

Mount Borium ‘Arthurs Gully Prospect’ Update

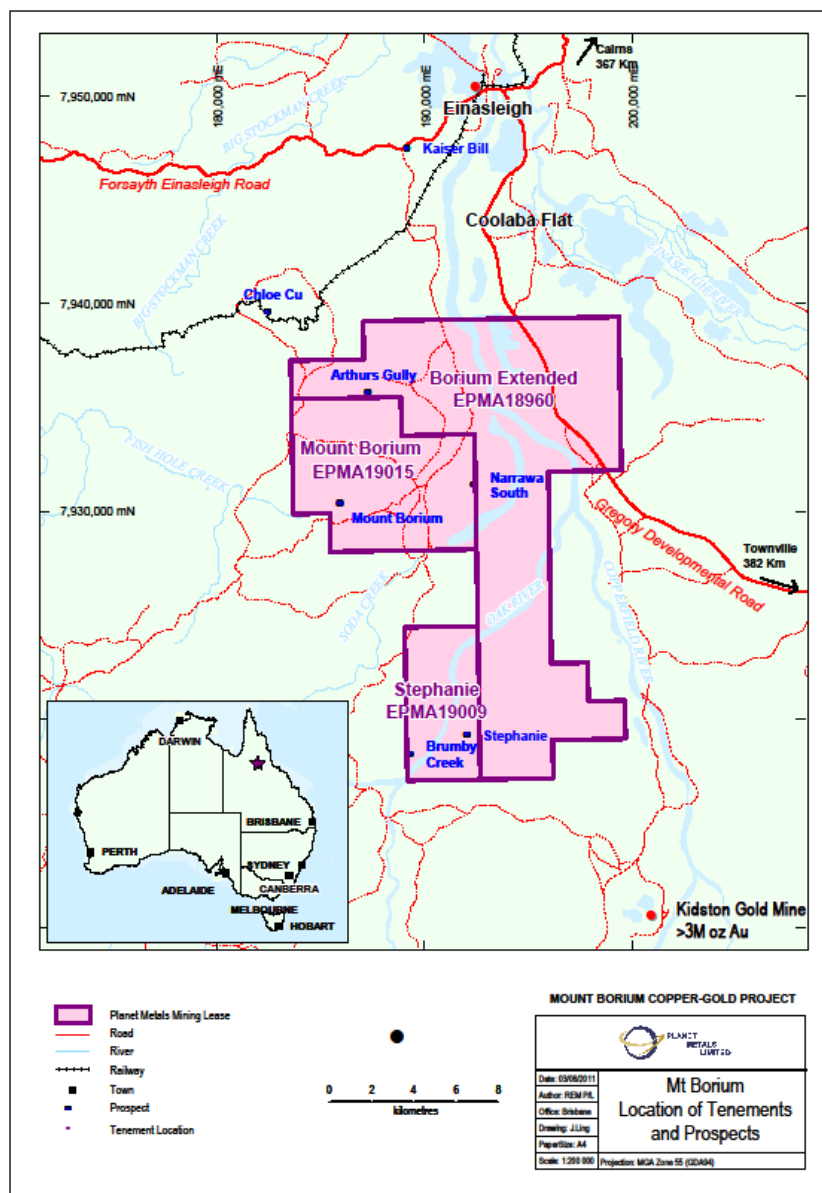
KEY POINTS

Planet Metals recently completed a soil sampling program over the Arthur's Gully Prospect. Planet had outlined its intention to establish possible extensions of gold anomalism with a further soil program over its Arthur's Gully prospect in the December quarterly. The results have now been provided by our consulting geologists, the exploration activities at the Arthur's Gully Prospect consisted of -80# soil sampling (111 samples in total) over five east-west lines. The soil grid was designed to test the potential extension of open gold anomalism to the northwest as hypothesized in a previous field report summary. Results below:-

