PENINSULA MINES LIMITED

ASX:PSM

ASX ANNOUNCEMENT

31 October 2016

FURTHER EXCEPTIONALLY HIGH-GRADE ZINC-SILVER RESULTS FROM UBEONG PROJECT IN SOUTH KOREA

(up to 40% zinc with silver-lead-copper and gold)

- **New channel sampling results from outcropping massive-sulphide lodes in extensive workings at the historic Chilbo Mine confirms the exceptionally high-grade of the zinc-silver mineralisation at Ubeong:**
  - Pit/Stope 1, UBG003: **39.7% Zn, 294 g/t Ag, 2.0% Pb**
  - Pit/Stope 1, UBG004: **23.1% Zn, 177 g/t Ag, 1.3% Pb**
  - Pit/Stope 2, UBG006: **26.4% Zn, 142 g/t Ag, 0.7% Pb**
  - Stope 3, UBG007: **4.39% Zn, 1.32 g/t Au**
  - Pit 4, UBG008: **2.91% Cu, 177 g/t Ag**
- **Immediate next steps include soil sampling and ground based geophysics (magnetics and electromagnetics) along the 10km prospective limestone-skarn unit to define drilling targets for massive sulphide zinc-silver zones**

Peninsula Mines Limited ("Peninsula" or the "Company") is very pleased to announce, exceptionally high-grade, zinc-silver (+/- lead, copper, gold) results from sampling of outcropping massive sulphide mineralisation at the Company's Ubeong Project in South Korea (see Figure 1).

The outcropping, high-grade, zinc-silver sulphide mineralisation is associated with the historical Chilbo Mine workings, that occur within a 1km x 1km area at the eastern end of the 10 km strike length of tenement applications covering the prospective limestone-skarn unit (see Figure 1).

Peninsula's CEO Jon Dugdale said: *"The exceptionally high-grades in outcrop samples of up to 40% zinc, with silver, lead, copper and gold, demonstrate the high-grade massive sulphide potential within the highly prospective 10-kilometre strike length of the limestone skarn unit at Ubeong, over which the company has 21 tenement applications.*

"We will now accelerate the exploration programme, including geochemical soil sampling and detailed geophysics, with the objective of defining drilling targets for high-grade massive sulphide zinc-silver mineralisation within the Ubeong Project."

The high-grade results are summarised in Table 1 below. Appendices 1 & 2 list all sampling details and results and sample locations are shown on Figures 1 & 2.

Table 1: Selected High-Grade results from Ubeong Zinc-Silver Project:

SampleID	Location	Width m	*Au g/t*	*Ag g/t*	*Zn %*	*Pb %*	*Cu %*
UBG003	FW remnant, 2m wide NE pit/stope	0.40	0.54	**294**	**39.7%**	**2.0%**	0.18%
UBG004	FW remnant, 2m wide NE pit/stope	1.00	0.04	**177**	**23.1%**	**1.3%**	0.04%
UBG005	FW remnant, 2m wide NE pit/stope	0.60	0.03	**118**	**12.2%**	**1.0%**	0.03%
UBG006	Sulphide lode, NE trending small stope	0.25	0.08	**142**	**26.4%**	0.71%	0.02%
UBG007	Remnant, NE trending stope	0.50	**1.32**	38	**4.39%**	0.05%	0.10%
UBG008	FW remnant, 5m wide, NW pit/stope	0.25	0.44	**177**	0.32%	0.02%	**2.91%**

See Appendices 1 & 2 for a full list of results and specific sample location details

