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ASX ANNOUNCEMENT
24th June 2014

Pre-Feasibility Study confirms strong returns from underground mining at Blue Vein

- **Project cash flow of A$22.6m (after plant costs)**
- **Carbon-In-Pulp plant cost of A$23.3m**
- **Total project costs of A$1,188/oz**
- **Average gold production of 42,800oz per annum**
- **Significant potential for underground resource expansion at Blue Vein**

Convergent Minerals Limited (**ASX:CVG**) is pleased to announce that it has completed its Pre-Feasibility Study into commencing underground mining at the Blue Vein Project at Mt Holland, 100km south of Southern Cross in Western Australia.

The Pre-Feasibility Study ("PFS") demonstrates that strong, positive returns are obtained from mining at Blue Vein. Convergent expects to increase the initial 3-year mine life with on-going exploration at depth and long term growth is anticipated from future development of the other 11 gold deposits making up the Mt Holland Goldfield.

The first 3 years of underground mining will see 769,787 tonnes of ore processed with an average grade of 5.52g/t Au. Processing recovery of 94% will result in 128,500 ounces of gold produced over the initial 3 years, with 42,800 ounces of gold poured annually. Given anticipated cash operating costs of $722/ounce and total project costs of $1,188/oz, the Blue Vein Project is expected to operate at a very competitive cost level.

Gold resources were updated with data from in-fill diamond drilling completed in December 2013. See Appendix 1 for a complete Resource Table and Table 1 in accordance with the JORC (2012 Edition) of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

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Key Financials

The Pre-Feasibility Study was commissioned by Convergent and undertaken by Perth-based independent mining consultants **Entech Pty Ltd** ("Entech"). The study examines the feasibility of re-establishing much of the surface infrastructure at the Mt Holland site including use of existing power, water, tailings storage, concrete footings and raw water storage facilities. The key financial outcomes of the PFS are summarised in Table 1.

Table 1: Key financial parameters for Blue Vein PFS

Total gold produced	128,504oz (42,800oz pa)
Life-of-mine	initial 3 years
Revenue (A$1,400/oz gold price)	$179.9m
Plant capital cost	$23.3m
Underground capital cost	$28.7m
Other capital costs	$7.8m
Total life-of-mine capital cost	$59.8m ($78/t ore)
Total operating cost	$92.8m ($121/t ore)
All-in Cost	$1,188/oz
Total project cashflow (after capital)	$22.6m
NPV (7.5% discount)	$10.7m

Note: all amounts are in AUD unless stated otherwise

Mining

Entech's underground mine design utilizes uphole benching with ore drives developed at 20m intervals. Mine access is via an in-pit portal and a decline designed to extend to the 30m RL level (approximately 400m below surface).

Taking into account the ore body's true width of 3m and the competent rock strength, stope panels have been designed to be 40m long. There is no requirement for backfilling as rib pillars are designed to ensure the continued integrity of the underground mine. Total ore production of 769,787 tonnes at 5.52g/t Au is classified into the following Mineral Resource categories:

Measured	314,972 tonnes at 4.40g/t Au	(33%)
Indicated	203,968 tonnes at 4.50g/t Au	(22%)
Inferred	250,847 tonnes at 7.70g/t Au	(45%)
Total	**769,787 tonnes at 5.52g/t Au**	

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realized. The estimated mineral resources underpinning the Production target provided as part of this PFS have been prepared by a competent person in accordance with the requirements in Appendix 5A (2012 JORC code). See Appendix 1.

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The key mining details are summarised in Table 2.

Table 2: Key Mining parameters for Blue Vein PFS

Mine access	Portal and decline
Mining method	Uphole benching
Mine operator	Mining contractor
Decline size	5.5m x 5m
Total decline length	2,440m
Total ore tonnes	769,787t at 5.52g/t
Total waste tonnes	378,769t
Mined grade	5.52g/t Au
Haulage to plant	8.5km
Delivered gold	136,706 oz

Figure 1 illustrates the location of stopes by resource classification.

