Corporate Information

Fast Facts

ASX Code	PIR
Ordinary shares	190.7M ORD
Quoted options	63.4M
Unlisted Options	9.7M

Investment Highlights

- 827,500 oz gold indicated and inferred mineral resource grading 1.76g/t at Medinandi Project, Mali West.
- PIR's attributable oz Au = 661,600oz.
- 1,460km^2 licences over prospective Birimian greenstone belt.
- 25km strike length within 40M oz gold province on the Kéniéba-Kedougou Inlier.
- Aggressive drilling programme at Medinandi testing mineralization 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

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ASX Release

19 May 2011

Exceptional Results Confirm Major Gold Discovery at Fekola

- *Numerous wide strongly-mineralised intercepts returned from consecutive RC drill-traverses 80m to 160m apart, over 400m of strike including:*
  - ***FKCR_078 39m @ 6.42g/t Au EOH (incl. 23m @ 8.97g/t Au)***
  - ***FKCR_075 64m @ 4.24g/t Au and 14m @ 2.46g/t Au***
  - ***FKCR_071 23m @ 2.07g/t Au***
  - ***FKCR_099 16m @ 3.75/t Au***
  - ***FKCR_102: 22m @ 6.55g/t Au and 22m @ 3.37g/t Au***
  - ***FKCR_068 7m @ 8.47g/t Au and 10m@ 2.67.Au***
- *Detailed infill drilling on discovery traverse builds confidence in lode geometry, with most intersections close to true width*
- *Mineralised zones open at depth and along strike*
- *Aggressive RC Drilling program to continue*

PHASE 3 DRILLING PROGRAMME – FEKOLA GOLD DISCOVERY UPDATE

Papillon Resources Limited (ASX: PIR) ("Papillon" or "the Company") today reports that results of the current infill and step-out RC drilling program at **Fekola** (Figure 1 – Medinandi Project: IP Chargeability with exploration targets) confirms a significant gold discovery.

Drilling to date in the current campaign has been undertaken around **Section 1386680N**, the site of promising first-pass drilling results including **33m @ 3.79g/t Au** reported to the ASX 1st February 2011 ("New Discovery at Fekola..."). Initial holes on this traverse returned wide high-grade intercepts over a 150m wide zone of bedrock mineralisation.

In order to build confidence in the geological model a series of infill RC holes (FKCR_098 to FKCR_102) have been completed on this section. New results from the infill holes include **22m @ 6.55g/t Au, 22m @ 3.37g/t Au**, **16m @ 3.75g/t Au**, **13m @ 1.85g/t Au** and **11m @ 1.74g/t Au**. Results have confirmed that the lode geometry at this location is dipping moderately to the west and that intercepts appear to be close to true width. Mineralised intersections have been returned from predominantly fresh rock with an average base of weathering of <20m. Mineralisation is characterised by zones of consistent >1g/t Au values within broad mineralised envelopes, and remains open at depth.

Fences of RC holes have now been completed at 80m and 160m line spacing to the north and south of the discovery section (1386680N). Whilst these holes are wide-spaced on section (80m apart) and will require infill drilling, Papillon is pleased to report that the discovery is showing excellent strike continuity. Results on each section include:

Section 1387000N (320m north of discovery section): **39m @ 6.42g/t Au EOH** (incl. **23m @ 8.97g/t Au**)
Section 1386840N (160m north of discovery section): **64m @ 4.24g/t Au**, **14m @ 2.46g/t Au**, **11m @ 2.98g/t Au**
Section 1386760N (80m north of discovery section): **23m @ 2.07g/t Au**, **4m @ 10.63g/t Au** and **13m @ 1.32g/t Au**
Section 1386600N (80m south of discovery section): **7m @ 8.47g/t Au**, **10m @ 2.67g/t Au**, **8m @ 2.16g/t Au**

The location of drillholes is shown on Figure 2, and on sections in Figures 3 - 7.

Step-out drilling at 80m and 160m line-spacing is continuing in the discovery area and elsewhere along the **Fekola Corridor**, a north-south trending structural trend reflected in IP data. The Corridor is characterised by widespread silicification and pyrite alteration in a host sequence comprising quartzite, fine-grained sedimentary rocks and mafic intrusives. It is evident that the structural corridor encompasses the **FNE** mineralised centre and has potential to extend some 8km through the Medinandi licence. While further drilling is required to ensure a better understanding of the geology, results to date point to substantial exploration upside on the permit.

Drilling is continuing at Fekola until the end of the current dry season in late June/early July and is due to commence immediately at the start of the next dry season in October. Multiple drill rigs have been secured for use through to June 2012.

Papillon Managing Director Alan Campbell commented that, "We are delighted to have confirmed the discovery of a potential major new gold deposit at Fekola. We are confident that further drilling will yield more exciting results. It is a tremendous result for our loyal and supportive shareholders and for all our staff in Mali who have worked extremely hard to pursue our aggressive and ongoing exploration effort".

