and recent placing of shares. In respect of Viva we have applied the realisation of assets methodology

In determining the appropriate methodologies to apply we have considered the following:

- As exploration companies, there is no history of sustainable profitability. Therefore a capitalisation of earnings approach is not applicable for either entity.

- CGU has a moderate level of liquidity in the trading of its shares. In addition, CGU has also recently undertaken a number of share placements with third parties.

- Viva is a special purpose vehicle established to hold tenements. The value of the Viva is primarily the value of those tenements.

9. VALUE OF COMMISSIONERS GOLD LTD

9.1 Quoted market price of CGU and recent placements

CGU's shares have a moderate level of liquidity with 16.5% of CGU's shares traded over the twelve months prior to announcement of the Proposed Transaction on 30 June 2014, and 13% in the six months prior to the announcement. The table below summarises the low, high and volume weighted average price ("VWAP") for specified periods prior to the announcement:

$/share	Low	High	VWAP
1 day	0.020	0.020	0.020
1 week	0.017	0.021	0.020
1 month	0.017	0.023	0.020
6 Months	0.016	0.026	0.021
1 year	0.016	0.038	0.021

Source: S&P Capital IQ and Nexia Australia calculations

The traded prices represent the share price for a minority interest in CGU. As can be seen from the table above, the VWAP has been consistent throughout the period.

On 19 December 2013 CGU completed a non-renounceable rights offer under which 52,466,913 shares were issued. Under the rights issue for $0.02, participating shareholders received one share and one option for every two new shares issued. The options had an exercise price of $0.04 and expire on 31 May 2015.

To determine the price paid for the shares under the rights issue separate from the options, we have calculated the value of the options issued under the offer using the Black-Scholes option pricing model. The key assumptions for this calculation are as follows:

Value of share under the rights issue	
Risk-free rate[1]	2.48%
Time to expiry	<12 months
Volatility[2]	89%
Exercise price	$0.040
Value of option	$0.003
Value of share (excluding option value)	**$0.017**

1. Based on the Australian 2 year government bond rate at 20 October 2014 (S&P Capital IQ)
2. Based on the median one year volatility of identified comparable listed companies

Share issues in the year ended 30 June 2014 include:

- On 27 December 2013 3,240,754 shares were issued to directors at $0.045 per share in lieu of Directors fees to 30 June 2013. In addition to this 694,407 shares were placed at $0.02 per share with David Wallace Clark, CGU's previous CFO in consideration for services rendered for the period of ten months to 30 November 2013.
- On 7 March the Company issued 3,000,000 Shares at $nil cent each together with 1,500,000 free attaching options with an exercise price of 4.0 cents and expiring on 31 May 2015 as consideration of arrangement services fee paid for placement of the shortfall in the renounceable rights issue with overseas investors. The securities were issued to Vibrant Link Sdn Bhd, a company registered in Malaysia.
- On 12 March 2014, convertible note holders exercised their conversion rights early. As a result, 4,000,000 shares were issued at a price of $0.025 a share. These convertible notes were issued in June 2013.
- On 19 March 2014, convertible note holders exercised their conversion rights early. As a result 2,000,000 shares were issued at $0.025 a share.
- On 30 June 2014 CGU raised $200,000 through the placement of 8 million convertible notes. The notes were issued at one note per share at a price of $0.025 and a 31 December 2014 expiry date.
- On 4 August 2014 CGU announced the placement of 13,000,000 shares at an issue price of $0.03 per share. These funds are to be used to be used for exploration expenses on the PNG tenements of Viva should the proposed transaction be approved.

9.2 Conclusion on fair value of a CGU share on a control basis

Based on the above analysis we have concluded that the quoted market price of CGU's shares and the value at which CGU placed shares prior to the announcement of the Proposed Transaction to be the most appropriate determination of fair value.

As the issue of shares at $0.03 occurred after the announcement, we have not included this issue in our conclusion on fair value as it can be seen to partially reflect a combined value of CGU and Viva rather than CGU on a stand-alone basis.

Therefore we have concluded that the fair value of a share in CGU to be:

	Low	Preferred	High
Fair value of CGU share (minority basis)	$0.020	$0.0225	$0.025
Control Premium	20%	25%	30%
Fair value of a CGU share	**$0.024**	**$0.028**	**$0.033**

10. VALUATION OF CONSIDERATION RECEIVED FOR EACH CGU SHARE

10.1 Realisation of assets of Viva shares prior to the Proposed Transaction

Viva is a special purpose vehicle that was incorporated to hold all rights, interests and legal ownership of the tenements. It is free from any encumbrances and is free of any liabilities.

Geos Mining has valued Viva's tenements. A copy of Geo Mining's report dated 14 October 2014 is included in appendix E. Geos Mining's valuation of Viva's tenements is summarised below:

Method	Weighting	Low $m	Preferred $m	High $m
Modified replacement value	5%	0.6	0.9	1.2
Comparable transactions	70%	1.3	3.5	5.0
Market Capitalisation	25%	0.9	2.0	3.0
Totals		**1.16**	**3.0**	**4.3**

The realisation of assets value reflects the value of a Viva share on a controlling basis. This reflects an interest where a shareholder has advantages such as the ability to exert influence over the strategic direction and cash flow of a company, amongst other things.

Under the terms of the Proposed Transaction, in addition to the 20% interest in Viva, CGU will acquire the option to purchase a further 50% of Viva. The option is contingent on CGU contributing $1 million of expenditure on Viva's tenements.

The consideration, or exercise price under the option, is calculated as 50% of the value of Viva at the time of exercise, less the $1 million invested, less a 30% discount. Therefore, the exercise price for the option is always at a 30% discount to the market value and there is no gain (or loss) from a variation in the underlying value of Viva.

The following summarises our estimate of the effective exercise price under the option:

Exercise price	
Equity value (assumed constant)[1]	3,000,000
Less: Exploration expenditure	(1,000,000)
Discount on exercise price[2]	30%
	1,400,000
Plus: Present value of exploration expenditure[3]	945,776
Effective exercise price applied	2,345,776
Per share amount (based on 250 shares)	**9,383**

1. Equity value is the preferred valuation of Viva's tenements
2. The discount on the exercise price is as per the agreement mentioned in section 3
3. The present value of the exploration expenditure is calculated using a discount rate of 5% for staged payments over two years.

We have calculated a value for the option using the Black-Scholes option pricing model and the following assumptions. The value per option and the total fair value of the option for 50% of Viva are summarised below:

Option valuation	
Risk-free rate[1]	2.48%
Time to expiry	2 years
Volatility[2]	0%
Exercise price	$9,383
Valuation of option	**$3071**
Value of option for 50% in Viva (125 shares)	**$383,875**

1. Based on the Australian 2 year government bond rate at 20 October 2014 (S&P Capital IQ)

2. As noted above, the exercise price is linked to the market value of Viva at the time the option is exercised. Therefore, there is no volatility in the share price relative to the exercise price for the purposes of determining the value of the option acquired.

10.2 Conclusion as to fair value of consideration received for each CGU share

We have concluded the fair value offered for each CGU share to be:

	Low	Preferred	High
Valuation of Viva	$1,160,000	$3,000,000	$4,300,000
20% interest to be acquired	$232,000	$600,000	$1,168,880
Value of option	$383,880	$383,880	$383,880
Less: Non-refundable exclusivity fee	($75,000)	($75,000)	($75,000)
	$540,880	$908,880	$1,168,880
Consideration per CGU share (50 million shares)	**$0.011**	**$0.018**	**$0.023**

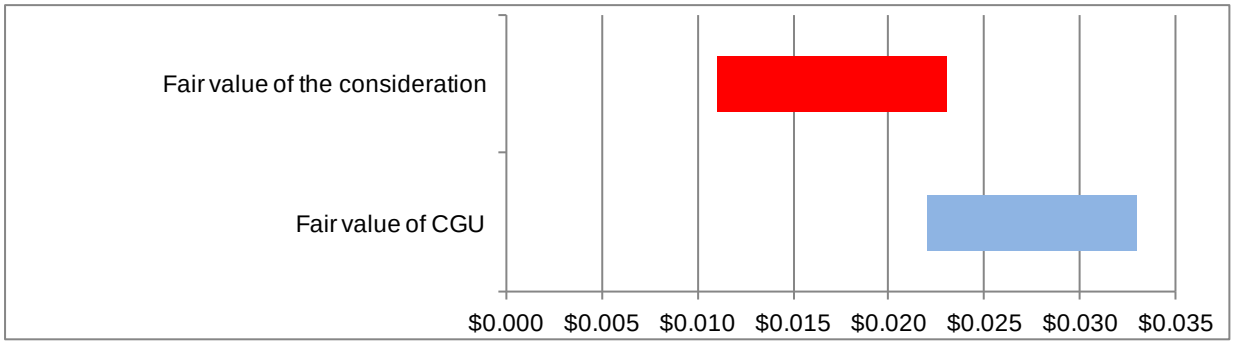
11. ASSESSMENT OF FAIRNESS

As discussed in section 4, in determining whether or not the transaction is fair we have considered the substance of the transaction. Taking into account the requirements of RG 111, we consider that the fair value of the securities that CGU is offering to Viva shareholders is a control interest in CGU. As consideration, CGU's Shareholders receive a 20% interest in Viva on a control basis with the option to purchase a further 50% interest in Viva.

The fair value of a CGU share on a control basis compared to the fair value of the consideration received is summarised below:

$/share	Low	Preferred	High
CGU share on a control basis (see section 9)	$0.022	$0.027	$0.033
Fair value of consideration per CGU share (see section 10)	$0.011	$0.018	$0.023

The above valuation ranges are show graphically below:



The fair value of a share in CGU is higher than the fair value of the consideration under the Proposed Transaction. Therefore, we have concluded that the **Proposed Transaction is not fair**.

12. ASSESSMENT OF REASONABLENESS

12.1 Approach to assessing Reasonableness

In forming our conclusions in this report, we have compared the advantages and disadvantages for Shareholders if the Proposed Transaction proceeds.

12.2 Advantages of the Proposed Transaction

We outline below potential advantages of the Proposed Transaction:

Advantage	Explanation
Acquisition of tenement with potential to prove future reserves	Geos Mining's report indicates that although early stage there is good potential for discovery of economic mineral deposits. The control over the exploration activity provides CGU with the opportunity to undertake activity which may result in identification of reserves.
Proposed Transaction gives CGU an option to acquire a further 50% in Viva at discount to Viva's fair market value	As part of the Proposed Transaction, CGU acquires the option increase its interest in CGU should the exploration activity undertaken justify additional investment. To the extent that exploration work is not positive, the investment by CGU is reduced.
The Directors consider that CGU's existing tenements are not viable for further investment	We understand from the directors that they do not believe that it is viable for CGU to continue exploration activities on its existing tenements. In respect of the investment in Goldsmiths, this is a passive investment with no direct exploration activity undertaken by CGU. Therefore, the Proposed Transaction provides CGU with the opportunity to continue its operations.
Potential to raise additional funding should the exploration activity identify reserves	The Company has been successful in raising additional capital to continue its operations. The Proposed Transaction provides the Company with an exploration asset which it can return to the market for additional funding.
The Proposed Acquisition may have a positive impact on CGU's share price	Since the announcement of the Proposed Transaction, CGU has issued shares at $0.03 which is higher than the VWAP prior to the announcement indicating the Proposed Transaction may have a positive impact on CGU's share price

12.3 Disadvantages of the Proposed Transaction

We outline below potential disadvantages of the Proposed Transaction:

Disadvantage	Explanation
Consideration to acquire a further 50% is to be satisfied through the issue of shares, which depending on the valuation will significantly dilute existing shareholders	Viva shareholders will hold a 27.64% interest in CGU on completion of the Proposed Transaction. If CGU exercises its option, then further CGU shares will be issued to Viva shareholders for a further 50%. These shares will be based on the market price of CGU shares with reference to its volume weighted trading price at the time of issue. Depending on the relative valuations it is likely that if the option is exercised then Viva shareholders will gain a controlling interest in CGU.
CGU shareholders are not receiving a premium for providing Viva access to funding through its ASX listing	To further exploration the assets, Viva requires funding to undertake exploration activities. The Proposed Transaction provides this funding indirectly through CGU's ASX listing. As noted above, the transaction is not fair and therefore no special value is being attributed to CGU for providing this benefit.

12.4 Alternatives to the Proposed Transaction

The Directors have informed us that there are currently no other alternatives to the Proposed Transaction.

12.5 Implications of the Proposed Transaction not proceeding

If the Proposed Transaction does not proceed, CGU will re-evaluate its exploration activities on its existing tenements.

12.6 Conclusion as to Reasonableness

ASIC Regulatory Guide 111 considers a Proposed Transaction to be reasonable if:

- The Proposed Transaction is fair; or
- Despite not being fair, but considering other significant factors, shareholders should obtain an overall benefit if the Proposed Transaction proceeds.

We have concluded that the Proposed Transaction is reasonable.

13. OPINION

Accordingly, in our opinion, the Proposed Transaction is not fair, but reasonable for the Shareholders of CGU.

The ultimate decision however on whether to accept the Proposed Transaction should be based on Shareholders own assessment of their circumstances. We strongly recommend that the Shareholders consult their own professional advisers, carefully read all relevant documentation provided, including the Explanatory Memorandum, and consider their own specific circumstances before voting in favour of or against the Proposed Transaction.

APPENDIX A – GLOSSARY

Term	Definition
Company or CGU	Commissioners Gold Ltd (ACN 115 845 942)
Completion date	The completion of the Proposed Transaction or 25 November 2014
Consideration shares	50 million shares in CGU to be used in the Proposed Transaction
Cowarra, NSW	Tenement EL 5939 in Cowarra NSW that CGU has a 50% interest in.
Dalton, NSW	Tenement EL 6922 in Dalton NSW that is 100% owned by CGU
Explanatory Memorandum	Document to be sent to shareholders on or about 13 November 2014
Goldsmith	18.75% investment in Goldsmith Resources SAC in Peru
Grenfell, NSW	Tenement EL 8263 in Grenfell NSW that is 100% owned by CGU
IPO	Initial public offering
NCFS	Nexia Court Financial Solutions Pty Ltd (AFSL 247300)
Oberon, NSW	Tenement 7702 in Oberon NSW which is owned by Central West Gold NL. There is a joint venture for this tenement with CGU
PNG	Papua New Guinea
Proposed Transaction	Proposed acquisition of 20% of Viva and option to acquire a further 50% whereby Viva shareholders will receive 50 million shares in CGU.
Report	Independent Expert's Report
Report Date	The date of this report
Viva	Viva No. 20 Ltd 1-72150 (PNG)
Wabag Project	Three tenements 100% owned by Viva in PNG namely EL 1966, EL 1967 and EL 1968

APPENDIX B - SOURCES OF INFORMATION

- APES 225 'Valuation Services';
- Australia Securities and Investment Commission's (ASIC) database;
- Bureau of resources and Energy Economics 'Resources and Energy Quarterly – September Quarter 2014';
- CGU activities report to the ASX for the quarter ended 30 June 2014;
- CGU announcements to the ASX from 19 December 2013 to 4 August 2014 for Share Placements;
- CGU audited financial statement for years ended 30 June 2012, 30 June 2013 and 30 June 2014;
- Geos Mining, Mining Consultants, Competent Person's Consent Form;
- Geos Mining, Mining Consultants Valuation of Viva No 20 ELs Wabag, PNG, Job No. 2125-12, report date 14 October 2014;
- IBISWorld Industry Report B0804 'Gold Ore Mining in Australia';
- Letter of agreement between CGU and Viva dated 25 June 2014;
- Regulatory Guide 111 'Content of Expert Reports';
- Regulatory Guide 112 'Independence of Expert's Reports';
- Representation letter from Viva dated 16 October 2014 detailing assets and liabilities held by the company;
- S&P Capital IQ;
- www.commissionersgold.com.au access 16 October 2014.

