28 October 2013

Company Announcement Office
ASX Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Sirs

DUPORT GOLD PROJECT, CANADA

Cougar Metals NL ("Cougar") is pleased to announce the execution of an Option Agreement with The Sheridan Platinum Group Ltd. ("Sheridan") to acquire a 100% interest in its Shoal Lake gold project located in the Province of Ontario, Canada. The option encompasses the Duport Gold Deposit which was the focus of advanced exploration and development during the 1980's.

HIGHLIGHTS

- **Advanced gold project and high grade development opportunity with potential for fast track to production**
- **Past producer of high grade gold**
- **2,900 metres of underground development on 8 levels via decline**
- **90,000 metres diamond drilling from surface and underground resulting in a series of historic resource estimations (non JORC)**
- **Gold mineralisation open on strike and at depth**
- **2,500 hectares patent mining and staked claims including key areas of surface rights**
- **Property holdings encompass broad areas of brownfields potential along a 7 kilometre trend including known gold occurrences and past workings**
- **Excellent logistics with easy access to highway, rail, power grid, gas pipeline and major urban centre**

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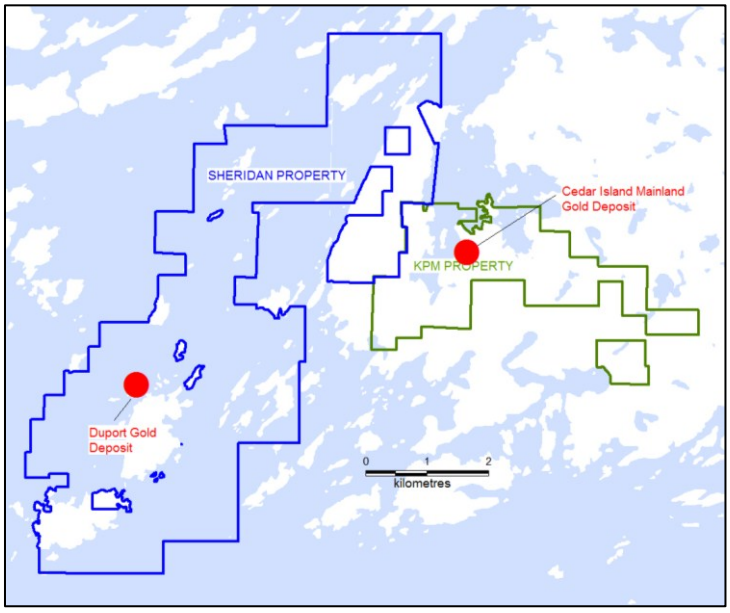
Commenting on the new option agreement, Cougar's Managing Director Randal Swick stated, "Completion of this agreement and securing of the Duport Gold Deposit offers a great advanced production opportunity for Cougar. We are presented with a wealth of historic information on a project that was very nearly in production in the late 1980's. We plan to move this high grade gold opportunity towards production once again."

Location of the Duport Gold Project at Shoal Lake, Province of Ontario, Canada.



Location of Sheridan option and KPM option properties showing the Duport Gold Deposit and Cedar Island Mainland Gold Deposit.

Prevailing rock types underlying the Duport project area include felsic, mafic and ultramafic metavolcanics, and schists intruded by felsic dykes and sills. The predominant host to the gold is highly sheared and fractured tuffaceous interflow material containing sulphide mineralization in the form of pyrite and arsenopyrite with lesser pyrrhotite and chalcopyrite. The interflow rocks are interpreted to be conformable with surrounding volcanic sequences and their consistency and traceability is considered to be of great importance potentially leading to the discovery of additional gold deposits along strike.

Gold mineralisation at Duport is classified as epigenetic hydrothermal situated in the wide Cameron Island Deformation Zone. Its tenor is generally directly proportional to the percentage of arsenopyrite and associated pyrite, and the degree of silicification. Two similar parallel trending deformation zones adjacent to the east are also known to demonstrate gold potential and are included in the project area.

Gold on the property was first discovered in 1896 and quickly followed by the sinking of a vertical shaft. Subsequent development on 4 underground levels coincided with the production of high grade gold ore.

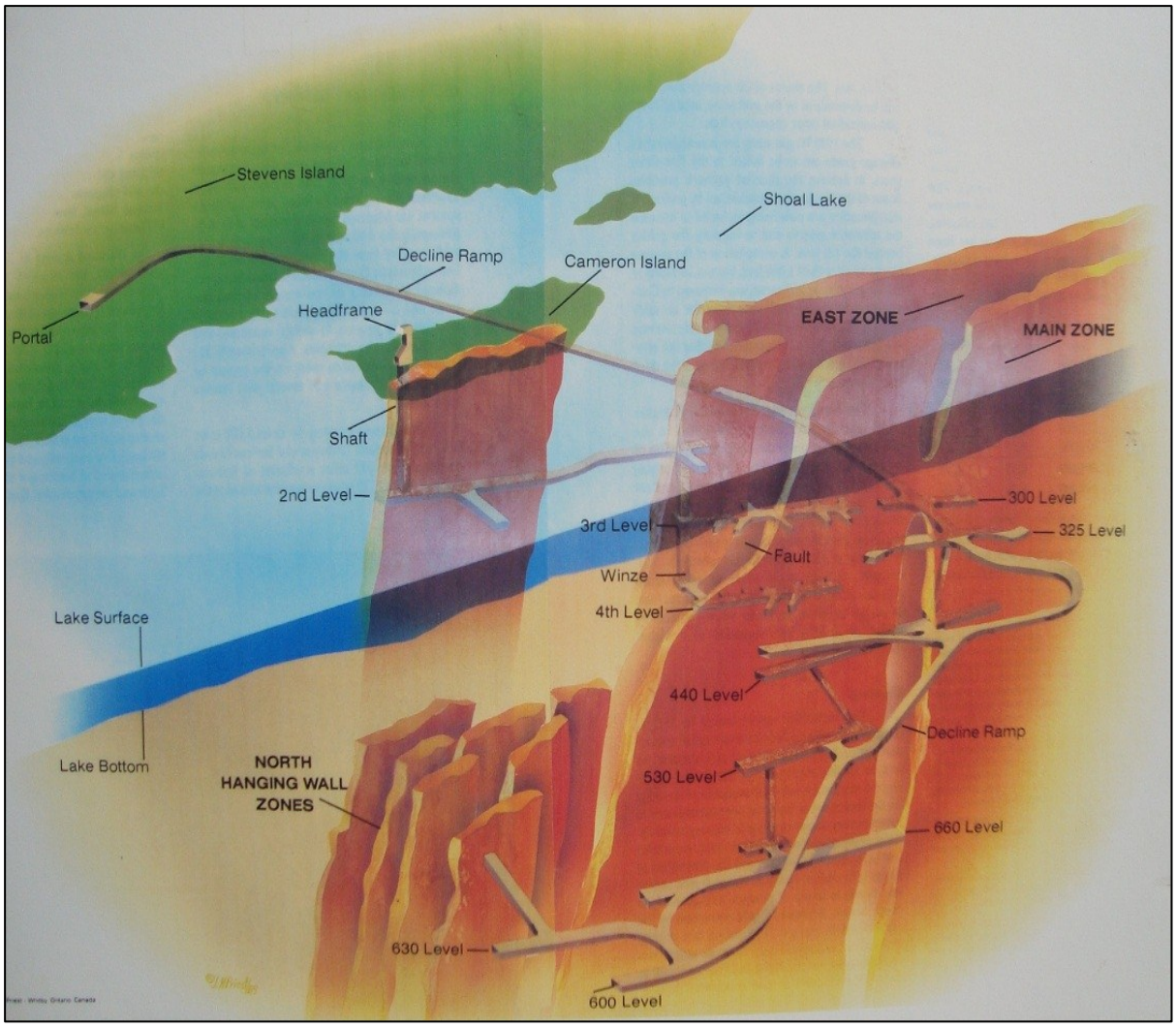
"During 1934-36, 1215 tons of high grade was shipped to smelters, yielding 4637 oz gold and 1142 oz silver ... from a small high grade lens ...." Drybrough 1944 [1]