Figure 1: Medinandi Project – IP Chargeability with Exploration Targets

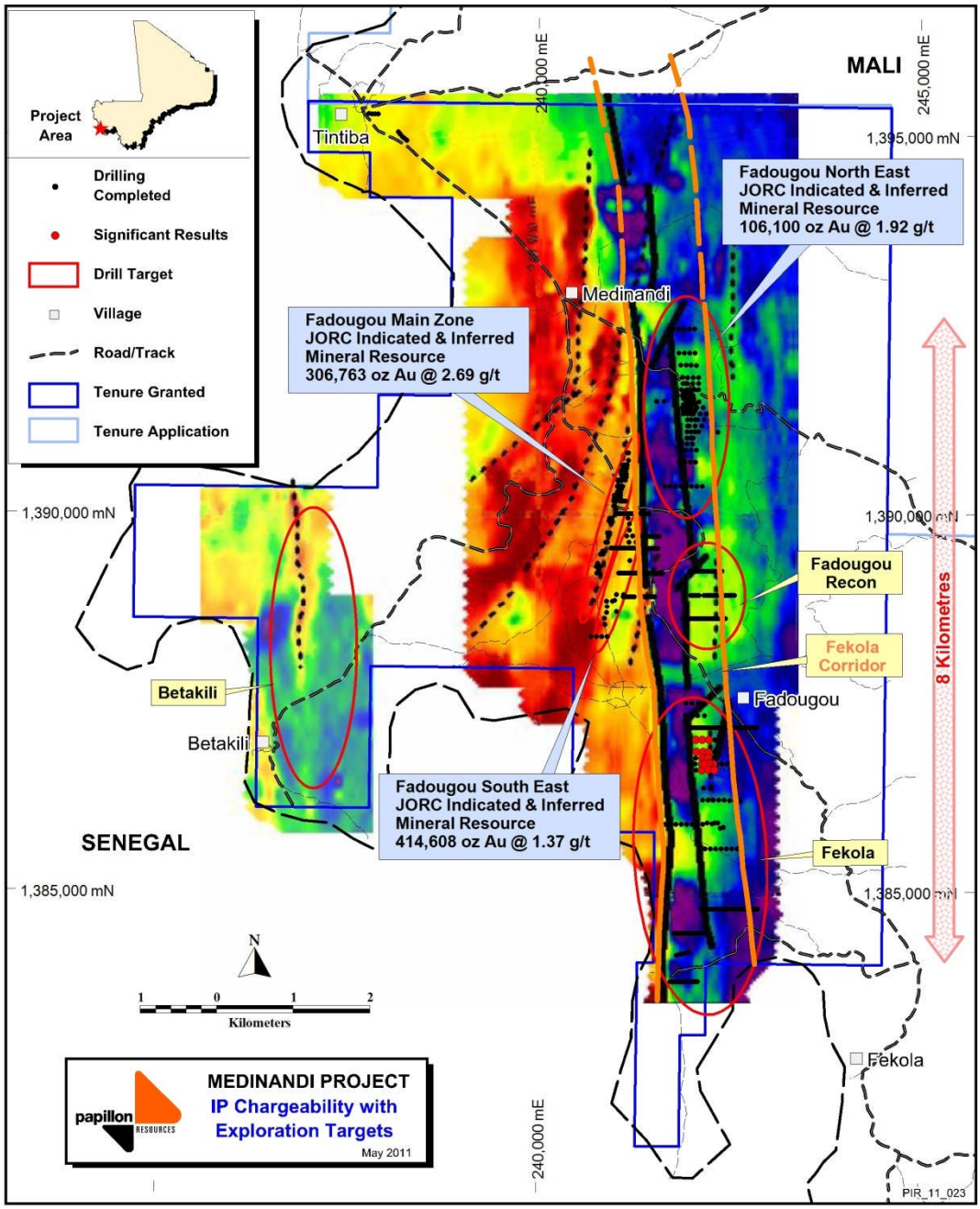

Figure 2: Fekola Centre – Drillhole Location Plan

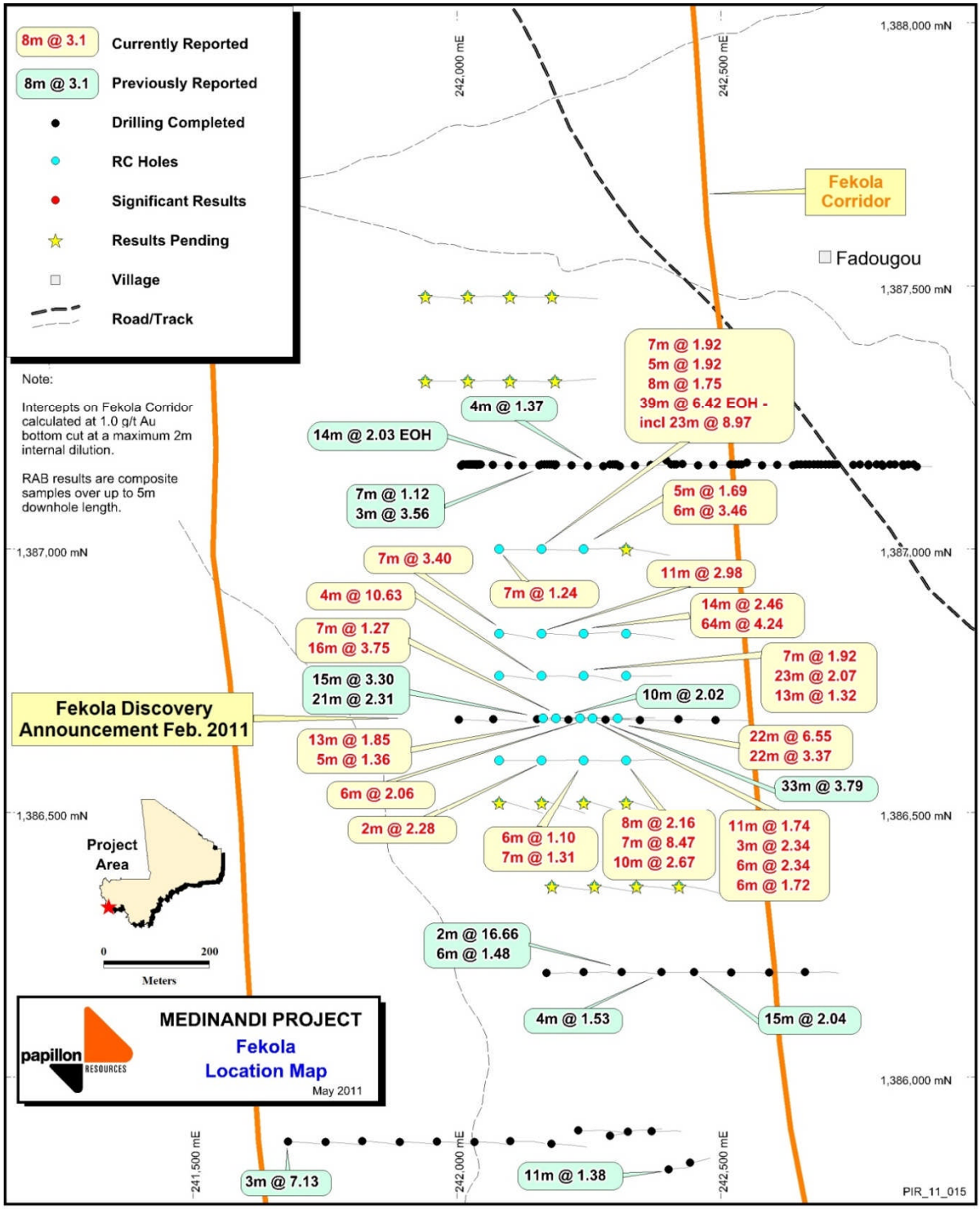

Figure 3: Fekola Discovery Cross Section – 1386680mN

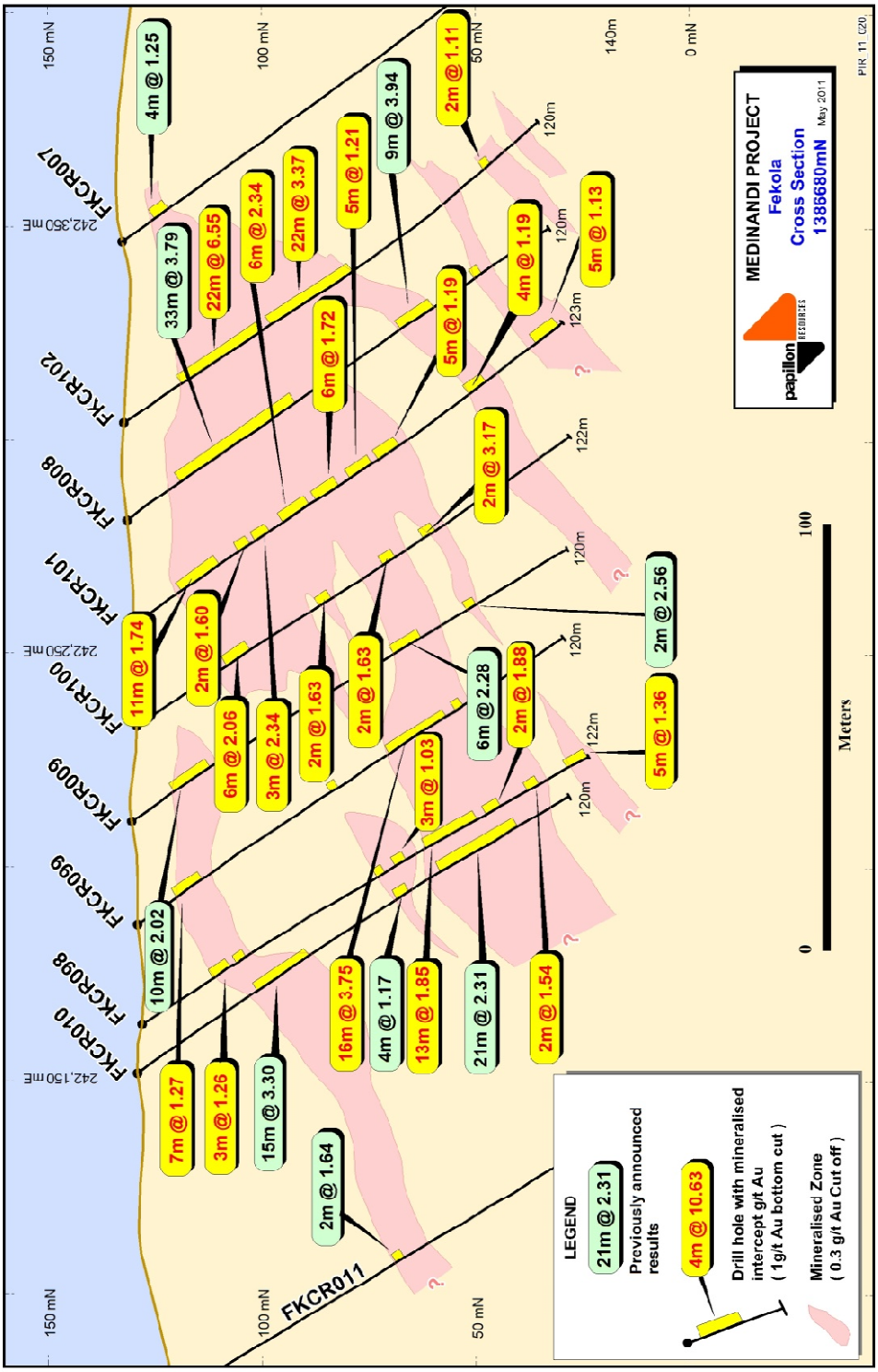

Figure 4: Fekola Cross Section – 1387000mN

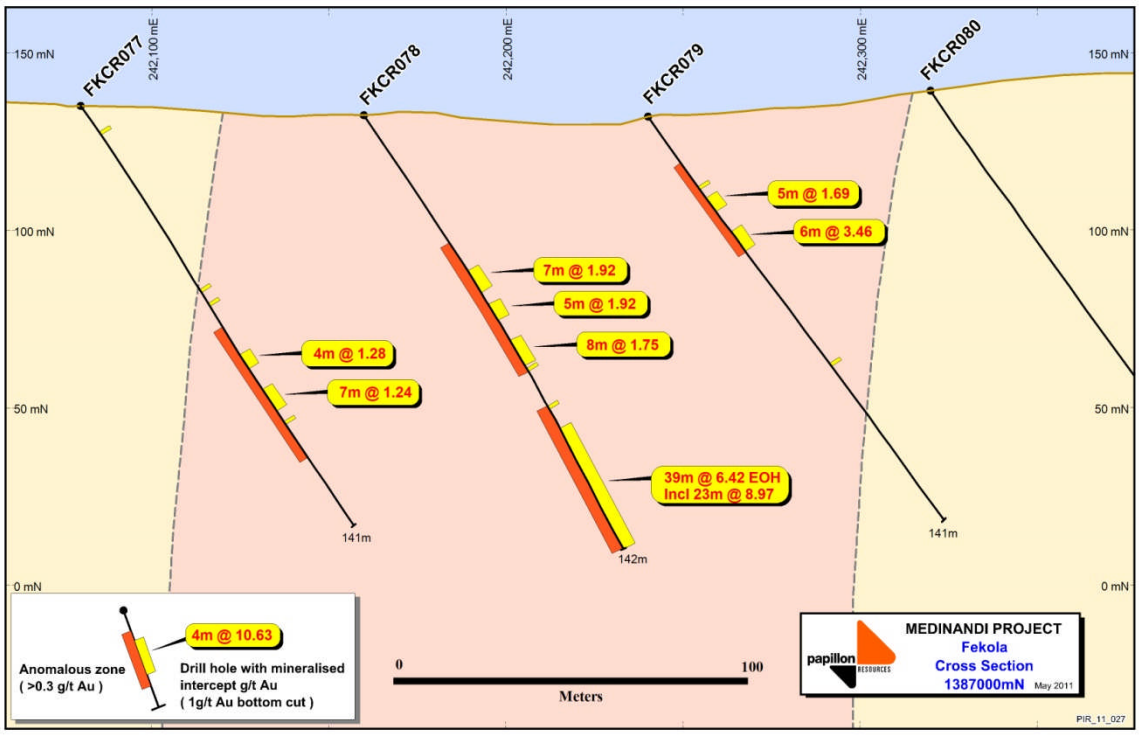

Figure 5: Fekola Cross Section – 1386840mN

