Marg Scoping Study confirms potential for an economically viable project.

Highlights

- **MinQuest's strategy of acquiring high grade multi element base metal projects during the low point in the metals cycle has been significantly advanced through completion of a Scoping Study on the Marg Project;**
- **Scoping Study has been completed based upon the currently defined Mineral Resource of:**
  - **9.8 Mt @ 1.3% Cu, 1.8% Pb, 3.5% Zn, 46 g/t Ag, 0.75 g/t Au;**
- **Economic evaluation has identified a Base Case project Net Present Value of US$113M (A$157M), an Internal Rate of Return of 29% p.a. and a Payback Period of 3.75 years assuming Cu US$2.75/lb, Pb US$0.90/lb, Zn US$1.00/lb, Ag US$17/oz and Au US$1,200/oz;**
- **Current Mineral Resource delivers a 7.5 year mine life with a fully diluted total mining inventory of:**
  - **8.3Mt at 1.2% Cu, 1.7% Pb, 3.2% Zn, 41.5g/t Ag, 0.7g/t Au, equating to 3.1% CuEq;**
- **Production rate of 1.25Mtpa, from an underground operation, has been determined to maximise the project Net Present Value, at a 10% Discount Rate (NPV_{10});**
- **Construction capital expenditure is estimated at US$174M;**
- **MinQuest plans to commence a Pre-Feasibility Study during the northern hemisphere spring of 2016;**
- **MinQuest entered a farm in joint venture agreement to acquire up to a 75% interest in the Marg Project; and**
- **The Marg Mineral Resource remains open in all directions with significant potential to increase the Mineral Resource and further enhance the economics of the Marg Project through additional exploration.**

SCOPING STUDY PARAMETERS – CAUTIONARY NOTE

The Scoping Study referred to in this report is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

25 November 2015

SHARE INFORMATION
ASX Code: MNQ
Issued Capital:
214,295,543 Fully Paid Shares
72,816,669 Listed Options
15,619,853 Unlisted Options

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MinQuest Limited
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The Production Target referred to in this announcement is based on 46% Indicated Mineral Resources and 54% Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target or forecast financial information will be realised.

INTRODUCTION

MinQuest Limited (**"MinQuest"** or the **"Company"**) (ASX:MNQ) is pleased to announce the results from the first Scoping Study completed for the Marg Project, located in the Yukon Territory, Canada.

MinQuest's Managing Director Mr Jeremy Read said, "MinQuest's strategy is to acquire multi element base metal projects during the low point in the metals cycle and progress those projects through scoping and feasibility studies in order to position the Company for the inevitable upswing in metal prices."

"Completion of the first ever Scoping Study on the Marg Project is a very positive and significant milestone."

"Utilising the existing Mineral Resource and a copper price of US$2.75/lb, the Scoping Study suggests the Marg project can deliver a project Net Present Value of US$113M which at the current exchange rate is A$157M."

"Furthermore, the Marg is open in all directions and further exploration drilling could significantly increase the Mineral Resource, enhancing the project economics."

"The outcomes from the Scoping Study suggest that the Marg has the potential to become an economically viable project and MinQuest is looking to commence a Pre-Feasibility study on the Marg in the northern hemisphere spring of 2016", said Mr. Read.

The Marg project is located in the central Yukon, approximately 40km east of Keno City (Figure 1). The property consists of 402 quartz mining claims covering over 8,400 hectares adjacent to the Category A land of the Na-cho Nyak Dun First Nation.

MinQuest Limited has entered into a farm-in joint venture agreement with Golden Predator Mining Corp. (Golden Predator), under which MinQuest has acquired the right to earn up to a 75% interest in the project. MinQuest Limited is in the process of satisfying the earn-in and expenditure requirements to earn an initial 25% interest in the project.

SUMMARY

Mining Plus Canada Limited (Mining Plus) was engaged by MinQuest to undertake an independent review, at a Scoping Study level, of the mining parameters, costs and production schedule of the Marg VMS Cu-Au-Zn deposit located in the central Yukon Territory, Canada, under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code) guidelines. Sedgman Canada (Sedgman) was also engaged to undertake an independent review of the capital cost assumptions used within the economic model presented within the Scoping Study. The Scoping Study is based on the mineral resource announced by MinQuest on October 6, 2015 (www.minquest.com.au).

Mining Plus selected sublevel stoping with paste backfill as the preferred mining method. A production schedule was calculated using MSO stope optimiser, CAE Studio 5D Planner and Earthworks Production Scheduler, utilising a life of mine unit operating cost, inclusive of mining costs (underground capital development and operating costs) with ore development dimensions to support a 1.25Mtpa production rate. Additional development is included to support mining a high-grade portion of the near surface mineralisation. A total Base Case mining inventory of 8.35Mt at 1.22% Cu, 1.67% Pb, 3.21% Zn, 41.54g/t Ag, 0.70g/t Au, equating to 3.05% CuEq has been calculated.

For the Base Case mining inventory, the first year of planned production comprises 70% Indicated and 30% Inferred from the Mineral Resource. The second year of planned production utilises 64% Indicated and 36% Inferred from the Mineral Resource. Over the 7.5 year life of mine, the proposed production comprises 46% Indicated and 54% Inferred from the currently defined Marg Mineral Resource. The detailed production schedule and mining parameters is outlined in Appendix 1.