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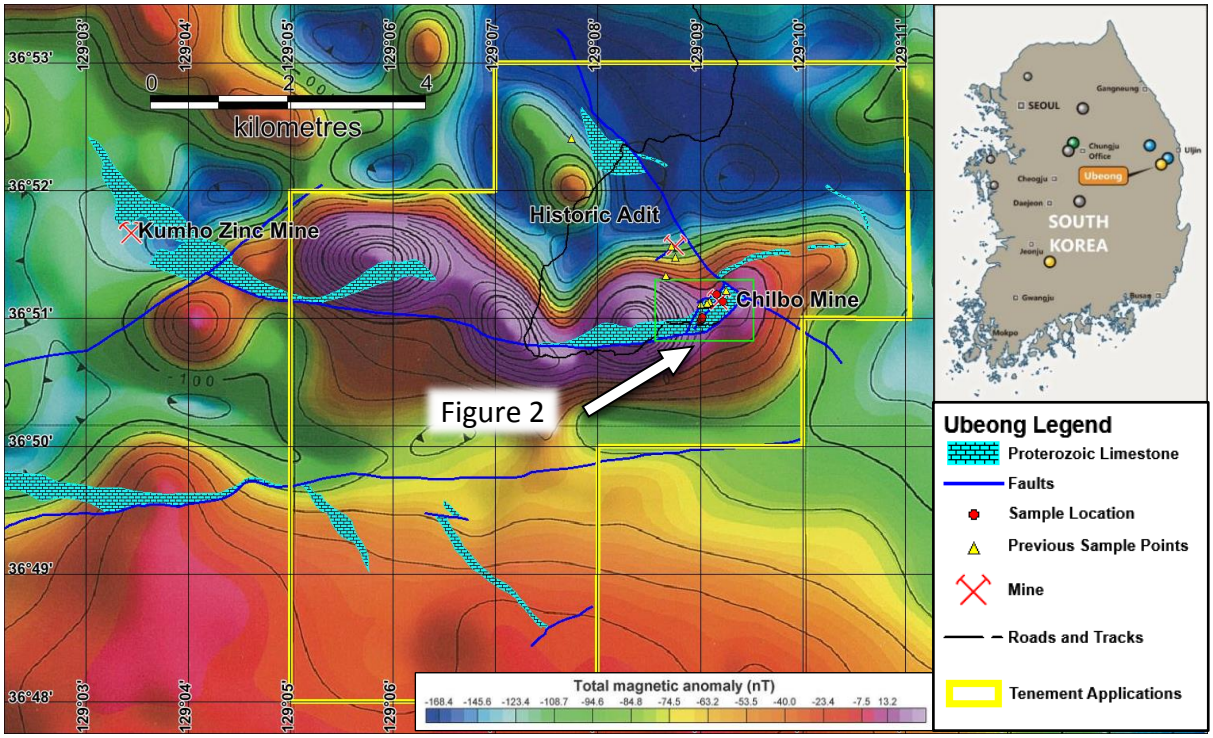

Figure 1: Ubeong Project, sample locations, skarn-limestone unit & tenements on Aeromagnetic image[D2, D3]

