

5 February 2015

Zenith Releases Devlin Creek Resource Upgrade

The Company notes the attached release by Zenith Minerals Limited in relation to a Resource Upgrade at the Develin Creek Project (Rookwood) in which the Fitzroy retains a 49% interest.

For further information contact:

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About Fitzroy Resources

Capital Structure

Share Code	ASX: FRY
Shares on Issue	160.7 Million
Options	6 Million
Performance Shares on issue	20 Million

Directors and Management

Tom Henderson, **Chairman**
Will Dix, **Director**
Ric Vittino, **Director**
Russell Lynton-Brown, **Director**

Ben Lane **Consultant**
Simon Robertson, **Company Secretary**

Projects

Emmaus:
Hard Coking Coal Property
West Virginia, USA
100km S of Charleston, WV
Blackstone:
Hard Coking Coal Property
West Virginia, USA
100km S of Charleston, WV

Rookwood (49%):
VHMS copper/gold prospect
70km NW of Rockhampton, Qld
Glentanna:
VHMS copper/gold prospect
140km SW of Brisbane, Qld



5th February 2015

Significant Resource Upgrade - Develin Creek Copper-Zinc-Gold-Silver Deposits

- ✦ New Inferred Mineral Resource (JORC 2012) of: **2.57Mt @ 1.76% copper, 2.01% zinc, 0.24 g/t gold and 9.6 g/t silver (2.62% CuEq*)**;
- ✦ **50% increase in tonnes** over previous mineral resource estimate (at slightly higher average copper grade), as a result of including recently drilled extensions to Sulphide City and Window deposits;
- ✦ **Mineralisation remains open at all 3 massive sulphide deposits** (Sulphide City, Window and Scorpion) to the north;
- ✦ **Potential further upside to resource grades** with recent Zenith RC hole twinning previous 1993 percussion hole returning significantly higher copper, zinc, gold and silver grades (300% to 700% higher);
- ✦ Downhole EM geophysical surveying of recent drill holes planned to further refine future drill targets;
- ✦ Initial metallurgical testwork commenced;
- ✦ Systematic evaluation of multiple high-priority regional targets commenced, 5,000 soil samples collected in an initial systematic geochemical program currently being analysed.

The Company is delighted to report an updated mineral resource estimate for the Develin Creek Copper-Zinc-Gold-Silver Deposits located in Queensland (51% owned, right to acquire 100% from Fitzroy Resources, ASX:FRY).

The Develin Creek base metals project is located 80km north-west of Rockhampton in Central Queensland and hosts several copper-zinc-gold volcanic hosted massive sulphide (VHMS) deposits and covers an extensive belt of underexplored prospective volcanic stratigraphy. Mineralisation comprises massive sulphide, stringer and breccia style copper-zinc-gold deposits, hosted by basalts.

The mineral resource update follows a successful resource extension drilling campaign (ZNC ASX Release 26th Nov 2014) that confirmed the high-grade core of the **Sulphide City** deposit extends a further 140m south of the previous JORC resource whilst the thick sub-horizontal copper zone at **Window** was extended to the north of existing drilling. New results from holes in that drill campaign at Sulphide City included: 5m @ 2.45% copper, 2.14% zinc, 0.4 g/t gold and 30.7 g/t silver and 3m @ 2.63% copper, 0.88% zinc, 0.5 g/t gold and 36.7 g/t silver supporting results from a diamond drill hole completed in 2011 that returned an intersection of 13.2 metres @ 3.3% copper, 4.0% zinc and 0.4g/t gold (Figure 1).

All three massive sulphide deposits (Sulphide City, Window and Scorpion) remain open to the north and further resource extension drilling is planned.

Corporate Details

Issued Shares	126.1 m
Unlisted options	1.1 m
Mkt. Cap. (\$0.05) A\$	6.3m
Cash Dec 14	A\$0.96M
Debt	Nil

Directors

Michael Clifford:
Managing Director

Mike Joyce:
Non Exec Chairman

Stan Macdonald:
Non Exec Director

Julian Goldsworthy:
Non Exec Director

Major Shareholders

HSBC Custod. Nom	8.3%
Nada Granich	6.3%
GDR PL	4.9%
Miquilini	4.7%
Citicorp Nominees	4.0%
Breamlea PL	3.6%

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In addition a Zenith RC hole completed in the recent drill program twinned a 1993 percussion drill hole as the older hole appeared to have anomalously low results compared to the more recent diamond drill holes and other older 1993 diamond drill hole results further to the north. Zenith's new hole returned significantly higher copper, zinc, gold and silver grades (3x copper, 5x zinc, 5x gold and 7x silver) for the equivalent drilled interval. Results from the newer twin hole replaced the older drill hole results allowing a zone of continuous high-grade copper to be defined through the core of the new southern extension of the Sulphide City deposit (refer to Figure 1 below).

