



# PRECIOUS METAL RESOURCES LIMITED

**Precious Metal Resources Limited**  
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## Latest News

[www.pmrl.com.au](http://www.pmrl.com.au)

## Directors / Officers

Rado Jacob Rebek  
Chief Executive Officer

Mde Zhang Li  
Non-Executive Director

Ram Navaratnam  
Non-Executive Director

Frank Licciardello  
Non-Executive Director

**ASX Symbol: PMR**

## JORC STATEMENT

The information in this report that relates to mineral exploration is based on information compiled by Rado Jacob Rebek, who is a member of the Australasian Institute of Mining and Metallurgy. Rado Jacob Rebek is a director of Precious Metal Resources Limited, 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Identified Mineral Resources, and Ore Reserves". Rado Jacob Rebek consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

## QUARTERLY ACTIVITIES REPORT

This quarterly operations report is dated 30 October 2014 and is for the three months ending 30 September 2014.

### Corporate

On 18 August 2014 Frank Licciardello was appointed a non-executive director. At that time John Dawkins AO, John Foley, Michael Leu, Peter Kennewell and Peter Meers resigned as directors following the corporate restructure.

On 14 October 2014 Madam Zhang Li and Mr Ram Navaratnam were appointed directors of PMR. Bruce Dennis resigned as a director effective 30 October 2014.

### Corporate Restructure

On 18 August 2014 Precious Metal Resources Limited (**PMR**) held an extraordinary general meeting of its members where it was resolved to implement resolutions in order to rationalise the corporate structure and facilitate effective management time and focus on the various exploration project areas held by PMR:

1. PMR selectively reduce its capital, whereby 64,000,000 PMR shares, held by Sovereign Gold Company Ltd (**SOC**), were cancelled.
2. SOC acquired the PMR SUGEC Tenements for consideration of 1 million SOC Shares (in satisfaction of Listing Rule 10.7). These tenements have now been transferred.

Following the share cancellation, which took place on 1 September 2014, and a subsequent issue of 1 million shares, PMR now has 24 million shares on issue.

### Acquisition / change in main undertaking

On 14 October 2014 PMR announced that it had entered into a binding term sheet for the purpose of acquiring 100% of the capital of CK Graphic Sdn Berhad, subject to shareholder and regulatory approval, by the issue of 37.5 million shares and options. In consideration for entering into the binding term sheet, PMR issued 1 million new shares at 20 cents each to Mde Zhang Li raising \$200,000 for working capital.

CK Graphic was established in Malaysia in 2003 and has grown as a visual communication company dedicated to creating dynamic laser design solutions using the latest media and visualisation technology. CK Graphic creates highly sought after computer-based architectural rendering, 3D modelling and visualisation, architectural illustration as well as interior designing and walk-through animation with a photorealistic output.

The proposed consideration for CK Graphic is the issue of 37.5 million shares and options at 20 cents each. In addition, PMR is also to raise a further \$3 million in 15 million new shares at 20 cents each.

### Exploration for Gold in Broken Hill District

Since 1950's, dozens of teams led by very experienced geologists have explored the Broken Hill district using wide range of techniques to find another Broken Hill lead-zinc-silver deposit. Due to focus on lead-zinc-silver deposits of Broken Hill type, potential for gold has

been neglected. PMR's exploration programme in Broken Hill District is focussed on historic gold workings in Panama Hat goldfield where historic gold mining was by shafts exploiting narrow high grade ore zones consisting of ferruginous / limonitic schist from weathered oxidised zone (at greater depth lodes consisting of sulphide rich schist with gold and copper are expected to be intersected in drill holes).

Although these historic gold workings are located only 30km from Broken Hill, no drill testing has been undertaken to determine the potential for gold deposits, suitable for exploitation by modern open cut methods. PMR's plan is to undertake drill testing to define a high grade resource that could be exploited by open pit on modest scale, trucking ore to Broken Hill for processing or else a larger lower grade resource to be exploited by open pit on larger scale, processing the ore and extracting the gold on site

Panama Hat Mine (WP 17 – sample PH 004)



A10m deep historic shaft from which ferruginous / limonitic 'retrograde' schist was mined