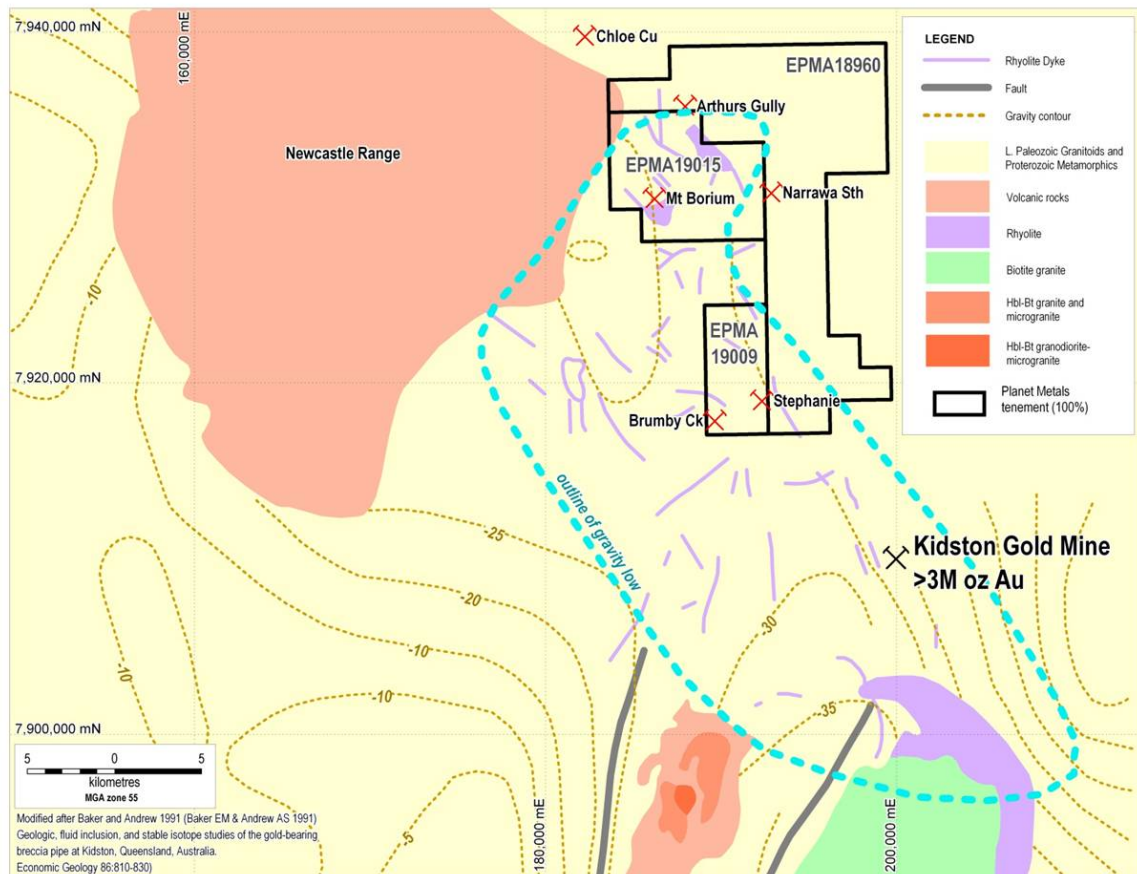
Soil sampling has confirmed a parallel gold-in-soils geochemical trend up to 1km in length in addition to the original soil anomaly drilled by KGM (Kidston Gold Mines). There is potential for the gold anomalism to extend further north if the mineralisation is discontinuous in character.

- Gold anomalism appears to be linear in character and independent of the local geology.
- Elevated pathfinder elements Bi (bismuth), Te (tellurium), As (arsenic), Sb (antimony) and Pb (lead) over the prospect. Sb and Pb show a distal enrichment up to 93 and 21 times average crustal abundances respectively. Te, Bi and As (up to 1500, 256 and 93 times average crustal abundances respectively) show a more proximal spatial relationship with the gold mineralisation (see images).
- Te and Bi show a very consistent spatial relationship with each other.
- Still no apparent structural control on gold mineralisation. It's possible that the mineralisation could be associated with fine grained disseminated sulphides.
- Some of the high-grade gold anomalies were untested by KGM. Drilling only tested part of the anomalous soil zone to a maximum vertical depth of 20m, meaning the interpreted intrusive and already defined anomalous gold zone can still be considered untested at depth.