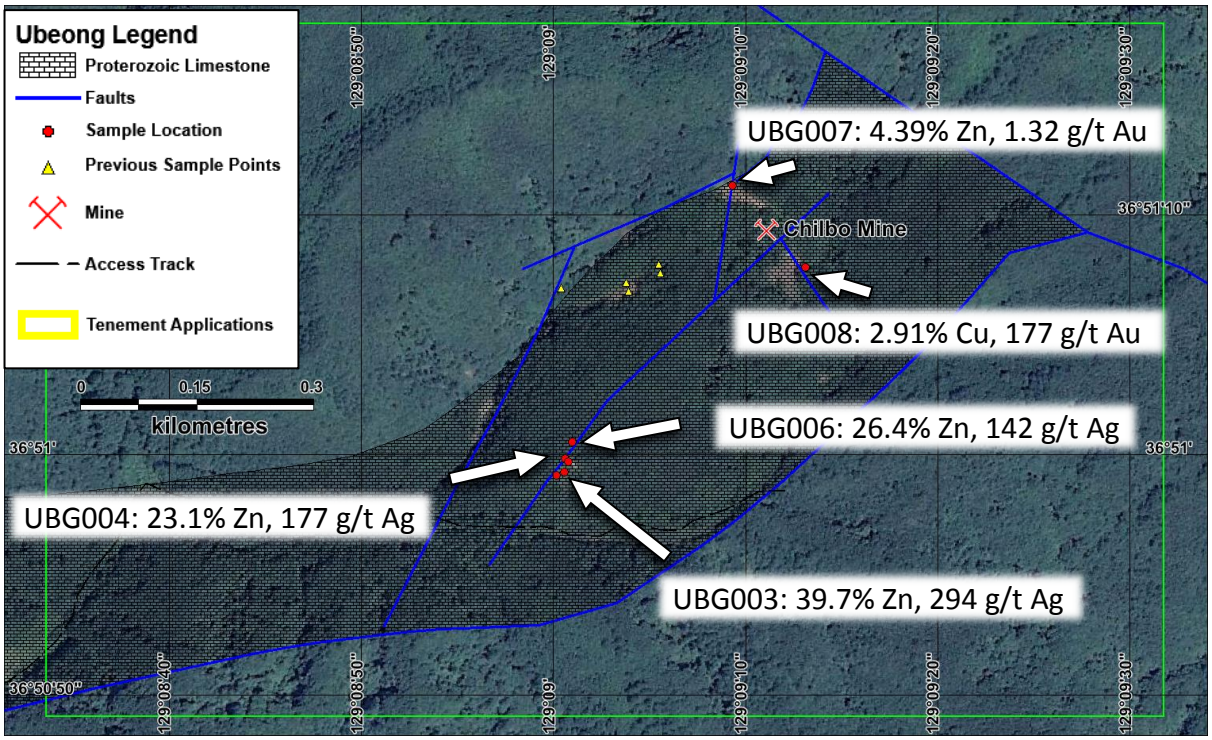

Figure 2: Ubeong Project, Chilbo Mine area, showing sample locations and workings on Google Earth image

Samples #UBG003 to #UBG006 produced exceptionally high assay grades of up to 39.7% zinc (Zn) and 294 g/t silver (Ag), from outcropping remnant massive sulphide (predominantly sphalerite) lode material in a north to northeast trending pit/stope, 2m to 3m wide and 30m to 40m strike length (see Figure 3).

Figure 3: Remnant massive sulphide (sphalerite) mineralisation in pit/stope, Chilbo Mine, Ubeong Project

Sample #UBG007 assayed 4.39% Zn and 1.32 g/t gold (Au) from a large, 5m wide and 20m to 30m strike length pit/stope on a north to northwest trending lode (Figure 2).

Sample #UBG008 assayed 2.91% copper (Cu), 177 g/t Ag from a gossanous lode in a small pit south of the main area of the Chilbo Mine workings.

The Company has commenced an aggressive follow up programme including detailed ridge and spur soil sampling to detect further surface mineralisation and geophysics (ground magnetics and electromagnetics (EM) trials) to define the magnetic skarn host unit and the mineralised fault/lode zones and to detect massive sulphide mineralisation directly.

The objective of these programmes is to define massive sulphide targets for drill testing.

Background to the Ubeong Zinc-Silver Project:

Peninsula has secured 21 tenement applications over the eastern 10 km of strike length of a highly prospective limestone-skarn unit that includes the historical Chilbo Zinc Mine and adjoins the operating Kumho Zinc Mine (see Figure 1).

The high-grade zinc-silver mineralization associated with the Chilbo Mine occurs towards the eastern end of the skarn-unit, associated with a mineralised northwest trending fault zone that has offset the limestone.

The initial high-grade zinc-silver (+/- lead, copper, gold) results, produced from historical dumps and adits[D1], were followed up with further sampling of outcropping remnant massive sulphide mineralisation, producing the exceptionally high grades announced in this release.

The Company will immediately commence a detailed ground-magnetic survey that will map the magnetic skarn-unit trend and allow the Company to target fault zones likely to be associated with zinc-silver mineralisation. Electromagnetic ("EM") surveying will also be trialled to directly locate massive-sulphide mineralisation in and around the Chilbo workings. Then, if successful, the EM programme will be extended along the skarn-unit to locate "blind" massive sulphide zones.

Infill stream sediment sampling has also been completed, with results expected to confirm the location of the identified mineralisation as well as highlighting other areas along the strike of the

limestone skarn-unit. Detailed ridge-and-spur soil sampling will commence shortly to define areas of surface anomalism along the 10km skarn-unit.

The objective of both the geophysical programme and the soil sampling is to define drilling targets for massive-sulphide zinc-silver mineralisation. The Company will make application for funding support from the Korean government agency, KORES. The application will likely be processed during the winter so that drilling can commence early in the new field season during Q1 to Q2 next year.

The commencement of drilling will depend on the timing of grant of tenement applications. Initial inspections have been carried out by Government accredited consultants over the four tenement blocks covering the eastern 3 to 4 km of the skarn-unit, where high-grade mineralisation has been identified. It is likely that at least three of these blocks will be granted following government inspection of the outcropping mineralisation.

For further information please contact:

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About Peninsula Mines

Peninsula Mines Ltd is an Australian listed exploration/development company focused on developing the outstanding opportunities for mineral discovery within South Korea. Peninsula's strategy is to focus on mineral commodities which have a positive price outlook and offer potential for off-take or strategic partnerships in-country.