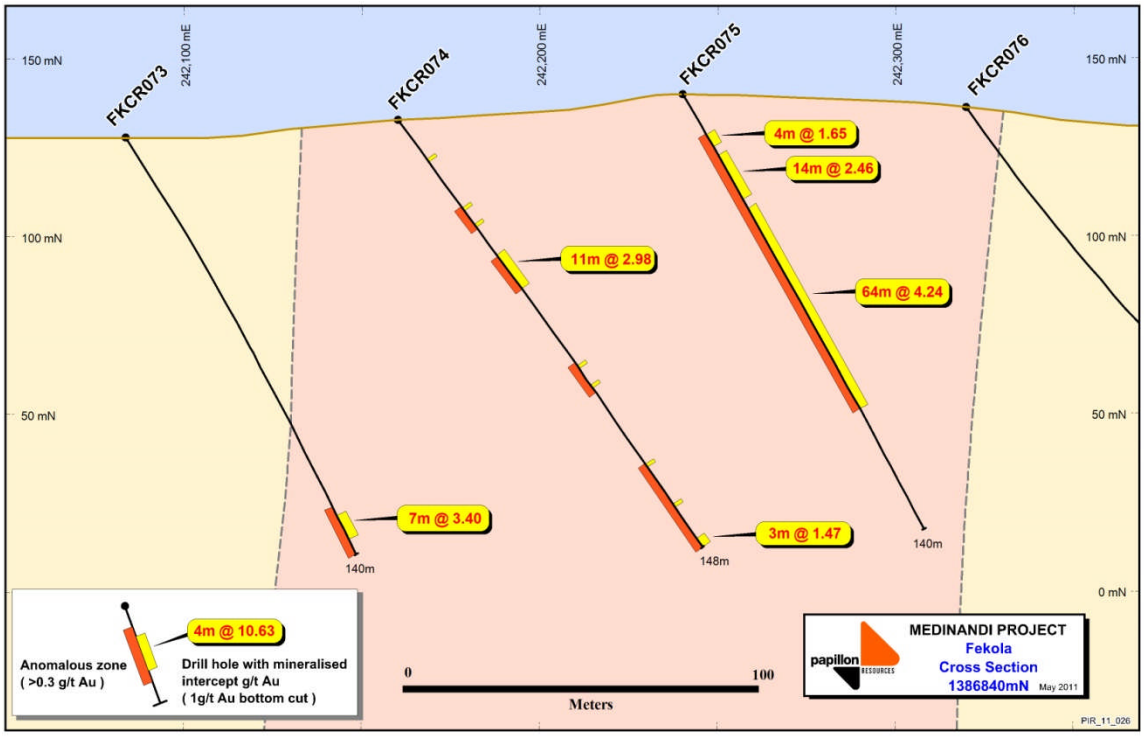

Figure 6: Fekola Cross Section – 1386760mN

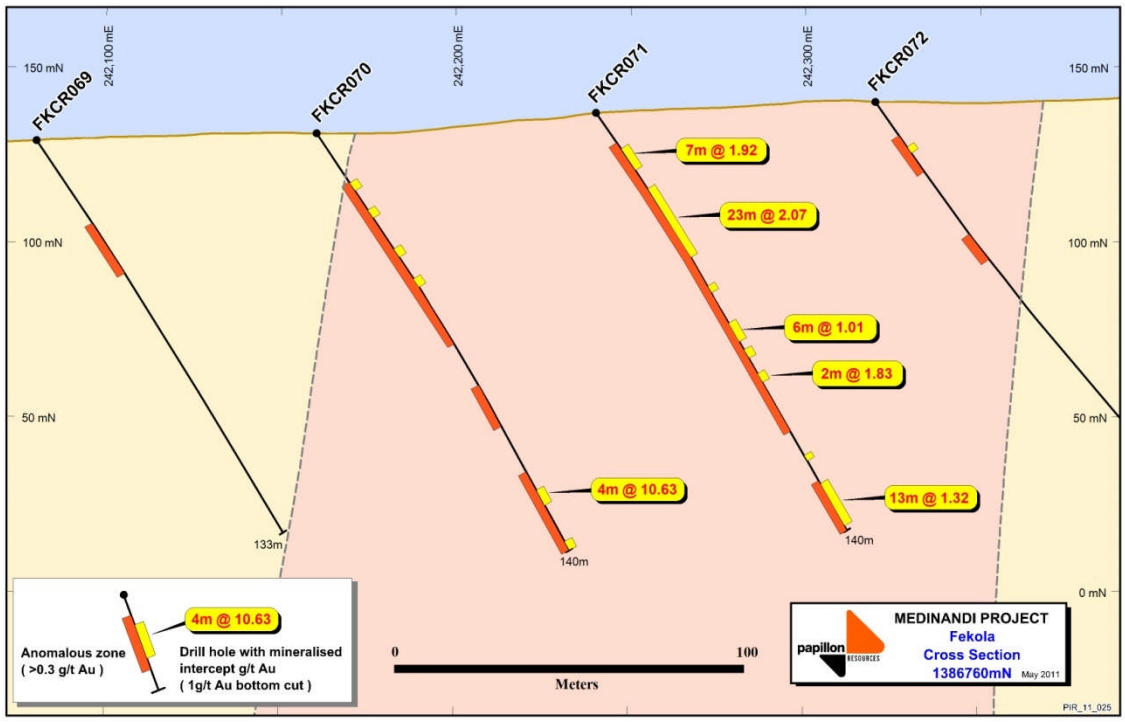

Figure 7: Fekola Cross Section – 1386600mN

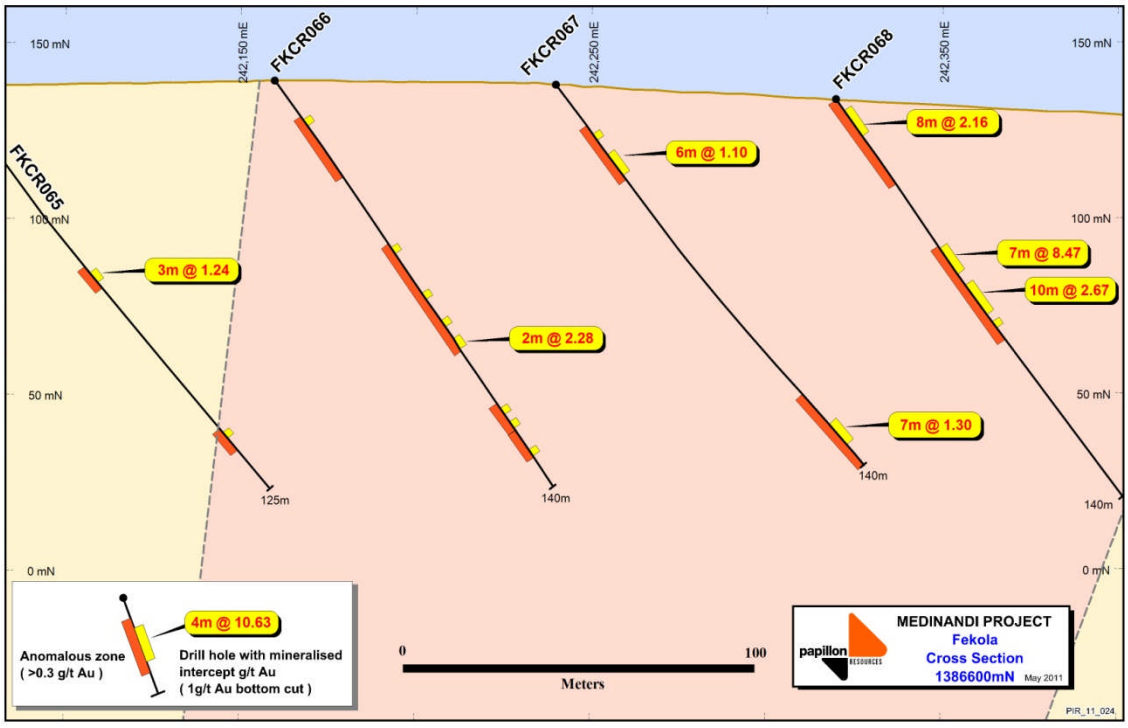

Table 1: Medinandi Project – Fekola RC Drill Hole Summary

Fekola Centre								
	Location		Orientation		Intersection (m)			
HoleID	Easting	Northing	Dip	Azimuth	From	To	Interval (m)	Gold g/t
FKCR_065	242080	1386600	-55	90	45	48	3	1.24