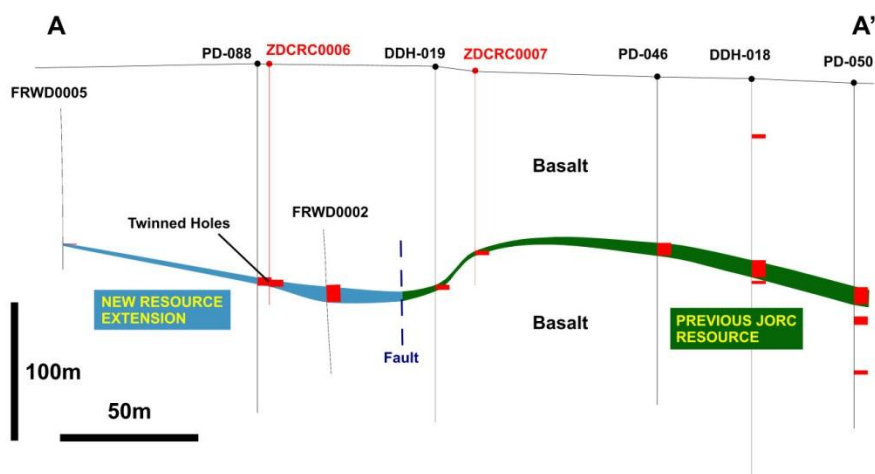
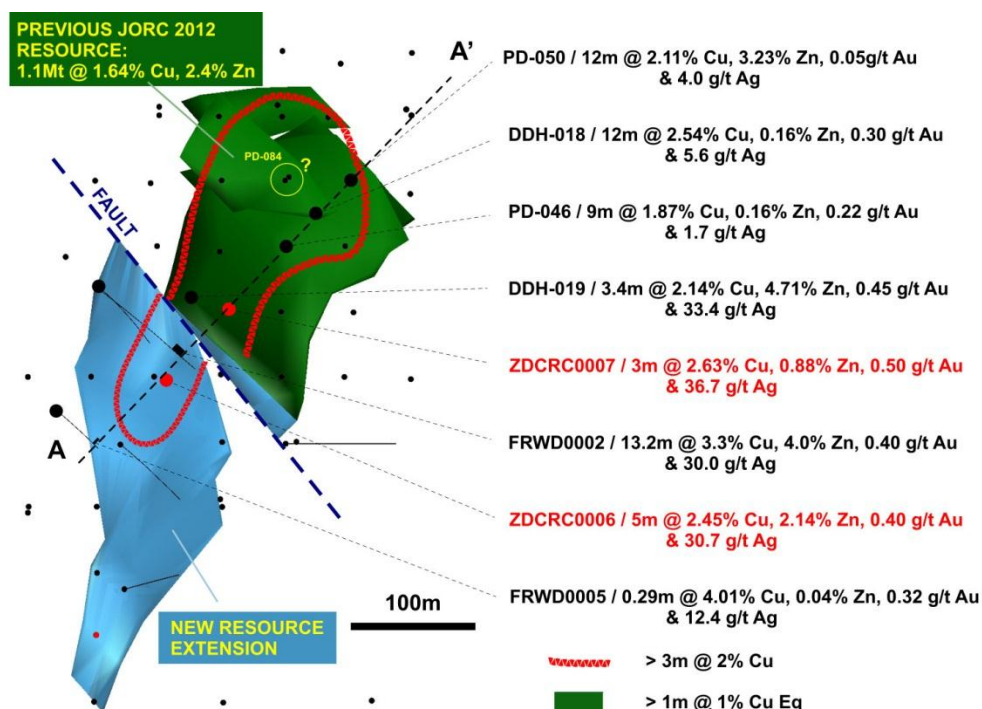


Figure 1: Plan View and Long Section of the Sulphide City Deposit

Of note, drill hole PD-084 drilled by percussion methods in 1993 at the northern end of the Sulphide City deposit (Figure 1) also has anomalously low results compared with surrounding drill holes and Zenith will



consider twinning that hole in follow-up drill programs. Additional resource grade upside is likely if the trend observed by Zenith in the first twin hole is more widespread throughout the deposit.

Resource Extension Targets

Massive bedded copper-zinc sulphide mineralisation remains open at depth beyond the main **Scorpion deposit** to the north and north-east, whilst bedded massive sulphide remain open ended to the north west of the **Sulphide City deposit** (Figure 2). Incremental resource extensions are likely to the immediate north of the **Window resource**.

Develin Creek Resources

The new updated Inferred Mineral Resource estimate (JORC 2012) for the Develin Creek deposits is: 2.57Mt @ 1.76% copper, 2.01% zinc, 0.24 g/t gold and 9.6 g/t silver (2.62% CuEq*) (refer to Table 1 below and Figure 2 for details). *CuEq refer to attached JORC Code Reporting Criteria Section 2.

Table 1: Develin Creek Inferred Mineral Resource (JORC 2012) - February 2015

Deposit	Tonnes	Cu% Grade	Zn% Grade	Ag g/t Grade	Au g/t Grade
SULPHIDE CITY	1,796,700	1.75	2.37	9.7	0.23
SCORPION	548,900	1.98	1.66	13.0	0.36
WINDOW	225,600	1.30	-	0.8	0.02
TOTAL	2,571,200	1.76	2.01	9.6	0.24

The resource is classified under the JORC Code 2012 as Inferred, based on several criteria including drill spacing, continuity of mineralisation, wireframe geometry and confidence in assays from various drilling campaigns. Details of the estimate are included in the attached JORC Code Reporting Criteria Sections 1 - 3.

Resources for the Develin Creek deposits were first released by Icon Resources to the ASX in 2007 for the three main mineralized bodies (Sulphide City, Scorpion and Window). Zenith completed a review and updated the resource to be compliant with the JORC 2012 guidelines in July 2014, comprising 1.76Mt grading 1.7% copper (Cu), 2% zinc (Zn) and 0.2g/t gold.

Subsequent to the resource estimate reported in 2007, drilling by Fitzroy extended mineralisation at the Sulphide City deposit by 200m to the south. Drilling intersections previously reported by Fitzroy (ASX Releases 28th July 2011, 28th Oct 2011 and 30th Jan 2012) that extended high-grade copper-zinc mineralisation to the north and south that are now included in the 2012 resource estimate above include:

- **FRWD0002 - 13.2m @ 3.3% Cu, 4.0% Zn & 0.4g/t gold (40m south of resource)**
- **FRWD0004 - 1.1m @ 3.5% Cu, 1.7% Zn & 0.6g/t gold (140m south of resource)**
- **FRWD0001 - 0.7m @ 4.7% Cu, 1.9% Zn & 0.8g/t gold (50m north of resource)**
- **FRWC007 - 2.0m @ 0.2% Cu, 2.4% Zn & 2.2g/t silver (200m south of resource)**

Further resource extension drilling by Zenith in late 2014 (ASX Release 26th Nov 2014) confirmed the high-grade resource extensions to the Sulphide City Deposit. Massive sulphide results included:

- **5m @ 2.45% copper, 2.14% zinc, 0.4 g/t gold and 30.7 g/t silver**
- **3m @ 2.63% copper, 0.88% zinc, 0.5 g/t gold and 36.7 g/t silver**