Planet Metals Limited will further assess this data and establish the next steps for this prospect area which may include conducting ground based geophysical surveying. Close spaced ground-based geophysics should delineate and give insights into chargeable zones potentially associated with gold mineralisation underneath the Arthur's Gully soil anomalies to establish possible drill targets.



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Map of Planet Metals' Mount Borium tenements highlighting nearby geological association with the Kidston gold deposit
(Prepared by Resource & Exploration Mapping Pty Ltd on behalf of Planet Metals Ltd)

Comparisons with nearby Kidston Gold Mine

The Mount Borium gold prospect is approximately 24km north-west of Kidston and is also within the same gravity low that straddles Kidston. Mount Borium and other nearby gold targets are underlain by similar rocks to the Kidston gold deposit – the Mid Proterozoic Einasleigh Metamorphics and the Siluro-Devonian Oak River Granodiorite of the Copperfield Batholith Plutonic Suite.

Geologic, fluid inclusion and stable isotope studies suggest that the mineralisation and brecciation at the Kidston breccia pipe is spatially, temporally and genetically related to the north-west trending Permo-Carboniferous rhyolite dyke magmatism. The rhyolite dyke swarm follows a gravity low along a north-west trending corridor to the north-west of Kidston. The median dyke within the gold-rich porphyry deposit at Kidston is similarly north-west trending. Mount Borium and nearby prospects currently targeted occur within the north-west corridor of rhyolite dykes and may be similarly prospective.

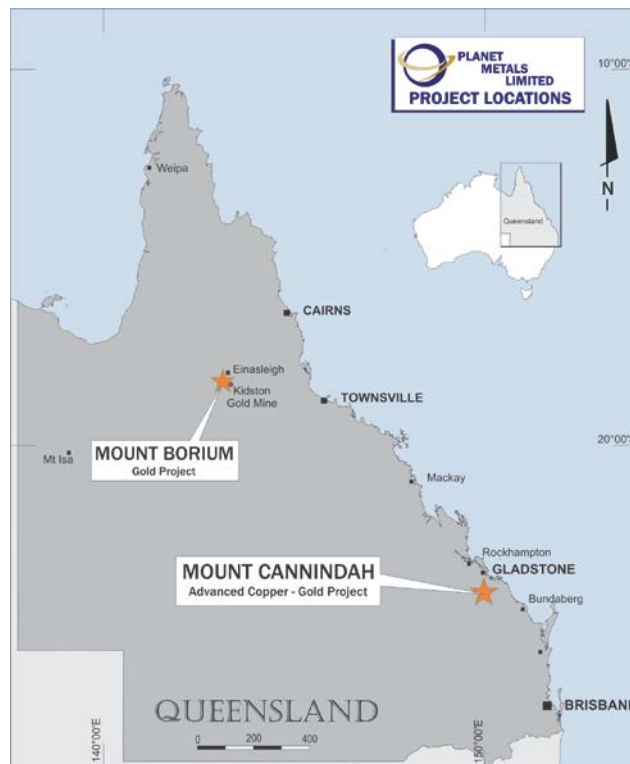
In summary, the association of Mount Borium with rhyolitic intrusives, development of breccia and mineralised veins appear typical of a Kidston-style deposit.

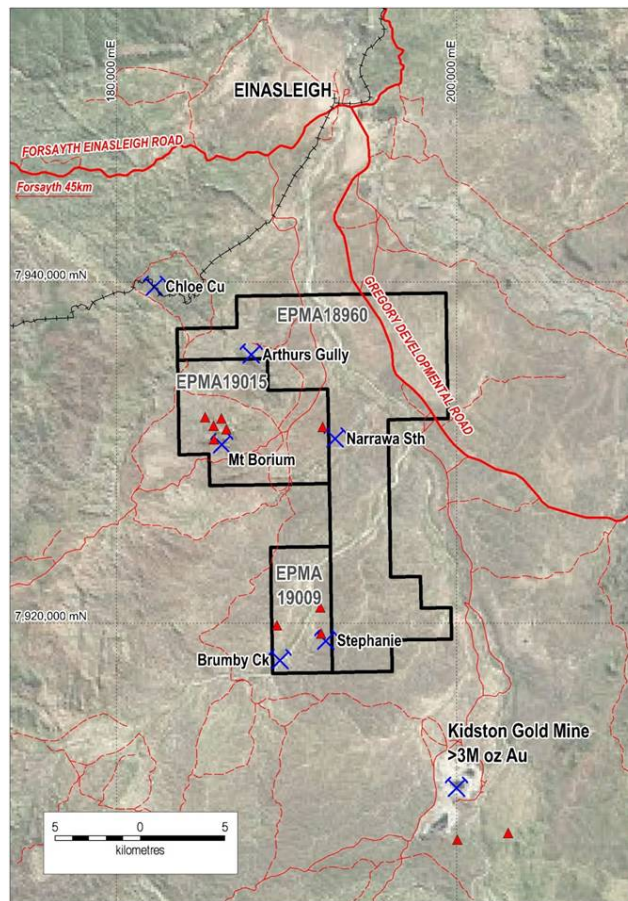
The Kidston mineralisation system extends over 1,400m from the deep tungsten-molybdenum mineralisation to the upper gold-rich part of the system. This indicates a possibility that Mount Borium and other gold occurrences within Planet's tenements may possibly represent the upper parts of Kidston-type intrusion-related gold systems, with potential for deeper mineralisation to be present.