Gold production from the Duport halted in 1936 and the property was only intermittently explored until its control came under Consolidated Professor Mines Limited ("CPM") in 1973. CPM work on the property included a substantial amount of diamond drilling and new underground development on 8 levels accessed via a decline and culminated in a decision to proceed to production.

CPM halted development operations in 1989 due to the prevailing economic environment and the necessity for a full environmental impact assessment thrust upon the company at that time.

Underground access for the Duport Gold Deposit is from an island on Shoal Lake. The lake straddles the Ontario - Manitoba Provincial border and is the supply of potable water for the City of Winnipeg. The Duport Gold deposit is located 13 kilometres from the City's water intake. A final development plan proposed by CPM located the ore processing facility onto the mainland in a different watershed. Environmental work carried out by CPM (1979-1995) addressed the preservation of the existing water quality and traditional land use of the Shoal Lake watershed. Cougar intends to work closely with First Nation's to advance the project.

The gold occurs as free gold in association with sulphide and is known to contain a refractory component which responds well to conventional oxidation methods. Comprehensive test work by CPM, utilising several underground bulk samples, resulted with gold recovery percentages well into the 90s being achieved. The test work culminated in an engineered plant design.



Diagrammatic view of historic underground development and interpreted mineralised zones

Historic Resource Estimations

Resource estimations were completed by CPM following each phase of exploration through to 1989 [2]. A subsequent resource estimation was completed by Roscoe Postle Associates Inc. ("RPA") in 2006 [3].

Pursuant to the requirements of ASX Listing Rule 5.12.9, Cougar provides the following cautionary notes:

1. The resource estimations completed by both CPM and RPA are not JORC compliant.

2. A competent person has not yet done sufficient work to classify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code.

3. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.

These historic resource estimations demonstrate the high grade nature of gold mineralisation at Duport and are expected to be supported following a JORC compliant resource calculation. Cougar is currently compiling the available historic information in order to complete a JORC compliant resource estimation.

The CPM resources estimations illustrate the evolution of the Duport Gold Deposit from 1980 through to 1989. These utilised the block tonnage method and the following criteria.

- 1980-81 estimates used a cut-off grade of 0.15oz/t (4.7g/t) Au over 4.0ft (1.22m) and cut individual assays to 1.00oz/t (31.1g/t) Au.
- 1982-89 estimates used a cut-off grade 0.15oz/t (4.7g/t) Au over 4.0ft (1.22m) and cut intersection to 1.00oz/t (31.1g/t) Au.
- 1989A estimation used block tonnage for true width weighted average and the 1989B estimation used block area for true width weighted average.
- Intersections equal to or greater than the cut off grade were allowed a maximum horizontal influence of 50ft (15.2m) and maximum vertical influence of 75ft (22.9m) in both directions. Distances less than 100ft (30.4m) horizontally and 150ft (45.7m) vertically between holes were halved for block boundary positioning.
- True widths for intersections were calculated.
- A 10% zero grade dilution factor was applied and is considered to be conservative as a number of intercept shoulders invariably carry traces of gold.
- 1980-86 tonnage factor of 11.5 ft^3/ton (2.79g/cm^3) and 1987-89 tonnage factor of 11.0 ft^3/ton (2.91g/cm^3).
- A 50ft (15.2m) crown pillar allowance was used below the assumed bedrock.
- The Association of Professional Engineers of Ontario guidelines were followed to distinguish the categories of the gold bearing blocks whereby:
    - Proven was used for underground development heading blocks
    - Probable was used for contiguous drill indicated blocks
    - Possible was used for non-contiguous drill indicated blocks
    - Inferred was used for non-drill indicated blocks based the weighted averages for each bounding block, and
    - Waste was sued for areas with drill holes having low values.

The “Proven” and “Probable” resource categories above relate most favorably with the JORC “Measured” and “Indicated” resources categories. The “Possible” and “Inferred” resource categories used above relate most favorably with the JORC “Inferred” resource category.

Table of CPM resource estimations

YEAR	Tonnes	Avg Width m	Avg Au g/t	% Prov & Prob	% Pos & Inf	Global Au oz
1980	627,385	2.62	12.9	39.9	60.1	**260,032**
1981	694,847	2.74	12.8	43.8	56.2	**284,929**
1982	1,851,445	2.92	11.4	24.1	75.9	**673,487**
1983	1,747,465	2.96	11.7	33.0	67.0	**654,925**
1985A	1,311,095	2.77	11.4	47.6	52.4	**476,928**
1985B	1,221,936	2.56	11.0	48.5	51.5	**431,025**
1986A	1,374,006	2.50	11.7	49.2	50.8	**514,958**
1986B	1,387,148	2.50	11.7	49.0	51.0	**519,884**
1987A	1,713,238	2.31	12.3	48.1	51.9	**679,868**
1987B	1,755,960	2.65	11.4	48.1	51.9	**645,358**
1988	1,887,768	2.28	12.0	47.8	52.2	**728,318**
1989A	1,827,311	2.28	12.0	50.0	50.0	**704,993**
1989B	1,827,311	1.80	12.0	50.0	50.0	**704,993**

CPM's final resource estimation in 1989 utilised the information from 442 drill hole intersections, 9 underground levels, and 3 raises.