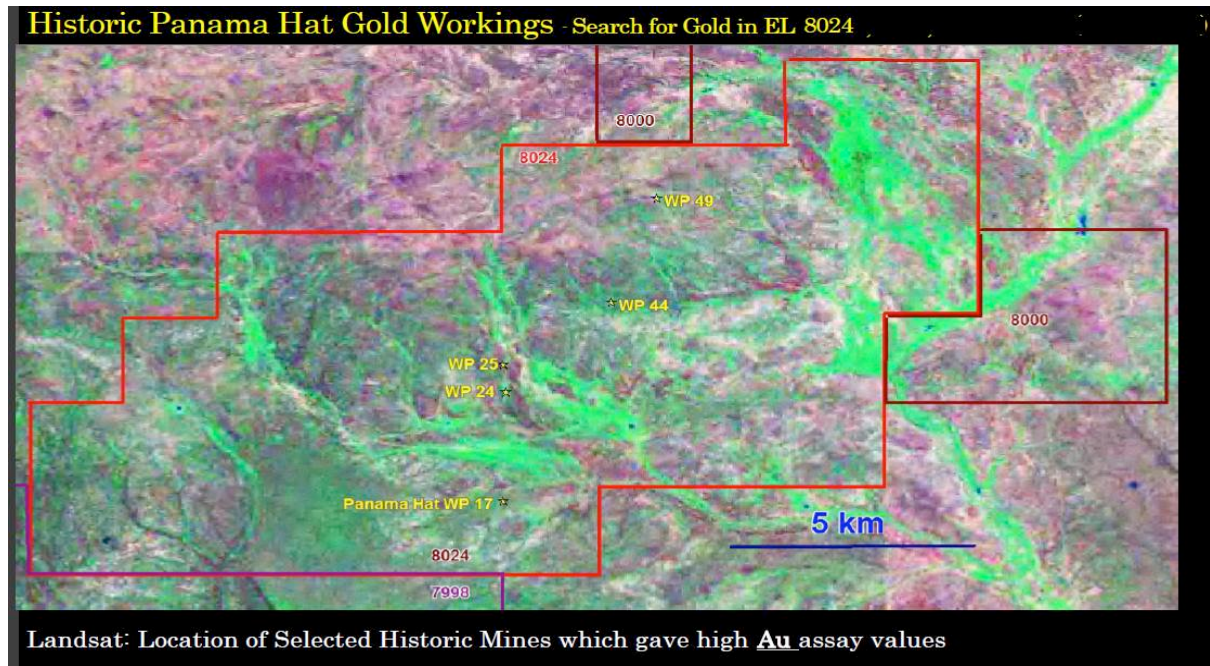
Panama Hat Mine (WP 17 – sample PH 004)



PH 004: 3.7ppm Au

Sample PH 004 is a selective sample of ferruginous / limonitic schist that was mined from this shaft; additional sampling is needed to determine average gold content; note absence of quartz





The Broken Hill Project is not yet considered a material mining project considering the limited exploration conducted to date.

#### Exploration for Gold in Peel Fault Zone

Since 1980, due to major increase in price of gold, intensive exploration for gold deposits suitable for mining by modern open cut methods has been undertaken in all parts of Australia, starting in areas with historic gold workings and expanding into surroundings. After 35 years of intensive exploration activity it is hard to find historic mining districts that have not been tested by drilling as yet.

However, in two historic gold mining districts in Peel Fault Zone, one near Barraba and the other near Bingara, only a few holes have been drilled. Crow Mountain mining district near Barraba (EL 6648) is the main focus of PMR's exploration programme in Peel Fault Zone. A series of parallel ridges extending over about 4 kilometres along strike have been identified as the main targets. In these ridges altered (pervasively silicified) limonitic volcanic rocks with quartz veins are exposed. Historic mining attempts (trenches, pits and some deeper shafts) had limited success and the hardness of the host rock for gold mineralisation was the main problem. However, with modern exploration methods like RC drilling and modern gold mining methods such hard (silicified, quartz veined) can be easily tested and exploited.



A historic mine at Crow Mountain and the silicified limonite rich mineralised rocks with quartz veins from the mine

## Tenement information required under LR 5.3.3

Tenement No.	Location
<b>New South Wales</b>	
EL 8023	Broken Hill
EL 8024	Broken Hill
EL 8147	Timbarra
EL 6648	Peel Fault
EL 7863	Peel Fault
EL 7862	Peel Fault
EL 7725	Peel Fault
EL 7726	Peel Fault
EL 8161	Peel Fault
EL 8211	Peel Fault
EL 8277	Peel Fault
EL 8227	Peel Fault
<b>Disposed of in Quarter</b>	
EL 4474*	Halls Peak
EL 5339*	Halls Peak
EL 7679*	Halls Peak

**Notes:**

\* Subject to Farm-in. These tenements were transferred to SOC pursuant to the corporate restructure.

There has been no change in beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter.