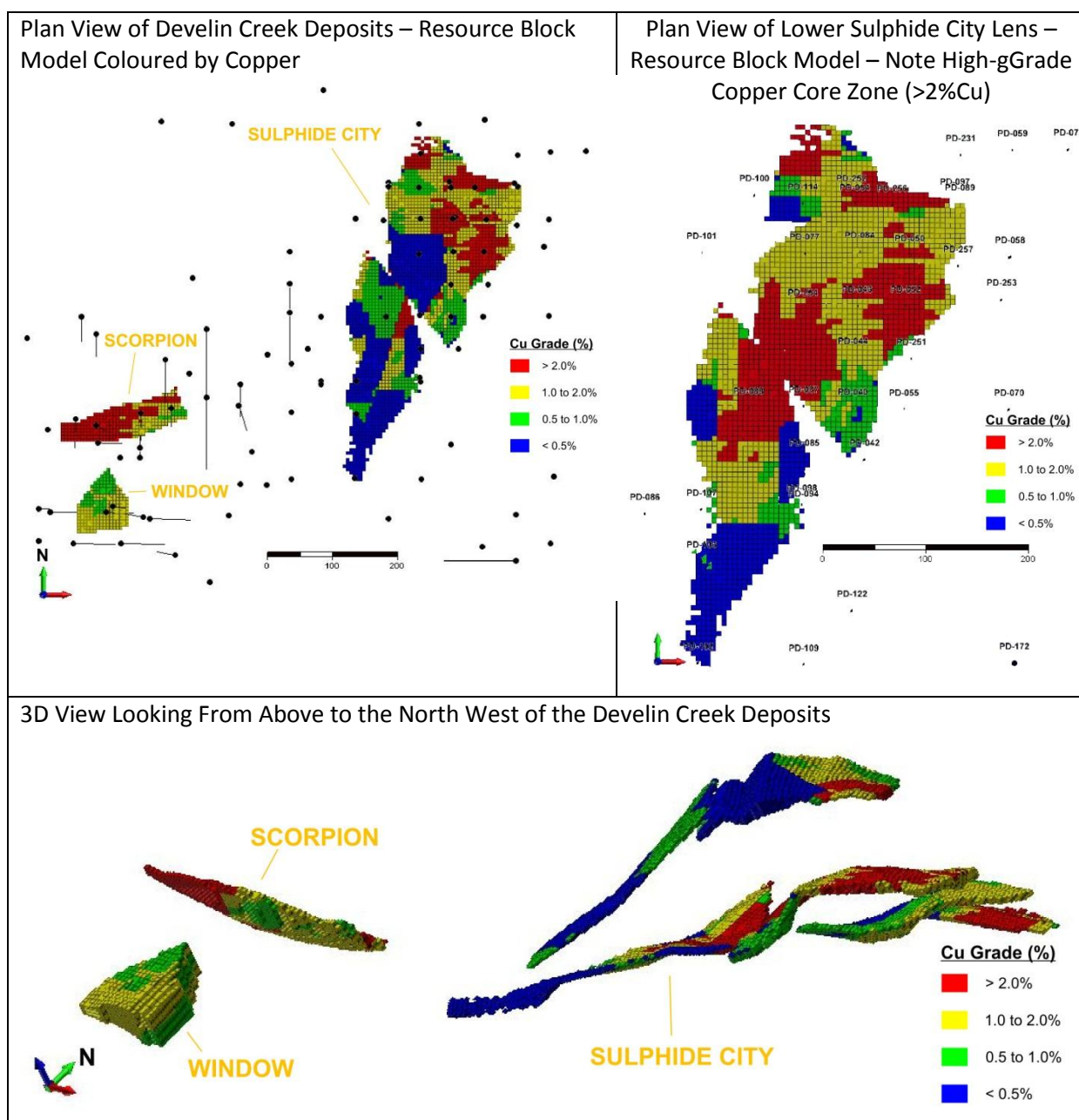


Figure 2: Develin Creek Resource Block Model Plan and 3D View

Drilling at the Window Deposit returned further thick sub-horizontal near surface high-grade copper mineralisation to the north of the existing deposit. Results included:

- **37m @ 0.98% copper, including 13m @ 1.21% copper from 45m depth.**

Both the Fitzroy drill results and the recent Zenith drilling results have now been incorporated into the updated mineral resource estimate which is the subject of this release (Figure 2).



Forward Program

Metallurgy

Initial sighter metallurgical testwork commenced on the recent Develin Creek drill samples. Composite samples prepared from both the Window and Sulphide City drill samples have been submitted for flotation recovery testwork.

Regional Targets

Significant potential exists to extend the currently defined copper-zinc-gold-silver deposits of Sulphide City, Scorpion and Window and to discover new mineralisation lenses in higher or lower stratigraphic positions.

Elsewhere within the project area, Zenith believes that there is good potential to discover previously undetected VHMS mineralisation, in the extensive landholdings totalling 300km². Zenith controls over 50km of strike length of prospective volcanic host rock sequence.

Evaluation of the many high-priority regional targets commenced with an initial 5,000 soil samples collected in late 2014 as part of a systematic geochemical surveying program. Historically there has been little to no systematic geochemical soil sampling over much of the prospective target horizons, and thus the Zenith program will be the first to provide effective regional geochemical coverage. Analysis of the 5000 soil samples has commenced with results expected in late February 2015.

A detailed review of historic geophysical programs was completed during the last quarter. Previous electrical geophysical surveys were mostly completed 20 years ago. The review involved re-processing the historic geophysical data using modern computer techniques. The review confirmed that induced polarisation (IP) geophysical surveying can detect the pyrite rich stringer zone underlying the massive copper-zinc sulphides at Develin Creek, however the work also showed that previous airborne and ground based electromagnetic (EM) surveys were not optimally designed to directly detect the massive copper-zinc sulphides, providing only weak ambiguous responses.

On receipt and integration of the regional soil geochemical data, Zenith will commence planning of follow-up geophysical surveying including down hole EM surveying of the recent drill holes that were cased as well as a new surface orientation survey across the Sulphide City deposit using modern high-powered EM equipment and optimal transmitter loop orientations. Should these orientation surveys prove successful, the program would then be expanded to the high-priority regional targets including those generated as a result of the new systematic geochemical sampling program.

Background on Develin Creek Project

Located 80km north-west of Rockhampton in Central Queensland, the Develin Creek base metals project hosts several copper-zinc-gold-silver volcanic hosted massive sulphide (VHMS) deposits and covers an extensive belt of underexplored prospective volcanic rocks. Mineralisation comprises massive sulphide, stringer and breccia style copper-zinc-gold-silver deposits, hosted by basalts.

The Develin Creek deposits are of a style similar to those currently being mined by Sandfire Resources NL at DeGrussa and Independence Group NL at Jaguar-Bentley, which are both located in Western Australia. These types of deposits typically occur in clusters making them attractive exploration targets.