APPENDIX C - STATEMENT OF DECLARATION & QUALIFICATIONS

Confirmation of Independence

Prior to accepting this engagement Nexia Court Financial Solutions Pty Ltd ("NCFS") determined its independence with respect to CGU, and Viva with reference to ASIC Regulatory Guide 112 (RG 112) titled "Independence of Expert's Reports". NCFS considers that it meets the requirements of RG 112 and that it is independent of CGU and Viva.

Also, in accordance with s648 (2) of the Corporations Act we confirm we are not aware of any business relationship or financial interest of a material nature with CGU or Viva, its related parties or associates that would compromise our impartiality.

Mr Brent Goldman, authorised representative of Nexia Court Financial Solutions Pty Ltd, has prepared this report. Neither he nor any related entities of Nexia Court Financial Solutions Pty Ltd have any interest in the promotion of the Proposed Transaction nor will Nexia Court Financial Solutions Pty Ltd receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this report. Our fee is not contingent upon the success or failure of the Proposed Transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, NCFS does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

NCFS provided a draft copy of this report to the Directors and management of CGU for their comment as to factual accuracy, as opposed to opinions, which are the responsibility of NCFS alone. Changes made to this report, as a result of the review by the Directors and management of CGU have not changed the methodology or conclusions reached by NCFS.

Reliance on Information

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this report NCFS has relied upon information provided on the basis it was reliable and accurate. NCFS has no reason to believe that any information supplied to it was false or that any material information (that a reasonable person would expect to be disclosed) has been withheld from it. NCFS evaluated the information provided to it by CGU and Viva as well as other parties, through enquiry, analysis and review, and nothing has come to its attention to indicate the information provided was materially mis-stated or would not afford reasonable grounds upon which to base its report. Accordingly, we have taken no further steps to verify the accuracy, completeness or fairness of the data provided.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS). NCFS does not imply and it should not be construed that it has audited or in any way verified any of the information provided to it, or that its enquiries could have verified any matter which a more extensive examination might disclose.

The sources of information that we relied upon are outlined in Appendix I of this report.

Qualifications

NCFS carries on business at Level 16, 1 Market Street, Sydney NSW 2000. NCFS holds Australian Financial Services Licence No 247300 authorising it to provide financial product advice on securities to retail clients. NCFS's representatives are therefore qualified to provide this report.

Brent Goldman specifically was involved in the preparing and reviewing this report. Brent Goldman is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand and a Fellow of the Financial Services Institute of Australasia. Brent Goldman is a registered Business Valuation Specialist with the Institute of Chartered Accountants in Australian and New Zealand. He has over 15 years of corporate finance experience in both Australia and the UK.

Consent and Disclaimers

The preparation of this report has been undertaken at the request of the Directors of CGU. It also has regard to relevant ASIC Regulatory Guides. It is not intended that the report should be used for any other purpose than to accompany the Notice of General Meeting to be sent to CGU shareholders. In particular, it is not intended that this report should be used for any purpose other than as an expression of NCFS's opinion as to whether or not the Proposed Transaction is fair and reasonable for CGU shareholders.

NCFS consent to the issue of this report in the form and context in which it is included in the Notice of General Meeting to be sent to CGU shareholders.

Shareholders should read all documents issued by CGU that consider the Proposed Transaction its entirety, prior to proceeding with a decision. NCFS had no involvement in the preparation of these documents, with the exception of our report.

This report has been prepared specifically for the shareholders of CGU. Neither NCFS, nor any member or employee thereof undertakes responsibility to any person, other than a shareholder of CGU, in respect of this report, including any errors or omissions howsoever caused. This report is "General Advice" and does not take into account any person's particular investment objectives, financial situation and particular needs. Before making an investment decision based on this advice, you should consider, with or without the assistance of a securities advisor, whether it is appropriate to your particular investment needs, objectives and financial circumstances.

Our procedures and enquiries do not include verification work, nor constitute an audit or review in accordance with Australian Auditing Standards (AUS).

Our opinions are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time. Furthermore, financial markets have been particularly volatile in recent times. Accordingly, if circumstances change significantly, subsequent to the issue of the report, our conclusions and opinions may differ from those stated herein. There is no requirement for NCFS to update this report for information that may become available subsequent to its date.

APPENDIX D - VALUATION METHODOLOGIES

In preparing this report we have considered valuation methods commonly used in practice and those recommended by RG 111. These methods include:

- the discounted cash flow method;
- the capitalisation of earnings method;
- asset based methods; and
- analysis of share market trading.

The selection of an appropriate valuation method to estimate Fair Market Value should be guided by the actual practices adopted by potential acquirers of the company involved.

Discounted Cash Flow Method

Description

Of the various methods noted above, the discounted cash flow method has the strongest theoretical standing. It is also widely used in practice by corporate acquirers and company analysts. The discounted cash flow method estimates the value of a business by discounting expected future cash flows to a present value using an appropriate discount rate. A discounted cash flow valuation requires:

- a forecast of expected future cash flows;
- an appropriate discount rate; and
- an estimate of terminal value.

It is necessary to project cash flows over a suitable period of time (generally regarded as being at least five years) to arrive at the net cash flow in each period. For a finite life project or asset this would need to be done for the life of the project. This can be a difficult exercise requiring a significant number of assumptions such as revenue growth, future margins, capital expenditure requirements, working capital movements and taxation.

The discount rate used represents the risk of achieving the projected future cash flows and the time value of money. The projected future cash flows are then valued in current day terms using the discount rate selected.

A terminal value reflects the value of cash flows that will arise beyond the explicit forecast period. This is commonly estimated using either a constant growth assumption or a multiple of earnings (as described under capitalisation of future maintainable earnings below). This terminal value is then discounted to current day terms and added to the net present value of the forecast cash flows.

The discounted cash flow method is often sensitive to a number of key assumptions such as revenue growth, future margins, capital investment, terminal growth and the discount rate. All of these assumptions can be highly subjective sometimes leading to a valuation conclusion presented as a range that is too wide to be useful.

Use of the Discounted Cash Flow Method

A discounted cash flow approach is usually preferred when valuing:

- early stage companies or projects;
- limited life assets such as a mine or toll concession;
- companies where significant growth is expected in future cash flows; or

- projects with volatile earnings.

It may also be preferred if other methods are not suitable, for example if there is a lack of reliable evidence to support a capitalisation of earnings approach. However, it may not be appropriate if reliable forecasts of cash flow are not available and cannot be determined.

Capitalisation of Earnings Method

Description

The capitalisation of earnings method is a commonly used valuation methodology that involves determining a future maintainable earnings figure for a business and multiplying that figure by an appropriate capitalisation multiple. This methodology is generally considered a short form of a discounted cash flow, where a single representative earnings figure is capitalised, rather than a stream of individual cash flows being discounted. The capitalisation of earnings methodology involves the determination of:

- a level of future maintainable earnings; and
- an appropriate capitalisation rate or multiple.

A multiple can be applied to any of the following measures of earnings:

Revenue – most commonly used for companies that do not make a positive EBITDA or as a cross-check of a valuation conclusion derived using another method.

EBITDA - most appropriate where depreciation distorts earnings, for example in a company that has a significant level of depreciating assets but little ongoing capital expenditure requirement.

EBIT - in most cases EBIT will be more reliable than EBITDA as it takes account of the capital intensity of the business.

NPAT - relevant in valuing businesses where interest is a major part of the overall earnings of the group (eg financial services businesses such as banks).

Multiples of EBITDA, EBITA and EBIT value the whole businesses, or its enterprise value irrespective of the gearing structure. NPAT (or P/E) values the equity of a business

The multiple selected to apply to maintainable earnings reflects expectations about future growth, risk and the time value of money all wrapped up in a single number. Multiples can be derived from three main sources.

Using the guideline public company method, market multiples are derived from the trading prices of stocks of companies that are engaged in the same or similar lines of business and that are actively traded on a free and open market, such as the ASX. The merger and acquisition method is a method whereby multiples are derived from transactions of significant interests in companies engaged in the same or similar lines of business. In Australia this has been called the comparable transaction methodology. It is also possible to build a multiple from first principles.

Use of the Capitalisation of Earnings Method

The capitalisation of earnings method is widely used in practice. It is particularly appropriate for valuing companies with a relatively stable historical earnings pattern which is expected to continue. This method is less appropriate for valuing companies or assets if:

- there are no suitable listed company or transaction benchmarks for comparison;
- the asset has a limited life;
- future earnings or cash flows are expected to be volatile; or

- there are negative earnings or the earnings of a business are insufficient to justify a value exceeding the value of the underlying net assets.

Asset Based Methods

Description

Asset based valuation methods estimate the value of a company based on the realisable value of its net assets, less its liabilities. There are a number of asset based methods including:

- orderly realisation;
- liquidation value;
- net assets on a going concern basis;
- replacement cost; and
- reproduction cost.

The orderly realisation of assets method estimates Fair Market Value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame.

Since wind up or liquidation of the company may not be contemplated, these methods in their strictest form may not necessarily be appropriate. The net assets on a going concern basis method estimates the market values of the net assets of a company but does not take account of realisation costs.

The asset / cost approach is generally used when the value of the business' assets exceeds the present value of the cash flows expected to be derived from the ongoing business operations, or the nature of the business is to hold or invest in assets. It is important to note that the asset approach may still be the relevant approach even if an asset is making a profit. If an asset is making less than an economic rate of return and there is no realistic prospect of it making an economic return in the foreseeable future, an asset approach would be the most appropriate method.

Use of Asset Based Methods

An asset-based approach is a suitable valuation method when:

- an enterprise is loss making and is not expected to become profitable in the foreseeable future;
- assets are employed profitably but earn less than the cost of capital;
- a significant portion of the company's assets are composed of liquid assets or other investments (such as marketable securities); or
- it is relatively easy to enter the industry.

Asset based methods are not appropriate if:

- the ownership interest being valued is not a controlling interest, has no ability to cause the sale of the company's assets and the major holders are not planning to sell the company's assets; or
- a business has (or is expected to have) an adequate return on capital, such that the value of its future income stream exceeds the value of its assets.

Analysis of Share Trading

The most recent share trading history provides evidence of the Fair Market Value of the shares in a company where they are publicly traded in an informed and liquid market. There should also be some similarity between the size of the parcel of shares being valued and those being traded. Where a company's shares are publicly traded then an analysis of recent trading prices should be considered, at least as a cross-check to other valuation methods.

APPENDIX E – VALUATION OF VIVA NO 20 ELS

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Valuation of Viva No 20 ELs

Wabag, PNG

Commissioners Gold Ltd

Job No. **2125-14**

Report Date: **14 October 2014**

Prepared for:

Commissioners Gold Ltd

Board of Directors

Prepared by:

Murray Hutton

BA (Hons, Geology) MAIG

Senior Consultant

Reviewed by:

Sue Border

BSc (Hons) FAusIMM

Principal Consultant

Executive Summary

Geos Mining has been requested by Commissioners Gold Ltd (ASX:CGU) to carry out a VALMIN compliant technical review and valuation of the Wabag project in PNG. The project consists of three granted Exploration Licences (EL1966, EL1967 & EL1968) plus one Exploration Licence Application (ELA1969), located in Enga Province and held by Viva No 20 Limited.

The Wabag project is located within the New Guinea Thrust Belt, a major tectonic feature that hosts several world-class copper-gold-molybdenum deposits. Miocene aged intrusions within the Wabag project area form part of the Maramuni Event, which has given rise to significant gold, copper and molybdenum mineralisation in the region.

During the 1940s, prospectors located alluvial gold in the Timun River area, part of which occurs within the northern part of EL1968. Total recorded production during 1948 - 1968 was 38kg gold, 9kg silver and 3.5kg platinum. Illegal mining by a Chinese group in 2013 reportedly extracted a further 51kg of gold from Timun River and local artisanal miners are currently extracting gold nuggets up to 60g weight from tributaries of Tarua River in EL1966 and from Sau River in EL1968.

The Wabag project area is interpreted to be prospective for a variety of mineralisation styles, including intrusive-hosted and structurally controlled gold-copper mineralisation. Previous exploration programs on the project area have been of reconnaissance nature, consisting of regional stream sediment sampling and airborne geophysics. Anomalous gold and copper results were detected in stream sediment samples from the area of the Viva ELs.

CGU instigated an initial mapping and sampling program on the most prospective part of EL1966 as part of a due diligence appraisal of the tenements. Geological mapping and geochemical sampling programs, currently in progress, has located mineralised structures within altered diorite and panned visible gold particles from soil samples. In particular, the Sak Creek area appears highly prospective on the basis of:

- large gold nuggets being extracted by the artisanal miners (up to 60g),
- altered diorite intrusions with quartz-pyrite veining,
- highly altered N-S trending structures,
- located on the edge of an elliptical magnetic low.

Assay results for the preliminary sampling program are not available as at the date of this report.

Other prospective areas detected so far within the Viva ELs include the Tarua River (artisanal mining activities), Sau River (alluvial gold), Timun River (alluvial gold + platinum) and Wale River (highly anomalous stream sediment results).

Our valuation of the Wabag project as at 1 October, 2014 has a range of **$1.16M to $4.3M**, with a preferred value of **$3.0M.**

Disclaimer

While every effort has been made, within the time constraints of this assignment, to ensure the accuracy of this report, Geos Mining accepts no liability for any error or omission. Geos Mining can take no responsibility if the conclusions of this report are based on incomplete or misleading data.

Geos Mining and the authors are independent of Commissioners Gold Ltd and have no financial interests in Commissioners Gold Ltd or any associated companies. Geos Mining is being remunerated for this report on a standard fee for time basis, with no success incentives.

Contents

Tables

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1. Introduction

1.1 Scope of Report

On 30 June 2014, Commissioners Gold Limited (CGU) announced that it had entered into a binding Heads of Agreement with Viva No 20 Limited (Viva) to acquire an interest in three Exploration Licences (ELs) and an Exploration Licence Application (ELA) in Papua New Guinea (collectively known as the Wabag Project), by acquiring shares in Viva. Under the agreement, Viva has granted CGU a five month exclusive dealing period in which to undertake due diligence, satisfy various conditions precedent, finalise the Acquisition Agreement and complete the transaction. In consideration for being granted the exclusive dealing period, CGU has paid to Viva a non-refundable fee of A$75,000.