A summary of the key project parameters, costs and results can be found in table 1.

Table 1: Summary of Scoping Study Inputs and Results

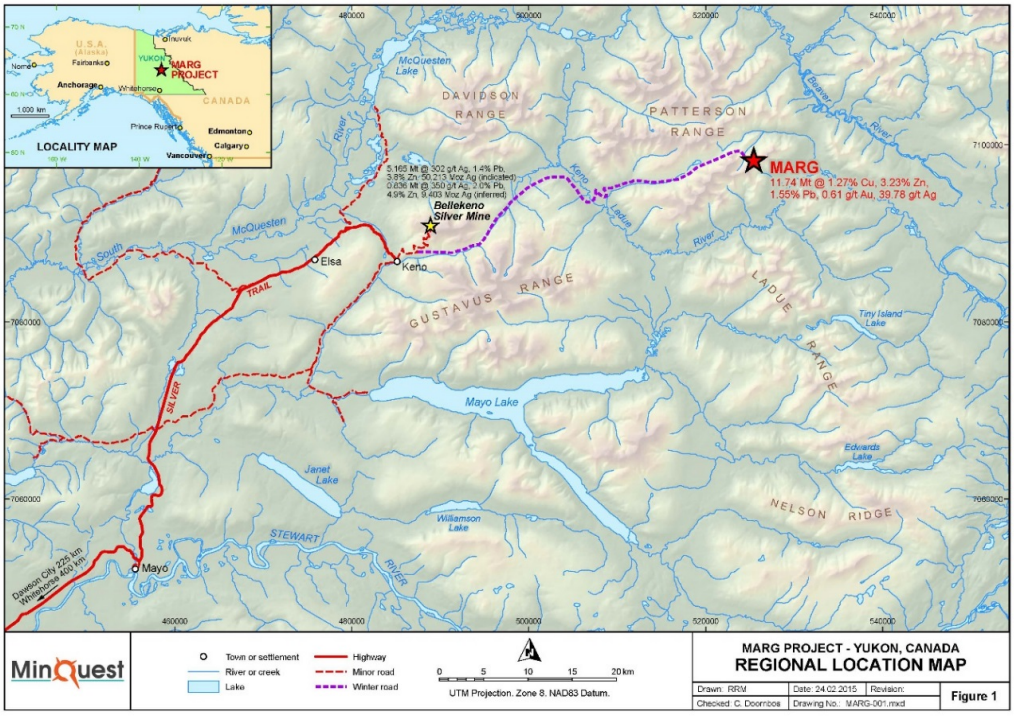
	Base Case (8.35Mt)
Project Life (years)	7.5
Discount Rate (%)	10
Exchange Rate (US$ to C$)	1.3255
Copper Production (kt)	81.4
Zinc Production (kt)	241.4
Lead Production (kt)	97.3
Silver Production (koz)	8,695
Gold Production (koz)	104
Capital Construction Cost (US$M)	174

	Base Case (8.35Mt)
Mining Cost (US$/tonne ore)	31.9
Processing Cost (US$/tonne ore)	15.5
Site Services Cost (US$/tonne ore)	5.5
Mining Dilution (%)	7.5%
Mining Recovery (%)	95%
NPV_{10} (US$M)	113
Internal Rate of Return (% p.a.)	29%
Payback Period (years)	3.75
NPV_{10} (A$M)	157

LOCATION

The Marg deposit is located in the central Yukon 40 km east of Keno City. Access is by a 45 km winter access track from Keno City, by light aircraft to a 380 m airstrip located on the property or by helicopter.

Figure 1: Marg Deposit Location



MINE DESIGN AND PRODUCTION SCHEDULE

Sublevel stoping with paste backfill is considered to be the most suitable method for underground mining at the Marg project. This method is suited to moderate to steeply dipping, moderately competent ore bodies. A top-down method will be applied to accelerate access to early ore production and higher grade material. Paste backfill utilises full stream mill tailings with cement addition, providing a highly engineered, strong cemented backfill that can potentially be mined against directly, adjacent to or beneath, without use of sill pillars. Cement addition rates are generally around 5% by weight.

Mining dilution and mining recovery have been set to 7.5% and 95% respectively, to account for the nature of the ore body (attenuated, irregular, multi lens) and the selective capabilities of the underground mining method.

Underground mining will be undertaken by contractors to minimise upfront capital costs for mobile equipment.

Several underground mining scenarios were analysed using MSO Stope Optimiser, over a range of CuEq cut-off grades and level intervals. The scenario selected for the conceptual mine design included 15m level intervals at a cut-off grade of 1.7% CuEq.

Copper Equivalent (CuEq) has been calculated using the following formula:
CuEq=0.29xZn+0.17xPb+Cu+0.0065xAg+0.5172xAu.
This formula has been derived using the metallurgical recoveries in Table 5, the selling and distribution costs in Table 6 and the metal price assumptions in Table 7.

Using the MSO outputs, an underground mine design was prepared using CAE Studio 5D Planner software, including the capital and operating development required to effectively access and extract the economic material defined by MSO.