The Company has established and is growing a portfolio of highly prospective graphite, lithium, gold-silver and zinc-silver-polymetallic projects in South Korea that all offer significant exploration potential.

Full versions of all the company's releases are available for download from the Company's website www.peninsulamines.com.au

The material and/or releases referenced in this release are listed below:

D1 Exceptional Zinc-Silver-Lead grades from newly acquired Ubeong Project in South Korea
D2 Koo, S,B., Park, Y.S., Lim, M.T., Rim, H.R., Lee, H.I., Sung, N.H., Choi, J,H. and Koo., J.H., 2008, KIGAM 1:100,000 Socheon Aeromagnetic Contour Image.
D3. Kim, O.J., Hong, M.S., Park, H.I. and Kim, K.T., 1963, KIGAM 1:50,000 Samgeunri Geology Sheet and Dogyedong Geology Sheet.

Forward looking Statements

This release contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on Peninsula Mines Ltd's current expectations, estimates and projections about the industry in which Peninsula Mines Ltd operates, and beliefs and assumptions regarding Peninsula Mines Ltd's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Peninsula Mines Ltd, are difficult to predict and could cause actual results to differ

materially from those expressed or forecasted in the forward-looking statements. Peninsula Mines Ltd cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Peninsula Mines Ltd only as of the date of this release. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Peninsula Mines Ltd does not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.

Competent Persons Statement

The information in this release that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Daniel Noonan, a Member of the Australian Institute of Mining and Metallurgy. Mr Noonan is an Executive Director of the Company.

Mr Noonan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the release of the matters based on this information in the form and context in which it appears.

JORC Code, 2012 Edition: Table 1
Section 1: Sampling Techniques and Data

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

Criteria	*JORC – Code of Explanation*	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	As further follow-up to earlier sampling of identified workings south of Mt. Ubeong, reconnaissance located outcropping sulphide mineralisation in large pits and stopes. A further seven (7) rock chip samples were collected and submitted for assay. The rock chip samples are predominantly short channel samples taken across mineralised shear structures. The rock chip samples were analysed for a suite of elements by NAGROM Laboratory service using ICP and XRF fusion analyses and Fire Assay for precious metals.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The rock chip sampling was standard sampling using a geology hammer, mallet and in some cases a chisel. During channel sampling, efforts were made to collect even sized rock fragments across the breadth of the structure at the sampled location.
	Aspects of the determination of mineralisation that are material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Rock chip samples were collected in a calico bag and taken using a geology hammer, mallet and/or chisel. Samples were funnelled into the bag using a piece of rubber matting.
Drilling techniques	*Drill type (e.g. 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 has been undertaken by the Company and no commentary is being presented here on past drilling results.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.

Criteria	*JORC – Code of Explanation*	Commentary
	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.	
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
	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.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	The rock chip samples were jaw crushed post oven drying at the NAGROM Laboratory to a nominal 2mm size fraction. In cases where sample weights exceeded 3kg samples were riffle split with the resultant sample fraction then pulverised using an LM5 pulveriser to 95% passing 75 microns. A 150gm pulverised sub sample was then prepped for analysis.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	In the case of the rock chip analyses, samples were prepped as discussed above. This methodology is considered appropriate for both base and precious metal analyses as well as analyses for a broader range of trace elements. The use of fusion methods XRF and ICP analyses is considered total for all the elements analysed. A 50gm fire assay with an ICP finish was used for the Au analyses.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	The Channel samples are considered representative of the area's samples but the grab and spot rock chip samples were taken purely to provide an indication of the grade of ore historically mined and as such, cannot be considered representative.