The **Sulphide City** mineralisation consists of stockwork, disseminated and massive sulphide mineralisation. The main Sulphide City lens, outlined with a 1% copper equivalent cut-off, has a horizontal projection of about 400m x 150m. The lens varies from 2.5m to 29m in thickness, generally dips 25-30° west-northwest and has been intersected at depths between 80m and 200m. Better historic drill intersections (previously reported by Fitzroy Resources Limited to the ASX, 14th Oct 2010, 11th May 2011 and 28th Oct 2011) include:

- **DDH-016** **14.5m @ 0.6% Cu and 4.3% Zn (includes 2.5m @ 12.0% Zn)**
- **DDH-044** **11.3m @ 2.1% Cu, 5.9% Zn, 16g/t Ag & 1.21g/t Au**
- **PD-052** **15.0m @ 3.1% Cu, 2.3% Zn and**



The **Scorpion deposit**, 500m south-west of the Sulphide City deposit occurs in a 400m x 200m zone in altered volcanic rocks. The sulphide body, 2.5m – 9.5m thick consists of brecciated massive sulphides and grades up to 6% Cu, 9% Zn, 43g/t Ag and 1g/t Au. Better historic drill results (previously reported by Fitzroy Resources Limited to the ASX, 14th Oct 2010 and 11th May 2011) include:

- **DDH-001** **21.6m @ 2.5% Cu, 1.5% Zn, 13g/t Ag & 0.5g/t Au,**
 (includes 16.2m @ 3.2% Cu, 1.6% Zn)
- **DDH-002** **31.6m @ 1.5% Cu, 1.5% Zn, 15g/t Ag & 0.3g/t Au**
 (includes 16.7m @ 2.1% Cu, 2.0% Zn)
- **PD-007 44.0m @ 1.6% Cu, 1.0% Zn, 8g/t Ag & 0.3g/t Au,**
 (includes 25.0m @ 2.6% Cu, 1.2% Zn, 10g/t Ag)

The highly weathered **Window** mineralisation consists of steeply dipping chalcopyrite rich massive sulphides and sulphidic breccias with a 2m thick supergene blanket of covellite-chalcocite at 50m depth within a wider zone of stringer style mineralisation. The location and style of mineralisation indicates that the Window Deposit may be the partially eroded footwall stringer zone to the nearby Scorpion massive sulphide lenses. Better historic drilling results from Window (previously reported by Fitzroy Resources Limited to the ASX, 14th Oct 2010) include:

- **PD-012** **84.0m @ 0.8% Cu (includes 48.0m @ 1.2%)**

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Clifford, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith Minerals Limited. Mr Clifford 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 Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this Report that relates to in-situ Mineral Resources at the Develin Creek project is based on information compiled by Ms Fleur Muller an employee of Geostat Services Pty Ltd. She is a Member of the AusIMM and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity she is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition)'. Ms Muller consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

5th February 2015

For further information contact:

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About Zenith

Zenith is advancing its project portfolio of high-quality, gold, base metal and manganese projects whilst building a superior project base of high-quality advanced exploration assets:

Kavaklitepe Gold Project, Turkey (ZNC earning 70%)

- Recent (2013) grass roots gold discovery in Tethyan Belt – (“elephant” terrain)
- Large, virtually drill-ready, high order gold soil / IP anomaly >1km strike
- Rock chip traverses to 54m @ 3.33g/t gold, including 21.5m @ 7.2 g/t gold
 - Trenching and drilling (permitting in progress)

Develin Creek Copper-Zinc-Silver-Gold, QLD (ZNC initial 51%, option for 100%)

- 3 known VHMS massive sulphide deposits with JORC resources, 50km of strike of host volcanics
- 2011 drilling outside resource; 13.2 metres @ 3.3% copper, 4.0% zinc, 30g/t silver and 0.4g/t gold
 - Drilling to extend known deposits, geophysics, geochemistry to detect new targets

Mt Minnie Gold Project, WA (ZNC 100%)

- 75km strike of major regional fault. Alteration, geochemistry, rock samples 64.2 and 21.5 g/t Au
 - Field assessment to follow-up and extend known prospects

Earaheedy Manganese (and Pb,Zn) Project, WA (ZNC 100%)

- New manganese province discovered by ZNC, potential DSO drill intersections (+40%Mn)
- Target area doubled with new acquisitions (RIO tenements, Blue Cliffs).
 - Mapping, sampling and drilling of new targets

Mt Alexander Iron Ore, WA (ZNC 100%)

- JORC magnetite Resource 535 Mt @ 30.0% Fe close to West Pilbara coast, 50% of target untested.
 - Seeking development partner/ buyer for project

Other

- Divesting Indonesian coal project – Conditional offer received, US\$500K +royalty US\$1/t
- Evaluating new project opportunities (acquire at bottom of the cycle)



Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	55 diamond holes, 256 PD holes (+ 7 water bores) and 11 RC holes were drilled for a total of 61,428m (16,563.40m diamond; 42,577m PD; 1758m RC; 529m WB) over a period of 3 ½ years (Dec 1992 to July 1996), two periods in 2011, and a campaign in November 2014. Diamond drillholes were generally sampled at 1 to 2m intervals and half core splits (some ¼ core when field duplicates were used) sent to the laboratory. Percussion drill holes (including pre-collars) were generally sampled by compositing samples from the rig into 3m samples (mineralised intervals sampled over 1 to 2m). RC chips were sampled at 1m intervals within the mineralised zones and 3m intervals in non-mineralised zones. Portable XRF readings (Niton) were recorded for two diamond holes of the 2011 campaign (FRWD0001 and 0002). These results were used as a comparison and not used for the resource estimate.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Diamond and percussion sample representativity was ensured by a combination of company procedures regarding quality controls (QC) and quality assurance (QA). Standard procedures and templates used for logging, sampling, sample submission and data entry. Mineralised intervals (generally massive sulphides) were geologically distinct from volcanic host rocks and sampled accordingly (generally 1-2 m in diamond core, 1-2m in percussion holes and 1m in RC holes). Higher grade samples re-assayed and sample pulps retained. Limited field duplicates submitted (either ¼ core or percussion duplicates). Zenith (2014 campaign) included frequent field duplicates and certified reference materials. Blanks and standards included by laboratory but not submitted with sample dispatches. Assays of key intervals checked by subsequent re-sampling / multi-element analysis.
	<i>Aspects of the determination of 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.</i>	Industry standard practices for sampling techniques for the style of mineralisation were employed at the Develin Creek deposit. Diamond core within mineralisation zones (some HQ, generally NQ in pre-2011 core, NQ2 in 2011) was sampled at 1-2 m intervals, and half core splits (some ¼ core when field duplicates were used) sent to the laboratory. PD samples were obtained by compositing 1m samples from the rig into 3m samples unless sulphide mineralisation was noted then shorter 1 or 2m intervals were sampled. Samples from each percussion interval were collected in a cyclone and split using a 3 level riffle splitter. Wet samples were grab sampled for assay and the residual sample left to dry for later resampling if necessary. RC samples (1m) were split with an on rig riffle splitter and sampled with a sample spear as 3m composites in the hangingwall and footwall. RC samples were not composited in mineralized zones. Diamond and percussion samples were assayed for base metals using AAS and gold using fire assay. All grade intervals (> 1% base metals) were re-assayed by higher precision techniques and selected intercepts subsequently submitted for multi-element analysis by ICP. RC samples were assayed for base metals using either ICP-OES (2011) or ICP-AES (2014) after 4 acid digest and for gold using fire assay. All grade intervals (> 1% base metals) were re-assayed with a stronger digestion level.



