

ASX CODE: FTH

ASX ANNOUNCEMENT

21 October 2014

AIRBORNE MAGNETIC SURVEY

The Company has entered into a technical services agreement (the "Agreement") with SRK Consulting (Australasia) Pty Ltd ("SRK Consulting") to provide airborne magnetic survey support on 4 exploration licences, namely ELs 8026, 8027, 8140 and 8141 (collectively, the "Exploration Licences").

Under the Agreement, SRK Consulting will perform the following staged tasks for each of the Exploration Licences:

- (1) Initiate introductory dialogue with the principal landholders across each of the site covered by the Exploration Licences, discussing the airborne geophysical survey and flagging any possible future land-based exploration activities;
- (2) Program design, manage and acquire new high definition airborne geophysics over the Exploration Licences;
- (3) Processing and completion of an initial interpretation of the magnetic and radiometric data in order to improve understanding of the geology and interpreted/ known structural features and identify 'drill ready' prospects. Conduct site inspections where required to help calibrate the initial interpretation and initial modelling of data. Finalise interpretation; and
- (4) Prepare a report (or summary presentation) that documents the results of the survey, ranks current areas of interest and identifies new targets and makes recommendations for future, more detailed field based activities.

The estimated cost of SRK under the Agreement is AUD\$188,000 (GST exclusive).

In addition, in order to acquire the high-resolution airborne survey, Thompson Aviation, who is able to provide the most competitive quote amongst the three contractors approached, has been selected as SRK Consulting's preferred contractor. An estimated fee of AUD\$120,000 (GST exclusive) will be paid directly to Thompson Aviation by the Company.

Work is expected to commence on 27th October 2014.

By order of the Board

A handwritten signature in black ink, appearing to read 'Nick Geddes', with a stylized flourish at the end.

Nick Geddes
Secretary