RPA completed its resource estimation under National Instrument (NI) 43-101 which is the Canadian equivalent to the Joint Ore Reserves Committee Code (JORC Code) which regulates the publication of mineral exploration reports on the Australian Stock Exchange (ASX). RPA's resource estimation utilised the contour method resulting in an Indicated Mineral Resources of 424,000t averaging 13.40g/t Au for a total 182,000oz plus an Inferred Mineral Resource of 387,000t averaging 10.69g/t Au for a total 131,000oz; differing substantially from the earlier estimations reported by CPM. These mineral resource categories equate to the same categories under JORC.

RPA applied a 6.9g/t Au lower cut-off grade, 68.6g/t Au top cut grade, and 1.5m minimum width and used a tonnage factor of 11.0 ft^3/ton (2.91g/cm^3) referring to this determination in the final 1989 CPM resource estimation. The RPA estimation was based on 81,391m of drilling including 7,054m drilled in 2005. It appears that RPA did not have access to a complete dataset from underground mapping and sampling.

A review of the sampling methods applied and the assay protocols utilised indicate a systematic approach with acceptable quality control and assurance protocols being applied providing confidence to the reliability of the data.

See Appendix A for details with respect to disclosure requirements under ASX Listing Rule 5.12 in regard to these historic resource calculations.

Cougar is currently compiling the historic information and creating a database in order to calculate a JORC compliant resource estimation.

To demonstrate the high grade nature of the Duport Gold Deposit, a selection of historic drilling results is provided for intersections with greater than 1 oz per ton Au over greater than 1 foot only; recalculated from imperial measures to metric measures.

Hole	From_m	To_m	Length_m	g/t Au
51-25*	1.52	3.23	**1.71**	**35.0**
51-33*	0.00	1.07	**1.07**	**39.8**
51-44*	52.43	52.82	**0.40**	**61.4**
51-87*	47.24	48.46	**1.22**	**41.2**
51-101*	0.00	0.82	**0.82**	**54.9**
51-101*	0.82	1.62	**0.79**	**35.7**
51-118*	34.14	34.59	**0.46**	**88.5**
51-127*	0.67	1.19	**0.52**	**69.3**
51-127*	7.38	7.68	**0.30**	**36.4**
74-3*	278.59	279.20	**0.61**	**43.2**
74-14*	165.05	165.96	**0.91**	**46.6**
74-15*	231.95	232.41	**0.46**	**44.6**
81-1*	115.52	116.10	**0.58**	**51.4**
82-3*	94.21	94.82	**0.61**	**97.4**
82-11*	172.85	173.40	**0.55**	**142.7**
82-14*	80.77	81.38	**0.61**	**50.1**
82-15*	135.51	135.85	**0.34**	**35.3**
82-26*	170.99	171.51	**0.52**	**74.8**
82-30*	230.83	231.13	**0.30**	**60.7**
83-11*	273.71	274.14	**0.43**	**44.9**
83-13*	224.39	224.70	**0.30**	**41.2**
84-U-2	10.55	11.58	**1.04**	**36.4**
84-U-2	12.50	13.87	**1.37**	**48.4**
84-U-4	2.13	3.02	**0.88**	**35.3**
84-U-4	57.97	58.35	**0.38**	**48.0**
84-U-4	61.10	61.46	**0.37**	**59.0**
84-U-4	63.60	64.24	**0.64**	**50.1**
84-U-5	7.92	8.72	**0.79**	**34.3**
84-U-5	92.81	93.12	**0.30**	**43.9**
84-U-11	81.69	82.30	**0.61**	**46.3**
84-U-12	2.79	3.29	**0.50**	**47.3**
84-U-16	28.71	29.17	**0.46**	**61.0**
84-U-20	28.47	28.83	**0.37**	**36.4**
84-U-23	78.58	78.88	**0.30**	**42.5**
84-U-24	51.76	52.36	**0.61**	**55.6**
84-U-26	48.31	48.77	**0.46**	**59.0**
84-U-29	88.36	88.67	**0.30**	**42.5**
84-U-37	53.34	53.95	**0.61**	**42.5**
84-U-37	125.15	125.73	**0.58**	**35.0**
84-U-38	44.53	46.09	**1.55**	**39.8**
84-U-43	36.82	37.22	**0.40**	**48.7**
84-U-43	37.22	37.70	**0.49**	**43.9**
84-U-43	38.01	38.44	**0.43**	**34.3**
84-U-43	38.44	38.80	**0.37**	**38.4**

Hole	From_m	To_m	Length_m	g/t Au
84-U-43	40.72	41.03	**0.30**	**65.8**
84-U-56	50.93	51.54	**0.61**	**54.2**
84-U-57	40.63	41.18	**0.55**	**50.1**
84-U-59	50.75	51.42	**0.67**	**43.9**
84-U-65	50.47	50.93	**0.46**	**53.5**
84-UB-2	9.14	9.48	**0.34**	**43.2**
84-UB-2	11.34	11.70	**0.37**	**34.3**
84-UB-9	4.48	4.79	**0.30**	**84.4**
84-UB-11	5.58	5.88	**0.30**	**42.5**
84-UB-34	7.01	7.62	**0.61**	**56.2**
84-UB-34	7.62	8.23	**0.61**	**734.6**
84-UB-34	8.23	8.84	**0.61**	**81.6**
84-UB-35	2.23	2.53	**0.30**	**37.7**
84-UB-35	2.53	3.14	**0.61**	**89.8**
84-UB-35	3.14	3.75	**0.61**	**48.0**
84-UB-35	4.36	4.97	**0.61**	**190.0**
84-UB-35	4.97	5.27	**0.30**	**127.6**
84-UB-35	7.32	7.77	**0.46**	**69.3**
84-UB-35	7.77	8.53	**0.76**	**83.7**
84-UB-35	8.53	9.45	**0.91**	**36.4**
84-UB-36	7.22	7.71	**0.49**	**43.2**
84-UB-36	8.14	8.47	**0.34**	**69.3**
84-UB-46	7.62	7.92	**0.30**	**51.4**
84-UB-60	3.20	3.51	**0.30**	**41.8**
84-UB-67	0.00	0.61	**0.61**	**35.0**
84-UB-70	0.00	0.61	**0.61**	**61.7**
84-UB-70	0.61	1.22	**0.61**	**41.2**
84-UB-70	1.22	1.80	**0.58**	**43.2**
86-2*	125.30	126.50	**1.20**	**48.3**
86-3*	210.99	212.00	**1.01**	**37.5**
86-4*	187.27	188.00	**0.73**	**37.0**
86-10*	173.89	174.59	**0.70**	**36.6**
86-13*	60.50	61.20	**0.70**	**36.2**
86-20*	193.67	194.01	**0.34**	**91.9**
86-21*	327.36	327.96	**0.60**	**39.1**
86-29*	189.40	190.01	**0.61**	**40.1**
86-29*	190.01	190.62	**0.61**	**57.3**
86-U325-2	55.02	55.32	**0.30**	**74.1**
87-1*	66.69	67.00	**0.30**	**707.5**
87-5*	87.72	88.51	**0.79**	**36.4**
87-7*	71.32	72.02	**0.70**	**60.4**
87-9*	90.31	90.98	**0.67**	**38.8**
87-12*	177.73	178.09	**0.37**	**75.1**
87-13*	241.89	242.56	**0.67**	**35.0**

