



Corporate Information

Fast Facts

ASX Code	PIR
Ordinary shares	155M ORD
Quoted options	75.2M
Unlisted Options	10.5M
Cash at bank	\$3.0m

Investment Highlights

- 650,000oz gold indicated and inferred mineral resource grading 3.17g/t at Medinandi Project, Mali West.
- PIR's attributable oz Au = 522,000oz.
- 1,800km² licences over prospective Birimian greenstone belt.
- 25km strike length within 40M oz gold province on the Kéniéba-Kedougou Inlier.
- Maiden drilling programme at Medinandi demonstrated mineralisation remains open along strike and at depth.
- Multi-pronged exploration programme focused on increasing resource inventory. Excellent green-fields exploration potential.



Board and management

Jeremy Shervington
Chairman

Alan Campbell
Managing Director

Alec Pismiris
Non Executive Director

Stuart Hall
Non Executive Director

Dennis Wilkins
Company Secretary

Contact Us

Papillon Resources Limited
ABN: 96 119 655 891
Level 21, Allendale Square
77 St Georges Terrace
PERTH WA 6000
AUSTRALIA
t: +61 8 9225 5498
f: +61 8 9225 4599
e: info@papillonresources.com.au

ASX Release

1 November 2010

Drilling campaign starts at Medinandi Project to Grow Mineral Resource

- ▶ *Drilling targeting extension of shallow ore grade mineralisation at new discoveries (FNE and FSE Prospects).*
- ▶ *Objective to grow mineral resource base and make further discoveries.*
- ▶ *Follow up drilling of excellent scout drilling results planned over 3km strike length at Fekola Prospect.*
- ▶ *Drill ready targets identified from geochemical and geophysical surveys have the potential to extend mineralised zones.*
- ▶ *15,000m of RC and 15,000 RAB planned in next 3 months.*

Papillon Resources Limited ("the Company") is pleased to advise that the drilling campaign, previously foreshadowed at the Medinandi gold project, is in progress. This drilling programme follows on from the 13,100m of RC drilling completed and reported in Q2 & Q3 2010. The specific objectives of this phase of drilling is to grow the Medinandi Project mineral resource base from the current 650,000 oz Au grading 3.17g/t (80% attributable to the Company), step-out drilling to test mineralization that is open along strike, follow up excellent scout drilling results and test new targets (Table 1, Figure 1, Figure 2, and Figure 3).



At the Fadougou Main Zone (“FMZ”) drilling will test down dip mineralisation of the JORC code indicated and inferred mineral resource and extension of mineralisation, which remains open to the north and south along strike.

The new discovery at Fadougou North East (“FNE”) will have infill and step-out drilling over a 2km strike length and at the other new discovery at Fadougou South East (“FSE”) infill and step out drilling will be over a 700m strike length on a structure sub-parallel to the FMZ.

Follow up drilling of the excellent scout drilling results at the Fekola Soil Anomalies will extend over a 3km strike length employing both RC and RAB drilling.

Drill ready targets have been generated from the interpretation of soil geochemical results and the recently completed ground geophysical (IP survey) to the north and south along strike of FNE, in the Betakili area, and other locations within the Medinandi Project (Figure 3). These targets will be drilled with a combination of RC and RAB drilling.

Full details of the above and the original releases to the ASX upon which they are based (inclusive of all associated figures and tables) are available at asx.com.au or from Papillon’s website at www.papillonresources.com

For further information contact:

Alan Campbell
Managing Director
Papillon Resources Limited
Tel: +61 8 9225 4585
alan.campbell@papillonresources.com

Competent Persons Statement

Information in this report that relates to Exploration Results is based on information compiled by Stuart Hall, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr. Hall 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 2004 Edition of the ‘Australasian



Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Hall consents to the inclusion in this report of the statements based on his information in the form and context in which it appears.