Geos Mining was contracted by CGU to undertake an independent technical assessment and valuation of the Wabag project in compliance with the VALMIN Code 2005. The intention of the valuation report is to assist the Directors and shareholders of CGU to evaluate whether the proposed transaction is fair and reasonable.

The report includes information considered to be material and includes a description of the methodology used to derive the valuation, together with any supplementary methods used. This work has not included any formal legal report on tenement status, but Geos Mining has made appropriate checks to satisfy themselves that the tenements are as described.

All dollar values in this report, unless otherwise specified, refer to current Australian dollars.

This report is compliant with the VALMIN code. Values herein are considered to be fair market values. The valuation is as at 1 October 2014.

2. Information Sources

Information on the Wabag project consisted of reports on past exploration over the area covered by the Wabag project ELs, obtained from the PNG Mineral Resources Authority (MRA), and other publicly available technical data. A full list of reports made available for this study is listed in the Bibliography.

An initial helicopter reconnaissance was made over the project area by Geos Mining's Senior Consultant Murray Hutton, accompanied by Matt Morgan from CGU, on 2 September 2014. During the visit, several potential campsite locations were noted, to be used for reconnaissance stream sediment sampling programs. Subsequently, a field crew was mobilised to one campsite on the Tarua River on 1 October 2014 and mapping and sampling programs commenced. Murray Hutton visited the site at this time.

The appropriate professional standards for the preparation of independent expert reports are encompassed in the provisions of the VALMIN Code[1]. This report[2] has been prepared in accordance with the principles and relevant sections of that Code.

[1] Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Mineral and Petroleum Securities for Independent Expert Reports, 2005 (the "VALMIN Code") published by AusIMM (http://www.ausimm.com/codes/VALMIN.asp)

A draft of this report has been presented to CGU for comment and correction of any errors of fact.

Geos Mining's assessment of the projects and proposed exploration programs and budgets is based on technical reviews of relevant data, including data provided by the company. Geos has no reason to believe that any technical information obtained or provided is misleading.

Geos Mining has conducted limited checks on the status of the various tenements concerned.

3. Wabag Project

3.1 Project Location

The Wabag project is situated in Enga Province of Papua New Guinea, to the north of Wabag, the provincial capital (Figure 1). Wabag is connected by the sealed Highlands Highway to the major regional centre of Mount Hagen, 75km to the southeast.

A logistics base has been established at Wabag, utilising the services of Yakam Resort Co-operative Society. Basic food supplies can be purchased at Wabag but camping equipment needs to be purchased in Mount Hagen or Port Moresby.

3.2 Tenements

The Wabag project consists of three granted Exploration Licences: EL1966, EL1967 and EL1968 (Figure 1) and one Exploration Licence Application (ELA1969). All tenements are 100% held by Viva No 20 Limited. Details of these tenements are presented in Table 1.

Tenure	Status	Date Granted	Date Expiry	Sub-blocks	Commitment (Kina[3])
EL1966	Granted	27/06/2013	26/06/2015	70	200,000
EL1967	Granted	28/11/2013	27/11/2015	86	200,000
EL1968	Granted	28/11/2013	27/11/2015	96	200,000
EL1969	*Application*	*04/04/2011*[4]		*81*	

Table 1 : Viva No 20 tenements as per MRA EL Listing, 17/03/2014

[2] For the purposes of the VALMIN Code, the present report is a Technical Report, which deals with the Technical Assessment of Mineral Assets and does not address matters such as a Valuation Report, Vendor Consideration, Opinion on Securities or the fairness and reasonableness of a transaction relating to a Mineral Asset.

[3] Expenditure commitment for first two-year period. As at 1 October 2014, 1 Kina = A$0.45

[4] Date of application

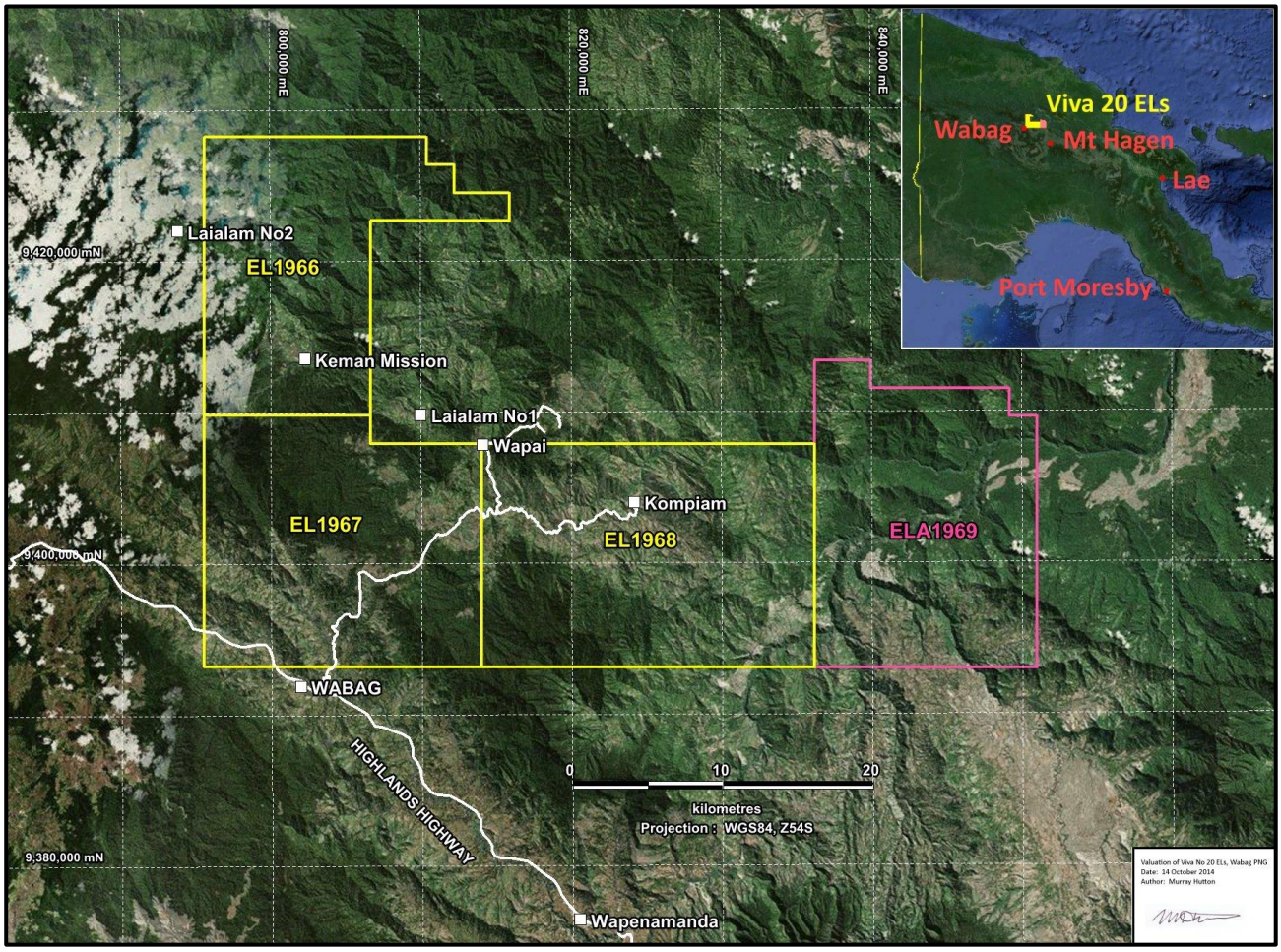

Figure 1 : Location of Wabag Project

Copies of the granted EL documents were obtained by Geos Mining from the MRA. Enquiries to the MRA Tenement Administration Officer have indicated that, as at the date of this report, the titles are in good standing, all statutory reporting commitments have been met and there are no impediments to the titles.

The application for EL1969 is awaiting a Mining Warden's Hearing, which has been postponed on a number of occasions. We see no reasons why this tenement will not be granted in due course. However, the area covered by ELA1969 has not been considered in this valuation.

There has been no formal documentation of landowner interests in the project area.

3.3 Topography & Access

The terrain consists of rugged ranges and deeply-incised river valleys. Most of ELs 1967 and 1968 are grasslands and clearings for village gardens, while most of EL1966 is natural forest cover.

Access to the area is via the Highlands Highway from Mt Hagen to Wabag, then via well-formed partly sealed roads to Kompian and Wapai villages. Access to EL1966 is restricted to village tracks from Wapai to Keman Mission. Helicopter support is required to get to the northern half of EL1966 and more remote parts of EL1967 and EL1968.

3.4 Regional Geology

The Viva ELs occur within a major structural zone, the New Guinea Thrust Belt (Figure 2), which marks the convergent boundary between the Australian Plate, to the south, and the Pacific Plate, to the north. This structural zone, along with the adjacent Papua Fold Belt, hosts several major gold, copper-gold and copper-molybdenum deposits in PNG (Ok Tedi, Porgera, Mt Kare, Frieda River, Yandera), with possible extensions into West Papua (Grasberg).

The area of the ELs is underlain by marine sediments and volcanics of the Cretaceous-Eocene Salumei Formation (Kus, KTsm), Oligocene-Miocene sediments of the Kera Formation (Toms) and Miocene sediments and andesitic volcanics of the Aure Group (Tmt, Tmc, Tmb). These units have been intruded by Miocene diorites and granodiorites (Tmiw) that form part of the Maramuni Event, which has given rise to significant gold, copper and molybdenum mineralisation in the region. Jurassic marine sediments of the Wahgi Group have been mapped in the northeastern part of EL1968 (Jum) (Figure 3).

Northwest-trending reverse or thrust faults are the dominant structures in the area. These faults may have been active through the late Mesozoic and Cainozoic with intense thrusting beginning from late Eocene to early Oligocene. Cross-faults disrupt the dominant NW structural trend and may have provided plumbing systems for hydrothermal fluids.

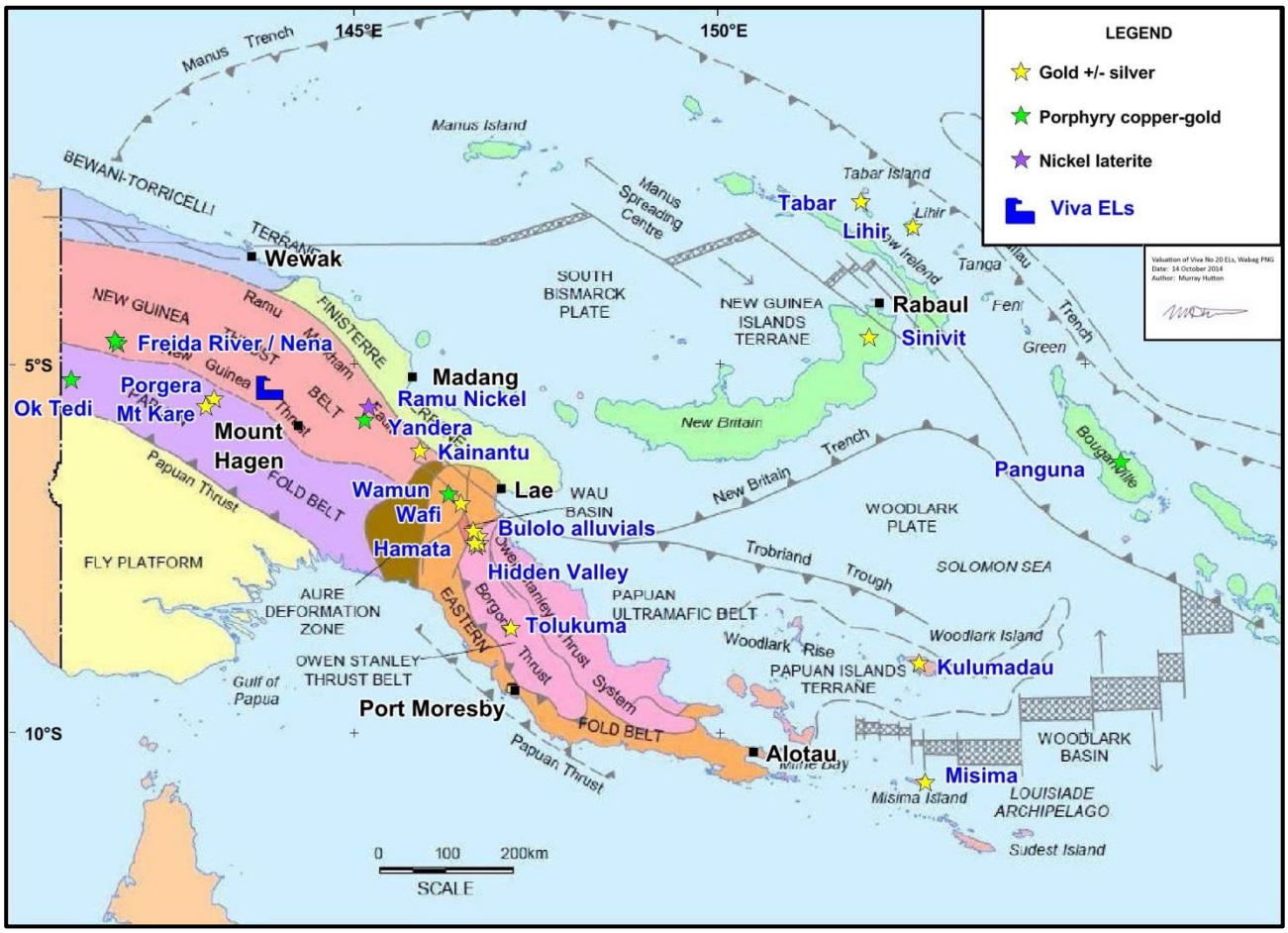

Figure 2 : PNG tectonic zones and major mineral deposits

3.5 MINERALISATION

Alluvial gold and platinum was discovered in the Timun River, partly within the northwestern part of EL1968, in 1948 (Davies, 1983). Total recorded production during 1948 - 1968 was 38 kg gold, 9 kg silver and 3.5 kg platinum. The source of the gold was thought to be Miocene-Pliocene-aged Timun Conglomerate (Tpt), which was probably derived from nearby Miocene intrusives. An illegal Chinese small-scale mechanical mining operation produced a reported 51kg of gold during 2013. Local landowners continue to undertake artisanal mining of the alluvial material, with emphasis on a "blue clay" horizon that occurs ~1-2m below the surface in the banks of Kwae Creek – Tengapa Creek.

Gold and copper mineralisation has been drilled in prospects to the northeast of the Viva ELs. These prospects are in a similar geological setting to the Viva ELs and are currently held by Quintessential Resources Ltd.