* indicates holes collared from surface. Remaining holes were collared from underground.

Hole	From_m	To_m	Length_m	g/t Au
87-21*	283.74	284.23	**0.49**	**56.2**
87-22*	313.73	314.04	**0.30**	**38.4**
87-23*	465.25	465.80	**0.55**	**70.0**
87-U-300-12	2.99	3.63	**0.64**	**82.3**
87-U-300-12	3.93	4.75	**0.82**	**211.2**
87-U-300-12	6.77	7.07	**0.30**	**78.9**
87-U-300-12	7.41	8.11	**0.70**	**56.9**
87-U-300-12	9.39	9.81	**0.43**	**42.9**
87-U-300-13	47.09	47.64	**0.55**	**66.5**
87-U-300-13	48.22	48.52	**0.30**	**39.8**
87-U-300-13	48.52	49.29	**0.76**	**40.1**
87-U-300-14	10.94	11.25	**0.30**	**70.6**
87-U-300-15	16.37	16.76	**0.40**	**46.6**
87-U-300-15	18.84	19.51	**0.67**	**41.5**
87-U-300-15	19.51	20.21	**0.70**	**48.0**
87-U-300-15	23.07	23.99	**0.91**	**80.9**
87-U-300-15	23.99	24.93	**0.94**	**39.1**
87-U-300-15	25.54	25.85	**0.30**	**63.8**
87-U-325-4	1.52	2.23	**0.70**	**46.3**
87-U-325-4	52.70	53.00	**0.30**	**100.8**
87-U-325-5	58.22	58.55	**0.34**	**52.5**
87-U-325-5	58.95	59.41	**0.46**	**56.2**
87-U-400-27	124.88	125.18	**0.30**	**65.5**
87-U-400-34	22.77	23.07	**0.30**	**46.0**
87-U-400-34	24.08	24.78	**0.70**	**71.2**
87-U-400-34	24.78	25.57	**0.79**	**43.6**
87-U-400-34	25.88	26.67	**0.79**	**44.9**
87-U-400-35	20.42	21.03	**0.61**	**38.1**
87-U-400-35	21.03	21.49	**0.46**	**62.8**
87-U-400-44	22.19	22.74	**0.55**	**106.3**
87-U-400-44	22.74	23.26	**0.52**	**58.0**
87-U-400-45	16.28	16.86	**0.58**	**60.7**
87-U440-95	2.65	2.96	**0.30**	**46.5**
87-U440-95	55.78	56.08	**0.30**	**42.7**
87-U440-96	55.05	55.63	**0.58**	**99.3**
87-U440-101	33.62	33.92	**0.30**	**37.6**
87-600-88	149.75	150.05	**0.30**	**49.0**
87-600-90	104.76	105.55	**0.79**	**70.0**
87-600-90	113.63	113.93	**0.30**	**89.2**
87-600-91	150.30	150.60	**0.30**	**81.6**
87-600-92	210.74	211.04	**0.30**	**134.1**
87-U630-61	73.64	74.46	**0.82**	**39.6**
87-U630-63	79.49	79.98	**0.49**	**44.9**
87-U630-63	82.11	82.45	**0.34**	**46.0**

Hole	From_m	To_m	Length_m	g/t Au
87-U630-66	55.63	56.27	**0.64**	**68.2**
87-U630-66	65.20	66.60	**1.40**	**136.0**
87-U630-73	60.05	60.62	**0.58**	**36.0**
87-U630-75	78.12	78.52	**0.40**	**112.3**
87-U630-76	72.27	72.57	**0.30**	**50.1**
87-U630-77	73.43	73.73	**0.30**	**96.0**
87-U630-78	60.66	61.57	**0.91**	**36.4**
87-U630-78	61.57	62.45	**0.88**	**34.6**
87-U630-80	86.08	86.65	**0.58**	**40.6**
87-U630-80	88.39	88.70	**0.30**	**41.8**
87-U630-80	98.76	99.46	**0.70**	**43.7**
87-U630-83	60.44	61.05	**0.61**	**36.4**
87-U630-83	72.18	72.85	**0.67**	**136.8**
87-U660-105	81.93	82.45	**0.52**	**40.1**
87-U660-113	46.27	46.60	**0.34**	**53.0**
87-U660-121	64.25	65.38	**1.13**	**39.4**
87-U660-128	40.87	41.18	**0.30**	**51.4**
87-U660-128	41.51	41.91	**0.40**	**51.8**
87-U660-130	33.41	34.17	**0.76**	**44.6**
87-U660-130	34.69	35.36	**0.67**	**60.0**
87-U660-130	35.36	36.15	**0.79**	**42.5**
87-U660-134	19.93	20.24	**0.30**	**89.5**
87-U660-138	45.72	46.06	**0.34**	**36.0**
87-U660-140	45.26	45.96	**0.70**	**37.6**
87-U660-143	51.66	52.43	**0.76**	**50.8**
87-U660-143	52.73	53.04	**0.30**	**53.2**
87-U660-144	45.66	45.96	**0.30**	**42.0**
87-RP-18	46.33	46.79	**0.46**	**35.0**
87-U-RP-30	138.29	138.59	**0.30**	**42.4**
87-U-RP-33	89.49	89.92	**0.43**	**35.2**
87-U-RP-33	89.92	90.28	**0.37**	**68.6**
87-RP-47	22.25	22.56	**0.30**	**38.9**
87-RP-48	87.63	87.97	**0.34**	**36.4**
87-U-RP-57	138.56	139.32	**0.76**	**38.8**
88-4A*	309.04	309.62	**0.58**	**40.1**
88-5*	451.32	451.62	**0.30**	**40.5**
88-8*	282.18	282.73	**0.55**	**35.7**
88-11*	328.12	328.64	**0.52**	**67.6**
88-11*	355.85	356.22	**0.37**	**56.9**
88-14*	48.71	49.01	**0.30**	**44.2**
88-17*	13.26	13.66	**0.40**	**78.2**
88-17*	13.66	14.51	**0.85**	**55.6**
2005-1*	200.19	200.50	**0.30**	**53.9**
2005-1*	200.50	200.80	**0.30**	**37.2**
2005-2*	73.76	74.37	**0.61**	**45.1**