Information in this report that relates to in-situ Mineral Resource estimates for Fadougou Main Zone is based on information compiled by Mr. Andy Clay, an employee of Venmyn Rand Pty Ltd., geological consultants. Mr. Clay is a competent person for the Fadougou Main Zone estimates and takes overall responsibility for these. Mr. Clay is a Fellow of The Australasian Institute of Mining and Metallurgy and 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Clay consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward Looking Statement

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

Please note with regard to exploration targets, the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Table 1: Medinandi Project – Mineral Resource Statement for Fadougou Main Zone

Mineral resource statement for Fadougou Main Zone

May 2009	Tonnes	g/t Au	Total oz Au	PIR's attributable oz Au (80%)
Measured	-	-	-	-
Indicated	2,772,097	3.14	280,776	224,621
Total Indicated	2,772,097	3.14	280,776	224,621
Inferred	3,626,456	3.19	372,207	297,766
Total	6,398,553	3.17	652,983	522,386

*Reported in accordance with SAMREC and JORC Code for mineral resource statements
- calculated at a bottom cut-off grade of 1.0g/t and top cut-off of 50g/t*



Figure 1: Medinandi Project Location Map

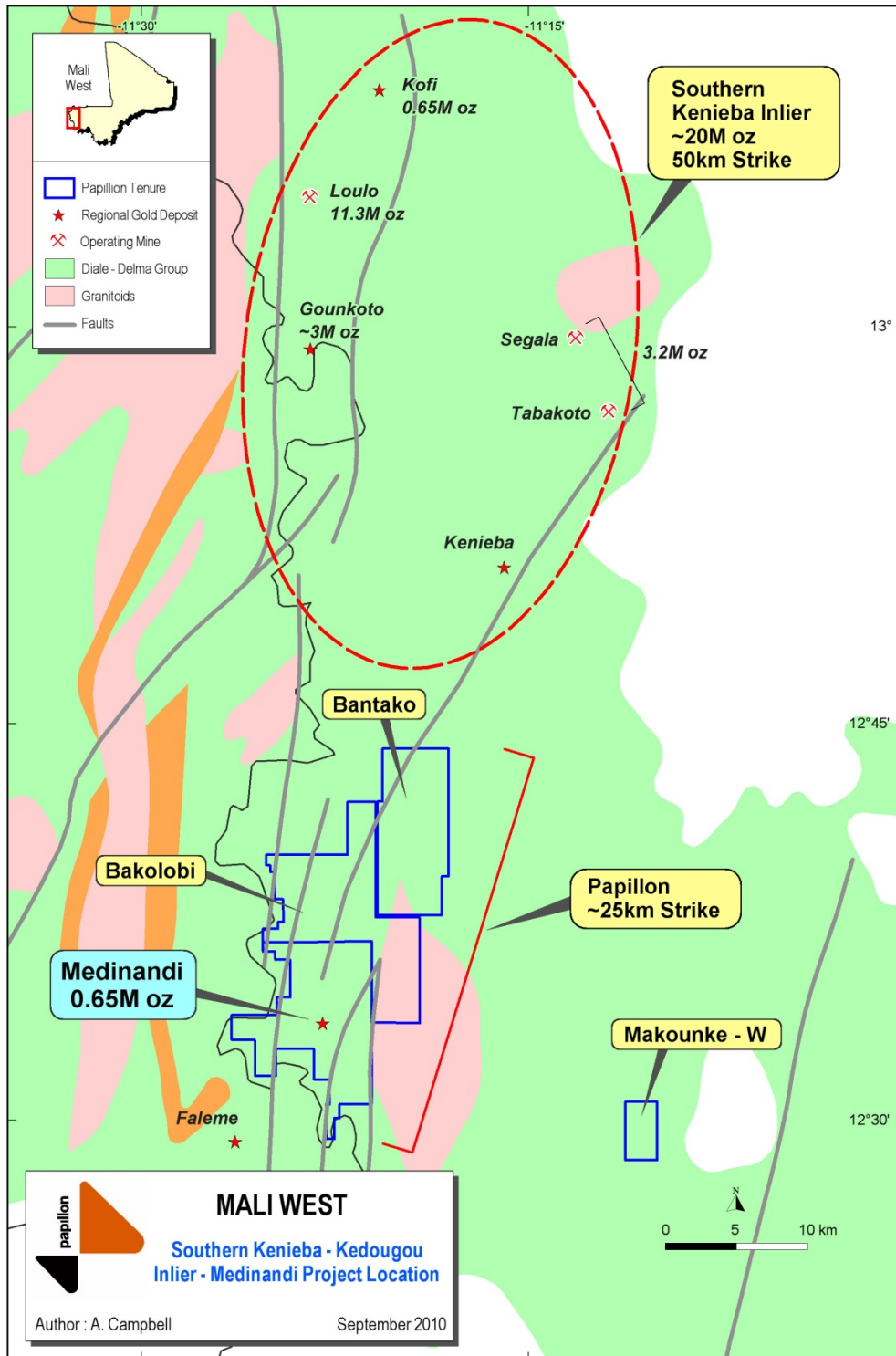




Figure 2: Medinandi Project Prospect Locations

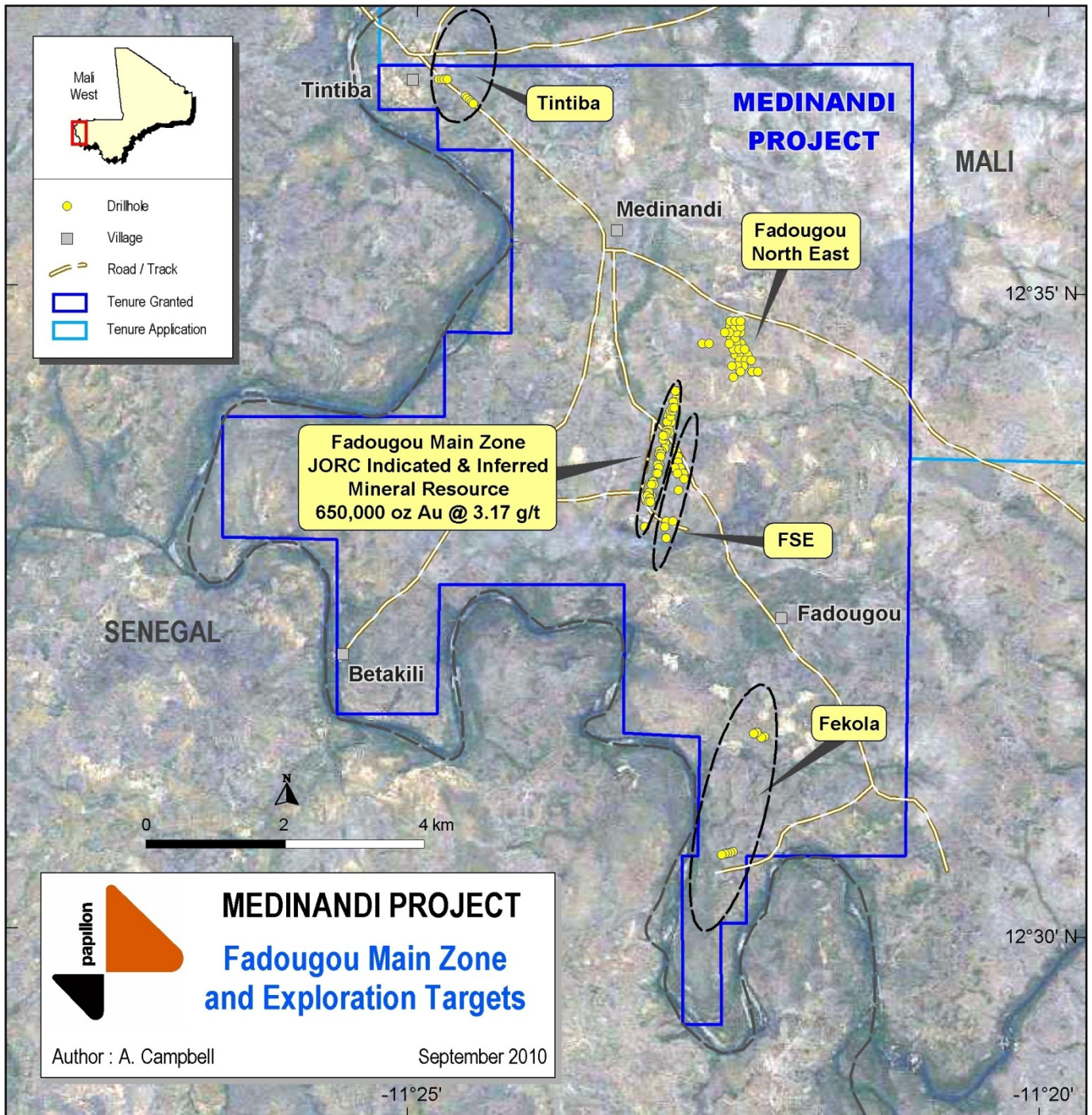




Figure 3: Medinandi Project –Detailed ground geophysics (Induced polarisation) resistivity image with drill targets