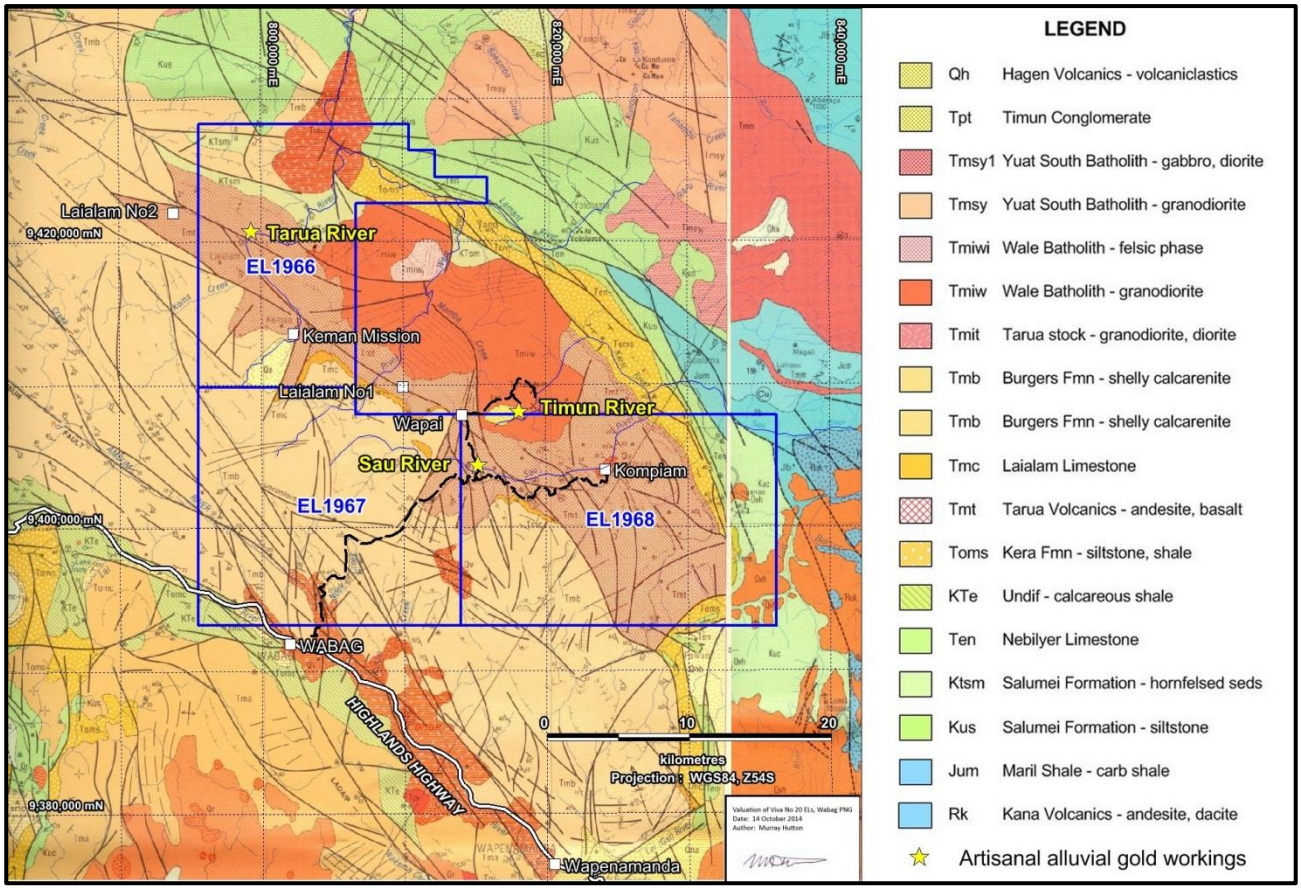

Figure 3 : Regional geology of the Viva ELs, from Davies, 1983 and Bain and Mackenzie, 1975

3.6 EXPLORATION HISTORY

Past exploration on the area covered by the Wabag project has been of a reconnaissance nature, consisting of geological mapping, stream sediment and rock chip sampling (Table 2).

Placer, BHP, Newmont, Niugini Mining and Kennecott all conducted reconnaissance programs on PA461. Only a small part of this work was on the area covered by the Viva ELs.

Brisa Minerals undertook regional reconnaissance geological mapping and stream sediment sampling on PA644 during the 1980s. They detected several anomalous zones, most of which were to the northeast of the area of the Viva ELs (**Error! Reference source not found.**). Brisa later concentrated on prospects to the ortheast of the Viva ELs and did not follow-up anomalies within the Viva ELs.

The European Union sponsored a regional geochemical and airborne geophysical program (GEOMAP) throughout the Highlands region during 2006-2009. Minus 80# stream sediment sampling and multi-element analysis returned several highly anomalous gold samples from drainages within the Viva ELs (Figure 5). Significant copper values were also recorded for samples from EL1966 and EL1968 (Figure 6).

Project	Company	Years	Exploration Completed	Significant Results
PA383	Carpentaria Exploration Company	1975	Testing panned gold results from Timun River. Analyses of As for soil samples from Lamant River. Assays of rock float samples from Timun River.	Best results 220 ppm Cu, 75ppm Zn, 10 ppm Pb, 50ppm Ni, 4ppm As, 2.4ppm Ag, 0.1g/t Au, all from areas outside of Viva ELs
PA461	Placer / BHP JV	1982-1983	Regional reconnaissance to check source of alluvial gold in Timun River and Lamant River. Check area of Wale Batholith for porphyry systems	Gold and arsenic anomaly detected in headwaters of Lamant River (outside of Viva ELs).
PA644	Brisa Minerals	1986-1997	Reconnaissance geological mapping and stream sediment sampling.	A number of anomalous zones detected by stream sediment sampling. Later stages of programs concentrated on prospects outside the Viva ELs.
GEOMAP	GEOMAP, EU-sponsored program	2006-2009	Stream sediment sampling and multi-element analysis from throughout the Highlands region. Regional airborne magnetics / radiometrics surveys	Several anomalous Au and Cu results from the Viva ELs.

Table 2 : Summary of historic exploration programs

Colour coding of the assay results in Figure 5 and Figure 6 are based on the total GEOMAP sampling program, as follows:

- Red – 97 percentile, top 3% of values
- Yellow – 91 percentile, next 6% of values
- Green – 78 percentile, next 13% of values
- Blue – 52 percentile, next 26% of values
- Grey – bottom 52% of values

The colour coding is designed to illustrate patterns in the distributions of assay results and do not necessarily imply that any results are anomalous in terms of defining mineralisation.

Airborne magnetics data acquired during the GEOMAP program show a pronounced NW-trending fabric reflecting the regional tectonic features (Figure 7), with distinct breaks that are interpreted to be major fault structures. An elliptical area of quiet magnetics within EL1966 may be due to a felsic intrusion that has obliterated magnetic minerals in the surrounding rocks.

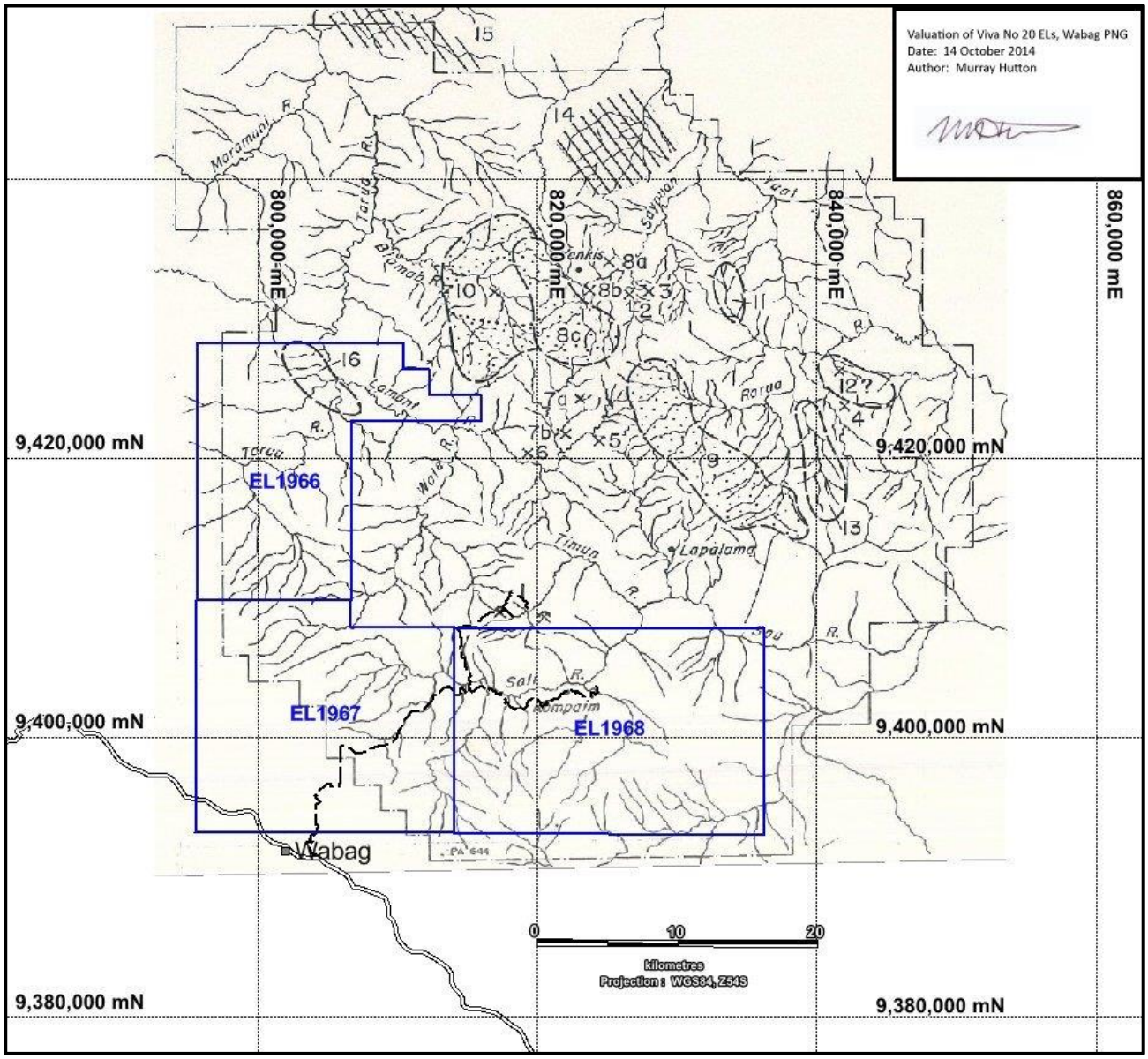

Figure 4 : Anomalous zones defined by Brisa Minerals on PA644

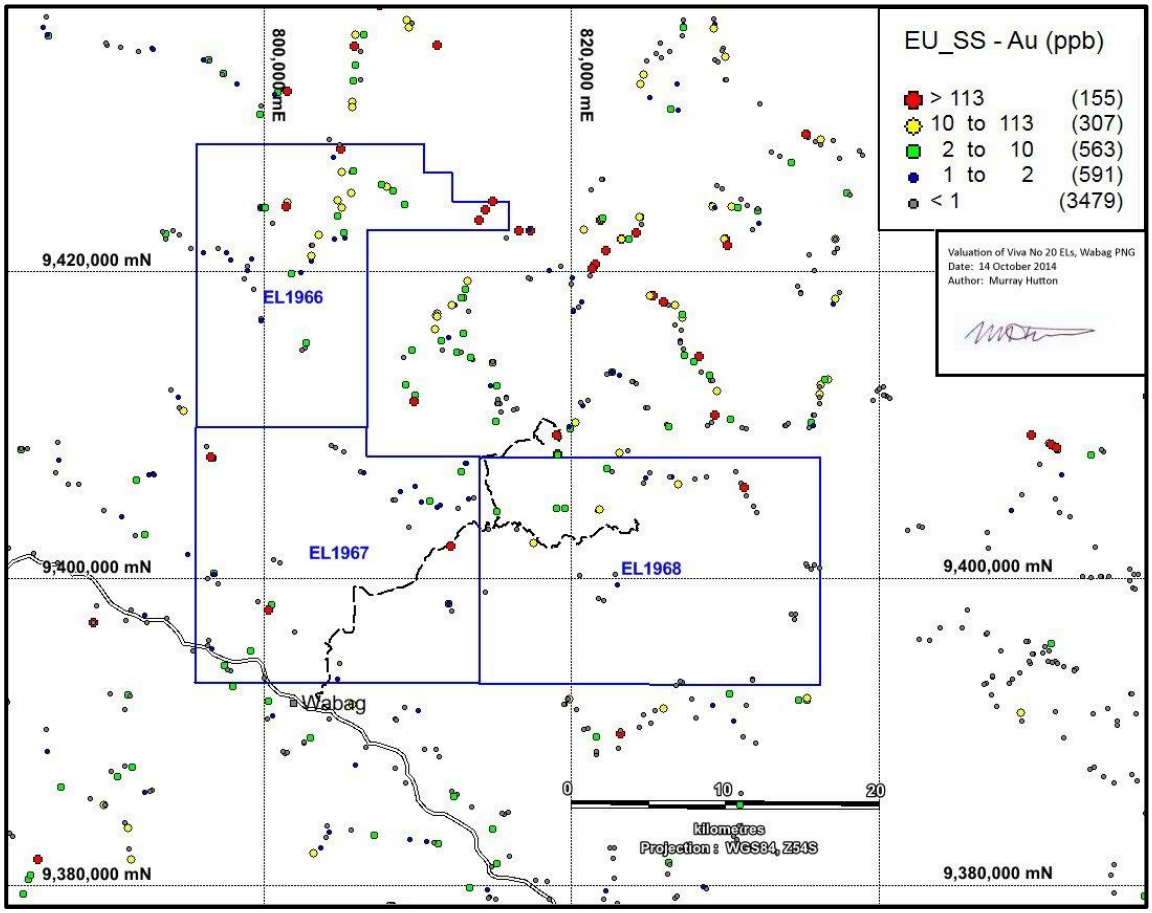

Figure 5 : EU stream sediment sampling – Au (ppb)

