

Cracking Start to 2018 for MOD with Record High-Grade Intersection at T3

- **18m @ 4.3% Cu and 94g/t Ag – highest grade intersection at T3 to date**
- **Significant widths of high-grade vein hosted copper and silver should positively impact the large T3 Pit Project resource – resource upgrade expected late January**
- **Major drilling campaign resumes next week at T3 and T-Rex, expanding into T1 and the wider T3 Dome (8 drill rigs)**

MOD Resources Limited (ASX: MOD) today announced a record high-grade drill intersection at its T3 Copper Project (70%) in Botswana.

The record intersection is part of the latest assay results from MOD's resource infill drilling program at T3 (Table 1). Hole MO-G-94D returned an impressive intersection of 18m @ 4.3% Cu and 94g/t Ag from 146m downhole depth within a wide zone of 53.9m @ 2.0% Cu and 40g/t Ag from 128.5m downhole depth (Figure 1).

MOD commenced the T3 infill and extension drilling program (Phase 2) in August 2017 to test the potential for additional resource extensions including high-grade vein mineralisation within and outside the planned 10-year open pit mine (T3 Pit Project).

The high-grade intersection in MO-G-94D occurs near the middle of the T3 Pit Project, approximately 100m above an intersection of 72.6m @ 1.5% Cu and 27g/t Ag in MO-G-65D from 250m downhole depth (announced 6 March 2017), below the current planned pit design.

Recent results include additional significant intersections outside the planned pit design, supporting the T3 Underground Project. These include;

- **20m @ 1.2% Cu and 21g/t Ag from 186m downhole depth (MO-G-93D)**
- **22m @ 1.2% Cu and 9g/t Ag from 188m downhole depth (MO-G-95D)**
- **18m @ 1.9% Cu and 14g/t Ag from 120.3m downhole depth (including 6.2m @ 3% Cu and 24g/t Ag from 128.8m downhole depth) (MO-G-96D)**

T3 is part of the joint venture (JV) between MOD (70%) and AIM listed Metal Tiger Plc (30%). MOD's in-country operating company is Tshukudu Metals Botswana (Pty) Ltd (Tshukudu).

MOD's Managing Director, Mr Julian Hanna, said the big widths of copper, high-grade intercepts, numerous regional drill targets, and continued strength in copper prices provided the Company with a very compelling start to 2018.

"MOD is punching well above its weight and while we may currently have a modest market cap, our drill results are competitive with some of the largest copper companies," said Mr Hanna.

"MOD is gearing up for its biggest year ever in 2018 and we look forward to announcing new results from the ramped-up exploration campaign and feasibility studies in the next few months," he said.

Drilling resumes mid-next week with eight drill rigs on various targets at T3 and T-Rex (refer ASX Announcement 14 November 2017). Drilling is also planned to commence during the quarter at T1 with the objective to drill out a revised resource and test the potential of other AEM anomalies along the T3 Dome for deposits similar to T3.