Drilling techniques	<p><i>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.).</i></p>	<p>Diamond drilling comprises HQ or more generally NQ/NQ2 sized core. This drilling generally involved open hole percussion pre-collar through tertiary cover; then HQ or NQ to end of hole. Drill hole depths range from 90.7m to 507.5m. Core was generally un-oriented (vertical holes) although spear orientations were recorded in some angled holes.</p> <p>Open hole PD drilling comprised a nominal 5 ½ inch diameter hammer with all holes cased with PVC to solid basement. Hole depths range from 21m to 310m. About 25% of the PD holes were abandoned prior to achieving their intended depth due to unfavourable drilling conditions and extreme difficulty in penetrating the tertiary cover.</p> <p>RC drilling comprised a nominal 4 ½ or 5 ¼ inch diameter face sampling hammer. Hole depths range from 82m to 232m.</p>
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p>	<p>Diamond core recovery was logged with minimal core loss recorded in mineralised intervals. PD and RC recovery was visually assessed and considered to be acceptable within the mineralized zones.</p>
	<p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p>	<p>Diamond core was reconstructed into continuous runs, depths being checked against the depth marked on the core blocks. PD and RC samples were visually checked for recovery, moisture and contamination. A cyclone and splitter were used to provide a uniform sample and these were routinely cleaned.</p>
	<p><i>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.</i></p>	<p>Sample recovery was generally very high within the mineralisation zones. No bias is expected to have occurred during sampling</p>
Logging	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p>	<p>Diamond core, PD and RC drill chips were logged in detail through the entire hole, with records kept of lithology, degree of oxidation, etc. Diamond core was geotechnically logged for recovery. Diamond core was stored on site with key holes systematically re-logged and re-sampled (before 2011). A small representative sample of RC chips was collected for each interval sampled, and these have been retained for future reference.</p>
	<p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p>	<p>Diamond core, PD and RC chip logging included records of lithology, mineralisation, and alteration. Core was photographed and, pre-2011 magnetic susceptibility logged with selected samples submitted for petrography.</p>
	<p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>All drill holes were logged in full apart from some percussion pre-collars through the cover sequence.</p>
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p>	<p>Diamond core was sawn in half, with half core (some ¼ core when field duplicates were used) samples submitted for assay analysis.</p>
	<p><i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></p>	<p>PD samples were collected on the rig using standard cyclone and riffle splitters. Samples were recorded as dry or wet. RC samples were riffle split and sampled. Zenith's samples were recorded as dry or wet.</p>
	<p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p>	<p>For core the 1 – 2 m sawn samples are considered appropriate and sample recovery and contamination were monitored for the percussion and RC holes. Zenith's samples were dispatched to ALS Laboratories in Brisbane where RC samples were crushed and then riffle split before being pulverised to 70% passing -75 microns. A subsample of pulverised material was then submitted for analysis.</p>
	<p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p>	<p>Standardised procedures were used for sample collection, recording and submission. Zenith's field QAQC procedures included the insertion of certified reference materials covering copper, zinc, silver and gold grades. Duplicates samples were collected of selected mineralised intervals and submitted for routine analysis.</p>



Sub-sampling techniques and sample preparation - continued	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Limited field duplicates of PD, RC and ¼ core were submitted during initial sampling. Both pulps and coarse rejects (and remaining core) were retained and subsequently resampled. Zenith's RC field duplicates returned satisfactory values. One of Zenith's RC holes was twinned to an historical percussion hole.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered to be appropriate to accurately represent the base metal mineralisation at Develin Creek based on the thickness and consistency of the intersections, the sampling methodology and the percent value assay ranges for the primary elements.
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 analytical techniques used were AAS (pre-2011), ICP-OES (2011) or ICP-AES (2014) for base metals and fire assay for gold with re-analysis of all elevated (>1%) base metal samples supplemented by multi-element ICP analysis of selected mineralised intervals as considered appropriate (pre-2011). In 2011 and 2014, all grade intervals (> 1% base metals) were re-assayed with the strongest digestion level.
	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 derivation, etc.	No geophysical or hand-held tools were utilised for the drilling programmes (magnetic susceptibility was locally collected) pre-2011. In 2011, handheld XRF readings were recorded over the whole length of two diamond holes. Magnetic susceptibility was recorded every metre during the 2014 campaign.
	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.	Limited duplicates were submitted and standards and blanks were included by the laboratory. Subsequent re-sampling and check analyses (and re-assay of mineralised samples) is acceptable. Zenith's field QA/QC procedures included the insertion of duplicate samples and certified reference materials for copper, zinc, gold and silver covering a range of concentrations to match the mineralisation. QA/QC reviews indicated a good correlation between reference materials and analyses reported by the laboratory.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Significant intersections have been verified by personnel of subsequent companies working on the project including a systematic program of re-sampling pulps and core by Outokumpu during the mid-1990's. Samples were visually inspected to confirm sulphide content and ¼ samples were re-submitted for re-analysis of selected portions of the mineralised intervals. All significant 2014 intersections have been verified by at least 3 company representatives who assessed the RC chip trays and compared these intervals with reported analyses.
	The use of twinned holes.	One historical percussion drill hole was twinned during the 2014 program. The corresponding 2014 RC hole returned higher Cu, Zn, Au, Ag values.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Field data was all recorded on paper hardcopies (geological logging, sampling intervals, sample submission forms, density determinations etc on standardised templates). These data have been transferred to a digital database.
	Discuss any adjustment to assay data.	No adjustments were made, other than for values below the assay detection limit which were entered into the assay database as the negative of the detection limit.