A single decline will provide access to all lodes. The decline is located in close proximity to the eastern lode of the Marg Mineral Resource, which contains the majority of the Mineral Resource.

Each level design contains the following development:

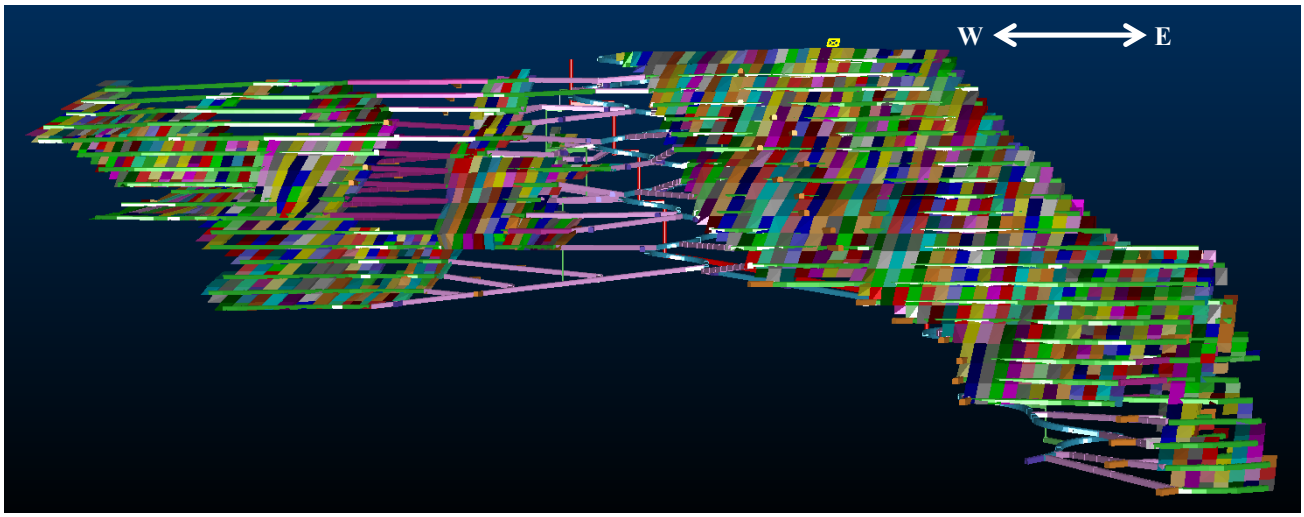
- Sump for capturing water from the level (ground or drill water).
- Crosscut for accessing the deposit.
- Access for reaching the western lodes from the decline.
- Stockpile area for collecting potentially economic mineralised material or waste from development headings and stopes to ensure maximum efficiency of the loader.
- Fresh air drive for connecting each crosscut to the fresh air ventilation system.
- Fresh air raise for delivering fresh air from the surface (heated) to each working level. An escape way ladder system will be installed within the fresh air raise to provide a second means of egress from all levels in the mine.

- Ore drive for accessing the deposit suitable for stoping activities.

A crown pillar of nominal 35m thickness was considered to be left during underground mining operations to provide maximum stability for underground excavations close to surface and to permit efficient mining operations with minimal impedance from rainfall, snowfall and surface water runoff. This crown pillar is planned to be extracted at the end of mine life.

Paste backfill volumes, development meters and total metal recovered were calculated yearly within the production schedule and are reported in Appendix 1. It has been assumed that the second means of egress will be installed within the fresh air raise system and therefore will require no additional development.

Figure 2: shows the Marg conceptual mine design (viewing to the North).



At the Marg, MinQuest plans to utilise a contracted mining fleet for the life of mine operations. The proposed schedule for ore Production and mine development will require a mining equipment fleet and additional support equipment as summarized in Table 2.

Table 2: Underground Mining Equipment To Be Leased

Description	Similar Model	Estimated Quantity
Haul Trucks	AC MT42	2
10t LHD	AC ST1030	2
15t LHD	AC ST1530	3

Description	Similar Model	Estimated Quantity
Development Jumbo	AC Boomer 282	2
Mechanized Bolter	AC Boltec S	3
Longhole Drill	Simba S7	3
Shotcreter	Spraymec 6050 WP	1
Grader	CAT 12M	1
Service Trucks		2
Light Duty Vehicles		6
Explosives Loader		2
Ventilation Fans and Pumps		Included in CAPEX

An underground schedule was prepared in Earthworks Production Planner (EPS) software. EPS integrates with Studio 5D Planner to produce an animation of the production schedule in three dimensions.

Scheduling rates used in the schedule are summarised in Table 3.