FKCR_065	242080	1386600	-55	90	113	114	1	1.95
FKCR_066	242160	1386600	-55	90	14	15	1	1.10
FKCR_066	242160	1386600	-55	90	57	58	1	3.52
FKCR_066	242160	1386600	-55	90	73	74	1	1.93
FKCR_066	242160	1386600	-55	90	83	84	1	2.02
FKCR_066	242160	1386600	-55	90	89	91	2	2.28
FKCR_066	242160	1386600	-55	90	113	114	1	3.21
FKCR_066	242160	1386600	-55	90	117	118	1	2.22
FKCR_066	242160	1386600	-55	90	127	128	1	2.55
FKCR_067	242240	1386600	-55	90	18	19	1	1.29
FKCR_067	242240	1386600	-55	90	25	31	6	1.10
FKCR_067	242240	1386600	-55	90	125	132	7	1.30
FKCR_068	242320	1386600	-55	90	4	12	8	2.16
FKCR_068	242320	1386600	-55	90	52	59	7	8.47
FKCR_068	242320	1386600	-55	90	65	75	10	2.67
FKCR_068	242320	1386600	-55	90	78	79	1	1.05
FKCR_069	242080	1386760	-55	90				NSA
FKCR_070	242160	1386760	-55	90	17	18	1	1.59
FKCR_070	242160	1386760	-55	90	28	29	1	1.97
FKCR_070	242160	1386760	-55	90	40	41	1	1.18
FKCR_070	242160	1386760	-55	90	50	51	1	1.00
FKCR_070	242160	1386760	-55	90	121	125	4	10.63
FKCR_070	242160	1386760	-55	90	139	EOH	1	1.34
FKCR_071	242240	1386760	-55	90	13	20	7	1.92
FKCR_071	242240	1386760	-55	90	27	50	23	2.07
FKCR_071	242240	1386760	-55	90	59	60	1	1.86
FKCR_071	242240	1386760	-55	90	72	78	6	1.01
FKCR_071	242240	1386760	-55	90	80	81	1	1.17
FKCR_071	242240	1386760	-55	90	88	90	2	1.83
FKCR_071	242240	1386760	-55	90	115	116	1	1.88
FKCR_071	242240	1386760	-55	90	125	138	13	1.32