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.	<p>Pre-2011, drill hole collar positions were surveyed by licenced surveyors with some crosschecking using conventional and differential GPS. From 2011, drill hole collars were surveyed by handheld GPS. They were subsequently adjusted to existing topographic surface.</p> <p>Pre-2011, down hole surveys for some diamond holes at the end of hole using an Eastman survey camera showed minimal deviation. No survey was completed for PD holes.</p> <p>In 2011 and 2014, down hole surveys were completed every 50m for both diamond and RC holes using a down hole Reflex camera.</p>
	Specification of the grid system used.	A local grid was established in 1993 by a licenced surveyor and oriented AMG grid north, points on the baseline were subsequently picked up with differential GPS in 1995 to facilitate accurate grid conversions. All references in this report now refer to GDA94 Zone 55.
Location of data points - continued	Quality and adequacy of topographic control.	The topography and drill collar locations and elevations were accurately surveyed by a licenced surveyor over the period 1993-94 and a topography surface generated from these data.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Drill holes were generally spaced 50m along strike, and 50m across-strike.
	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 data spacing and distribution is sufficient to demonstrate spatial and grade continuity of the mineralised horizon to support the definition of Inferred Mineral Resources under the 2012 JORC code.
	Whether sample compositing has been applied.	Percussion samples were composited to 3m intervals and submitted for assay analysis however most mineralised intercepts incorporated in the resource model were sampled over 1-2m intervals. RC samples were collected at 1m intervals within the mineralized zones and 3m intervals in non-mineralised zones.
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.	<p>In Sulphide City, drilling sections are orientated North West to South East with respect to grid north. This orientation is perpendicular to the strike of the sulphide lenses. The majority of the drilling at Sulphide City is vertical, adequately testing the gently dipping sulphide lenses.</p> <p>In Scorpion, drill sections are orientated North to South with respect to grid North. The majority of the drilling is drilled towards the South, with -60° dipping holes adequately testing the steeper lenses.</p> <p>Drilling at Window is at various orientations aimed at achieving unbiased samples of the broad disseminated style of mineralisation intersected.</p>
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The drillhole orientations detailed above were planned to intersect the mineralised lenses as close to a perpendicular angle as possible, and thus it is not believed any sampling bias was introduced regarding the orientation of main structures.
Sample security	The measures taken to ensure sample security.	Drill core was logged and sampled at the Marlborough exploration compound with bagged samples dispatched by road freight to the laboratory in Townsville. PD samples were sub-sampled and



		sealed in polyweave bags at the drill site for dispatch to the laboratory. RC samples were bagged on site, placed in bulka-bags and secured for transport on pallets and then shipped directly using a 3 rd party contractor to the laboratory.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling techniques are consistent with industry standards. Consistency of data was validated upon import into the database (eg overlapping/missing intervals, intervals exceeding maximum depth, missing assays etc). Any data which failed the database constraints was assessed for validation and fixed. Global consistency was also checked subsequently by plotting sections and reconciling assays against geology and drill orientations.



Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The deposit is located within EPM 17604 the 100% Fitzroy Copper Pty Ltd owned exploration licence. Zenith has entered into an agreement with Fitzroy Resources, owner of Fitzroy Copper to purchase initial 51% equity with an option to purchase the remaining 49% within 24 months (Refer to ASX release dated 7 th July 2014). The prospect is located within the Forrest Home Pastoral Lease.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing with no known impediment to future grants of a mining lease
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	<p>Mineralisation was first identified in late 1992 by Queensland Metals Corporation (QMC) over what is now the Scorpion deposit. Between 1993 and mid-1995, QMC undertook an extensive geological and geophysical exploration program focused on the Develin Creek area and other prospects to the South.</p> <p>In July 1995, QMC entered into a joint venture agreement with Outokumpu Mining Australia Pty Ltd (OMA) to continue exploration. OMA completed the first resource estimate for the Develin Creek deposits, then withdrew from the joint venture in 1996 and QMC (which later changed name to Australian Magnesium Corporation) maintained the tenements until relinquishment in 2002.</p> <p>Icon Limited (Icon) acquired the tenement and in 2007 completed a resource estimate for Sulphide City, Scorpion and Window from historical drilling data.</p> <p>Fitzroy Resources acquired the project from Icon and listed via prospectus dated October 2010 and subsequently completed a HeliTEM survey, minor DHEM, some geochemical sampling and drilling of 12 holes. Of those 12 holes, 6 diamond holes were drilled to the south and east of the Develin Creek resource. Drill hole FRWD0002 collared near the southern edge of the resource intersected 13.5m grading 3.3%Cu, 4.0%Zn, 0.5g/t Au and 30g/t Ag in massive sulphide from 182m. The mineralisation was intersected in a position that extends the known limits of the resource by around 40m to the south where it remains open to further upside. In addition Fitzroy completed 3 RC holes at the Lygon Prospect and a further 2 south of the Develin Creek resource area.</p> <p>This resource estimate encompasses the drilling completed by QMC, Fitzroy Resources, and Zenith Minerals in late 2014.</p>
Geology	Deposit type, geological setting and style of mineralisation.	The Develin Creek base metal project hosts several copper-zinc-gold-silver volcanic hosted massive sulphide (VHMS) deposits and covers an extensive belt of underexplored prospective volcanic rocks.



		Mineralisation comprises massive sulphide, stringer and breccia style copper-zinc-gold-silver deposits, hosted by basalts.
Drill hole Information	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i>	For the 2014 campaign exploration results, refer to table in ASX release dated 26 th November 2014.
	<i>o easting and northing of the drill hole collar</i>	
	<i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i>	
	<i>o dip and azimuth of the hole</i>	
	<i>o down hole length and interception depth</i>	
	<i>o hole length.</i>	
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Simple down hole arithmetic weighted average grades reported. Minimum cut-off grade of 1% copper over 1m width, high grade cutting not required unless otherwise stated in the ASX release dated 26 th November 2014.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	Maximum internal dilution of 2m, unless otherwise stated in the ASX release dated 26 th November 2014. Window drill intersections reported at both 1%Cu and 0.5% Cu cut-offs, maximum 1m internal waste as dilution.
Data aggregation methods - continued	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	Cueq* (copper equivalent grade) used for this resource estimate is derived from the formula: $Cueq = Cu\% + (Zn\% \times 0.315) + (Au \text{ g/t} \times 0.6) + (Ag \text{ g/t} \times 0.0084)$ using metal prices in USD of \$6716/tonne Cu, \$2207/t Zn, \$1251/oz Au and \$17.55/oz Ag as at 22/10/2014. This is assuming 100% recovery in the absence of detailed metallurgy studies.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	Drill holes are generally vertical within the main Sulphide City deposit and the Sulphide City lenses are flat to gently dipping, therefore reported intersections are close to true width. At Scorpion – true widths are 80% - 90% of intervals reported.
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Reported above
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	Refer to above
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to diagrams in body of text



Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	For the 2014 campaign exploration results, refer to table in ASX release dated 26 th November 2014
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Surface sampling and mapping were completed over different field campaigns by QMC and subsequent companies. Several geophysical surveys were completed by different companies (aeromagnetics, induced polarisation, electromagnetism). Metallurgy testwork is in progress.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	More drilling is planned to test for extensions of the mineralised bodies.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Refer to diagrams in body of text



Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<i>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.</i>	An Access database and comma delimited files were provided to Geostat Services Pty Ltd (Geostat) by Zenith. The resource drillhole database comprises 253 percussion holes, 55 diamond drillholes, 11 RC holes and 7 water bore holes, for a total of 60,826m. Drillhole depths vary from 21m to 508m, with an average depth of 187m.
	<i>Data validation procedures used.</i>	Data validation steps included, but were not limited to the following: <ul style="list-style-type: none"> • Validation through database constraints eg overlapping/missing intervals, intervals exceeding maximum depth, missing assays. • Validation through 3D visualisation in 3D software to check for any obvious collar, downhole survey, or assay import errors.
Site visits	<i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i>	No site visit was undertaken by the Competent Person.
	<i>If no site visits have been undertaken indicate why this is the case.</i>	A site visit was not undertaken as there is limited geology to observe given cover sequence over the top of the sulphide deposit. There are currently no ongoing resource related field activities and the resource is not exposed at surface except for a small gossan zone at Window. Drill core photos were made available for review.
Geological interpretation	<i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i>	There is a reasonable level of confidence in the geological interpretation of massive sulphide horizons traceable over numerous drill holes and drill sections. Additional work (infill drilling) is required to better define exact geometry of the interpreted mineralised horizons. Further work is also needed to better define the structural geological framework.
	<i>Nature of the data used and of any assumptions made.</i>	Surface mapping of outcrop, drill hole intercept logging and assay results as well as limited structural interpretations have formed the basis for the current geological interpretation. Very little surface expression of the massive sulphide exists.
	<i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i>	The precise extents and geometry cannot be defined due to the limitations of the current drill coverage. Further work is required to better define the geometry and extents of the mineralised sulphide horizons but no significant downside changes to the interpreted mineralised volume are anticipated.
Geological interpretation - continued	<i>The use of geology in guiding and controlling Mineral Resource estimation.</i>	All wireframes have varying orientations and dips, following the upper contact of pepperites (ancient sea-floor horizons). A combination of assays and lithology were used to define these wireframe envelopes, with a cut-off of approximately 1%Cu and 1%Zn to separate mineralisation from waste. Selected small zones of mineralisation at Sulphide City were defined using



		<p>geological criteria only. The only exception to this was the Scorpion deposit, where a 0.5%Cu and 0.5%Zn lower cut-off was used.</p> <p>Base of weathering intercepts were also supplied, and a base of oxidation weathering surface was constructed from these points.</p>
	<i>The factors affecting continuity both of grade and geology.</i>	The mineralised unit is clearly affected by faulting with further work required to define the structural geological framework of the deposit and thus refine the lithological interpretation.
<i>Dimensions</i>	<i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i>	The three mineralisation zones cover a total extent of 610m north-south and 770m east-west, with a maximum vertical extent of 350m.
<i>Estimation and modelling techniques</i>	<i>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 used.</i>	<ul style="list-style-type: none"> • A total of 6 wireframe envelopes (domains) were utilised for interpolation, comprising the three main mineralisation zones present. • Most wireframes comprised a low variance, and also a low coefficient of variation. Top-cuts were applied to elements for selected wireframes where the coefficient of variation was high, and/or there was a large variance present. • Variography analysis was not possible, due to insufficient data levels. As the wireframes exhibit different orientations in both strike and dip, the wireframe composites could not be grouped together for variography analysis, as would be the normal case in the situation of low data levels. • A 3D block model was generated using Surpac software. Parent blocks of 20m x 20m x 4m size (Y*X*Z) were generated, with sub-blocking to 5m x 5m x 1m. Wireframes were used to limit the blocks available for grade interpolation, and block centroid locations were used to define the blocks for interpolation. • Inverse distance squared interpolation was used to estimate all element grades for the Develin Creek deposit. Each wireframe was treated as a separate hard boundary, restricting the grade interpolation to drillhole data located within each lode. • A minimum of 2 samples and a maximum of 20 samples were used to interpolate grades into each block. Two interpolation passes were conducted for all wireframes.



<p><i>Estimation and modelling techniques - continued</i></p>	<p><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p>	<p>The Develin Creek deposit was previously interpreted and modelled by Geostat Services in 2007, with a total resource of 1.76Mt grading 1.7% Cu, 2% Zn and 0.2g/t Au. This resource was estimated using a similar methodology to the current resource, and was released as a JORC 2012 compliant Inferred resource to the ASX in July 2014.</p> <p>Outokumpu also modelled the Develin Creek deposit in 1995, using a manual sectional resource method (non-JORC compliant). Three Cu-Zn mineralised bodies were interpreted, these being Sulphide City, Scorpion and Window. The easternmost bodies, the Sulphide City and the Sulphide Heights are lenses of massive sulphides with 0.6 Mt @ 2.28% Cu and 4.01% Zn, while the Scorpion body 500m southwest is a reworked breccia mineralisation with 0.3 Mt @ 2.52% Cu and 1.79% Zn.</p> <p>The Outokumpu geological interpretations based on detailed drill core logging were used as a guide to creating the resource wireframes of the current estimate.</p> <p>No mining has taken place in this deposit.</p>
	<p><i>The assumptions made regarding recovery of by-products.</i></p>	<p>No assumptions have been made with respect to the recovery of by-products or individual metals.</p>
	<p><i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i></p>	<p>No acid mine drainage or deleterious element studies have yet been commissioned.</p>
	<p><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></p>	<p>Parent blocks of 20m x 20m x 4m size (Y x X x Z) were utilised for interpolation, with sub-blocking to 5m x 5m x 1m. This compares to the average drillhole sample spacing of 50m along-strike and across-strike. Search ellipses for initial interpolation of grades were tailored to individual wireframes, averaging approximately 50m x 35m x 15m.</p>
	<p><i>Any assumptions behind modelling of selective mining units.</i></p>	<p>No selective mining units were assumed in this estimate.</p>
	<p><i>Any assumptions about correlation between variables.</i></p>	<p>No assumptions were made regarding correlation between individual elements.</p>
	<p><i>Description of how the geological interpretation was used to control the resource estimates.</i></p>	<p>A combination of assays and lithology were used to define all wireframe envelopes, with a cut-off of approximately 1%Cu and 1%Zn to separate mineralisation from waste in addition to known lithological boundaries. Selected small zones of mineralisation at Sulphide City were defined using geological criteria only. The Scorpion deposit was the only exception, where a 0.5%Cu and 0.5%Zn lower cut-off was used.</p>