* indicates holes collared from surface. Remaining holes were collared from underground.

To demonstrate the continuity and significant widths often reached at the Duport Gold Deposit, a selection of historic calculated drill intersection composites is provided below; recalculated from imperial measures to metric measures.

Hole	From_m	To_m	Length_m	g/t Au
84-U-2	10.55	13.87	**3.32**	**38.1**
84-U-24	51.15	53.22	**2.07**	**39.1**
84-U-43	35.75	41.03	**5.27**	**24.3**
84-U-56	49.07	51.54	**2.47**	**31.5**
84-UB-9	4.04	4.94	**0.90**	**54.9**
84-UB-35	2.23	5.27	**3.05**	**83.0**
and	7.32	10.52	**3.20**	**46.6**
84-UB-70	0.00	1.80	**1.80**	**48.7**
86-3*	208.82	213.03	**4.21**	**23.3**
86-10*	173.89	175.29	**1.40**	**31.9**
86-21*	327.36	329.49	**2.13**	**18.5**
86-29*	189.40	191.23	**1.83**	**36.0**
87-1*	66.69	67.30	**0.61**	**368.0**
87-5*	87.05	88.51	**1.46**	**30.2**
87-U-RP-33	89.49	90.28	**0.79**	**50.8**
87-U-300-13	47.09	49.29	**2.19**	**43.9**

Hole	From_m	To_m	Length_m	g/t Au
87-U-400-35	19.45	21.49	**2.04**	**30.5**
87-U-440-96	54.74	55.63	**0.88**	**72.7**
87-U-660-128	40.08	41.91	**1.83**	**30.2**
87-U-660-143	51.66	53.34	**1.68**	**36.0**
87-300-12	2.07	5.06	**2.99**	**85.7**
and	6.46	9.81	**3.35**	**24.0**
87-300-15	14.78	16.76	**1.98**	**19.2**
and	18.84	20.21	**1.37**	**44.9**
and	23.07	25.85	**2.77**	**49.4**
87-400-34	22.77	26.67	**3.90**	**36.0**
87-400-44	22.19	24.02	**1.83**	**58.6**
87-600-92	210.74	211.35	**0.61**	**82.6**
87-660-130	33.41	36.91	**3.51**	**35.0**
88-17*	13.26	15.36	**2.10**	**43.2**
2005-1*	199.89	200.80	**0.91**	**34.6**
2005-2*	73.15	76.50	**3.35**	**21.6**

* indicates holes collared from surface. Remaining holes were collared from underground.

Sheridan Deal Structure

Sheridan has agreed to grant Cougar an exclusive option to acquire 100% undivided interest in the project by maintaining the property and making aggregate payments totalling CAD$ 6.4 million over 4 years as follows:

- CAD$ 200,000 following execution of the agreement, subject to evidence of the registration, in the name of Sheridan, of all properties under the Agreement.
- CAD$ 1,200,000 in six equal payments spaced three months apart and commencing on the first anniversary date of evidence of registration of the properties under Sheridan.
- CAD$ 5 million on the fourth anniversary date of evidence of registration of the properties under Sheridan.

Sheridan will retain a 3% NSR on production from the Duport Gold Deposit and a 1.5% NSR on production of at least 500,000 oz gold and silver from the totality of the property other than the Duport Gold Deposit.

Note: the properties are currently held by a third party due to a previous but since terminated agreement. This third party is currently making assessment credit transfers to maintain the staked claims and has submitted renewal application for four mining leases. The properties are pending transfer to Sheridan which will establish the “transfer date” as set out under the agreement from which the option payment schedule is calculated.

For further information please contact the undersigned via email at r.swick@cgm.com.au or alternatively contact Michael Fry (CFO & Company Secretary) on +61 8 9381 1755.

RANDAL SWICK
MANAGING DIRECTOR

[1] J. Drybrough, 1944, Notes on Duport Mining Company Limited, pp3.

[2] Troop, Andrew J., 1989, "Report on Geology, Geochemistry, Diamond Drilling, Underground Exploration and Geological Mineral Reserves of the Duport Gold Property in Shoal Lake Area, Kenora Mining Division West Central Ontario, Canada for Consolidated professor Mines Limited"

[3] Clow, G.G. and Valiant, W.W, 206, "Technical Report on the Duport Property, Northwestern Ontario, Canada. NI 43-101 Report prepared for Halo Resources Ltd. by Roscoe Postle Associates Inc.

Competent Persons Statement

The information in this release that relates to geological information and historical resource estimates is based on information compiled by Mr Paul Nagerl and is in the view of Mr Nagerl an accurate representation of the data available for the project. Mr Nagerl is a member of the Association of Professional Geoscientists of Ontario and an executive of Cougar Metals NL. He 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 Nagerl consents to the inclusion in this report of the matters based on information provided by him and in the form and context in which it appears.

APPENDIX A

Pursuant to ASX Listing 5.12, an entity reporting historical estimates or foreign estimates of mineralisation in relation to a material mining project must include all relevant information in a market announcement.