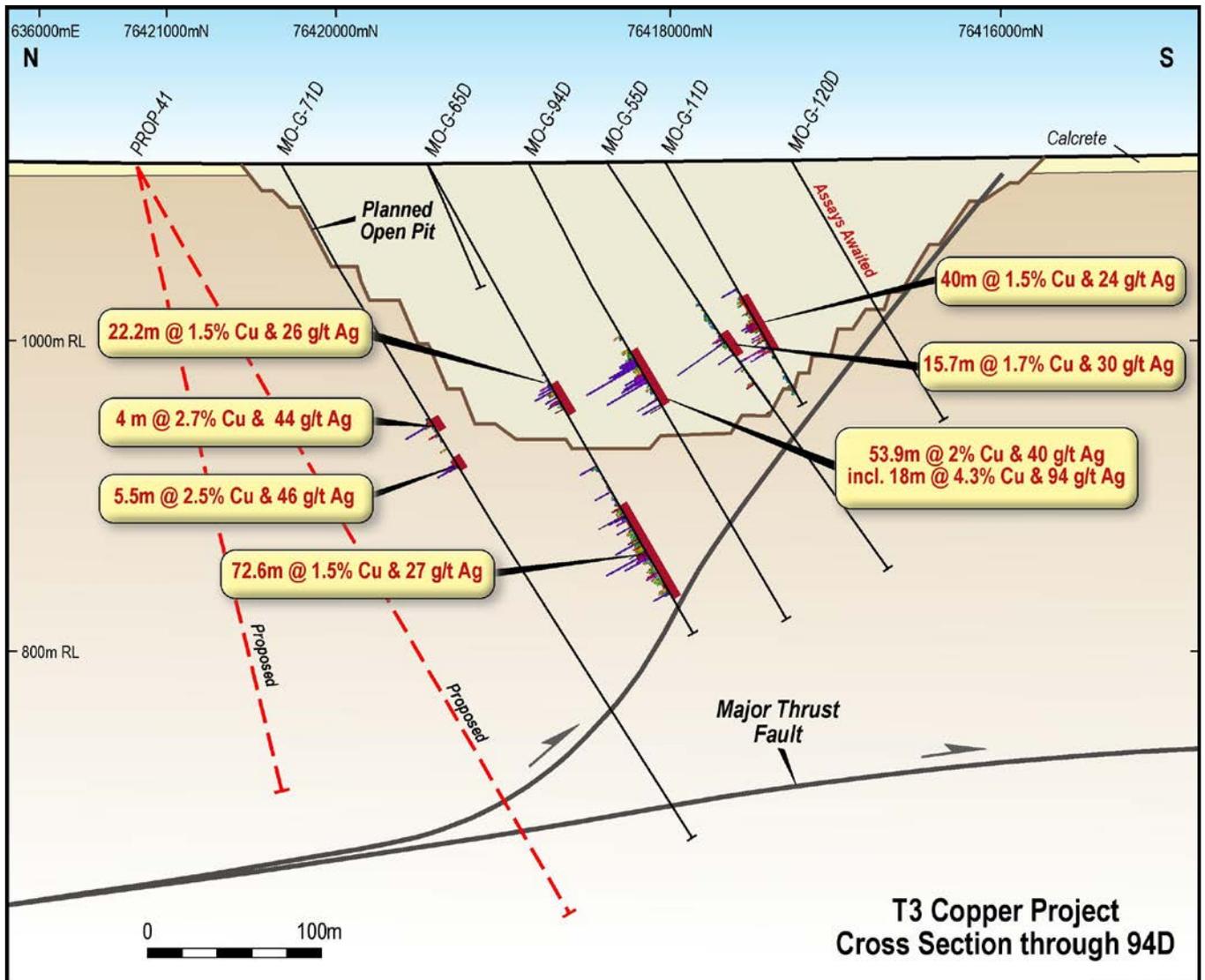


Figure 1: Simplified cross section through T3 Pit showing significant intersections including MO-G-94D.

Resource upgrade expected late January

Following the recent resource drilling at T3 which has demonstrated excellent grades and widths, a further updated mineral resource is expected to be announced later this month. This may require a revision to the PFS, which is currently based on the 24 August 2017 mineral resource.