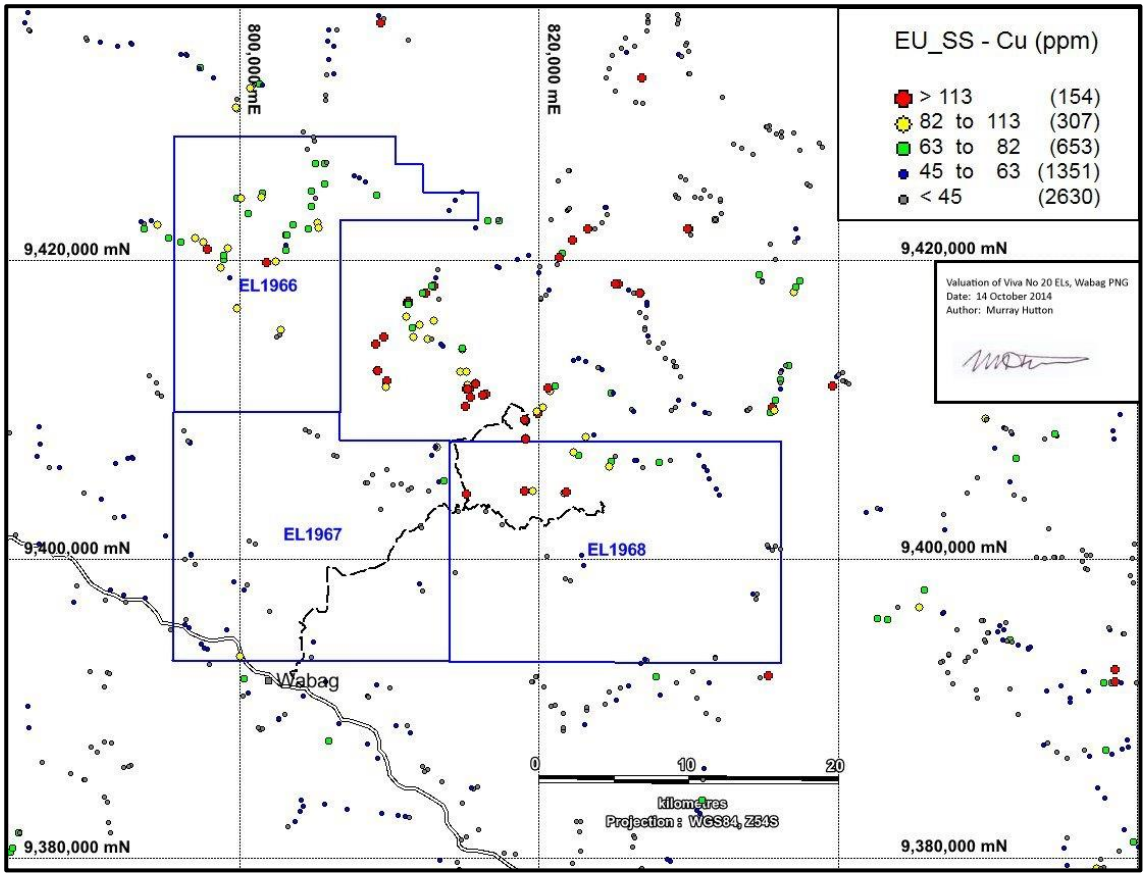

Figure 6 : EU stream sediment sampling – Cu (ppm)

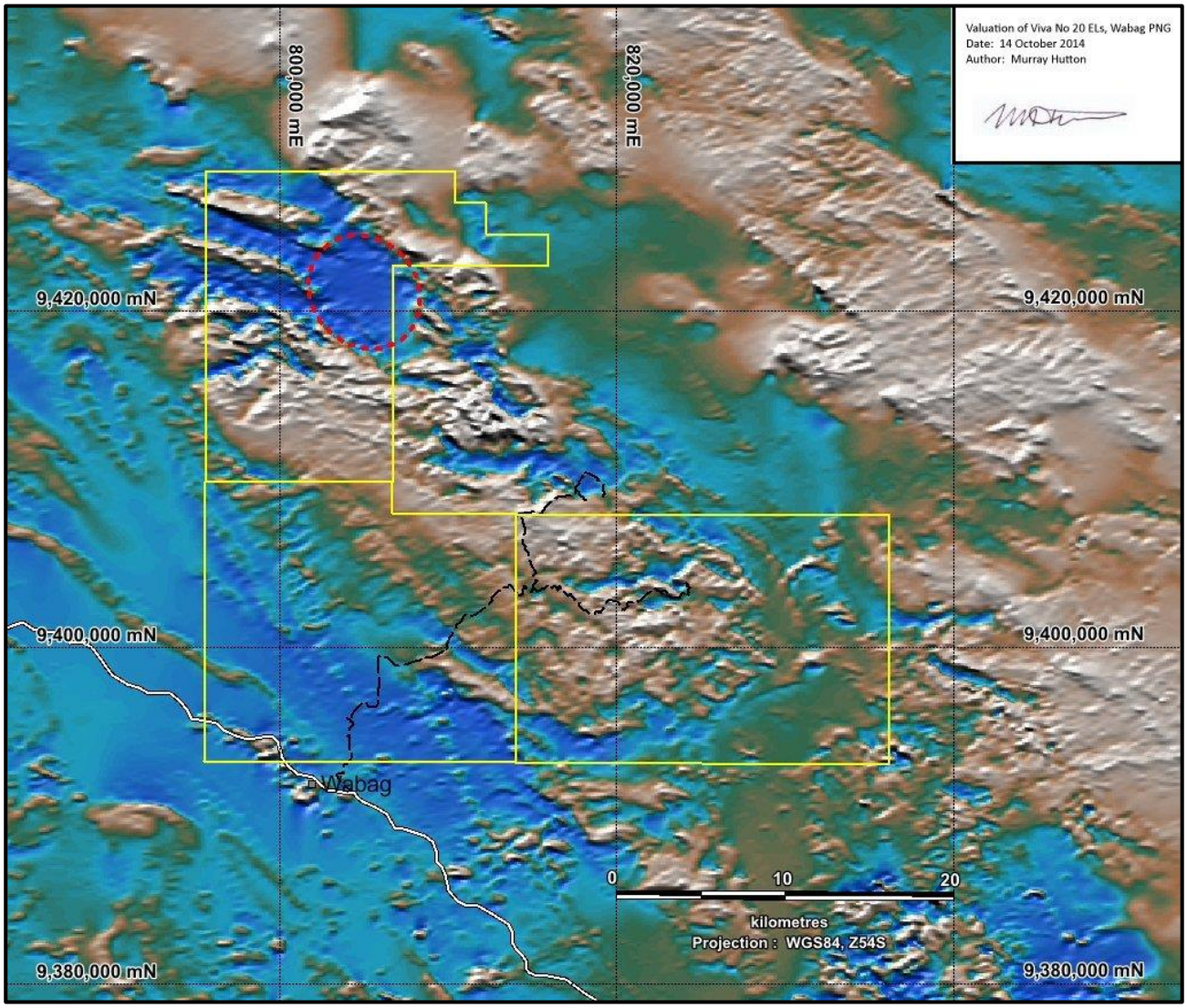

Figure 7 : Regional airborne magnetics RTP

Elliptical magnetic low zone (red dashes) may be due to magnetite-destructive intrusion

A Chinese company illegally installed mechanical alluvial mining equipment in the Timun River area, which overlaps the northern boundary of EL1968, and was thought to have taken out 51kg of gold over a six-month period during 2013, indicating the potential for small-scale mining within the area. The operators were evicted (Photo 1) and the equipment confiscated following court action by the traditional landowner association.

Artisanal mining by traditional landowners has located significant deposits of alluvial and colluvial gold in the headwaters of Timun River (EL1968), Sau River (ELs 1967 & 1968) and in tributaries of Tarua River (EL1966), where gold nuggets up to 60g have been recovered (Photo 2, Photo 3).

Photo 1 : Small-scale mechanical alluvial gold mining operation in Timun River (outside of Viva No 20 ELs)

Photo 2 : Gold nuggets recovered by artisanal miners from Sak Creek prospect in EL1966

Photo 3 : Gold nuggets recovered by artisanal miners from Sau River in EL1968

3.7 Exploration Potential

Although exploration programs undertaken within the area of the Viva ELs have only been at the reconnaissance stage, there is good potential for discovery of economic mineral deposits similar to Frieda River, Porgera, Ok Tedi & Mt Kare, as indicated by:

- Tectonic setting in the New Guinea Thrust Belt, which hosts several major porphyry copper and gold deposits.
- Miocene aged mafic to felsic intrusions of the Maramuni Event, which are commonly associated with gold, copper and molybdenum mineralisation in the region.
- The arc-parallel NW regional trend is cut by several arc-normal cross faults, providing good plumbing systems for hydrothermal fluids.
- Anomalous gold and copper assay results for stream sediment samples collected by exploration companies and the GEOMAP program.
- Alluvial and colluvial gold being worked by artisanal miners in the Timun River, Sau River (EL1968) and Tarua River (EL1966).
- A Chinese company are believed to have taken out 51kg of gold from small-scale alluvial mining in Timun River over a six-month period during 2013.

Several styles of magmatic arc related mineralisation are likely to be found in the Viva ELs area, including high sulphidation epithermal gold, porphyry copper-gold, structurally-controlled gold +/- silver and alluvial gold (Figure 8). Small platinum deposits may also be associated with mafic intrusions in the vicinity of Timun River.

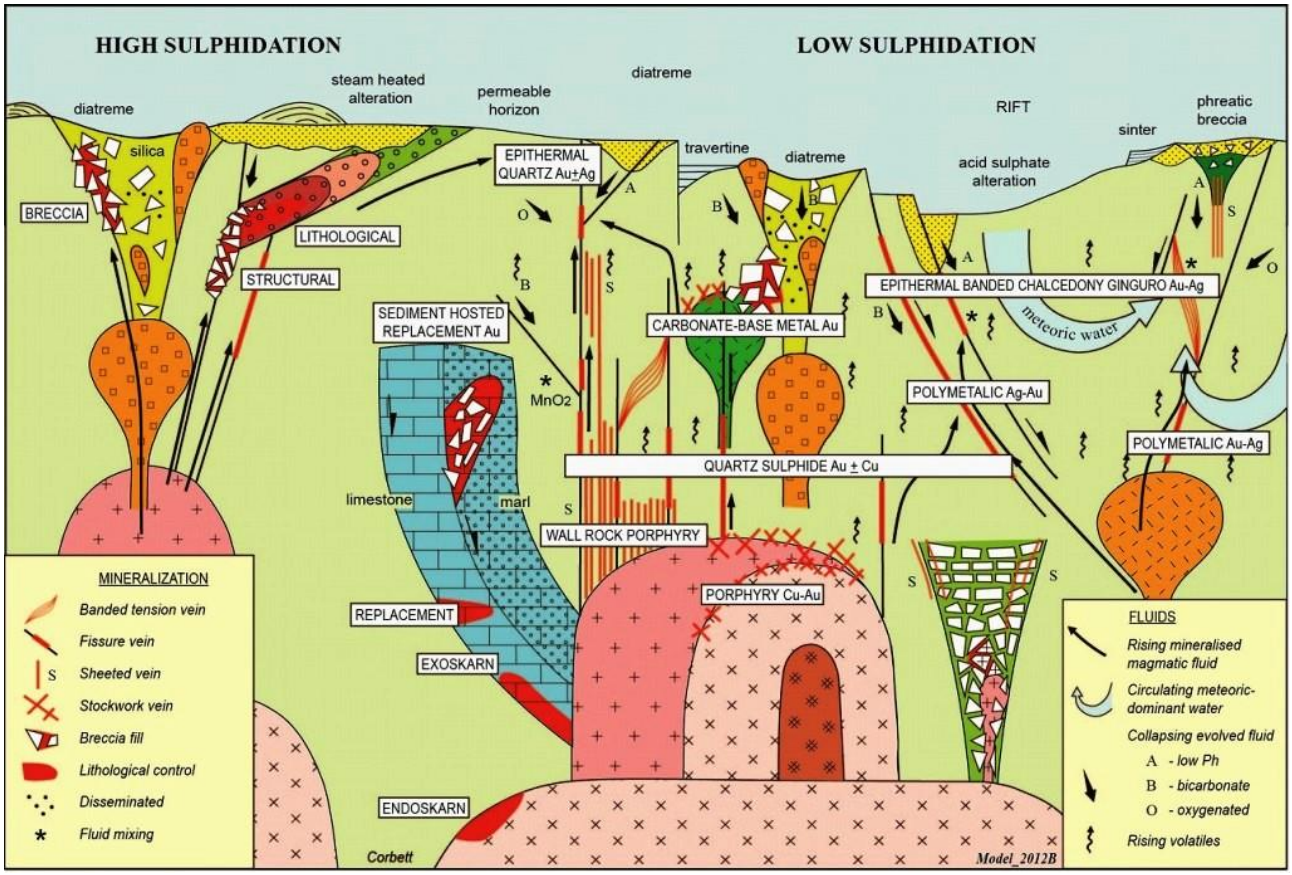

Figure 8 : Conceptual model of magmatic arc porphyry-epithermal gold-copper deposits (Corbett, 2012)

However, as the exploration programs are at a very early stage, there is no guarantee that further work will identify and define mineral resources.

3.8 Reconnaissance Exploration Program – October 2014

As part of CGU's due diligence program, field crews were mobilised to a campsite along the Tarua River on 1 October 2014 to undertake reconnaissance geological mapping and sampling programs. Initially, the program was to consist of helicopter-supported stream sediment sampling designed to cover most of the prospective ground in EL1966. However, due to the rugged terrain and onset of the wet season, making it impossible to cross flooded rivers, it was decided to concentrate on soil and rock chip sampling around the Sak Creek prospect in order to better define the identified gold mineralisation being extracted by artisanal miners.

N-S trending structures were mapped along Sak Creek. They contain strong silicic and phyllic alteration (Photo 4) as well as quartz-pyrite veins (Photo 5). Base of slope (BoS) and ridge and spur (R&S) soil sampling programs around the Sak Creek prospect were in progress as at the date of this report.

Although assay results for the reconnaissance sampling are not available, specks of visible gold were panned from BoS soil samples from Sak Creek and its tributaries.