Criteria	*JORC – Code of Explanation*	Commentary
	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.	No field duplicate samples have been collected at this point in time from the Ubeong Project. This is not considered material at this early project evaluation stage. No sample splits have been analysed other than those routinely analysed by the laboratory as part of their own internal QA/QC process.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The size of the rock chip samples is considered appropriate for the style of sampling undertaken.
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.*	Rock chip samples were dried at 105°C upon receipt by the lab. The samples were then prepped and pulverised as discussed above. The 0.8gm subsample was then prepared for analysis via heating to 1050oC using 8gm sodium peroxide as the flux agent. The samples were then analysed using a Perkin Elmer NexION unit for ICP-MS analyses or a Thermo iCAP 6000 unit for ICP-OES analyses. A 50gm charge was prepared for fire assay for all the Au analyses. A 0.8gm sub-sample was prepped using 8gm of lithium metaborate flux and W, Mo and Sn analyses were undertaken using a Panalytical Axios XRF.
	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 derivations, etc.	The release includes a portion of the Socheon 1:100,000 Total Magnetic Airborne Magnetic Imagery. The Company purchased this image along with other images produced by the Korea Institute of Geoscience and Mineral Resources (KIGAM) as part of the country wide aeromagnetic atlas (Published Dec 2008). The Company has recently received permission from KIGAM management permitting the use of the KIGAM magnetic images in its ASX announcements, shareholder communications and corporate presentations. The magnetic survey was undertaken by KIGAM using a Geometrics G-813 Proton Magnetometer. The flight lines were flown East-West at a 1 km line spacing with North-South tie lines flown at a 5 km spacing. The flight altitude for the survey was 100-200m above ground level. The data processing involved setting the data level at 300m above mean sea level by upward/downward continuation. The International Geomagnetic Reference Field (IGRF) was used to assist with the removal of total magnetic anomaly. The KIGAM colour total magnetic contour maps are printed at 1:100,000 scale and referenced using the Bessel ellipsoid and the Tokyo datum with latitude and longitude coordinate marked.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and	The Company has not included any blank or CRM samples with these analyses. The Company has relied solely on the standard

Criteria	*JORC – Code of Explanation*	Commentary
	whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	repeat and CRM protocols undertaken by Intertek on the analyses of these samples. No repeats other than those involving size fraction analysis as part of the orientation survey have been undertaken at this time. The company has relied on the laboratories' own internal QA/QC procedures for quality control with these analyses. This is considered adequate given that none of the analyses disclosed or discussed in this release are intended for use in any future mineral resource estimation.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The channel samples are single isolated samples and no weighted averages have been calculated using these assays. None of the results reported or commented upon in this release have been independently checked by non-Company personnel. This is not considered material at this early reconnaissance stage of the project's evaluation.
	The use of twinned holes.	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Assay results are stored in an Excel database. All results are checked by the responsible geologist on entry to the database. The Company's data is stored in an excel database and routinely transferred to the Perth Head Office.
	Discuss any adjustment to assay data.	The data presented in the Appendices is raw laboratory data. No adjustments have been made to the 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.*	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results. The sample locations have been recorded using a hand held Garmin GPS60CSx. The accuracy of this unit at most sample sites was +/- 10m.
	Specification of the grid system used.	All sample sites were surveyed in the UTM WGS84 zone 52N coordinate system or WGS 84 Latitudes and Longitudes.
	Quality and adequacy of topographic control.	The National Geographic Information Institute (NGII) has 1:5,000 scale digital contour data for the entire country.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	It is not anticipated that any of these data would be used to compile any form of Mineral Resource and the data are purely acquired as part of the overall reconnaissance evaluation of the project.

Criteria	*JORC – Code of Explanation*	Commentary
	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.	The sampling to date is not intended for the use in any future resource estimation that may be undertaken.
	Whether sample compositing has been applied.	None of the assay results have been composited. The bulk of the rock chip assays narrow channel samples.
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.*	The rock chip sampling programme is the first stage of follow-up of the successful stream sediment survey.
	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.	No drilling has been undertaken by the Company and no commentary is being presented here on past drilling results.
Sample security	*The measures taken to ensure sample security.*	The rock chip samples were organised and packed at the Company's secure core yard facility at Sotae-myeon. The samples were then packed in cardboard cartons and shipped to NAGROM Laboratory, Kelmscott, Perth using DHL Global Forwarding. The samples routinely took 4 to 7 days in transit from Korea until clearing customs in Perth and delivery to the laboratory. DHL online tracking allows for the parcels to be tracked throughout their transit.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	The NAGROM Laboratory, Kelmscott has been visited by Company personnel and meets full international standards. NAGROM is internationally recognised particularly in the field of metallurgical evaluations.