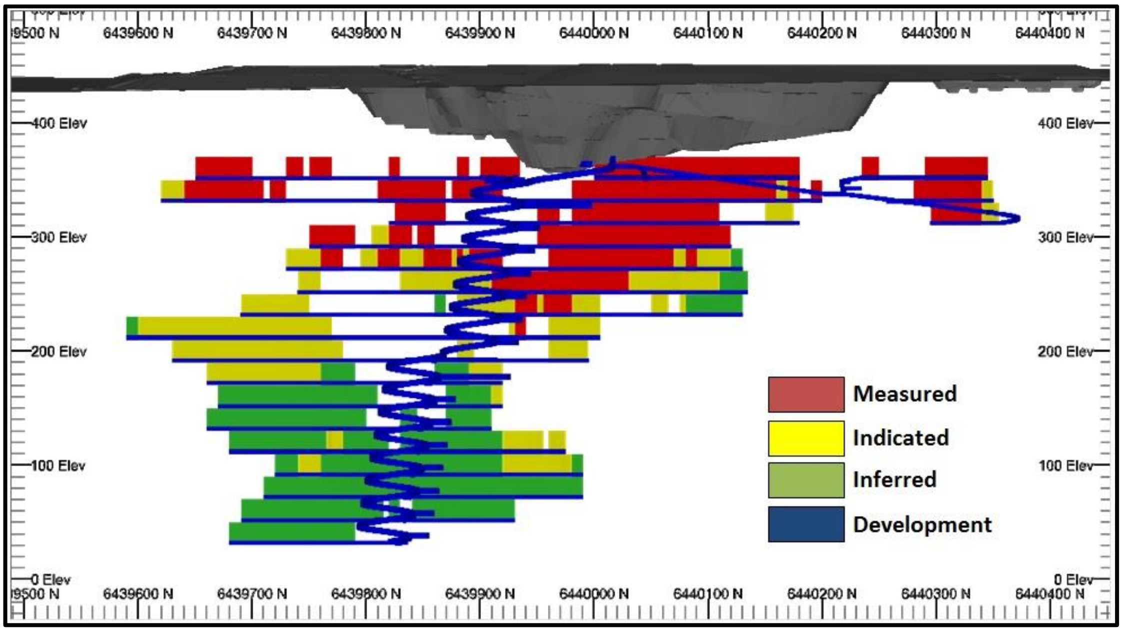

Figure 1: Blue Vein stope production showing resource classification

Processing

The processing facility designed by **Sedgman Limited** is based upon the supply and installation of a new CIP processing plant. Ore from underground will be delivered to the ROM pad and fed to the primary crusher at a rate of 300,000 tonnes per annum. Three stages of crushing will reduce the ore to 80% passing 10mm in size before being fed into a 1,200kW ball mill and reducing the size further to 80% passing 75µm.

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Gravity tests undertaken by **Independent Metallurgical Operations Pty Ltd** ("IMO") demonstrate that up to 25% of gold may be won from gravity separation. Two stages of gravity concentration are planned and recoveries of 94% are expected from a combination of gravity followed by conventional CIP cyanide leaching. Potential exists to optimise recoveries with further test work. Gold doré bars will be produced on site with approximately 42,800 ounces of gold expected to be produced annually. The processing details are summarised in Table 3.

Table 3: Key processing parameters for Blue Vein PFS

Processing method	Conventional Carbon-in-Pulp ("CIP")
Throughput	300,000 tpa
Gold recovery	94%
Crushing	3-stages
Grinding	Single stage closed circuit ball milling
Gravity	2-stages (centrifugal and shaker table)
Leaching	Single tank cyanide leach
Adsorption	Six tank carbon adsorption
Extraction	Elution and Electrowinning
Refining	Furnace pour of doré bars
Product	42,800 oz gold annually
Processing cost	$30.50/t ore ($183/oz)

The Mt Holland Goldfield has substantial and valuable infrastructure already established including mains electricity, water borefield, haul roads, tailings dams, airstrip, raw water storage facilities and waste dumps (See Figure 2). This infrastructure significantly reduces the Project's capital costs.

