

5 September 2014

## Skardon Kaolin Drilling Update

The Directors of Minerals Corporation Limited (**MSC** or the **Company**) provide the following update on its recent drilling program at the Skardon Kaolin Project in Cape York Peninsula, Queensland (the **Project**). The Project comprises a granted exploration permit (EPM4068, 20% MSC), an exploration permit application (EPM18,242, 5% MSC) as well as two mineral development licence applications (MDL423 & MDL425, 5% MSC).

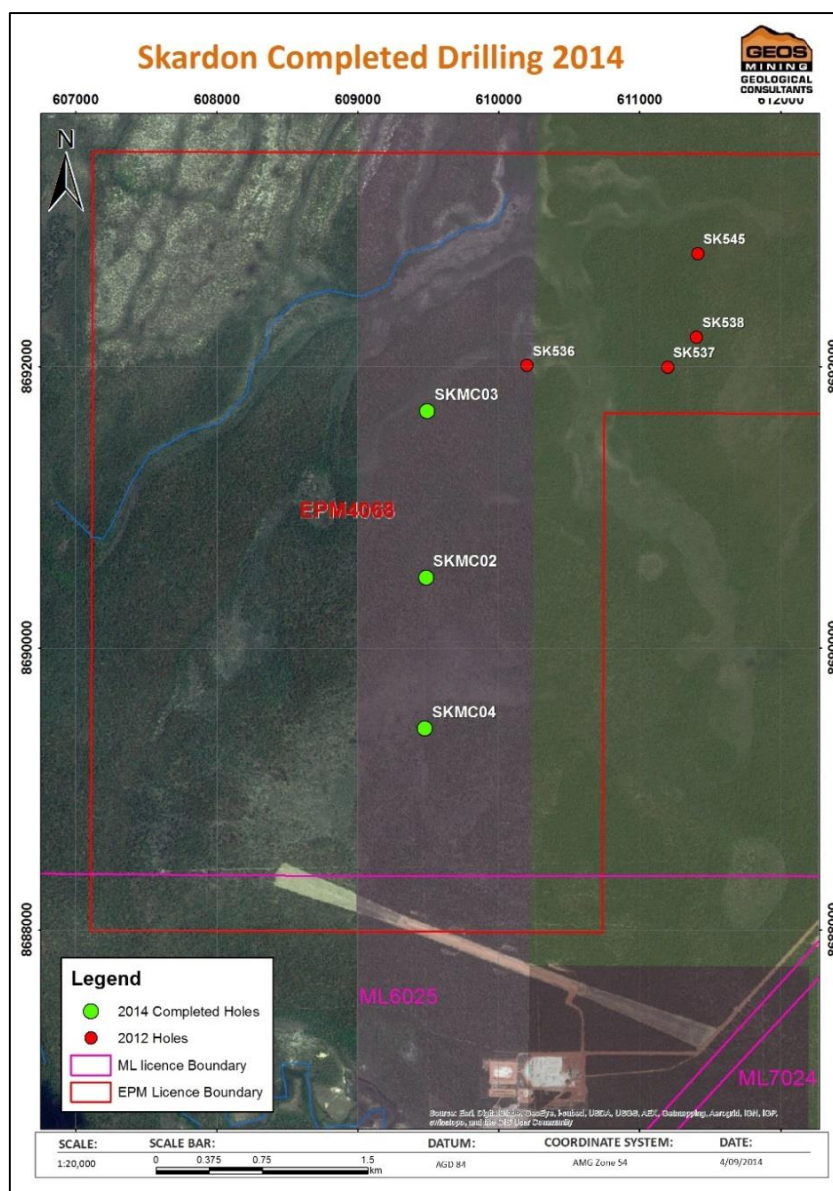


Figure 1 – Skardon Project Drilling Program

The Company engaged Geos Mining to oversee a drilling program at the Project to follow up on the priority target areas determined by the 2012 drilling. The limited drilling was undertaken using a sonic rig which produces better, less contaminated samples than the air core rigs traditionally used for exploration in this environment. Due to timing constraints with access to the rig, the Company drilled a total of three holes at EPM4068 (see Figure 1) at the highest priority targets within the Project. Based on visual interpretation, hole SKMC03 intercepted potentially good quality kaolin; the Company will undertake assaying of the samples to further determine the quality of the kaolin.

Together with the activities being undertaken on the Project, the Company is also reviewing a number of investment opportunities. Should MSC identify a suitable transaction with the potential to create value for the Company and its shareholders then it will present the opportunity for the approval of the Company's shareholders as and when appropriate.

#### **Contact:**

Dan Smith  
**Executive Director**  
+61 8 9486 4036

Nicholas Ong  
**Director & Company Secretary**  
+61 8 9486 4036

#### **Competent Person Statement**

*Information in this report relating to exploration results is based on information compiled by Sue Border, who is a Fellow of the AusIMM and of AIG and is a consultant employed by Geos Mining. She has sufficient relevant experience to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC code). Sue Border consents to the inclusion in this report of this information in the form and context in which it appears.*