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

Section 2: Reporting of Exploration Results

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

Criteria	JORC – Code of Explanation	Commentary
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.*	SMCL, a wholly owned subsidiary of Peninsula initially filed 2 applications over a prospective pegamatite outcrop proximal to Mt. Ubeong. These applications were renewed on 17 June 2016. The Company has until 14 December 2016 to complete a Mineral Deposit Survey reports (MDS) survey across titles Hyeongdong 68 and 78. In addition, Hyeongdong blocks 48, 49, 58, 59, 69 were applied for on the 17 August 2016 and Hyeongdong blocks 60 and 70 on 18 August 2016. The Company has until 13th and 14th February respectively to file MDS surveys over these additional blocks. Further, on the 9 September 2016, the Company filed 12 additional applications including 6 more Hyeongdong blocks and 6 adjacent Dogyedong blocks. The Company will have until 8 March 2017 to complete MDS surveys over these 12 additional blocks. Exploration rights are granted by commodity for tenement blocks defined by the GRS080 grid system over 1x1 minute graticule blocks. The Ministry of Trade, Industry and Energy (MOTIE) reviews the MDS and if satisfied, will issue an exploration right.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Company has been granted tenure for 6 months and is required to submit an MDS report for each of the 21 applied tenements prior to the end of the 6 month application period. If the MDS report is accepted by the Ministry, the Company will be granted Mining rights over the applied tenement for a further 3 years. Following the successful filing of the MDS, the applicant is required to file a Prospecting Application (PA). The PA report details the planned exploration activities to be completed over the tenement during the 3 year prospecting period. This includes the completion of a minimum quantum of geophysical surveys, geochemical surveys or drilling as defined under the Mines Act. Provided that at least 50% of the statutory requirement is completed within the initial 3 year prospecting period, the tenement holder is entitled to apply for an additional 3 year extension to facilitate the completion of the specified exploration programme. A Prospecting Report must then be submitted to the Ministry at the completion of the exploration programme. The tenement holder must then submit a Mine Planning Application (MPA) to the local Government Authority who will, if the MPA is approved, grant tenure for mining for a period of 20 years subject to statutory requirements as set out under the terms of the MPA approval. The applicant holding a Mining Right can apply for

Criteria	JORC – Code of Explanation	Commentary
		extensions provided all statutory requirements have been met over the life of the mine.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	The Company has presented and commented upon all past exploration work in the area that the Company is currently aware of. The Company is currently searching for historical mine records and past Korea Resources Corporation (KORES) or historic Korea Mineral Promotion Corporation (KMPC) reports on the Ubeong Project. All the exploration work by KIGAM has been undertaken as high level reconnaissance surveys including: airborne geophysics, regional scale stream sediment surveys and large scale regional geological mapping1,2. The presence of scattered pieces of drill core at the Ubeong Zinc Project mine site indicates that some limited drilling was undertaken historically. As yet, the Company has been unsuccessful in locating any historic records pertaining to this work. The Company has no records of the past production from any of the historic mines in the district.
Geology	*Deposit type, geological setting and style of mineralisation.*	The geological target is skarn associated polymetallic zinc and silver mineralisation. The limited rock chip assay results indicate that there is potential in the area for zinc, lead, copper, silver, tin stibnite and tungsten mineralisation. The Proterozoic limestone at the former mine site has undergone intense skarn metasomatic alteration most likely associated with a blind intrusive body. Typical calc-silicate skarn alteration minerals such as hedenbergite and epidote were observed in rock chip samples. The intense magnetite and pyrrhotite mineralisation is typical of many other Korean skarn deposits. The intense magnetic high sympathetically tracking the mapped limestone unit is interpreted to reflect strong magnetite and pyrrhotite mineralisation associated with skarnification of the limestone. The Kumho mine to the west of the Ubeong Project was discovered during the Japanese occupation of Korea and initially mined as a manganese bearing skarn deposit. Subsequently, copper, lead, zinc, silver and gold mineralisation was discovered at depth in the 1940s. The Kumho mine has operated intermittently since 1930s with mining activities ceasing at times due to declining metal prices. The mine is currently active and is reportedly operating at around a 6% zinc head grade.
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:*	There is evidence of historic drilling at the main historic mine site with minor scattered pieces of HQ and AQ core observed. The Company is yet to locate any historic drilling or mining records.

Criteria	JORC – Code of Explanation	Commentary
	• *easting and northing of the drill hole collar* • *elevation or RL (Reduce 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*	All rock chip results, location details and descriptions are included herewith as Appendices 1 & 2.
	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 comments are being made on drilling results.
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.*	No weightings or averaging has been applied to the data. All the data presented in this release is raw data. The image in this release relate to rock chip samples collected by Company personnel as part of a broader follow-up stream sediment survey over the Ubeong Project area.
	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 data has not been aggregated.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent vales have been reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	The assay results being commented upon are all rockchip sample channel sample data assays.