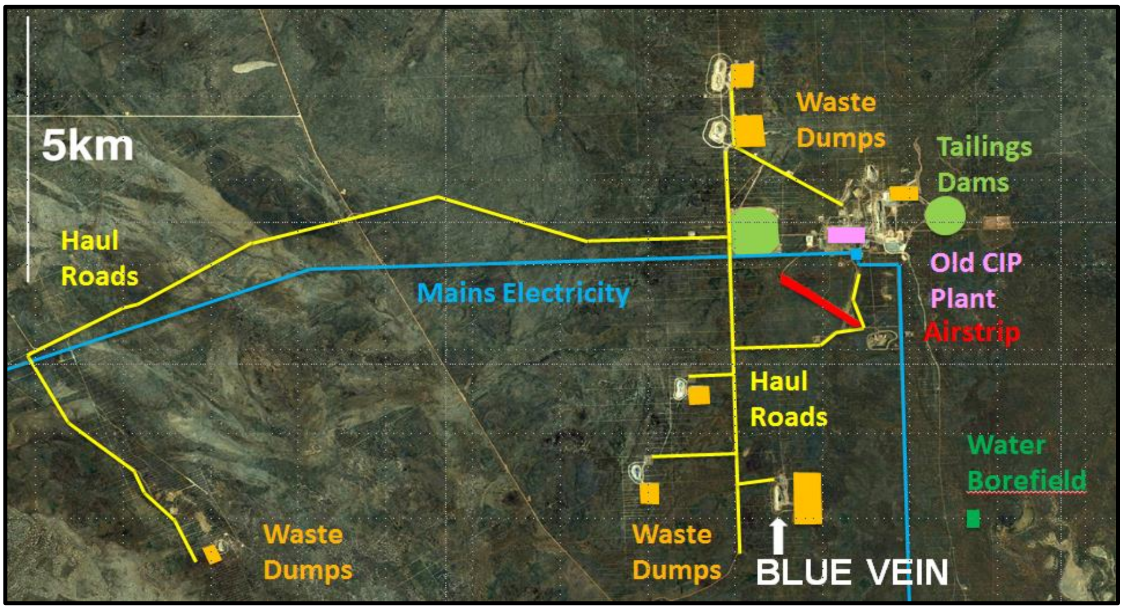

Figure 2: Existing Mt Holland infrastructure

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Progressing Blue Vein Project Feasibility Study

The Company intends to progress the Blue Vein Project by finalising additional test work and surveys which will result in a Feasibility Study being completed by December 2014. In parallel with this, Convergent will call for tenders for underground development and construction of surface infrastructure early in 2015.

Work is currently being commissioned to move the project towards the completion of feasibility. This work includes:

- a hydro-geological study
- flora and fauna assessments
- infill drilling
- tailings and waste characterization studies
- metallurgical variability tests
- leach kinetics
- grind size sensitivity
- permitting of the works and mining approvals

Studies are also being undertaken to reduce capital costs, as well as examining the potential financial and operational impacts of resuming mining of some of the Mt Holland open pits.

In parallel with the technical work evaluating Blue Vein, Convergent is also progressing the funding requirements for the Project. The Bridging Facility announced on 30th April 2014 is allowing the Company to maintain its current momentum of feasibility work, whilst a larger Project Finance Facility is expected to provide the required capital for the development of Blue Vein.

The completion of a positive Pre-Feasibility Study is a major milestone for Convergent and one that highlights the viability of the Blue Vein Project. The Company is focused on delivering the Feasibility Study and progressing Blue Vein through to gold production.

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About Convergent Minerals

Convergent Minerals Limited (ASX: CVG) is a Sydney-based, gold-focused resources company listed on the Australian Securities Exchange. The Company's main asset is the Mt Holland Goldfield, located approximately 100km south of the town of Southern Cross in Western Australia.

The Company is strongly focused on near-term underground mining opportunities at the Blue Vein Gold Mine – part of the Mt Holland Goldfield.

Contact Details:

David Price (Chief Executive Officer)
Hamlet Hacobian (Chief Financial Officer)

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Market Snapshot:

Shares on Issue: ~ 350m
Today's Price: ~$0.010
Market Capitalization: ~$3.5m

The information in this document that relates to Exploration Results is based on information compiled by Mr. David W. Price, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr. Price 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. Price, who is an officer of the Company, 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 Document that relates to Mineral Resources is based on information compiled by Robin Rankin, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and accredited as a Chartered Professional (CP) by the AusIMM in the Geology discipline. Robin Rankin is Principal Consulting Geologist and operator of independent geological consultancy GeoRes. He has sufficient experience which is relevant to the style of mineralization 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' (the JORC Code). He consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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Appendix 1

See next page

Attn: Mr David Price (CEO)

Convergent Minerals Limited
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GeoRes
PO Box 2332
Bowral NSW 2576
Australia

6th May 2014

Dear Sir

Blue Vein deposit – Mt Holland Project
JORC (2012 Edition) Mineral Resource Statement
Update April 2014

This Document states for Convergent Minerals Limited (CML, the Client) – according to JORC[1] (2012 Edition) – the **updated** classified Mineral Resources of gold for the Blue Vein deposit at the Mt Holland Project (the Project) in Western Australia (WA) as at the end of April 2014. The Document was prepared by geologist Robin Rankin (the Competent Person (CP) and the Consultant) on behalf of his independent consultancy GeoRes. The Resources were estimated in late March and early April 2014 to include data from 14 new holes drilled since the previous Resource estimate and statement by the Consultant of October 2012. These Resources supersede the previously reported ones, and this Statement brings all reporting of the Resources and their estimation up to JORC 2012 standard.