Fekola Centre								
	Location		Orientation		Intersection (m)			
HoleID	Easting	Northing	Dip	Azimuth	From	To	Interval (m)	Gold g/t
FKCR_072	242320	1386760	-55	90	16	17	1	1.12
FKCR_073	242080	1386840	-55	90	128	135	7	3.40
FKCR_074	242160	1386840	-55	90	14	15	1	5.57
FKCR_074	242160	1386840	-55	90	31	32	1	1.16
FKCR_074	242160	1386840	-55	90	36	37	1	1.31
FKCR_074	242160	1386840	-55	90	47	58	11	2.98
FKCR_074	242160	1386840	-55	90	86	87	1	1.34
FKCR_074	242160	1386840	-55	90	93	94	1	1.34
FKCR_074	242160	1386840	-55	90	120	121	1	1.17
FKCR_074	242160	1386840	-55	90	133	134	1	1.64
FKCR_074	242160	1386840	-55	90	145	EOH	3	1.47
FKCR_075	242240	1386840	-55	90	13	17	4	1.65
FKCR_075	242240	1386840	-55	90	20	34	14	2.46
FKCR_075	242240	1386840	-55	90	37	101	64	4.24
FKCR_076	242320	1386840	-55	90				NSA
FKCR_077	242080	1387000	-55	90	9	10	1	1.02
FKCR_077	242080	1387000	-55	90	63	64	1	1.25
FKCR_077	242080	1387000	-55	90	66	67	1	1.11
FKCR_077	242080	1387000	-55	90	84	88	4	1.28
FKCR_077	242080	1387000	-55	90	95	102	7	1.24
FKCR_077	242080	1387000	-55	90	106	107	1	2.79
FKCR_078	242160	1387000	-55	90	52	59	7	1.92
FKCR_078	242160	1387000	-55	90	63	68	5	1.92
FKCR_078	242160	1387000	-55	90	75	83	8	1.75
FKCR_078	242160	1387000	-55	90	85	86	1	1.17
FKCR_078	242160	1387000	-55	90	98	99	1	1.42
FKCR_078	242160	1387000	-55	90	103	EOH	39	6.42
FKCR_079	242240	1387000	-55	90	25	26	1	1.36
FKCR_079	242240	1387000	-55	90	28	33	5	1.69
FKCR_079	242240	1387000	-55	90	40	46	6	3.46
FKCR_079	242240	1387000	-55	90	87	88	1	1.00
FKCR_080	242320	1387000	-55	90			Results Pending	
FKCR_081	241940	1387320	-55	90			Results Pending	
FKCR_082	242020	1387320	-55	90			Results Pending	
FKCR_083	242100	1387320	-55	90			Results Pending	