Criteria	JORC – Code of Explanation	Commentary
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	No drilling has been undertaken or commented upon in this release.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	No drilling or assaying has been undertaken and no drilling or assay results have been reported or commented upon.
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.*	Figure 1 illustrates the location of the Ubeong Project tenements and presents the rock chip sample locations. The KIGAM Socheon aeromagnetic image has been used as an underlying base to the figure and highlights the strong coincident magnetic high attributed to the skarnification of the host limestone unit within the Ubeong Project area. The tenement applications areas are also shown. Figure 2 shows the location of the rockchip samples on Google Earth image with projected geology. Figure 3 is a photograph of Channel sample UBG 0002.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The full list of all the base and precious metal assays obtained from rock chip sample assaying is included as Appendices 1 & 2. The sample data points are displayed in Figures 1 & 2.
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.*	All base metal data considered relevant and material has been included in this announcement.

Criteria	JORC – Code of Explanation	Commentary
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	The Company plans to complete tenement scale geological mapping and rock chip sampling across each project. In addition, infill stream sediment sampling is underway to help focus exploration across the newly acquired tenement blocks. A ridge and spur soil sampling programme is also planned to further refine base and precious metal targets. A more detailed magnetic survey may also be undertaken to help refine drill targets. Gerophysical programmes are also planned, including ground based magnetics to define the magnetic skarnified limestone unit and structural breaks that may have focussed mineralisation. Electromagnetics (EM) will also be trialled to directly locate massive sulphides.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Figure 1 outlines the strong magnetic high coincident with the mapped limestone unit. This is considered a strong target for along strike repeats of skarn polymetallic mineralisation already identified within the Ubeong Project area.

Appendix 1 – Location and sample description details for stage 2 rock chip sampling, Ubeong Project

SampleID	UTME	UTMN	mRL	Type	Location	Geology	Mineralisation	Width
UBG001	513763	4078723	825	Channel	Chilbo mine	Altered limestone above pit/adit	lm, mn	0.25
UBG003	513760	4078713	820	Channel	Chilbo mine	Remnant ore on FW of 2m wide pit/stope	Lm, Sp, Apy, Gl	0.40
UBG004	513760	4078712	813	Channel	Chilbo mine	Remnant ore on FW of 2m wide pit/stope	Sp, Apy, Gl	1.00
UBG005	513761	4078686	807	Channel	Chilbo mine	Remnant ore on FW of 2m wide pit/stope	Sp, Apy, Gl	0.60
UBG006	513762	4078681	803	Channel	Chilbo mine	Sulphide lode in small stope	Sp, Apy	0.25
UBG007	513764	4078655	786	Channel	Chilbo mine	Remnant ore in NW trending fault/stope	Lm, Sp, Apy	0.50
UBG008	513744	4078606	779	Channel	Chilbo mine	Gossanous lode in small pit/stope	Lm, Cpy	0.25

Mineral codes: magnetite (mt), pyrrhotite (po), sphalerite (sp), galena (gl), pyrite (py), chalcopyrite (cpy), arsenopyrite (apy), bornite (bn), manganese (mn), limonite (lm), goethite (go), quartz (qz), calcite (ca), hedenbergite (hd), clay (cy).

Appendix 2 - Results of rock chip sampling at the Ubeong Project

SampleID	*Au ppm*	*Ag ppm*	*Zn*	*Zn %*	*Pb*	*Pb %*	*Cu*	*Cu %*	*As*	*As %*	*Cd*	*Cd%*	*S*	*S%*
Method	*FA50*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*
Units	*ppm*	*ppm*	*ppm*	*%*	*ppm*	*%*	*ppm*	*%*	*ppm*	*%*	*ppm*	*ppm*	*ppm*	*ppm*
LLD	*0.001*	*1*	*5*	*5 ppm*	*10*	*10 ppm*	*10*	*10 ppm*	*50*	*5 ppm*	*0.5*	*0.5*	*50*	*5*
UBG001	<0.01	<1	525	0.05%	40	0.00%	50	0.01%	1,550	0.2%	7	0.0%	750	0.1%
UBG003	0.54	294	397,420	39.7%	20,280	2.03%	1,840	0.18%	67,450	6.7%	5,978	0.6%	127,100	12.7%
UBG004	0.04	177	230,625	23.1%	13,380	1.34%	390	0.04%	11,900	1.2%	1,840	0.2%	1,150	0.1%
UBG005	0.03	118	121,875	12.2%	9,750	0.98%	310	0.03%	7,450	0.7%	976	0.1%	250	0.0%
UBG006	0.08	142	263,830	26.4%	7,110	0.71%	180	0.02%	83,050	8.3%	3,060	0.3%	167,300	16.7%
UBG006 REP	0.00	140	262,315	26.2%	7,050	0.71%	190	0.02%	84,850	8.5%	3,018	0.3%	165,450	16.5%
UBG007	1.32	38	43,875	4.39%	470	0.05%	970	0.10%	139,700	14.0%	736	0.1%	58,300	5.8%
UBG008	0.44	177	3,200	0.32%	210	0.02%	29,090	2.91%	77,350	7.7%	35	0.0%	31,600	3.2%