Table 3: Underground Schedule Rates

Activity	Schedule Rate
Capital Development	140m/month (max per heading)
Operating Development	60m/month (max per heading)
Mine Production	1.25Mtpa
Stoping Rate	100,000t/month

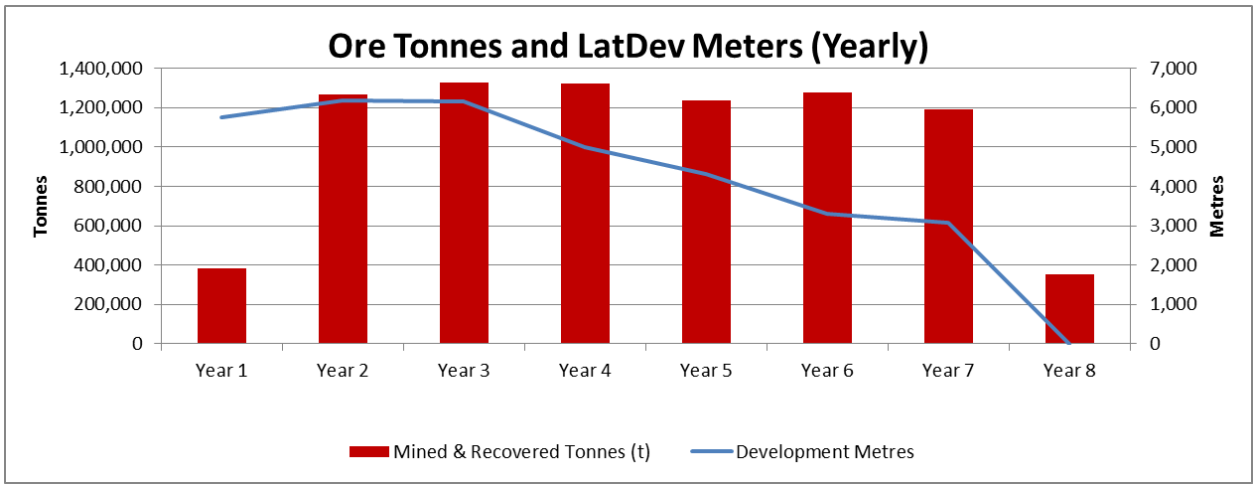
A recovered and fully diluted potentially mineable inventory of 8.35Mt at 1.22% Cu, 3.21% Zn, 1.67% Pb, 0.70g/t Au, 41.54g/t Ag and 3.05% CuEq. The detailed yearly production schedule can be found in Appendix 1.

The potential for open pit mining in conjunction with underground mining beneath an open pit was considered for the Marg Mineral Resource to increase early cash flows and to enhance project value. An open pit mining optimisation was conducted in Whittle software to identify the range of pit shells approximating optimal pit shell geometries at various levels of metal prices.

MinQuest decided not to include any open pit mining in the Marg production schedule based on the small size, short life and minor accretive value of the best open pit options. Considering the risks and complications associated with mobilising a contractor to efficiently undertake open pit mining over a short period, MinQuest decided to proceed with the Marg project as a potential underground only mining operation.

Figure 3 show the Marg scheduled mineable inventory tonnes and total development metres annually.

Figure 3: Marg Yearly Production Schedule and Development



CAPITAL COSTS

Capital Costs have been determined to an accuracy of +/- 30%. They have been benchmarked from recently constructed operations and development plans in Canada and specifically in the Yukon. These costs have been reviewed by Sedgman who have confirmed that the estimates outlined are sufficient for operations in Northern Canada for this level of study. The capital expenditure was estimated in Canadian dollars and has been presented here in United States Dollars for ease of comparison to other projects. Table 4 outlines the capital construction costs including:

- Process Plant
- Surface Infrastructure
- Mine Portal Establishment and Ventilation Equipment (Underground Infrastructure)
- Tailings Storage Facility
- Water Treatment
- Waste Rock Stockpile Preparation
- Concentrate Haul and Project Access Road

- Power Transmission Line

Table 4: Construction Cost Estimates for the Marg Project

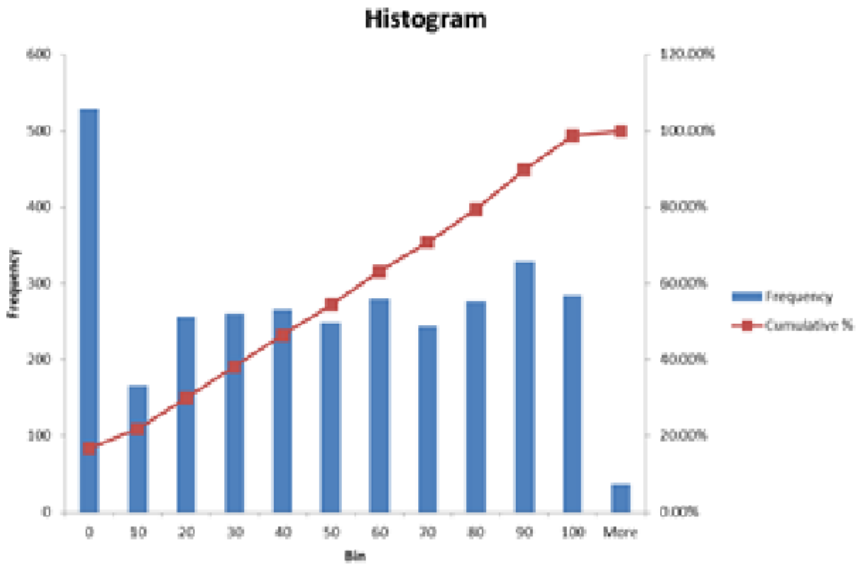
Construction Capital	Cost (US$M)
Process Plant	
Crusher Equipment and Conveyor	7.5
Rod and Ball Mill	11.3
Floatation Equipment	49.0
Process Plant Building and Heating	37.7
Filter Press and Concentrate Handling Equipment	7.5
Storage Facilities and Workshop	6.0
Misc. Equipment (Ventilation, Communication, etc)	1.5
Paste Plant	6.0
Misc. Other Capital	4.0
Total Process Plant	**130.5**
Other Infrastructure	
Surface Infrastructure	9.4
Camp and Administration Buildings	2.5
Underground Infrastructure	3.1
Tailings Storage Facility	3.8
Water Treatment	2.6
Waste Rock Stockpile Preparation & Other	1.5
Concentrate Haul and Access Road	15.1
Power Transmission Line	5.4
Total Other Infrastructure	**43.4**
Total Construction Costs	**173.9**