The Company's responses to each of the requirements under ASX Listing Rule 5.12 are as follows:

ASX Listing Rule Reference	ASX Listing Rule Requirement	Company Response
5.12.1	The source and date of the historical estimates or foreign estimates.	The final resource estimates by CPM (1989) were prepared by Andrew J Troop. Mr Troop is a graduate of the University of Manitoba holding both a Bachelor of Science and Masters of Science and at the time of the resource estimates was a member of the Association of Professional Engineers of the Province of Ontario and the of the Province of Manitoba; the recognised institutions at that time. The 2006 resource estimate was completed by RPA and prepared by Mr G G Clow and Mr Wayne W Valiant. Mr Valiant is a graduate of Carleton University with a Bachelor of Science and is a member of the Association of Professional Geoscientists of Ontario (#1175). Mr Clow is a graduate of Queen's University with a Bachelor of Science degree and was a member of Professional Engineers in Ontario (#8750507).
5.12.2	Whether the historical estimates or foreign estimates use categories of mineralisation other than those defined in Appendix 5A (JORC Code) and if so, an explanation of the differences.	The historical resource estimates prepared by Andrew J Troop utilised the following categories of mineralisation: Proven for underground development heading blocks Probable for contiguous drill indicated blocks Possible for non-contiguous drill indicated blocks Inferred for non-drill indicated blocks based the weighted averages for each bounding block, and Waste for areas with drill holes having low values. "Proven" and "Probable" resource categories relate most favorably with the JORC "Measured" and "Indicated" resources categories. And "Possible" and "Inferred" resource categories used above relate most favorably with the JORC "Inferred" resource category. As detailed in the body of the announcement, the resource estimates prepared by RPA were prepared under Canada's NI 43-101. There are no material differences between NI 43-101 and JORC.

ASX Listing Rule	ASX Listing Rule Requirement	Company Response

Reference		
5.12.3	The relevance and materiality of the historical estimates or foreign estimates to the entity.	The historic resource estimations demonstrate the high grade nature of the gold mineralisation at Duport and are expected to be supported following a JORC compliant resource calculation. The project is a material mining project for Cougar and therefore the relevance of reporting the historic estimates in the absence of a current resource estimate calculated under JORC is high.
5.12.4	The reliability of the historical estimates or foreign estimates, including by reference to any of the criteria in Table 1 of Appendix 5A (JORC Code) which are relevant to understanding the reliability of the historical estimates or foreign estimates.	Our review of the sampling methods applied and the assay protocols utilised indicate a systematic approach with acceptable quality control and quality assurance protocols being applied and provide confidence as to the reliability of the data. Refer Appendix B for reference to the criteria in Table 1 of Appendix 5A (JORC Code) for the relevance to understanding the reliability of the historical estimates or foreign estimates.
5.12.5	To the extent known, a summary of the work programs on which the historical estimates or foreign estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the historical estimates or foreign estimates.	The historical resource estimates prepared by Andrew J Troop for CPM were based on the following criteria: • 1980-81 estimates used a cut-off grade of 0.15oz/t (4.7g/t) Au over 4.0ft (1.22m) and cut individual assays to 1.00oz/t (31.1g/t) Au. • 1982-89 estimates used a cut-off grade 0.15oz/t (4.7g/t) Au over 4.0ft (1.22m) and cut intersection to 1.00oz/t (31.1g/t) Au. • 1989A estimation used block tonnage for true width weighted average and the 1989B estimation used block area for true width weighted average. • Intersections equal to or greater than the cut off grade were allowed a maximum horizontal influence of 50ft (15.2m) and maximum vertical influence of 75ft (22.9m) in both directions. Distances less than 100ft (30.4m) horizontally and 150ft (45.7m) vertically between holes were halved for block boundary positioning. • True widths for intersections were calculated. • A 10% zero grade dilution factor was applied and is considered to be conservative as a number of intercept shoulders invariably carry traces of gold. • 1980-86 tonnage factor of 11.5 ft^3/ton (2.79g/cm^3) and 1987-89 tonnage factor of 11.0 ft^3/ton (2.91g/cm^3). • A 50ft (15.2m) crown pillar allowance was used below the assumed bedrock.
ASX Listing Rule Reference	**ASX Listing Rule Requirement**	**Company Response**
5.12.5 cont'd		The historical resource estimate prepared

		by RPA was prepared under NI 43-101 and based on the following criteria: • a 6.9g/t Au lower cut-off grade, 68.6g/t Au top cut grade, • a 1.5m minimum width, and • a tonnage factor of 11.0 ft^3/ton (2.91g/cm^3). The RPA resource estimate was made using the contour method and utilised 81,391m of drilling including 7,054m drilled in 2005.
5.12.6	Any more recent estimates or data relevant to the reported mineralisation available to the entity.	To the best of Cougar's knowledge there does not exist any additional recent estimates or data relevant to the reported mineralisation.
5.12.7	The evaluation and/or exploration work that needs to be completed to verify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with Appendix 5A (JORC Code).	A database of the historical records is being compiled in order for a JORC compliant resource to be calculated. There is no further exploration work considered necessary to verify the historical estimates.
5.12.8	The proposed timing of any evaluation and/or exploration work that the entity intends to undertake and a comment on how the entity intends to fund that work.	Cougar anticipates completing the JORC resource estimate within six months. It will be funded from operating cash reserves.
5.12.9	A cautionary statement proximate to, and with equal prominence as, the reported historical estimates or foreign estimates stating that: □ the estimates are historical estimates or foreign estimates and not reported in accordance with the JORC Code; □ a competent person has not done sufficient work to classify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with the JORC Code; and □ it is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.	The historical resources were not reported in accordance with the JORC Code. A competent person has not yet done sufficient work to classify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.
ASX Listing Rule Reference	**ASX Listing Rule Requirement**	**Company Response**
5.12.10	A statement by a named competent person or persons that the information in the	See Competent Person Statement.

	market announcement provided under rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The statement must include the information referred to in rule 5.22(b) and (c).	

APPENDIX B

The following information is provided to ensure compliance with the JORC (2012) requirements in relation to the reporting of the Mineral Resource estimates for the Duport Gold deposit.