SampleID	*Al*	*Ba*	*Ca*	*Ca%*	*Co*	*K*	*Mg*	*Mn*	*Na*	*P*	*V*	*Be*	*Bi*	*Ce*
Method	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*
Units	*ppm*	*ppm*	*ppm*	*%*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*
LLD	*10*	*5*	*5*	*5 ppm*	*5*	*100*	*5*	*5*	*100*	*5*	*10*	*0.5*	*0.1*	*0.5*
UBG001	62,620	1,775	106,155	10.6%	15	50,300	17,065	960	1,700	740	140	2	3	95
UBG003	4,450	10	7,220	0.7%	10	2,100	3,460	3,365	200	75	-10	-1	568	1
UBG004	5,550	20	112,470	11.2%	5	1,800	41,530	7,885	300	75	-10	1	250	6
UBG005	4,300	25	256,815	25.7%	-5	1,300	19,870	2,795	200	285	-10	1	209	7
UBG006	2,080	5	107,875	10.8%	10	700	13,770	4,230	200	15	-10	-1	261	3
UBG006 REP	2,040	10	107,560	10.8%	5	700	13,745	4,240	200	-5	-10	-1	266	4
UBG007	1,930	-5	94,735	9.5%	-5	200	34,615	2,630	300	95	-10	4	859	6
UBG008	18,780	115	41,150	4.1%	45	1,700	1,360	955	200	640	30	6	305	136

Appendix 2 - Results of rock chip sampling at the Ubeong Project continued:

SampleID	*Cs*	*Ga*	*Gd*	*In*	*La*	*Rb*	*Re*	*Se*	*Te*	*Th*	*Tl*	*Y*	*Cr*	*Fe*
Method	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP003*	*ICP004*	*ICP004*
Units	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*%*
LLD	*0.5*	*5*	*0.1*	*0.1*	*0.5*	*0.5*	*0.05*	*10*	*0.1*	*0.1*	*0.05*	*0.1*	*50*	*0.01*
UBG001	17	15	6	0	40	156	0	-10	5	15	1	25	150	5.8
UBG003	2	5	0	144	-1	9	0	30	1	1	0	2	-50	10.3
UBG004	1	-5	1	5	2	10	0	10	0	1	1	7	-50	2.4
UBG005	1	-5	1	17	3	7	0	-10	0	1	0	5	-50	2.1
UBG006	-1	-5	1	18	2	4	0	20	1	1	1	3	-50	8.4
UBG006 REP	-1	-5	1	18	2	5	0	20	1	1	1	3	-50	8.4
UBG007	1	-5	0	13	2	3	0	20	7	1	0	2	-50	18.3
UBG008	7	15	12	78	59	15	0	10	4	5	1	46	-50	29.9

SampleID	*Ti*	*Zr*	*Li*	*Mo*	*Nb*	*Sb*	*Sn*	*Ta*	*W*
Method	*ICP004*	*ICP004*	*ICP004*	*ICP004*	*ICP004*	*ICP004*	*ICP004*	*ICP004*	*ICP004*
Units	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*	*ppm*
LLD	*100*	*100*	*10*	*5*	*5*	*1*	*1*	*1*	*10*
UBG001	8,300	300	190	5	15	20	9	1	40
UBG003	200	-100	10	-5	-5	121	8	-1	-10
UBG004	200	-100	20	-5	-5	44	5	-1	-10
UBG005	200	-100	20	-5	-5	24	6	-1	-10
UBG006	-100	-100	-10	-5	5	40	3	-1	-10
UBG006 REP	-100	-100	-10	-5	5	41	3	-1	-10
UBG007	200	-100	10	10	-5	54	48	-1	50
UBG008	1,500	-100	10	15	10	39	581	-1	20