HOLE_ID	INTERSECTIONS (Announced: 5 January 2018)	Interpreted Vein
MO-G-90D	6m @ 1.1% Cu & 25g/t Ag from 324m downhole	V1
MO-G-93D	20m @ 1.2% Cu & 21g/t Ag from 186m downhole	V1
Incl.	6.5m @ 2% Cu & 49g/t Ag from 190m downhole	V1
and:	2m @ 2.1% Cu & 46g/t Ag from 227m downhole	V2
MO-G-94D	53.9m @ 2% Cu & 40g/t Ag from 128.5m downhole	In Planned Pit
Incl.	18m @ 4.3% Cu & 94g/t Ag from 146m downhole	In Planned Pit
MO-G-95D	1.7m @ 4.8% Cu & 81g/t Ag from 175m downhole	V2
and:	22m @ 1.2% Cu & 9g/t Ag from 188m downhole	V3
Incl.	8m @ 2% Cu & 6g/t Ag from 201m downhole	V3
and:	4m @ 2% Cu & 12g/t Ag from 226m downhole	V4
MO-G-96D	18m @ 1.9% Cu & 14g/t Ag from 120m downhole	V1
Incl.	6.2m @ 3% Cu & 24g/t Ag from 128.8m downhole	V1
and:	5.4m @ 1.2% Cu & 9g/t Ag from 144m downhole	V2
MO-G-97D	4m @ 1% Cu & 23g/t Ag from 249m downhole	V1
and:	1m @ 1.6% Cu & 30g/t Ag from 341m downhole	V4
MO-G-99D	34.1m @ 0.8% Cu & 6g/t Ag from 136m downhole	In Planned Pit
Incl.	9m @ 1.3% Cu & 14g/t Ag from 139m downhole	In Planned Pit
and:	7.1m @ 1.2% Cu & 4g/t Ag from 153m downhole	In Planned Pit
MO-G-100D	9.4m @ 1% Cu & 4g/t Ag from 147.6m downhole	V2
and:	8m @ 1.2% Cu & 8g/t Ag from 171m downhole	V3
MO-G-104D	8.5m @ 0.7% Cu & 4g/t Ag from 110.8m downhole	V2
MO-G-105D	3m @ 1.1% Cu & 8g/t Ag from 108m downhole	V2
and:	2.8m @ 1.3% Cu & 6g/t Ag from 119.2m downhole	V3
MO-G-107D	21.5m @ 0.8% Cu & 16g/t Ag from 221m downhole	V1
Incl.	7m @ 1.5% Cu & 32g/t Ag from 231m downhole	V1

Table 1: Significant new intersections from infill and extensional drilling around T3 pit. Intersections labelled V1, V2, V3 and V4 are from veins outside the planned T3 pit

For and on behalf of the Board.

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About MOD Resources

MOD Resources Ltd (ASX: MOD) is an Australian-listed copper company actively exploring in the Kalahari Copper Belt, Botswana. MOD owns 70% of a UK incorporated joint venture company, Metal Capital Limited with AIM-listed Metal Tiger Plc (30%).

Metal Capital's wholly owned subsidiary, Tshukudu Metals Botswana (Pty) Ltd (Tshukudu) is the Botswana operating company which owns the T3 copper/silver deposit where a discovery RC drill hole intersected 52m @ 2.0% Cu and 32g/t Ag from shallow depth in March 2016.

MOD is continuing with the strategy to increase mineral resources and complete a PFS for a potential open pit mine and processing plant at T3 and conduct a substantial regional exploration program exploring for satellite deposits at other priority targets around T3.

About T3 Pit Project

MOD announced a substantial maiden copper/silver resource at T3 on 26 September 2016. Total cost of discovery of T3 and delineation of the maiden resource was an exceptionally low US\$1.7 million, equivalent to only US 0.22 cents/lb copper contained within the resource.

On 6 December 2016, MOD announced the results of its scoping study for an open pit mine at T3. A pre-feasibility study (PFS) commenced in early 2017 and is due for completion in January 2018.

On 24 August 2017, MOD announced an updated resource of 36Mt at 1.14% Cu containing 409kt copper. The revised resource has led to a 16% increase in copper and also contains 14.8Moz silver.

Following the recent resource drilling at T3 which has demonstrated excellent grades and widths a further updated mineral resource is expected to be announced later in January 2018. This may require a revision to the PFS, which is currently based on the 24 August 2017 mineral resource.

Competent Person's Statement

The information in this announcement that relates to Geological Data and Exploration Results at the Botswana Copper/Silver Project is reviewed and approved by Jacques Janse van Rensburg, BSc (Hons), Business Development Manager for MOD Resources Ltd. He is registered as a Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP) No. 400101/05 and has reviewed the technical information in this report. Mr Janse van Rensburg has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and the activity, which it is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Janse van Rensburg consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

No New Information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Exploration Targets and Results (including AEM Anomalies or Targets)

This announcement refers to Exploration Targets as defined under Sections 18 and 19 of the 2012 JORC Code. Exploration Targets include airborne electromagnetic (AEM) anomalies, conceptual exploration targets and potential mineralised vein and resource extensions. The quantity and quality of these targets referred to in this announcement are conceptual in nature only. Apart from T3 and T1, there has been insufficient exploration at other Exploration Targets along the interpreted “T3 Dome” mentioned in this announcement to determine the potential source of the AEM anomalies and targets, or define a Mineral Resource. It is uncertain if further exploration will result in any of the conceptual Exploration Targets at T3, T-Rex, T1 and along the T3 Dome hosting any mineralisation or being delineated as a Mineral Resource. This announcement includes drill hole intersections, which have been announced by MOD Resources Limited previously.