An additional US$11.3M (C$15M) has been included in the financial analysis for mine closure and rehabilitation with a commensurate bond assumed at project commencement.

GEOTECHNICAL

Limited geotechnical information was available for this study to enable high confidence definition of pit wall slope angles or underground stope dimensions, backfill parameters and ground support requirements. The available geotechnical information consisted of RQD data logged from drill core with the respective intervals and lithology codes. The RQD data that was provided only showed RQD values of 90 as being slightly more frequent (Figure 4), but not sufficiently for confidence. Additional information was gathered from operations in the direct vicinity undertaking mining operations in the same group of rock units.

Figure 4 Marg RQD Frequency Distribution



MINERAL PROCESSING

Several studies of metallurgical test work have been conducted on the Marg Project (see the Marg Mineral Resource Announcement, October 6, 2015 – www.minquest.com.au). However, the metallurgical test work was not fully completed and an optimised flow sheet was never developed. Thus, the full extent of the metal recoveries has not been properly evaluated. Test work identified issues that can be readily resolved with commonly used reagents (such as over activation of Zinc in the copper concentrate). Also, later test work identified that some of the work was completed on samples that had been allowed to oxidize prior to test work commencing. It is possible the metal recoveries will improve with additional open circuit and lock-cycle testing, proper petrological examinations and

selective reagent testing. MinQuest has therefore used assumed metal recoveries believed to be achievable on the Marg Project (Table 5), based upon metal recoveries achieved from Mineral Resources of similar geological style to the Marg Mineral Resource. Concentrate selling and distribution costs have been summarised in Table 6. In addition, penalties have been included with the Cu concentrate in the economic model to account for potential high As and well as minimal Bi and Hg. MinQuest has also included the cost of a water treatment facility within the assumed pre-production capital to account for the potential deleterious elements that may report to the Tailing Storage Facility. MinQuest has identified metallurgy and mineral processing as a very important next step in the assessment of the economic and development potential of the Marg Project.

Table 5: Concentrate Grades and Metallurgical Recoveries

Concentrate	Grade/Recovery (%)
Copper Concentrate	
Copper Concentrate Grade	22.00%
Copper Concentrate Cu Recovery	80.00%
Copper Concentrate Au Recovery	50.00%
Copper Concentrate Ag Recovery	50.00%
Zinc Concentrate	
Zinc Concentrate Grade	50.00%
Zinc Concentrate Zn Recovery	90.00%
Zinc Concentrate Au Recovery	N/A
Zinc Concentrate Ag Recovery	10.00%
Lead Concentrate	
Lead Concentrate Grade	40.00%
Lead Concentrate Pb Recovery	70.00%
Lead Concentrate Au Recovery	5.00%
Lead Concentrate Ag Recovery	18.00%

Table 6: Marg Project Selling and Distribution Cost Estimates

Copper Concentrate	
Copper Payable Factor	96.50% with a 1.00% min deduction
Gold Payable Factor	90.00% with a 1.00g/t min deduction
Silver Payable Factor	90.00% with a 30.00g/t min deduction
Treatment Costs (TC)	US$107.00/dmt concentrate
Refining Costs Copper (RC)	US$0.107/lb Cu Metal
Refining Costs Gold	US$4.50/lb Au Metal

Refining Costs Silver	US$0.40/lb Ag Metal
Penalties	US$40.00/dmt copper concentrate
Zinc Concentrate	
Zinc Payable Factor	85.00% with a 8.00% min deduction
Silver Payable Factor	75.00% with a 100.00g/t min deduction
Treatment Costs (TC)	US$230.00/dmt zinc concentrate
Penalties	Nil
Lead Concentrate	
Lead Payable Factor	95.00% with a 3.00% min deduction
Gold Payable Factor	90.00% with a 1.00g/t min deduction
Silver Payable Factor	95.00% with a 50.00g/t min deduction
Treatment Costs (TC)	US$250.00/dmt lead concentrate
Penalties	Nil
Concentrate Transportation	
Concentrate Moisture	10.00%
Trucking Unit Cost	US$0.12/tkm
Port Handling	US$15.00/dmt each concentrate
Sea Freight	US$40.00/dmt each concentrate

FINANCIAL ANALYSIS

This Marg project Scoping Study has been appraised on a real, ungeared and pre-taxation basis using the metal prices set in Table 7 below.

