

ASX RELEASE | 14 May 2014 | ASX:PIR

PAPILLON COMMENCES EARLY CONSTRUCTION SITE WORKS AT FEKOLA

Highlights:

- ▶ Important milestone achieved with the commencement of clearing of the Plant Site and Mine Services Area locations at Fekola.
- ▶ Additional planned early works include access road upgrade and construction camp site preparation.
- ▶ Exploration drilling continues at Menankoto with new results expected shortly.

Papillon Resources Limited ('Papillon' or 'the Company') is pleased to announce it has commenced early site clearing of the Plant Site and Mine Services Area at its flagship Fekola Project ('Fekola' or 'the Project'), located in south western Mali, adjacent to the border with Senegal.

The Company has identified a number of key areas, primarily in earthworks, to advance Fekola towards production prior to a formal final investment decision being made, following the release of the Definitive Feasibility Study ('DFS'). These works will minimise the potential for delays once formal construction has commenced, in particular, the impact of the wet season.

Papillon's Managing Director and CEO, Mark Connelly, said: *"The commencement of site clearing as part of our early civil works program highlights Papillon's commitment to moving Fekola towards production. We will continue to address other key early forward works in the coming months. In addition, we will continue to aggressively assess the outstanding exploration potential of the region, in particular the early stage Menankoto Discovery, which is located 10 kilometres north of Fekola."*



Figure 1: Plant Site clearing and grubbing at Fekola

MENANKOTO SUD DRILLING

Drilling has recommenced at the recently announced highly prospective Menankoto Discovery (refer ASX announcement dated 24 February 2014), which is located approximately 10 kilometres to the north of the Fekola tenement. The initial results consisted of a number of shallow, high grade, intercepts over significant widths including 13 metres @ 7.14 g/t from 33 metres, 13 metres @ 2.36 g/t from 10 metres and 10 metres @ 2.42 g/t from 17 metres.

The current drilling campaign has been designed to follow up on the extremely encouraging initial scout drilling results with the aim of delineating open pittable resources to complement the existing Fekola Mineral Resource Estimate ('MRE') of 5.15 million ounces. New results from the current program are expected to be released imminently.

Enquiries:

Mark Connelly
Managing Director & CEO
+61 8 9225 5485

Hayden Locke
Corporate Executive
+61 8 9225 5485

Competent Persons Statements

The information in this Report that relates to Exploration Results is based on information compiled by Mr Robert Behets who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Behets 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 Behets consents to the inclusion in this Report of the statements based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The information in this report that relates to Mineral Resources is based on, and fairly represents, information compiled by Mr Nic Johnson of MPR Geological Consultants. Mr Johnson is a Member of the Australian Institute of Geoscientists 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Johnson consents to the inclusion in this Report of the statements based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.