Forward Looking Statements and Disclaimers

This announcement includes forward-looking statements that are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of MOD Resources Limited.

Examples of forward looking statements included in this announcement are: ‘Significant widths of high-grade vein hosted copper and silver should positively impact the large T3 Pit Project resource – resource upgrade expected late January’ and ‘MOD is gearing up for its biggest year ever in 2018 and we look forward to announcing new results from the ramped-up exploration campaign and feasibility studies in the next few months.’ and ‘Drilling resumes mid-next week with eight drill rigs on various targets at T3 and T-Rex (refer ASX Announcement 14 November 2017). Drilling is also planned to commence during the quarter at T1 with the objective to drill out a revised resource and test the potential of other AEM anomalies along the T3 Dome for deposits similar to T3.’ and ‘Following the recent resource drilling at T3 which has demonstrated excellent grades and widths, a further updated mineral resource is expected to be announced later this month. This may require a revision to the PFS, which is currently based on the 24 August 2017 mineral resource.’

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement.

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Table 2: Parameters for recent diamond core drill holes described in this release.

Drill Hole ID	WGS84_34S_E	WGS84_34S_N	RL	EOH (m)	Azi	Dip
MO-G-11D	636144.060	7641806.167	1115.915	178.74	160	-60
MO-G-55D	636127.360	7641840.872	1115.835	322.52	160	-60
MO-G-65D	636089.342	7641950.603	1116.528	349.57	160	-60
MO-G-71D	636055.409	7642038.329	1116.141	511.73	160	-60
MO-G-90D	636734	7642604	1116	514.90	160	-60
MO-G-93D	636525	7642192	1116	313.97	160	-60
MO-G-94D	636107	7641888	1116	340.70	160	-60
MO-G-95D	635841	7641741	1116	316.60	160	-60
MO-G-96D	636672	7642102	1116	208.50	160	-60
MO-G-97D	635274	7641675	1116	352.55	160	-60
MO-G-99D	636191	7641925	1116	339.93	160	-60
MO-G-100D	636694	7642151	1116	292.60	160	-60
MO-G-104D	636678	7642047	1116	211.60	160	-60
MO-G-105D	635879	7641621	1116	214.60	160	-60
MO-G-107D	635535	7641812	1116	340.58	160	-60
MO-G-120D	636166	7641726	1116	190.60	160	-60

JORC Code, 2012 Edition
Table 1 Reporting Exploration Results from Botswana Copper/Silver Project
Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <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> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g 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> 	<ul style="list-style-type: none"> • Drill core was sampled in 1m intervals or as appropriate to align with the geological contacts. • All samples were geologically logged by a suitably qualified geologist on site. • Samples are submitted to ALS Laboratories in Johannesburg.
Drilling techniques	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • The diamond drilling referred to in this release was either drilled by HQ diameter drill core or NQ diameter drill core.
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <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> 	<ul style="list-style-type: none"> • Diamond drilling recorded recovery. Core recovery was good.

Criteria	JORC Code explanation	Commentary
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"> • During the core logging geologists follow Tshukudu's standard operating procedure for RC and Diamond logging processes. The metre interval (from and to) is recorded and the data below is described within the drill logs: <ul style="list-style-type: none"> • Major rock unit (colour, grain size, texture) • Weathering • Alteration (style and intensity) • Mineralisation (type of mineralisation, origin of mineralisation, estimation of % sulphides/oxides) • Veining (type, style, origin, intensity) • Data is originally recorded on paper (hard copies) and then transferred to Excel logging sheets. • Logging is semi quantitative based on visual estimation. • For diamond drilling the geological logging process documents lithological and structural information as well as geotechnical data such as RQD, recovery and specific gravity measurements.
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"> • All NQ diameter core samples for the drill hole intersections were taken as half core samples. HQ diameter drill core samples were taken as quarter core samples. • Tshukudu took photos of all core samples on site. • Tshukudu has implemented an industry-standard QA/QC program. Drill core is logged, split by sawing and sampled at site. Samples are bagged, labelled, sealed and shipped to ALS laboratories in Johannesburg, SA. • Field duplicates, blanks and standards are inserted at a ratio of 1:10. ALS also has its own internal QA/QC control to ensure assay quality.
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 	<ul style="list-style-type: none"> • Field duplicates, blanks and standards are inserted at a ratio of 1:10 on site. • At the lab the split for analysis is milled to achieve a fineness of 90% less than 106 µm (or a fineness of 80 % passing 75 µm. Prep QC: At least one out of every 10 samples of every batch is screened at 75µm or 106µm, whichever is applicable, to check that 80% of the material passes. The % loss for samples screened should be <2%.