Table 7: Metal Price Assumptions

Metal	Assumption
Copper	US$ 2.75/lb
Zinc	US$ 1.00/lb
Lead	US$ 0.90/lb
Gold	US$ 1,200/oz
Silver	US$ 17.00/oz

In determining the base metal price assumptions, MinQuest had regard to consensus prices (October 2015), adjusted to remove inflation at an assumed rate of 2% p.a. and any data produced prior to August 2015. The consensus prices show that over the forecast period:

- copper is expected to reach up to US$2.85/lb;
- zinc is expected to reach up to US$1.03/lb; and
- lead is expected to reach up to US$0.92/lb.

The NPV of the project is significantly affected by various inputs and assumptions including metal prices. Table 8 set out below provides insight into how the NPV of the Marg project changes with movements in a number of key inputs and assumptions.

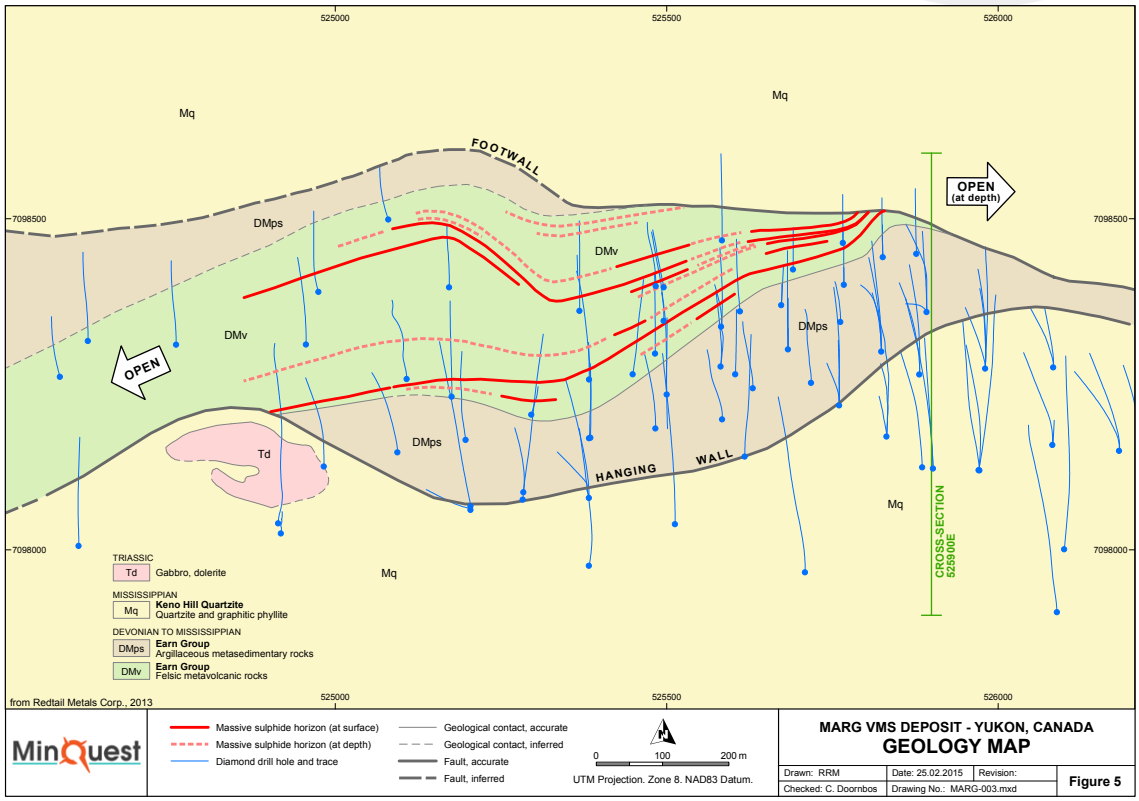
Table 8: Project NPV Sensitivity to a 10% Change in Various Inputs

Description	Measure	NPV Sensitivity to a 10% Change in Input
Metal Prices		
Copper Price	US$M	+/- 29
Zinc Price	US$M	+/- 27
Lead Price	US$M	+/- 11
Gold Price	US$M	+/- 7
Silver Price	US$M	+/- 6
Operating Factor		
Metal Grade	US$M	+/- 55
Copper Concentrate Metallurgical Recoveries	US$M	+/- 32
Zinc Concentrate Metallurgical Recoveries	US$M	+/- 16
Lead Concentrate Metallurgical Recoveries	US$M	+/- 7
Costs		
Selling & Distribution Costs	US$M	+/- 48
Underground Mining Opex	US$M	+/- 25
Plant & Power Opex	US$M	+/- 15
Site Support Opex	US$M	+/- 5

EXPLORATION POTENTIAL

The mineralisation at the Marg Project is hosted in metavolcanics of the Earn Group. The majority of the high grade and thicker mineralisation sits in the eastern anti-form fold hinge that plunges to the east-north-east at approximately 35-40 degrees (Figure 5). This fold hinge is subsequently eroded away to the west and the two fold limbs remain. A third fold limb has been identified to the west and these three make up the majority of the high-grade mineralisation on the western side of the deposit. The fold limbs are highly attenuated at depth due to the high degree and multiple events of strain in the region.