For further information, please contact:

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Technical information in this report relating to exploration results has been compiled and/or supervised by Mr Laurie Johnson B.Sc (Geology) F.AusIMM who is a Director of Planet Metals Limited. Mr Johnson is a member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Johnson has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Johnson consents to the inclusion of this information in the form and context in which it appears in this report.





JORC TABLE 1
Section 1 Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information. 	<p>Soil Sampling:</p> <ul style="list-style-type: none"> Soil samples were taken at 50m sample intervals along 100m spaced E-W orientated lines and surveyed by handheld GPS Sample locations were designed to extend the current soil grid Approximately 30 grams of sieved sample was collected from each site in geochem sample bags and uniquely labelled Sampling was supervised and conducted by trained geologists
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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). 	<ul style="list-style-type: none"> Not applicable as this does not relate to drilling activity
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> Not applicable as this does not relate to drilling activity
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Soil samples were logged descriptively and locations confirmed by trained geologists
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> No duplicate samples or standards were submitted in the batch Soil was collected from the C soil horizon (approximately 20cm below surface) and sieved to -80 mesh (180 micron) size fraction in the field

Criteria	Explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Samples were personally delivered to ALS Laboratory in Townsville (internationally certified) Samples were subject to 48 multielement assessment by four-acid, ICP-MS and ICP-AES method (lab code ME-MS61), and gold assay via aqua regia extraction with ICP-MS finish (lab code Au-TL43) No additional quality controls beyond the laboratory were adopted
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Sample locations were design to infill and extend the current soil grid with results compatible with adjacent samples
Location of data points	<ul style="list-style-type: none"> 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. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Sample location point were designed using MapInfo/Discover software and surveys using a Garmin handheld GPS ($\pm 3m$ Accuracy) Coordinates are in MGA 55 (GDA94)
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 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. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Samples were collected at 50m intervals on 100m spaced lines No sampling compositing has been applied
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 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. 	<ul style="list-style-type: none"> Sample lines were designed perpendicular to current mineralised trends, and to extend the current soil grid
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples were collected in geochem pouches, and the bagged into calico bags and locked in room. Samples were personally couriered by geological staff and delivered to laboratory.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> None, unwarranted at this stage

Section 2 Reporting of Exploration Results

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

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> Sampling was conducted on EPM 18960 which is 100% held by Planet Metals (granted 7th May 2012)
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Kidston Gold Mines conducted previous exploration work on the property to acceptable

Criteria	Explanation	Commentary
		<i>industry standards</i>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Not known at this time
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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. 	<ul style="list-style-type: none"> Not applicable as this does not relate to drilling activity
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No data weighting or aggregation applied
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Not applicable to single point data from soil samples
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Appropriate summary diagrams accompanying this table
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Exploration results accompanying this table
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Historic soil sampling and RAB drilling by Kidston Gold Mines Regional magnetic and geologic maps
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth 	<ul style="list-style-type: none"> Additional soil sampling program is planned at this stage

Criteria	Explanation	Commentary
	<p>extensions or large-scale step-out drilling).</p> <ul style="list-style-type: none"> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	