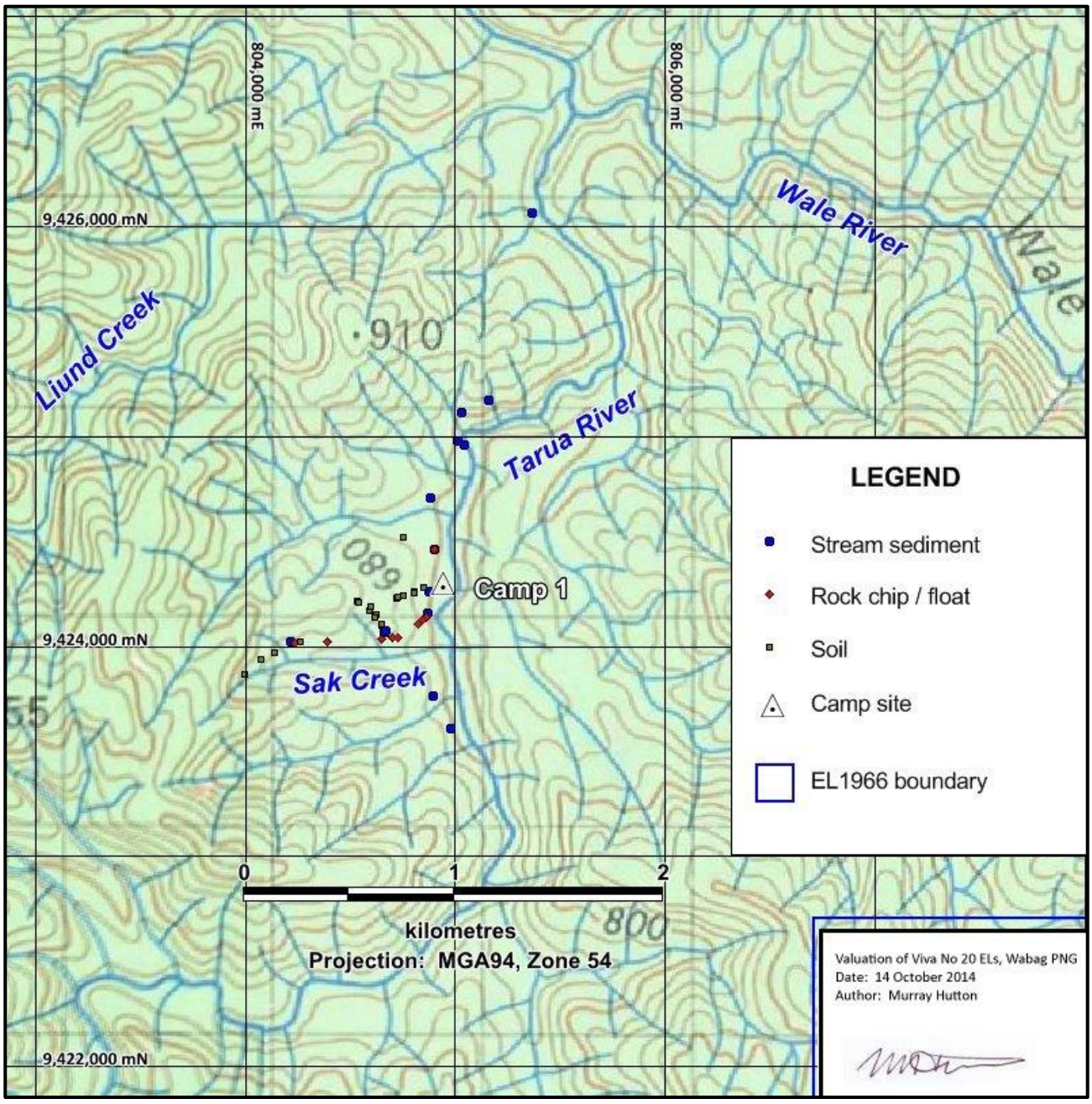

Figure 9 : Sak Creek prospect sampling sites (as at 7 October 2014)

Photo 4 : N-S trending structure in Sak Creek with silicic-phyllic alteration

Photo 5 : Quartz-pyrite veins in phyllic altered diorite

3.9 Assessment of Exploration Completed at Wabag Project

Exploration programs over the area of the Viva ELs have been of reconnaissance nature only, consisting of stream sediment sampling and mapping programs and regional airborne geophysics. The programs have identified a small number of zones with significant gold and copper geochemistry worthy of follow-up exploration (Figure 10).

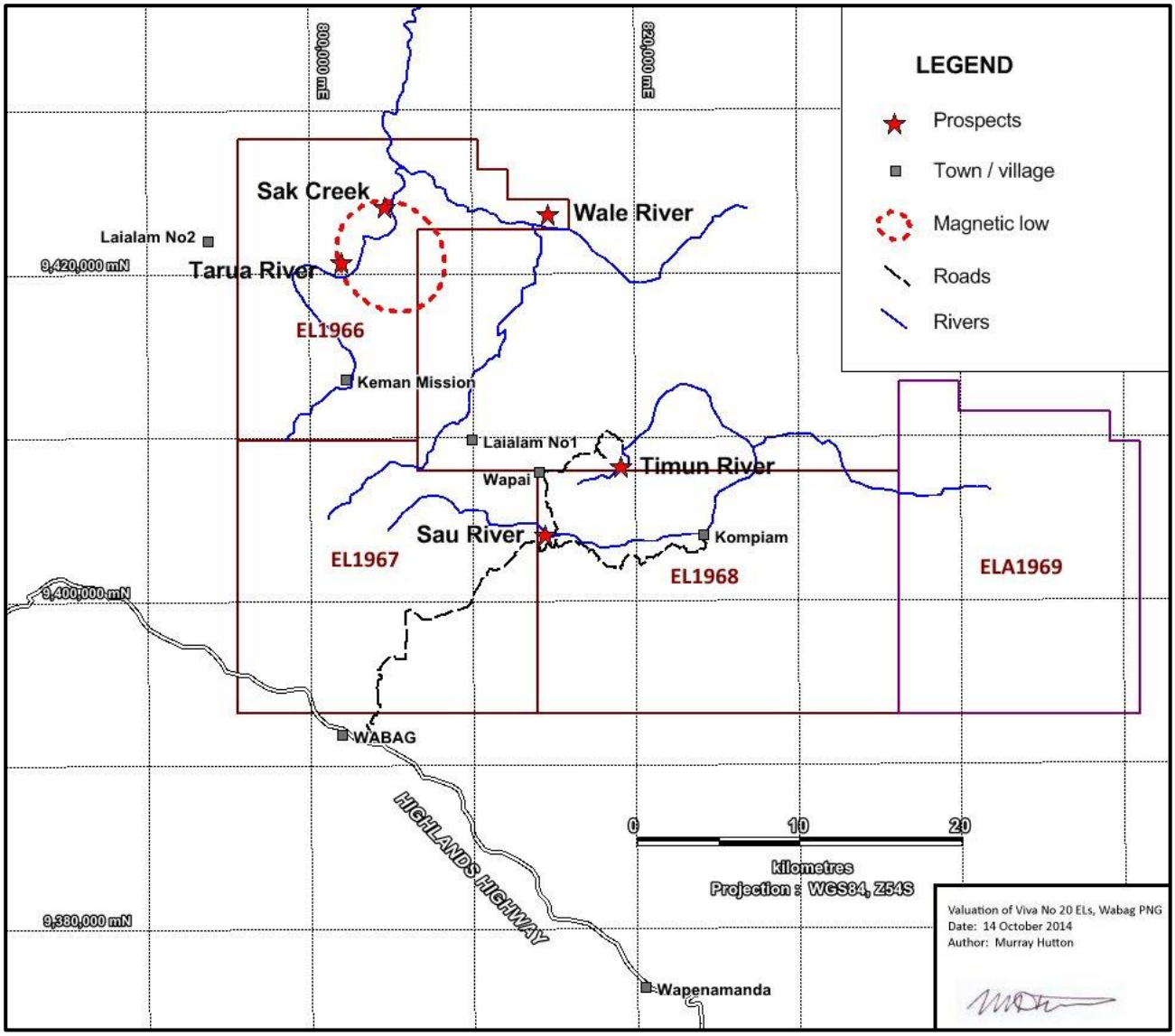

Figure 10 : Viva No20 ELs and prospects

The Sak Creek prospect is a highly prospective area for follow-up exploration programs on the basis of:

- associated with the northern edge of the magnetic low zone, from the regional airborne magnetics,
- weakly anomalous gold and copper stream sediment assays from the GEOMAP sampling program,
- alluvial gold being mined by local landowners,
- host rocks include altered diorite and volcaniclastics,

- mapped N-S trending structures, containing strong silicic-phyllic alteration and quartz-pyrite veins.

Other prospective areas within the Viva ELs include:

- Timun River - in the northern part of EL1968, contains alluvial gold with minor platinum interpreted to be derived from a diatreme breccia – maar complex.
- Tarua River – in EL1966, occurs at the southeastern edge of the magnetic low, local artisanal miners are reportedly extracting alluvial gold.
- Wale River – in the eastern part of EL1966, significant gold values from the GEOMAP program, but may be derived from mineralisation outside of the Viva ELs.

4. Valuation Principles & Methodology

4.1 Effective Date for Valuation

The effective date for this valuation is 1 October 2014. Apart from the ongoing reconnaissance exploration programs, for which there are no assay results, there have been no material changes in the project from the effective valuation date and the date of this report.

4.2 Standards & Procedures

This report has been prepared in keeping with the Code for the Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports ("the VALMIN Code 2005") and the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC Code 2012").

The VALMIN Code was developed by a joint committee of the Australasian Institute of Mining and Metallurgy (AusIMM), the Australian Institute of Geoscientists (AIG) and the Mineral Industry Consultants Association (MICA, now known as the Consultants Society of the AusIMM), in consultation with the Australian Securities and Investment Commission (ASIC), the Australian Stock Exchange Limited (ASX), the Minerals Council of Australia, the Petroleum Exploration Society of Australia, the Securities Association of Australia and representatives from the Australian finance sector. The Code is binding on all members of the AusIMM and AIG.

The JORC Code 2012 was developed by the Australasian Joint Ore Reserves Committee, formed from members of the AusIMM, the AIG and MICA, with representation from ASX and the Financial Services Institute of Australasia. It is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. The JORC Code 2012 provides a mandatory system for the classification of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations in Public Reports.

The VALMIN Code and the JORC Code 2012 have been adopted by and included in the listing rules of the Australian Stock Exchange and are internationally regarded as best practice for the technical assessment and valuation of mineral assets. Where tonnage and grade estimates of mineralisation are referred to that either pre-date or, for other reasons in Geos Mining's opinion, do not comply with the JORC Code 2012, this is clearly stated.

4.3 Valuation General Principles

The Fair Market Value of a property, as stated in the VALMIN Code (Definition 43), is the amount of money (or cash equivalent of some other consideration) that an asset should change hands on the valuation date in an open and unrestricted market between a willing buyer and a willing seller in an arm's length transaction, with each party acting knowledgeably, prudently and without compulsion.

According to the VALMIN Code (Clause 32), selection of an appropriate valuation method will depend on such factors as:

(a) the nature of the Valuation;

(b) the development status of the Mineral or Petroleum Assets, and

(c) the extent and reliability of available information.

4.4 Valuation Methodologies

4.4.1 General Principles

We have assumed the "project value" to be an economic transaction value, for an "arms-length" transaction that is not under duress (i.e. negotiated over time, not a fire sale requiring rapid closure). Unless otherwise indicated, all financial figures quoted in this report refer to Australian Dollars (A$). Values in this report do not include any allowance for the costs of negotiating any sale.

There is no single method of valuation that is appropriate for all situations. Rather, there are a variety of valuation methods, all of which have some merit and are more or less applicable depending on the circumstances. The Australian Securities and Investment Commission in its Practice Note 43 on Valuation Methodology list the following as appropriate items to be considered:

- Discounted cash flow.
- Amount an alternative acquirer might be willing to offer.
- The most recent quoted price of listed securities.
- The current market price of the asset, securities or company.

Valuation methodologies are conventionally divided into three broad categories – Income Approach (e.g. Net Present Value), Market Approach (Comparable Transactions, Market Value) and Cost Approach (Attributable Exploration Expenditure). Each has its own strengths and weaknesses and the selection of the

most appropriate method depends upon the stage of development of the project and the information available to the Valuer.

4.4.2 Net Present Value

If a project is in operation, under development, or at an advanced feasibility study stage (which includes detailed pre-feasibility studies) and reserves, mining and processing recoveries, and capital and operating costs are well defined, it is generally accepted that the Net Present Value of the discounted project cash flows is a primary component of any valuation study and is generally the most relevant and appropriate valuation tool.

If a project is at the feasibility or pre-feasibility study stage, additional weight has to be given to the risks, due to uncertainties in capital and operating costs, operational performance and potentially a lower degree of confidence in the reserves. In an ongoing operation many of these items are relatively well defined.

This method was not used for the Wabag valuation due to the early stage of exploration and lack of defined mineral resources.

4.4.3 Comparable Transactions

The price paid in recent comparable transactions can be of relevance to the valuation of projects and tenements at a range of development status. The difficulty in utilising this method is in determining to what extent the property or transaction is indeed comparable, unless the transactions involve the specific parties, projects or tenements under review. There can also be substantial change in value with time, depending especially upon market conditions and commodity prices.

If discussions have been held with other parties and offers have been made on the project or tenements under review, then these values are certainly relevant and worthy of consideration and can be used in establishing a value of the project. Similarly, joint venture terms, where one party pays to acquire an interest in a project and/or spends exploration funds in order to earn an interest, provide an indication of the project's value.

Internet searches located several market transactions that may be applicable for Wabag and these are discussed in section 5.2 of this report.

4.4.4 Market Valuation

In the case of a single project company or a company with one major asset, the market capitalisation clearly gives some guide to the value that the market places on that asset at that point in time. Commonly, however, companies usually have several projects at various stages of development, together with a range of assets and liabilities, and in such cases it is difficult to define the value of individual projects in terms of the share price and market capitalisation.

4.4.5 Modified Replacement Value

The **Modified Replacement Value (MRV)** method examines the cost that would be incurred by an explorer in acquiring and exploring a similarly prospective tenement up to the same stage of development as the subject tenement. Past expenditure, or the amount spent on exploration on a tenement, is commonly used as a guide in determining the value of exploration tenements, and "deemed expenditure" is frequently the basis of joint venture agreements. On top of the past expenditure, an Acquisition Cost (AC) is added to reflect costs in acquiring the tenement.

The nominal replacement cost is modified by a Market Factor (MF) allowing for the ease or difficulty of acquiring a similar replacement tenement, and the Prospect Factor (PF), which quantifies the prospectivity shown by the exploration results to date. The assumption is that well directed exploration has added value to the property. This is not always the case as exploration can also downgrade a property and, therefore, the Prospect Factor, which commonly ranges from 0.5 to 3.0, is applied to the effective expenditure. The selection of the appropriate multiplier is a matter of experience and judgement but is obviously highly subjective.

The method is related to other cost approaches, such as appraised value (Roscoe, 2001), or multiples of exploration expenditures (Lawrence, 2001), but avoids some potential pitfalls that arise in the application of those methods to Australian conditions.

The value derived using this method is:

MRV = (AC + EE) x MF x PF

When using this method, Geos recommends using the following parameters:

- Acquisition Cost (AC) - Where similarly prospective vacant ground is available, this may be the cost of background research and application for tenure.
  - Where similar ground is limited, or there are significant difficulties in applying for new tenure, then this may be based on the actual acquisition cost, or the nominal purchase price of a similar greenfields exploration area, where necessary modified to allow for any change in the market since the acquisition.
- Exploration expenditure (EE) – The actual expenditure that has usefully advanced the project.
  - Where necessary, discounting for any wasteful expenditure and discounting or ignoring any expenditure that has been directed towards a target that has since been downgraded or proved to be sub-economic.
- Market Factor (MF) – Geos' practice is usually to use a factor between 1 (where additional similar ground is readily available) and 2 (if such ground is scarce).
  - Although a higher Market Factor could be valid, this would be limited to special cases.
- Prospect Factor (PF) - This factor would normally vary between 0.5 (where exploration results have been disappointing) and 3. To eliminate some of the subjectivity with respect to this method, Geos Mining commonly utilises the PF ranges as detailed in Table 3, although values outside this range may be justified in particular situations.