Figure 5: Plan Map of Marg Geological Units and Mineralisation Outlining Exploration Potential



The Mineral Resource remains open in all directions and a high degree of exploration potential exists on the Marg Project. Outlined below are the main areas where MinQuest believes immediate extensions to the current resource may be possible:

1. The thick and high grade mineralisation in the eastern fold hinge plunges at depth and remains open for increases from exploration. The results from the Scoping Study show that there is potential for the continuation of this high grade area to remain economic at depth.
2. The fold limbs on the western side of the deposit are open to the west and remain thin, but high grade.
3. Given the structural interpretation of the deposit, it is possible for a synform to exist at depth to the west. This interpretation is supported by a third fold limb that appears on the western side of the deposit. As the deposit plunges to the east, this synform would propagate closer to the current surface to the west, similar to the eastern antiform described above. No drilling has targeted this synform. If

discovered, this synform could add significant thick and high-grade mineralisation to the Marg Deposit.

4. Approximately 4.0km to the west of the Marg Deposit lies very similar stratigraphy to the host units of the Marg Deposit, informally called Marg West. An earlier structural interpretation (Holbeck, 2005) shows a third order fold hinge between the Marg Deposit and Marg West. This could potentially reverse the plunge seen at the Marg Deposit. There is potential this could host mineralisation in a similar manner to the Marg as essentially a repeat of the Marg Deposit.

From the exploration potential outlined above MinQuest believes that there is potential to add additional Mineral Resources. Any increase in the Mineral Resource could potentially enhance the economics of the Marg Project.

RISKS AND ASSUMPTIONS

The **Metallurgical** test work that has been completed to date on the Marg Project has not been adequate to sufficiently determine the likely specification of the concentrate or a proper design of the processing facilities required. Detailed work is required to be completed on the metallurgical and processing specifications going forward. MinQuest has identified this as a critical project evaluation step and will focus efforts to begin this test work as soon as possible. Drill samples can be obtained in the northern hemisphere spring and early summer. Once the drill samples are obtained, metallurgical test work is estimated to take another 4 to 6 months.

A full **Geotechnical** assessment of the Marg project has not been completed. RQD data over four drill programs has been collected and used to determine the pit slope angles and parameters for underground mining. A full evaluation of the geotechnical parameters at the Marg Project will need to undertaken.

Operating cost assumptions are estimated to +/- 30% to adequately run the proposed mining and processing operation at the Marg. Significant changes to these costs could positively or negatively impact either or both project NPV or ability to execute the plan. These costs include pit and underground mining, plant processing, power site services, administration and general costs.

Capital costs associated with building the necessary infrastructure may be more than estimated again affecting project NPV and/or the size scale and ability to run the operation as planned. These costs include establishing infrastructure at the mine, haul and access roads, the plant processing facility (crushing, grinding, floatation, filtering, concentrate handling, thickening, TSF management and water treatment), administration buildings and camp/accommodation buildings.

Deleterious by-products As, Bi and Hg together with associated penalties could be more than anticipated affecting the economics of the project, marketability/saleability of the concentrate and rehabilitation and environmental obligations at end of the project.

Volatility of base and precious metal global markets can adversely affect the price at which metals produced are sold and therefore impact project revenues. This can be somewhat mitigated using financial derivatives to hedge metal prices.

COMPETENT PERSONS

The open pit and underground mining parameters, costs and production schedule for this mining scoping level study were completed under the supervision of Neil Schunke, Principal Mining Consultant, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Mining Plus Canada Consulting Ltd. Mr Schunke has sufficient experience that is relevant to mining studies the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves' or as a Qualified Person under NI43-101.

The information in this release that relates to exploration results, interpretations, exploration potential and review was completed Mr Chris Doornbos who is a Member of the Australasian Institute of Mining and Metallurgy, a Professional Member (P.Geo) of the Association of Professional Engineers and Geoscientist of Alberta (APEGA). Mr Doornbos has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves' or as a Qualified Person under NI43-101. Mr Doornbos is the Exploration Manager of MinQuest and currently owns 1,348,788 unrestricted Fully Paid Ordinary Shares and 1,212,121 Fully Paid Ordinary shares that are subject to voluntary escrow until 5 May 2016.

The Mineral Resource estimate and technical information related to the estimate in this release on the Marg Mineral Resources is based on information compiled by Mr. A.A. Burgoyne (P.Eng), who is a member of the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC) and Mr. G.H. Giroux (P.Eng), who is a member of the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC). Mr. Burgoyne and Mr. Giroux provided information to MinQuest Ltd. as paid consulting work in their capacity as Competent Persons and the results or conclusions reported were not contingent on payments. They are professionally and financially independent of MinQuest and of the Marg Project. They have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) and "Qualified Person" as this term is defined in Canadian National Instrument 43-101 ("NI 43-101"). Mr. Burgoyne and Mr. Giroux consent to the inclusion in this news release the information in the form and context in which it appears. The technical report can be found under Redtail Metals Corp. on SEDAR (www.sedar.com).