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code 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.*	The project was sampled using diamond drilling and channel, muck, and chip samples from underground workings and supported by bulk sample analyses. The project was drilled from surface and underground for a total of 90,179 metres in 720 holes in the period 1929 to 2010. The holes were drilled at varying angles and azimuths as was determined to be optimal to intersect the targets by the project managers of the time. Drilling was conducted at a nominal 100ft (30.48m) grid spacing locally reduced to 50ft (15.24m) spacing.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Collar locations were determined from grid coordinates off grids established and subsequently re-established on the property throughout the project's exploration history. 2010 collar location were determined using hand held GPS. Historic collar coordinates were recalculated and projected onto standard UTM projections. Down hole directional surveys were limited during the earliest drill programs limited by the technology of the time and by the survival of the data. Final down hole surveys in 2010 were completed using a Reflex EZ Shot instrument. True widths of drill intersections were calculated using the available directional information. Drill core was logged for lithological, structural, and other attributes. Samples were collected by splitting or sawing one half of the drill core along its long axis with one half submitted to a laboratory for analysis. Laboratories applied protocols and QA/QC procedures accepted at the time.
	Aspects of the determination of	Diamond drill core was largely BQ size with

Criteria	JORC Code Explanation	Commentary
	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.	the earliest core size AQ and latest NQ size. Sampling protocols and sample size varied according to accepted practices at the time. Drill core is stored at the project site and variable preserved. Pulps and rejects from sampling of the drill core is only available for the 2010 program.
Drill techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.)*	Diamond drilling accounts for 100% of the drilling in the resource area. Underground, mineralized zones were projected into the walls by Bazooka holes. Hole depths range to 1,997ft (608.7m).
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Drill core recoveries information from the historic programs has not survived. However an overview examination of the drill core indicates good recoveries.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Recoveries from diamond drilling can expected to be good when rock types are competent and diligence is applied by the geologists and technicians. A number of check samples had been submitted to establish the reliability of the assay results. Historic drill core examined retains its core blocks marking depths in a way that recovery data may still be obtained from the core.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No sample recovery information has been analysed to determine whether a there exists a bias resulting from recovery. Historic investigations indicate that there is no significant nugget effect for the gold.
Logging	*Whether core and chip samples have*	Geological logging was carried out on all

Criteria	JORC Code Explanation	Commentary
	been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	diamond drill holes including structure and veining. Underground levels were mapped and sampled.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Logging of diamond drill core recorded lithology, structure, alteration and mineralization. Core has not been photographed.
	The total length and percentage of the relevant intersections logged.	All drill holes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Examination of the historic drill core indicates that all core samples were either split or sawn in half with one portion submitted for analysis.
	If non-core, whether riffled, tube sampled, rotary split, etc. And whether sampled wet or dry.	Only diamond drill core was collected.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Examination of the historic data indicates that industry available best practices were used in sample preparation.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Examination of original assay certificates indicate the use of repeat and duplicate samples and routine check assays for the earlier work but does not list internal control samples. Later results present the internal control samples. RPA submitted selected samples for assay to independently establish repeatability of some historic results.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicates/second-half sampling.	Available historic data does not include field duplicates but does contain check assay data and comparison with bulk samples. Underground results were also compared to channel sampling and muck sampling.

APPENDIX B

Criteria	JORC Code Explanation	Commentary
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered to be appropriate to represent the gold mineralization based the style of mineralization, thickness and consistency of intersections, the sampling methodology and percent value ranges for the gold concentrations.
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.*	The fire assay method was applied using accredited laboratories for the periods and considered a total assay for the gold. For the majority of the assay results, in accordance with the North American custom of the time, unless specifically stated otherwise, gold values reported were not adjusted for losses and gains inherent in the fire assay process.
	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 deviation, etc.	No geophysical tools were used to determine any element concentrations used in the resource estimations.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	The available historic data reviewed to-date does not outline these procedures for the majority of the assay results. Industry best practices during the bulk of the work did not report the use of control samples. However, check sample information indicates that precision of the assay results was acceptable.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *Use of twinned holes.*	No detailed information on independent verification of significant intersections has been viewed however the CPM resources estimations were regularly audited and the final CPM estimation reviewed by Wright Engineers Ltd. No twinned holes have been drilled. Independent verifications will form part of a planned program to complete a JORC compliant resource estimation.

Criteria	JORC Code Explanation	Commentary
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Available historic data will be collected and stored using current industry best practices with back up and systematic data entry procedures adhered to.
	Discuss any adjustments to assay data.	No adjustments were made to any assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Surface holes were located using local grids. Only 2010 drill holes were surveys using hand held GPS. Underground holes were surveyed using conventional methods. Systematic historic down hole survey information was not available.
	Specification of the grid system used.	Local grid information is established from baseline marker.
	Quality and adequacy of topographic control.	Surface holes are largely drilled from Winter ice over lake whose elevation was fixed. Underground holes elevations were obtained using conventional surveying methods.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The nominal surfacr drill hole spacing is 100ft (30.48m) with local 25ft (15.24m) spacing.
	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 mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the resource estimation definitions applied by CPM and RPA (both non JORC).
	Whether sample compositing has been applied.	Samples have been composited to achieve the requisite minimum intersection widths applied and to ensure that no residual sample lengths have been excluded.

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Criteria	JORC Code Explanation	Commentary
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 deposit is generally drilled in angles that intersect the mineralised domains perpendicularly or nearly so using a variety of dip angles to achieve the target depths.
	If the relationship between the drilling and 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 orientation based sampling bias has been identified in the data at this point.
Sample Security	*The measures taken to ensure sample security.*	The sample chain of custody as applied by CPM and subsequent explorers of the deposit is eluded to in historic memos and reports and has not been detailed at this time. It is suspected that insufficient historic data is available to thoroughly document these procedures.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Audit of the CPM resource estimations are referred to in reports and memos but have not been identified in a separate document at this time.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	JORC Code Explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Hard copy of data is made available for examination. No details of the historic measures have been located. RPA engaged a consultant firm to digitize data. These files are not available.
	Data validation procedures used.	Digital data is not available. Hard copy files will be validated with a future digital database.
Site Visit	*Comment on any site visits undertaken by the Competent Person*	Paul Nagerl, acting as the Competent Person for this release has visited the site

Criteria	JORC Code Explanation	Commentary
	and the outcome of those visits.	on a number of occasions and viewed some of the core, land based grid lines, trenches, and underground openings.
	If no site visits have been undertaken indicate why this is the case.	Not applicable.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	Confidence in the geological interpretation is good and based upon a substantial amount of historic drilling and mapping. The deposit lies largely under a lake so little outcrop pertains to it locally. The global geological setting consists of a tuffaceous host unit among a volcanic sequence in a regional wide deformation zone.
	Nature of the data used and of any assumptions made.	Mineralization, lithology, and alteration formed the primary basis of the interpretation process. Petrography and geochemistry were applied to assist.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The deposit consists of a number of subparallel gold rich “veins”. Underground development and infill drilling has been completed to a density sufficient to support a robust geological model.
	The use of geology in guiding and controlling Mineral Resource estimation.	Sulphide content formed the primary control to define the mineralisation interpretation. Geology was used to support this interpretation and to define the major domains.
	The factors affecting continuity both of grade and geology.	Late cross cutting structures and dykes are known to disrupt the continuity of the mineralization. Grade is variable and common with this style of gold mineralisation.
Dimensions	*The extent and variability of the Mineral resource expressed as length*	The historic resource estimation comprise a number of narrow subparallel “veins”