Fekola Centre								
	Location		Orientation		Intersection (m)			
HoleID	Easting	Northing	Dip	Azimuth	From	To	Interval (m)	Gold g/t
FKCR_084	242186	1387320	-55	90			Results Pending	
FKCR_085	241940	1387480	-55	90			Results Pending	
FKCR_086	242020	1387480	-55	90			Results Pending	
FKCR_087	242100	1387480	-55	90			Results Pending	
FKCR_088	242180	1387480	-55	90			Results Pending	
FKCR_089	242180	1386360	-55	90			Results Pending	
FKCR_090	242260	1386360	-55	90			Results Pending	
FKCR_091	242340	1386360	-55	90			Results Pending	
FKCR_092	242420	1386360	-55	90			Results Pending	
FKCR_093	242080	1386520	-55	90			Results Pending	
FKCR_098	242163	1386680	-55	90	20	23	3	1.26
FKCR_098	242163	1386680	-55	90	28	29	1	2.57
FKCR_098	242163	1386680	-55	90	66	67	1	1.08
FKCR_098	242163	1386680	-55	90	70	73	3	1.03
FKCR_098	242163	1386680	-55	90	79	92	13	1.85
FKCR_098	242163	1386680	-55	90	95	97	2	1.88
FKCR_098	242163	1386680	-55	90	106	108	2	1.54
FKCR_098	242163	1386680	-55	90	117	EOH	5	1.36
FKCR_099	242187	1386680	-55	90	11	18	7	1.27
FKCR_099	242187	1386680	-55	90	55	56	1	1.38
FKCR_099	242187	1386680	-55	90	71	87	16	3.75
FKCR_099	242187	1386680	-55	90	90	91	1	3.08
FKCR_099	242187	1386680	-55	90	109	110	1	1.01
FKCR_100	242233	1386680	-55	90	22	23	1	1.15
FKCR_100	242233	1386680	-55	90	25	31	6	2.06
FKCR_100	242233	1386680	-55	90	52	54	2	1.53
FKCR_100	242233	1386680	-55	90	70	72	2	1.63
FKCR_100	242233	1386680	-55	90	81	83	2	3.17
FKCR_101	242257	1386680	-55	90	14	25	11	1.74
FKCR_101	242257	1386680	-55	90	31	33	2	1.60
FKCR_101	242257	1386680	-55	90	35	38	3	2.34
FKCR_101	242257	1386680	-55	90	43	49	6	2.34
FKCR_101	242257	1386680	-55	90	52	58	6	1.72
FKCR_101	242257	1386680	-55	90	62	67	5	1.21
FKCR_101	242257	1386680	-55	90	70	75	5	1.19

Fekola Centre								
	Location		Orientation		Intersection (m)			
HoleID	Easting	Northing	Dip	Azimuth	From	To	Interval (m)	Gold g/t
FKCR_101	242257	1386680	-55	90	97	101	4	1.19
FKCR_101	242257	1386680	-55	90	117	122	5	1.13
FKCR_102	242304	1386680	-55	90	17	39	22	6.55
FKCR_102	242304	1386680	-55	90	42	64	22	3.37
FKCR_102	242304	1386680	-55	90	114	116	2	1.10

Notes:

1. All results from Reverse Circulation (RC) drill holes.
2. Samples at 1m intervals.
3. Assaying conducted by SGS Analabs, Kayes, Mali using industry standard 50g lead collection fire assay with AAS finish.
4. Reference standards, field duplicates and blank samples are routinely inserted; quality control samples are routinely monitored.
5. NSA – No Significant Assays (<1g/t within the hole)

Table 2: Summary of the Medinandi Mineral Resources as at April 2011

Mineral Resource Statement for Medinandi Project:					
Fadougou Main Zone (FMZ), Fadougou South East (FSE) and Fadougou North East (FNE)					
April 2011		Tonnes	g/t Au	Total oz Au	PIR's attributable oz Au (80%)
FMZ	Measured	0	0	0	0
	Indicated	1,050,500	2.65	89,426	71,541
	Inferred	2,496,500	2.71	217,337	173,870
	Sub Total	3,547,000	2.69	306,763	245,410
FSE	Measured	0	0	0	0
	Indicated	0	0	0	0
	Inferred	9,390,000	1.37	414,608	331,686
	Sub Total	9,390,000	1.37	414,608	331,686
FNE	Measured	0	0	0	0
	Indicated	922,000	2.10	62,143	49,714
	Inferred	797,000	1.72	43,957	35,166
	Sub Total	1,719,000	1.92	106,100	84,880
Total	Measured	**0**	**0**	**0**	**0**
	Indicated	**1972500**	**2.39**	**151569**	**121,255**
	Inferred	**12683500**	**1.66**	**675902**	**540,722**
	Total	**14,656,000**	**1.76**	**827,471**	**661,977**
Reported in accordance with JORC Code for mineral resource statements:					
Calculated at a bottom cut-off grade of 1.0 g/t and a top cut-off grade of 25 g/t for FMZ & FSE and 20 g/t for FNE					
Estimated with SG 2.1 for Oxide and SG 2.6 for Fresh					
Minor inconsistencies due to rounding of figures					

FUTURE EXPLORATION FOCUS

At the Medinandi Project future exploration work will include and focus on the following activities:

- Infill and step out drilling at the Fekola prospect which remains open to the north and south along strike
- Infill and step out drilling at the FSE and FNE Zone.
- Infill and extension drilling at the Fekola Corridor to determine the near surface resource potential along the zone.
- Rotary Air Blast ("RAB") drilling of regional targets generated from ground geophysical surveys.
- RC or diamond drilling at the FMZ to test mineralisation at depth and along strike
- IP-Gradient survey over remaining portions of the Medinandi project
- Scout RAB drilling to test geological targets and geochemical anomalies.
- Preliminary metallurgical test work from selected RC drill samples.

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

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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 is reported under the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2004 Edition). The April 2011 estimate was carried out under the supervision Mr. Michael Andrew who is a full time employee of Snowden Mining Industry Consultants Pty Ltd. Mr. Andrew is a Member of the Australian Institute of Mining and Metallurgy (MAusIMM), 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 by the Code. Mr. Andrew consents to the inclusion in the report of the matters based on his 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.