FORWARD LOOKING STATEMENTS

This announcement contains "forward-looking statements". Such forward-looking statements include, without limitation: estimates of future earnings, the sensitivity of earnings to commodity prices and foreign exchange rate movements; estimates of future production and sales; estimates of future cash flows, the sensitivity of cash flows to commodity prices and foreign exchange rate movements; statements regarding future debt repayments; estimates of future capital expenditures; estimates of resources and statements regarding future exploration results; and where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to commodity price volatility, currency fluctuations, increased production costs and variances in resource or reserve rates from those assumed in the company's plans, as well as political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

APPENDIX ONE – ANNUAL UNDERGROUND PRODUCTION SCHEDULE

Description		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Development Metres	**34,568**	6,263	6,698	6,217	4,962	4,301	3,046	3,081	0
Capital Decline, Access & Crosscut	**14,325**	3,208	3,134	2,924	2,347	664	1,408	640	0
Operating ore drives	**17,900**	2,623	3,202	2,890	1,986	3,457	1,446	2,296	0
Other Development (Capital)	**2,343**	432	362	403	629	180	192	145	0
Insitu Mined Tonnes (t)	**8,173,264**	375,239	1,238,490	1,299,802	1,292,948	1,209,646	1,249,228	1,163,313	344,599
Insitu Mined CuEq Metal (t)	**267,429**	12,813	40,924	42,738	42,577	40,469	39,181	37,357	11,371
Insitu Mined Cu Metal (t)	**106,071**	5,260	17,035	17,114	16,617	15,404	14,929	14,788	4,925
Insitu Mined Zn Metal (t)	**279,684**	12,392	40,949	44,693	44,479	45,151	43,239	37,738	11,042
Insitu Mined Pb Metal (t)	**144,959**	6,873	21,658	22,691	22,527	22,416	21,862	21,174	5,756
Insitu Mined Au Metal (g)	**6,165,438**	304,341	927,171	1,001,159	1,086,074	897,372	871,684	832,356	245,281
Insitu Mined Ag Metal (g)	**364,904,228**	18,710,932	54,400,304	55,801,540	55,595,738	54,157,533	53,668,908	57,234,707	15,334,566
Insitu Mined CuEq Metal (%)	**3.27**	3.41	3.30	3.29	3.29	3.35	3.14	3.21	3.30
Insitu Mined Cu Grade (%)	**1.30**	1.40	1.38	1.32	1.29	1.27	1.20	1.27	1.43
Insitu Mined Zn Grade (%)	**3.42**	3.30	3.31	3.44	3.44	3.73	3.46	3.24	3.20
Insitu Mined Pb Grade (%)	**1.77**	1.83	1.75	1.75	1.74	1.85	1.75	1.82	1.67
Insitu Mined Au Grade (g/t)	**0.75**	0.81	0.75	0.77	0.84	0.74	0.70	0.72	0.71
Insitu Mined Ag Grade (g/t)	**44.65**	49.86	43.92	42.93	43.00	44.77	42.96	49.20	44.50
Mined & Recovered Tonnes (t)	**8,346,946**	383,213	1,264,807	1,327,422	1,320,423	1,235,351	1,275,774	1,188,034	351,921
Mined & Recovered CuEq Metal (t)	**254,677**	12,175	38,886	40,610	40,457	38,725	37,364	35,632	10,828
Mined & Recovered Cu Metal (t)	**101,755**	4,998	16,187	16,262	15,790	14,961	14,520	14,280	4,757
Mined & Recovered Zn Metal (t)	**268,273**	11,775	38,910	42,468	42,265	43,746	41,958	36,455	10,695
Mined & Recovered Pb Metal (t)	**139,037**	6,531	20,580	21,562	21,405	21,735	21,223	20,427	5,574
Mined & Recovered Au Metal (g)	**5,858,331**	289,177	880,989	951,286	1,031,954	852,676	828,278	790,904	233,066
Mined & Recovered Ag Metal (g)	**346,735,303**	17,778,887	51,691,848	53,023,595	52,828,019	51,460,947	50,997,123	54,383,830	14,571,054
Mined & Recovered CuEq Grade	**3.05**	3.18	3.07	3.06	3.06	3.13	2.93	3.00	3.08

Description		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
(%)									
Fill Volume (m3)	**2,202,343**	54,213	319,690	343,690	363,081	325,445	367,443	327,340	101,441
Mined & Recovered Cu Grade (%)	**1.22**	1.30	1.28	1.23	1.20	1.21	1.14	1.20	1.35
Mined & Recovered Zn Grade (%)	**3.21**	3.07	3.08	3.20	3.20	3.54	3.29	3.07	3.04
Mined & Recovered Pb Grade (%)	**1.67**	1.70	1.63	1.62	1.62	1.76	1.66	1.72	1.58
Mined & Recovered Au Grade (g/t)	**0.70**	0.75	0.70	0.72	0.78	0.69	0.65	0.67	0.66
Mined & Recovered Ag Grade (g/t)	**41.54**	46.39	40.87	39.94	40.01	41.66	39.97	45.78	41.40
% Indicated	**46%**	70%	64%	49%	45%	41%	36%	16%	88%
& Inferred	**54%**	30%	36%	51%	55%	59%	64%	84%	12%