Criteria	JORC Code Explanation	Commentary
	(along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral resource.	whose overall relative positions occupy an area approximately 600m along strike and 500m depth.
Estimation and modeling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters.*	<u>CPM</u> The CPM resources estimations illustrate the evolution of the Duport Gold Deposit from 1980 through to 1989. These utilised the block tonnage method and the following criteria. • 1989A estimation used block tonnage for true width weighted average and the 1989B estimation used block area for true width weighted average. • True widths for intersections were calculated. • A 10% zero grade dilution factor was applied and is considered to be conservative as a number of intercept shoulders invariably carry traces of gold. • 1980-86 tonnage factor of 11.5 ft^3/ton (2.79g/cm^3) and 1987-89 tonnage factor of 11.0 ft^3/ton (2.91g/cm^3). • A 50ft (15.2m) crown pillar allowance was used below the assumed bedrock. <u>RPA</u> The estimation was completed utilising the contour method and was based on 81,391m of drilling including 7,054m drilled in 2005. It appears that RPA did not have access to a complete dataset from underground mapping and sampling.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	The CPM resource estimations span the period 1980-89 and show a logical trend in the development of the resource. The RPA 2006 resource estimation results differ widely from those results of CPM. This discrepancy is being largely attributed to the differing methods applied.
	The assumptions made regarding	No assumptions have been made

Criteria	JORC Code Explanation	Commentary
	recovery of by products.	regarding recovery of any by-products.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	No estimation of deleterious elements or non-grade variables was carried out.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	CPM Intersections equal to or greater than the cut off grade were allowed a maximum horizontal influence of 50ft (15.2m) and maximum vertical influence of 75ft (22.9m) in both directions. Distances less than 100ft (30.4m) horizontally and 150ft (45.7m) vertically between holes were halved for block boundary positioning.
	Any assumptions behind modelling of selective mining units.	No selective mining units were assumed.
	Any assumptions about correlation between variables.	The CPM resource estimation states a general positive correlation with arsenopyrite and gold content however this correlation was not applied in the resource estimations. Variography was not applied to the resource estimations.
	Description of how the geological interpretation was used to control the resource estimate.	CPM The geological interpretation was used to inform the creation of the mineralised domains which were used to interpret continuity. RPA Geology was used to correlate to ensure continuity with wire frames constructed to constrain the resource estimations.

Criteria	JORC Code Explanation	Commentary
	Discussion of basis for using or not using grade cutting or capping.	Statistical analyses were conducted on the mineralised zones and a top cut chosen as most representative for the overall deposit.
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if applicable.	Details on the historic resource estimations' validation processes were not available.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnages were estimated on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	<u>CPM</u> 1980-81 estimates used a cut-off grade of 0.15oz/t (4.7g/t) Au over 4.0ft (1.22m) and cut individual assays to 1.00oz/t (31.1g/t) Au. 1982-89 estimates used a cut-off grade 0.15oz/t (4.7g/t) Au over 4.0ft (1.22m) and cut intersection to 1.00oz/t (31.1g/t) Au. <u>RPA</u> RPA applied a 6.9g/t Au lower cut-off grade, 68.6g/t Au top cut grade, and 1.5m minimum width
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions*	No assumption on mining methodology have been made in respect of the resource estimations.

Criteria	JORC Code Explanation	Commentary
	made.	
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	No assumptions have been made with respect to the resource estimation however it was stated that any potential processing facility would be located away from the deposit site in a neighbouring watershed to avoid potential complications arising from the politics of locating a processing plant on an island in a lake which also serves as a potable water source for a large city.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	<u>CPM</u> 1980-86 tonnage factor of 11.5 ft^3/ton (2.79g/cm^3) and 1987-89 tonnage factor of 11.0 ft^3/ton (2.91g/cm^3). Details of the these tonnage factor determinations had not been revealed from the historic data at this time. RPA used the 11.0 ft^3/ton (2.91g/cm^3) tonnage factor applied by CPM.
	The bulk density for a bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	The rocks are general and competent. Vugs pr large fracture zones are generally annealed with quartz or carbonate and porosity as a result generally low resulting in a low sensitivity to this issue.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	Details for the historic resource estimations in this respect were unavailable at this time.

APPENDIX B

Criteria	JORC Code Explanation	Commentary
Classification	*The basis for the classification of the Mineral Resource into varying confidence categories.*	CPM The Association of Professional Engineers of Ontario guidelines were followed to distinguish the categories of the gold bearing blocks whereby: Proven was used for underground development heading blocks, Probable was used for contiguous drill indicated blocks, Possible was used for non-contiguous drill indicated blocks, Inferred was used for non-drill indicated blocks based the weighted averages for each bounding block, and Waste was sued for areas with drill holes having low values. The “Proven” and “Probable” resource categories above relate most favorably with the JORC “Measured” and “Indicated” resources categories. And “Possible” and “Inferred” resource categories used above relate most favorably with the JORC “Inferred” resource category RPA This resource estimation was completed under the guidelines of NI 43-101 whereby: Inferred Mineral Resource is that part for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. Indicated Mineral Resource is that part for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The input data appears comprehensive in its coverage of the mineralisation and does not appear to favour or misrepresent in-situ mineralisation. The determination of the mineralised zones is based on substantial geological information and a high level of understanding supported by infill drilling

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		and underground development.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The CPM and RPA mineral resources estimations are widely differing in the methods applied and final result. The Competent Person's view is that the resource estimations produced by CPM are more relevant to this deposit. Nonetheless, a revised resource estimation under the JORC code utilizing the available information and considering the methodologies applied by both companies should be forthcoming in the near future.
Audits or reviews	*The result of any audits or reviews of Mineral resource estimates.*	Details of historic audits or reviews of these resource estimations have not been located.
	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimates.	The evolution of the resource estimations carried out by CPM provide confidence in their relative accuracy in a qualitative perspective.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	The statement relates to global estimates of tonnages and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No production data of sufficient detail and reliability is available.