Criteria	JORC Code explanation	Commentary
	<p><i>factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Analysis for Cu and Ag by HF-HNO₃-HClO₄ acid digestion, HCl leach and ICP-AES. ME-ICP61 as well as Nonsulfide Cu by sulfuric acid leach and AAS: Cu-AA05. All reported results are down hole widths.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic protocols).</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> 15-20% QA/QC checks are inserted in the sample stream, as lab standards, blanks and duplicates.
Location of data points	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> The collar coordinates of the drill holes were taken by DGPS (3 decimal places) & GPS (0 decimal places) and are reflected in Table 2. Down hole surveys have been done on all diamond holes.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> Samples of drill core for assaying were throughout taken at a maximum of 1m intervals.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<ul style="list-style-type: none"> Drilling planned at right angles to known strike and at best practical angle to intersect the target mineralisation at approximately right angles.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Sample bags were tagged, logged and transported to ALS laboratory in Johannesburg.

Criteria	JORC Code explanation	Commentary
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"> Tshukudu's sampling procedure is done according to standard industry practice.

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	<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"> PL190/2008 is a granted Prospecting Licence held by 100% by Tshukudu Metals Botswana (Pty) Ltd which is wholly owned by Metal Capital Limited which is owned 70% MOD Resources Ltd and 30% Metal Tiger Plc. In November 2016, the Minister of Minerals, Water and Energy extended the licence date to 31 December 2018
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"> Limited previous exploration in the area of drilling apart from widely spaced soil sampling conducted by Discovery Mines.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The copper mineralisation intersected in drill holes on PL190/2008 is interpreted to be a Proterozoic or early Palaeozoic age vein related sediment-hosted occurrence similar to other known deposits and mines in the central Kalahari Copper Belt
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"> Significant new intersections from infill and extensional drilling around T3 pit are listed in Table 1. Information relating to the diamond drill holes described in this announcement are listed in Table 2. All diamond drill holes are surveyed. There is no material change to this drill hole information.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high-grades) 	<ul style="list-style-type: none"> Significant copper and silver intersections have been compiled and interpreted by an experienced consulting geologist from assay results

Criteria	JORC Code explanation	Commentary
	<p><i>and cut-off grades are usually Material and should be stated.</i></p> <ul style="list-style-type: none"> 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. 	received from the laboratory.
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 (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> True widths are estimated and are subject to confirmation by further drilling Down hole widths are used throughout
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"> Figure 1: Simplified cross section through T3 Pit showing current and planned drilling with significant intersections.
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"> The accompanying document is considered to be a balanced report with a suitable cautionary note
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"> All substantive data is reported
Metallurgical Factors or Assumptions	<p><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</i></p>	<ul style="list-style-type: none"> A comprehensive metallurgical test work program is being conducted on composite samples of T3 drill core to determine a range of processing parameters to assist plant design, and evaluate concentrate grades and recoveries from the chalcopyrite, chalcocite and bornite ores. This comprises determination of physical parameters and detailed flotation

Criteria	JORC Code explanation	Commentary
	<i>always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	testwork including optimisation, locked cycle and variability tests. <ul style="list-style-type: none"> This work has been undertaken by Independent Metallurgical Operations (IMO) in Perth.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (tests for lateral, depth extensions or large-scale step-out drilling).</i> <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> 	<ul style="list-style-type: none"> Any further work on T3 and PL190/2008 will be dependent on results from RC and diamond drilling programs and along strike and down dip from the T3 deposit and on the open pit mine PFS currently in progress.