Band	PF	Applicability
1	0.5 – 0.9	Previous exploration indicates the area has limited potential and its prospectivity may have been downgraded by the prior exploration.
2	1.0 – 1.4	The existing (historical and/or current) data consists of pre-drilling exploration and the results are sufficiently encouraging to warrant further exploration.
3	1.5 – 1.9	The prospect contains one or more defined significant targets warranting additional exploration.
4	2.0 – 2.4	The prospect has one or more targets with significant drillhole intersections; similarly prospective ground is not commonly available for application in this area.
5	2.5 – 2.9	Exploration is well advanced and infill drilling is required to define or up-grade a resource such that a reserve can be estimated.
6	3.0	Resource has been defined but a pre-feasibility study has not been recently completed.

Table 3 : Prospect Factor multipliers

4.4.6 Contained Resources

Certain ratios are commonly applied to derive an approximate indication of value based on the contained resources defined at the project, particularly for gold projects. Commonly-used ratios are dollars per ounce of gold in resources, dollars per ounce of gold in reserves and dollars per ounce of annual production. The ratios used commonly cover a substantial range, which is generally attributed to the 'quality' of the resources in question. Low cost ounces are clearly worth more than high cost ounces. Where a project has substantial future potential not yet reflected in the quoted resources or reserves a rate towards the high end of the range may be justified. Such rates can be used to provide an overall guide to value, but are subject to a significant degree of interpretation and are less precise than the NPV method. This method is far less commonly used for other commodities. This method is not applicable to the Wabag project as no resources have been defined.

4.5 Risks and Special Circumstances

Special circumstances of relevance to mining projects or properties can have a significant impact (both positive and negative) on value and need to be taken into account to modify valuations that might otherwise apply. Examples could include:

- environmental risks that can result in a project being subject to extensive opposition, delays and possibly refusal of development approvals;
- indigenous peoples / land rights issues - projects in areas subject to claims from indigenous peoples can experience prolonged delays, extended negotiations or veto;
- country issues - the location of a project can significantly impact on the cost of development and operating costs and has a major impact on perceived risk and sovereign risk;
- technical issues peculiar to an area or deposit, such as geotechnical or hydrological conditions, or metallurgical difficulties could affect a project's economics.

The main risk issues for the Wabag project are:

- Exploration is at an early stage and no mineral resources have been identified as yet.
- High cost of undertaking exploration due to the reliance on helicopter support.
- Rugged terrain and lack of infrastructure will make mine development relatively costly.
- Indigenous landownership has not been documented and may cause delays.
- Country risk associated with its location in PNG.

5. Valuation of Wabag Project

5.1 Modified Replacement Value

The difficulty in assessing attributable exploration expenditure for the Wabag project is due to the lack of expenditure information in Annual Reports prior to the granting of the current tenements. Furthermore, the high cost of access, requiring substantial use of helicopters, overinflates the exploration costs when compared to projects in more accessible locations. However, a rough estimate of costs (in today's dollars) can be made for those exploration programs that have added to the understanding of the prospects and have led to identifying prospects (Table 4).

Program	Year (s)	Company	Cost (A$)	Comment
Regional geochem	1980s	BHP, Brisa	50,000	No anomalies defined in Viva area
Regional geochem	2006-09	GEOMAP program	300,000	Au & Cu anomalies in Viva area
Airborne geophysics	2006-09	GEOMAP program	250,000	NW magnetic trend, mag low in EL1966
TOTAL			**600,000**	

Table 4 : Estimate of attributable exploration expenditure for Wabag project

The programs listed in Table 4 may not cover all the work undertaken within the area of the Wabag project. However, given the information made available, we believe that the total expenditure is a fair representation of the amount of exploration expenditure in today's dollars that a company would have to outlay in order to achieve similar overall results.

Acquisition costs for Exploration Licences in PNG can be expensive due to the need for Mining Warden's hearings in remote areas accessible only by helicopter. In general, these costs range from $40,000 to $100,000. We have estimated $70,000 as the relevant AC for the Viva No 20 ELs.

In assigning an appropriate PF to the exploration expenditure, we have taken into consideration that some of the work programs have defined one or more significant targets warranting additional exploration (Band 3 in Table 3), while other programs have downgraded the prospectivity (Band 1 in Table 3). In particular, a lot of the regional geochemistry sampling has failed to identify significant zones of mineralisation.

The PF values that we have assigned to the expenditure range from 0.6 to 1.2. We have assigned a Market Factor of 1.5, due to the scarcity of available ground in the region. This results in a range of valuations for the project, using the MRV method, of **$0.6M** to **$1.2M**, with a preferred value of **$0.9M**.

5.2 Comparable Transactions

A search for comparable transactions was undertaken using the Intierra database and company searches. Five project transactions were chosen as being most similar to the Wabag project (Appendix 1). These transactions were selected on the basis of being in PNG, having similar commodities (Au +/- Cu) and being early exploration projects without defined resources.

The transaction amounts, on a 100% equity basis, show a huge range of values, from $0.2M to $6.0M. Eliminating the extreme values, the range of values becomes **$1.3M** to **$5.0M.** We have a preferred value by this method of **$3.5M.**

5.3 Market Capitalisation

Public companies with similar exploration projects to the Wabag project are listed in Appendix 2 along with their current market capitalisation. The projects range from grassroots to advanced exploration (plus a small gold mining operation) and so direct comparison with Wabag is not possible. The broad range of values indicates the variability of the Market Cap method and a subjective assessment has been made to determine the proportion of the market cap that can be attributed to their exploration projects.

Excluding the extreme values (high and low), the values derived by this valuation method range from **$0.9M** to **$3.0M**, with a preferred value of **$2.0M.**

5.4 Assessment of Valuations

In keeping with the requirements of the VALMIN Code, a range of values, and a preferred value, have been estimated for the project.

Of the various valuation methods available for the Wabag project, we believe that the Comparable Transactions method is the most applicable, with Market Capitalisation and the Modified Replacement Value methods having a lower weighting.

Our overall valuation for the Wabag project as at 1 October, 2014 has a range of **$1.16M** to **$4.3M**, with a preferred value of **$3.0M** (Table 5).

Method	Weighting	Low value	High value	Preferred value
Modified replacement value	5%	$0.6M	$1.2M	$0.9M
Comparable Transactions	70%	$1.3M	$5.0M	$3.5M
Market Capitalisation	25%	$0.9M	$3.0M	$2.0M
Valuation		**$1.16M**	**$4.3M**	**$3.0M**

Table 5 : Valuation of Wabag project as at 1 October, 2014

6. Conclusions

Exploration programs on the area covered by the Wabag project have detected areas prospective for gold and copper mineralisation. Due to the early stage of exploration, mineral resources have yet to be defined.

The valuation of the Wabag project has relied largely on the Comparable Transactions and Market Capitalisation methods, with lesser reliance on the Modified Replacement Value method. The valuation as at 1 October, 2014, ranges between **$1.16M** and **$4.3M**, with a preferred value of **$3.0M**.

7. Statement of Capability

This report has been prepared by Geos Mining and has been compiled and edited by Senior Consultant Murray Hutton. Principal Consultant Sue Border has reviewed this document. Geologist Hilary Goh assisted with compilation of comparable transactions.

Murray Hutton (BA Hons, Geology), MAIG)

Murray Hutton is a professional geologist with more than 35 years' experience in gold, base metals and other mineral commodities. He has considerable experience in the management of major exploration programs in a broad range of geological environments and countries, including several years' experience on exploration projects in Papua New Guinea.

Murray Hutton has sufficient experience to qualify as a Competent Person, as defined in the Australasian Code for Reporting or Mineral Resources and Ore Reserves (JORC Code 2012), for assessment of epithermal gold and porphyry copper deposits. He also has sufficient relevant experience in the assessment and valuation of mining properties to qualify as a Competent Expert, as defined in the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (the VALMIN Code 2005).

Sue Border (BSc Hons, Gr Dip, FAIG, FAusIMM, MMICA)

Sue Border has 35 years' experience in the minerals industry working mainly in Africa, Australia and Asia. Sue specialises in project assessment, exploration management and resource and reserve estimation. Sue's broad experience includes periods as a mine geologist, consultant, academic and exploration manager before starting Geos Mining. Sue is the Principal of Geos Mining, a consultancy company providing specialist exploration services to the coal, uranium, gold, base metals and industrial minerals sectors. Sue has specialist experience in a wide variety of metals and industrial minerals and supervises all independent geological reports produced by Geos Mining personnel.

8. Statement of Independence

Geos Mining is independent of all parties involved with the project activities described in this report. Geos Mining will receive a professional fee based on standard rates plus reimbursement of out of pocket expenses for the preparation of this report. The payment of these fees is not contingent upon the success or otherwise of any associated fundraising or transactions. There are no pecuniary or other interests that could be reasonably regarded as being capable of affecting the independence of Geos Mining or the authors of this report.

Geos Mining is not aware of any appointments over the past two years by any stakeholders or other relevant parties involved in the Wabag project that may be perceived as able to affect the independence of Geos Mining. Geos Mining, the authors and members of the authors' families, have no interest in, or entitlement to, any of the project areas the subject of this report.

Signature: 

Name:	Murray Hutton	Position:	Senior Consultant
Qualifications:	BA (Hons, Geology), MAIG	Date:	14 October, 2014

9. Limitations & Consent

The opinions expressed herein are given in good faith and Geos Mining believes that any assumptions or interpretations are reasonable.

With respect to this report and its use by Commissioners Gold Ltd and its advisers, Commissioners Gold Ltd agrees to indemnify and hold harmless Geos Mining, its shareholders, directors, officers and associates against any and all losses, claims, damages, liabilities or actions to which they or any of them may become subject under any securities act, statute or common law, except in respect to fraudulent conduct, negligence or wilful misconduct, and will reimburse them on a current basis for any legal or other expenses incurred by them in connection with investigating any claims or defending any actions, except where they or any of them are found liable for, or guilty of fraudulent conduct, negligence or wilful misconduct.

This report is provided to Commissioners Gold Ltd solely for the purpose of assisting Commissioners Gold Ltd directors and other interested parties in assessing the geological and technical issues associated with the Wabag project. This report does not constitute a full technical audit, but rather it seeks to provide an independent overview and technical appreciation of the Wabag project. This report may be reproduced only in its entirety and then only with Geos Mining's prior written consent.

10. Glossary

Terms not included in this glossary are used in accordance with their definitions in the Australian Concise English Dictionary.

Advanced argillic: hydrothermal alteration assemblage occurring at low to high temperatures and high acidity (low pH). Characterised by presence of opalline silica, alunite, pyrophyllite and diaspore

Aeromagnetic Data: Geophysical data indicating the variation in magnetic intensity captured from an aircraft.

Alluvium / Alluvial: Sediment deposited by a stream or river.

Antimony: A metal, atomic symbol, Sb, antimony is the 51st element in the periodic table

Arc: A chain of volcanic islands or mountains formed as an oceanic tectonic plate subducts under another tectonic plate and produces magma at depth under the over-riding plate. The magma ascends to form an arc of volcanoes parallel to the subduction zone

Argillic: low temperature hydrothermal alteration assemblage characterised by presence of kaolinite, illite, smectite, silica

Base Metal: any metal at the lower end of the electrochemical series that oxidizes readily

Basement: the rocks below a sedimentary platform or cover, or more generally any rock below sedimentary rocks or sedimentary basins that are metamorphic or igneous in origin

Basin: a depressed segment of rock in which sediments accumulate and where hydrocarbons may be located.

Beneficiation: variety of process whereby extracted ore from mining is reduced to particles that can be separated into mineral and waste, the former suitable for further processing or direct use

BFS: Bankable Feasibility Study

Biotite: a common rock forming silicate mineral of the mica group, containing varying proportions of potassium, iron, magnesium and aluminium.

Bulk Density: a measure of the relative weight of a geological material as it is found in the ground before excavation, expressed in tonnes per cubic metre (t/m^3).

Breccia: a coarse-grained rock consisting of angular broken rock fragments held together by a fine-grained matrix, distinct from conglomerate.

Cambrian: the earliest period of the Paleozoic era, covering the time between 570 and 500 million years ago.

Carboniferous: a geological time period of the Paleozoic Era, between 359 and 299 million years before present.

Continental Margin: zone of the ocean floor that separates the thin oceanic crust from thick continental crust.

Craton: an old and stable part of the continental lithosphere. Having often survived cycles of merging and rifting of continents, cratons are generally found in the interiors of tectonic plates

Diamond drilling: a drilling method whereby rock is "cored" by an annulus-shaped drill bit at the end of the drill rod string. The cylindrical drill core is retrieved in a core barrel and brought to the surface for geological logging and sampling.

Deposit: a mineral occurrence of sufficient size and grade that it might, under favourable circumstances, be considered to have economic potential

Diorite: an intrusive rock containing essentially sodic plagioclase and hornblende, biotite or pyroxene.

Disseminated: said of a mineral deposit in which the desired minerals occur as scattered particles in the rock.

En Echelon Veins: structures within rock caused by non-coaxial shear, and appear as sets of short, parallel, lenses on the surface of a rock. They are planar structures within the rock and originate as tension fractures which are subsequently filled by precipitation of a mineral.

Eocene: an epoch of the Paleogene geological time period extending from 56 million years ago to 33.9 million years ago.

Epigenetic: formed later than the surrounding or underlying rock formation

Exploration Licence: A granted title over an area of land entitling the holder to explore for one or more mineral commodities for a set period of time.

Fault: a geological fracture along which rocks on one side of the fault are dislocated relative to those on the other side.

Feasibility Study: a study of the economic viability of the mining and production of base or precious metals or other minerals

Ferrous: of or relating to or containing iron

Geochemical: methods that test the chemical properties or quantities of rocks, soils, stream sediments, water, etc, at the earth's surface.

Goethite: an iron bearing hydrous oxide mineral found in soil and other low-temperature environments

Grade: average quantity of ore or metal in a specified quantity of rock.

Granite/Granitic: Coarse-grained igneous rock containing quartz and feldspar.

Granitoid: a granitic rock.

Gravity Separation: Gravity separation is an industrial method of separating two components from a suspension or any other homogeneous mixture where separating the components with gravity is sufficiently practical

Greisen: a form of alteration restricted to the outer edges of some granite intrusions

Greywacke: a poorly sorted sandstone that contains fragmentary material mixed in with a matrix of finer material such as clay

Head Grade: the grade of the ore as delivered to the metallurgical plant

Hematite: the principal form of iron ore, and is the mineral form of iron(III) oxide (Fe_2O_3), one of several iron oxides. Hematite crystallizes in the rhombohedral system

Illite: a non-expanding, clay-sized, micaceous phyllosilicate mineral with aggregates of grey or white monoclinic crystals

In Situ: in its original position, said of rock or soil when it has not moved from whence it was deposited and or lithified.

JORC Code: a code prepared by the Joint Ore Reserves Committee that sets out minimum standards, recommendations and guidelines for public reporting in Australasia of exploration results, mineral resources and ore reserves. The version of the code in current use is the JORC Code 2012.

JV: Joint venture

Kaolinite: a clay mineral with the chemical composition $Al_2Si_2O_5(OH)_4$. It is a layered silicate mineral, with one tetrahedral sheet linked through oxygen atoms to one octahedral sheet of alumina octahedra.