Estimation and modelling techniques - continued	Discussion of basis for using or not using grade cutting or capping.	<p>Most wireframes did not necessitate a top-cut, as their spread of data was considered to comprise low variance, and a low coefficient of variation. Top-cuts were applied to selected wireframes where the coefficient of variation was high, and/or there was a large variance present (see below), in addition to the above criteria.</p> <table><tr><th>Wireframe</th><th>Cu %</th><th>Zn %</th><th>Pb ppm</th><th>Ag ppm</th><th>Au ppm</th></tr><tr><td>100</td><td>4</td><td>5</td><td>200</td><td>30</td><td>0.3</td></tr><tr><td>200</td><td>-</td><td>10</td><td>-</td><td>30</td><td>-</td></tr><tr><td>300</td><td>-</td><td>-</td><td>-</td><td>10</td><td>0.3</td></tr><tr><td>400</td><td>-</td><td>12</td><td>-</td><td>-</td><td>-</td></tr><tr><td>500</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>600</td><td>-</td><td>0.01</td><td>-</td><td>-</td><td>-</td></tr></table>	Wireframe	Cu %	Zn %	Pb ppm	Ag ppm	Au ppm	100	4	5	200	30	0.3	200	-	10	-	30	-	300	-	-	-	10	0.3	400	-	12	-	-	-	500	-	-	-	-	-	600	-	0.01	-	-	-
	Wireframe	Cu %	Zn %	Pb ppm	Ag ppm	Au ppm																																						
100	4	5	200	30	0.3																																							
200	-	10	-	30	-																																							
300	-	-	-	10	0.3																																							
400	-	12	-	-	-																																							
500	-	-	-	-	-																																							
600	-	0.01	-	-	-																																							
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	The Develin Creek block model was validated by several methods, including visual validations on-screen, and global statistical comparisons of input and block grades. The model was validated visually by viewing vertical sections and plans of the block model, with spatial comparison of interpolated block grades against input composite grades to ensure grade trends were represented correctly. A reasonable overall reconciliation exists between average input composite grades and mean block grades, with most model mean grades reporting within ±15% of composite averages.																																										
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 are estimated on a dry basis.																																										
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	The classified Mineral Resource is reported beneath the topography surface using a 1%CuEq cut-off. This cut-off corresponds with the visual mineralisation as determined by the pepperite horizons. This cut-off was also chosen to reflect reasonable prospect for economic extraction at the appropriate grade population.																																										
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 made.	The 4m vertical block size was selected to represent the thickness of a potential underground or open pit selective mining block unit. Exploitation of the Develin Creek deposits would likely be by a combination of open pit (for near surface resources) and underground selective mining methods such as room and pillar for the flat lying sulphide zones. No assumptions have been included in this estimate for external mining dilution.																																										



Metallurgical factors or assumptions	<i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	No metallurgical testwork was completed over the mineralisation at Develin Creek. However, sulphides appear coarse grained and consistent with other massive sulphide deposits of a similar nature that are currently in production. Testwork will be completed at a future date.
Environmental factors or assumptions - continued	<i>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.</i>	This project is only at an early stage of its life and no detailed assumption regarding possible waste and process residue disposal options have been made yet. No unusual flora or fauna was observed on the project however environmental surveys still remain to be done.
Bulk density	<i>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.</i>	A total of 89 density values from diamond drill core were supplied by Zenith. Samples were selected within mineralisation zones in diamond drill core and submitted for SG determinations. The standard methodology of drying core samples, and then calculating the SG by subtracting the weight in water from the weight in air was used.
	<i>The bulk density for 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.</i>	It is not known whether the samples were dried and coated in wax prior to water immersion to account for void spaces and moisture content. It is planned to take more density determinations with future drilling using industry-recognised methodology.
	<i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i>	Wireframes 100 and 600 sit either entirely or partially within the oxide weathering zone, and hence exhibit a lower density than those in fresh material. No SG values were available for the oxide zone within the 100 wireframe, and a nominal SG of 3.00 was allocated to this wireframe. A high SG of 4.07 is present for fresh ore within the Sulphide City zone, which is due to the presence of massive sulphides within mineralised zones.
Classification	<i>The basis for the classification of the Mineral Resources into varying confidence categories.</i>	The Mineral Resource for the Develin Creek deposit has been classified in accordance with the guidelines outlined in the "Australian Code for Reporting of Identified Mineral Resources and Ore Reserves" (JORC, 2012 edition). Assessment criteria include drillhole spacing, sample locations, sampling density, lode geometry, reliability of data, geological confidence and grade continuity. The Develin Creek resource has been classified as wholly Inferred taking into account the above parameters.



	<p><i>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).</i></p>	The Inferred classification has taken into account all available geological and sampling information, and the classification level is considered appropriate for the current stage of this project.
	<p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p>	The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	<p><i>The results of any audits or reviews of Mineral Resource estimates.</i></p>	No audits of the Mineral Resource estimate have been undertaken at this time.
Discussion of relative accuracy/ confidence	<p><i>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 estimate.</i></p>	The relative accuracy of the Mineral Resource estimate is reflected in the classification of the Mineral Resource as Inferred as per the guidelines of the 2012 JORC Code.
	<p><i>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.</i></p>	The Mineral Resource statement reflects the assumed accuracy and confidence as a global estimate.
	<p><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	No production data is available.