Kriging Method: a group of geostatistical techniques to interpolate the value of a random field at an unobserved location from observations of its value at nearby locations.

Lacustrine: of or relating to lakes

Laterite: highly weathered material rich in secondary oxides of iron, aluminium or both.

Lode: a deposit of valuable ore occurring within definite boundaries separating it from surrounding rocks

Magnetic Susceptibility: the degree of magnetization of a material in response to an applied magnetic field

Mineralisation: term describing the deposition of economically important minerals in the formation of ore bodies.

Mineral resource: a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality) and quantity that there are reasonable prospects for eventual economic extraction.

Miocene: an epoch of the Neogene geological time period extending from 23 million years ago to 5.3 million years ago.

Molybdenum: a metallic chemical element (symbol Mo) with an atomic number of 42

Muscovite: a common rock forming silicate mineral of the mica group. It is a transparent mineral and commonly occurs in igneous rocks such as granite.

Ocean Crust: the part of Earth's lithosphere that surfaces in the ocean basins. Oceanic crust is primarily composed of mafic rocks, or sima, which is rich in iron and magnesium.

Oligocene: an epoch of the Paleogene geological time period extending from 33.9 million years ago to 23 million years ago.

Ordovician: a geological time period of the Paleozoic Era between 485 and 443 million years ago.

Orogen: referring to the process of mountain building and uplift, folding and faulting

Paleo-topography: The topography of a given area in the geologic past.

Paleochannels: Deposits of unconsolidated or semi-consolidated sediments deposited in ancient, presently inactive, river and stream channel systems.

Paleoenvironment: Environment in the geologic past

PEM: Prospectivity Enhancement Multiplier. It commonly ranges from 0.5-3.0 and is applied to the attributable exploration expenditure. The selection of the appropriate multiplier is a matter of experience and judgement by the valuer.

Percussion drilling: a drilling method whereby the rock is broken by a percussion hammer drill bit at the end of the drill rod string. The crushed rock sample returns to the surface via the space between the drillhole walls and the drill rods. Usually used for obtaining a sample of rock beneath a cover sequence, either deep soil / saprolite or younger rock units.

Permian: a time period of the Paleozoic era between 299 and 253 million years ago.

Phyllic: hydrothermal alteration assemblage characterised by presence of sericite, quartz, pyrite, $\pm$chlorite and carbonates. Occurs at high temperatures and moderate acidity.

Pisolitic: a somewhat spherical accretionary body in sediments

Pliocene: an epoch of the Neogene geological time period extending from 5.3 million years ago to 2.6 million years ago.

Polymetallic: refers to a substance composed of a combination of different metals

Porphyry/Porphyritic: an igneous rock in which larger crystals (“phenocrysts”) are scattered through a matrix of smaller crystals (“groundmass”) / descriptive of rocks displaying such textures.

Porosity: a measure of the void spaces in a material and is the proportion of the volume of voids over the total volume, between 0–1, or as a percentage between 0–100%

Pyrite: a common sulphide mineral containing iron, with chemical formula FeS_2; often called “fool’s gold”.

Pyrophyllite: a phyllosilicate mineral composed of aluminium silicate hydroxide: $Al_2Si_4O_{10}(OH)_2$. Occurs as an alteration mineral in advanced argillic alteration zones.

Quartz: second most abundant mineral in the Earth's continental crust, after feldspar. It is made up of a continuous framework of SiO_4 silicon–oxygen tetrahedra, with each oxygen being shared between two tetrahedra, giving an overall formula SiO_2.

Recoverable Resources: Recoverable resource refers to the amount of resource that can be removed by a mining process.

Reserves: the economically mineable part of a measured or indicated resource at the time of reporting, as defined in the JORC Code.

Resource: the part of a deposit for which there is a reasonable prospect for eventual economic extraction, as defined in the JORC Code 2012. Not all of a resource may be economically mineable.

Reverse Circulation: a drilling method whereby the rock is broken by a percussion hammer drill bit at the end of the drill rod string. The crushed rock sample returns to the surface through a second tube inside the rod string, thereby minimising the contamination of samples by mixing within the drillhole walls.

Riffle Splitter: is a sampling device that is used for sample splitting. In the riffle splitter, the sample is poured from a suitable vessel, into a battery of about ten open chambers which are so arranged that any two adjacent chambers permit the material to flow out towards two different sides

Rift: a place where the Earth's crust and lithosphere are being pulled apart and is an example of extensional tectonics

Rock chip: sample of outcropping rock formation collected by taking random chips from the rock.

Rock float: sample of rock that is no longer in situ but has been transported to its current location

Sediment: material, such as mud and sand, that has been moved and deposited by water, ice or wind.

Shear: a deformation resulting from stresses that cause parts of a body to slide relative to each other in a direction parallel to their plane of contact

Silicates: a compound containing an ion in which one or more central silicon atoms are surrounded by electronegative ligands

Siliceous: name used to describe silicon dioxide compounds.

Silurian: a period within the Paleozoic era between 443 and 419 million years ago

Spear Sample: a sampling method, commonly using a PVC tube, whereby a “spear” is pushed into a bag of crushed rock to extract a representative sub-sample. This method is not equi-probable as it is susceptible to density segregation in the sample bag

Spinel: a hard glassy mineral consisting of an oxide of magnesium and aluminium which occurs in various colours

Stockwork Veins: three dimensional network of irregular veins or veinlets

Strata:	layers of sedimentary rock, visually separable from other layers above and below.
Stratigraphy:	the science of rock strata, concerned with all characteristics and attributes of rocks as strata, and their interpretation in terms of mode of origin and geologic history.
Stream sediment:	material within active streams that are sampled to obtain a representation of mineralisation contained within the drainage area above the sample point.
Strip Ratios:	In open pit mining, the ratio of the total waste removed to the total mined, expressed as bank cubic metres per tonne (BCM/tonne).
Surficial:	pertaining to or occurring on or near the earth's surface
Tectonic:	pertaining to rock structures resulting from deformation of the Earth's crust
Tenement:	an area granted for exploration or mining purposes.
Tertiary:	a time period of the Cenozoic era between 66 and 2 million years ago.
Ternary Diagrams:	a triangular graph used to plot percentages of each of three components such as sand, silt, and clay. Each apex is considered 100% of one component
Trough:	refers to a linear structural depression that extends laterally over a distance, while being less steep than a trench. A trough can be a narrow basin or a geologic rift
VALMIN Code:	Code for the Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports. A code prepared to assist those involved in the preparation of public Independent Expert Reports that are required for the assessment and/or valuation of mineral and petroleum assets.
Vein:	a fracture in rock which has been filled with mineral, often quartz.
Workings:	the entire system of openings in a mine for the purpose of operation
XRD:	X-ray diffraction. A technique in which the patterns formed by the diffraction of X-rays on passing through a crystalline substance yield information on the lattice structure of the crystal, and the molecular structure of the substance.
XRF:	X-ray fluorescence. X-rays are diffracted when directed at a crystalline material according to its lattice structure. The generation of an x-ray diffraction pattern that is characteristic for the crystalline phases contained within the sample is the result of the data collection process.

11. Bibliography

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Appendix 1 – Comparable Transactions

Project	Province	Status	Trans Value A$M	100% equity A$M	Date Announced	Transaction Type	General Comments
Fergusson Island + other ELs	Milne Bay	Exp	0.2	**0.2**	23/09/2014	Purchase	Trigold Resources to acquire 100% equity in Vangold (PNG) through cash and shares.
Timun River	Enga	Exp	1.3	**1.3**	27/06/2012	Purchase	United Pacific Trading purchase off Paradise Gold. Adjacent to Viva No 20 ELs
Garaina	Morobe	Exp	3.0	**6.0**	3/04/2012	Farm-in JV	MGL Ltd farm-in with Pacific Niugini. Stage 1 $3.0M expenditure to earn 50.1%.
Salumei / Magavara	East Sepik / Milne Bay	Exp	4.0	**5.0**	11/01/2011	Farm-in JV	Barrick to earn 80% by expending $4.0M on Sierra Mining ELs
Mt Hagen	Western Highlands	Exp	2.0	**3.3**	13/01/2010	Farm-in JV	Eldore Mining to earn 60% of Pacific Niugini's EL1613 by expending $2.0M

Grey shading indicates extreme values, not considered relevant to this valuation.

Appendix 2 – Market Capitalisation

Company	Issued Shares	Share Price	Share Price Date	Market Cap (A$M)	Cash at end of quarter (A$)	Quarterly report date	Project Status	Project locations
Philippine Metals Inc.	5,539,535	0.061	10-Oct-14	0.34	457,394	(JUN 2014)	GR to AdvExp	3 Cu/Au (Philippines)
Martina Minerals Corp.	130,898,611	0.005	10-Oct-14	0.67	2,255	(MAR 2014)	Adv Exp	1 Au (Philippines)
Foyson Resources Limited	916,402,335	0.001	10-Oct-14	0.91	33,000	(JUN 2014)	Various- GR to PF	1 HM (PNG), 7 Au/Cu (PNG), 1 Mg (Egypt)
Goldminex Resources Limited	112,793,878	0.01	10-Oct-14	1.13	769,596	(JUN 2014)	Exp	2 Au/Cu (PNG)
Reliance Resources Limited	122,152,099	0.01	10-Oct-14	1.25	24,665	(MAR 2014)	GR to Adv Exp	4 Au (INDO), + 1 FE (USA)
Trigold Resources Inc.	14,462,500	0.102	10-Oct-14	1.48	315,778	(JUN 2014)	Exp / Adv Exp	3 Au/Ag/Cu (PNG)
Papuan Precious Metals Corp.	76,838,964	0.02	10-Oct-14	1.57	890,925	(JUN 2014)	Exp	2 Au/Cu (PNG)
Quintessential Resources Ltd	175,858,367	0.01	10-Oct-14	1.76	32,000	(JUN 2014)	GR, Adv Exp	4 Cu/Au/Mo (PNG)
PNG Gold Corporation	131,168,368	0.015	10-Oct-14	2.01	3,900,841	(JUN 2014)	All Adv Exp	3 Au (PNG)
Niuminco Group Limited	689,097,080	0.003	10-Oct-14	2.07	161,000	(SEP 2014)	GR to Exp, Prod	4 Au/Cu (PNG) but lots of AUS projects
Tiger International Resources Inc.	9,346,914	0.235	10-Oct-14	2.20	74,030	(JUN 2014)	Exp	1 Au/Ag (Philippines)
Lindian Resources Limited	363,343,950	0.007	10-Oct-14	2.53	515,000	(JUN 2014)	All GR except one Exp	7 Au/Cu (Philippines)
Centurion Minerals Ltd.	58,522,264	0.051	10-Oct-14	3.00	8,107	(JUN 2014)	GR to Adv Exp	3 Au (Burma), 2 Au (Indonesia)
Arc Exploration Limited	1,063,390,131	0.003	10-Oct-14	3.19	1,668,000	(JUN 2014)	GR to Exp	Indonesia, NSW JVs
Frontier Resources Limited	375,321,860.00	0.015	10-Oct-14	5.63	37,000	(JUN 2014)	Adv Exp	Cu/Au PNG

Note: Companies with projects most like the Wabag project are highlighted.

Grey shading indicates extreme values, not considered relevant to this valuation.

Abbreviations:

GR	Grassroots
Exp	Early exploration (minor drilling)
Adv Exp	Advanced exploration (resources)
PF	Pre-feasibility studies
Prod	Mine production
HM	Heavy mineral sands / iron sands

JORC Code, 2012 Edition – Table 1

Geological Assessment of PNG ELs – 25 September 2014

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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 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.*
		• Historical geochemical sampling only.
		• Brisa Minerals (1986) –
		  ○ "2kg stream sediment sample collected from the finest active sediment available".
		  ○ "A pan concentrate sample obtained by wet sieving active sediment from the best available traps, to produce 10kg of -4mm material. This was panned to produce about 50g of heavy mineral concentrate".
		  ○ Stream sediments sieved to -40# and analysed by AAS for Cu, Pb, Zn, Ag and As.
		  ○ Pan concentrates were fire assayed for gold only.
		• GEOMAP (2006-09) –
		  ○ Stream sediments sieved on site to -80#. Pan concentrates collected at 1 in 10 sites for future reference.

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).*	• No drilling undertaken to date
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.*	• No drilling undertaken to date
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*	• No drilling undertaken to date

Criteria	JORC Code explanation	Commentary
	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.*	
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.*	• Brisa Minerals – sample preparation and analytical techniques not specified. • GEOMAP – ○ Duplicate samples collected at regular intervals. ○ Consignments subdivided into batches of 150 samples, with each batch containing two standards, two duplicate samples and two replicate splits. ○ Sample preparation and analysis undertaken by OMAC of the Stewart Geochemical Group in Galway, Ireland. ○ Multi-element package provided results for 47 elements by ICP-OES / ICP-MS methods following digestion of 0.2g of sample in hydrochloric+nitric acid. ○ Gold analysis on 25g samples by aqua regia digest, MIBK extraction and AAS analysis to provide 2ppb Au detection limit. •
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.*	• Analytical methods used are considered appropriate for obtaining total element assays for most elements (except for Sn and W, which are not considered important for the style of mineralisation being sought). • Quality control procedures are appropriate for reconnaissance stage sampling.
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.*	• No verification of data undertaken to date • No drilling undertaken to date • Data storage protocols unknown • No adjustment to assay data
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.*	• Brisa Minerals – ○ Location of sample sites by reference to 1:100,000 topographic maps. Accuracy variable, +/- 100m.

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• GEOMAP – ○ Location of sample sites by reference to 1:100,000 topographic maps. Accuracy variable, +/- 100m.
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.*	• Stream sediment sampling density highly variable due to access restrictions. • Data spacing is sufficient for reconnaissance sampling programs.
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.*	• Sampling consists of unbiased point data
Sample security	• *The measures taken to ensure sample security.*	• Not specified in reports.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not specified in reports.

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.*	• Three Exploration Licences granted to Viva No20 Limited: EL1966, EL1967, EL1968. All within Enga Province, Highlands region of PNG. • No existing joint ventures, overriding royalties, national parks. • Under the PNG Mining Act, the PNG Government has option to acquire 30% of any resulting mining operation through payment of pro-rata sunk costs at the time of granting of Mining Lease. • There are no existing impediments to conduct exploration activities on the licence areas.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration conducted in the area detailed in report.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Geological setting mentioned in report. • There are no known mineral deposits identified within the area to date.

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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *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.*
		• No drilling to date.

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.*	• No exploration results to date, apart from historical exploration programs previously mentioned.
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 statement to this effect (eg 'down hole length, true width not known').*	• No drilling to date
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.*	• No drilling to date
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades*	• All exploration results reported

Criteria	JORC Code explanation	Commentary
	and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
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.*	• Regional airborne magnetics survey indicates possible magnetic low in EL1966 that may be related to alteration.
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.*	• Planned programs aim to detect gold +/- copper mineralisation through reconnaissance geochemical sampling and geological mapping. Follow-up programs may be undertaken if results warrant them.