Mt Holland is a goldfield located ~100 km south of Southern Cross in the Southern Goldfields area of WA. It was mined with a series of open cuts in the 1980s and 90s as the Bounty Mine. Blue Vein is one of several deposits at Mt Holland currently being independently explored by CML. The gold mineralisation occurs in a consistent series of sub-vertical and sub-parallel lodes striking approximately northwards. The package of 18 lodes occupy a vertical mineralised corridor ~1.6 km long N/S, ~200 m wide E/W, and ~400 m deep. Mineralisation remains open along strike and to depth.

Full details and illustrations of the estimation, the data, and the Resources are given in following Sections and Appendices. This introductory letter:

- Summarises the Resource figures.
- Explains how this updates the previous October 2012 figures.
- Describes the document's constituent Sections.

For the Resource estimation behind this Document (the Consulting) all geological interpretation, modelling, data analysis, grade estimation, reporting and Resource classification (according to JORC conventions) was performed by the Consultant. The Consultant's Competent Person Statement and release consent is included below. All data was supplied by CML and was taken at face value. Although the Consultant validated the data to his satisfaction he nevertheless provides this estimate on the basis that CML geologists take responsibility for the data integrity.

Summarised Resources: JORC (2012 Edition) classified Measured, Indicated and Inferred global Mineral Resources of gold are summarised in the table below for the Blue Vein deposit as at April 2014. They are reported at a series of lower gold cut-off grades. Tonnages were estimated using fixed densities adapted to the weathering in the area, set by level for the upper 45 m oxide zone (2.20 t/m^3), for the fresh rock 25 m below the base of oxidation (2.90 t/m^3), and for the transitional zone in-between (2.48 t/m^3). Resources are reported below a surface model of the current topography, which includes two open cuts. Rounding may cause totals to be inexact and percentages not sum to 100%.

[1] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code'), 2012 Edition, JORC (of AusIMM, AIG & MC), 2012.

Blue Vein JORC (2012 Edition) Mineral Resources – April 2014					
Resource class	**Proportion by oz**	**Cut-off (g/t)**	**Tonnes (t)**	**Gold (g/t)**	**Gold (oz)**
Measured	42%	0.50	2,093,000	2.30	155,100
Indicated	23%	0.50	1,299,000	2.07	86,600
Inferred	35%	0.50	1,457,000	2.79	130,900
Total		**0.50**	**4,849,000**	**2.39**	**372,500**
Measured	42%	1.00	1,442,000	3.02	139,900
Indicated	23%	1.00	816,000	2.87	75,300
Inferred	36%	1.00	932,000	3.96	118,500
Total		**1.00**	**3,190,000**	**3.25**	**333,800**
Measured	41%	1.50	1,035,000	3.72	123,600
Indicated	22%	1.50	567,000	3.59	65,400
Inferred	37%	1.50	689,000	4.92	109,000
Total		**1.50**	**2,291,000**	**4.05**	**298,000**
Measured	41%	2.00	765,000	4.42	108,700
Indicated	21%	2.00	405,000	4.32	56,300
Inferred	38%	2.00	511,000	6.02	99,000
Total		**2.00**	**1,681,000**	**4.88**	**263,900**
Measured	41%	2.50	568,000	5.18	94,600
Indicated	21%	2.50	297,000	5.08	48,600
Inferred	38%	2.50	374,000	7.43	89,300
Total		**2.50**	**1,240,000**	**5.83**	**232,400**
Measured	40%	3.00	437,000	5.90	82,900
Indicated	21%	3.00	237,000	5.67	43,300
Inferred	39%	3.00	289,000	8.81	81,800
Total		**3.00**	**963,000**	**6.72**	**208,100**
Measured	39%	3.5	350,000	6.57	74,000
Indicated	20%	3.5	188,000	6.31	38,100
Inferred	40%	3.5	227,000	10.31	75,400
Total		**3.5**	**765,000**	**7.62**	**187,400**
Measured	39%	4.0	288,000	7.18	66,600
Indicated	20%	4.0	156,000	6.84	34,300
Inferred	41%	4.0	180,000	12.03	69,700
Total		**4.0**	**624,000**	**8.50**	**170,500**
Measured	38%	4.5	238,000	7.80	59,600
Indicated	20%	4.5	127,000	7.43	30,400
Inferred	42%	4.5	146,000	13.85	65,100
Total		**4.5**	**511,000**	**9.44**	**155,100**

These Resources do not differ significantly from those reported in 2012. At the lowest cut-offs there are several percent more ounces than before, the reverse being the case with the highest cut-offs. This would be expected from the limited amount of newly incorporated drilling data and from the fact that the new holes were generally in-fill between existing holes rather than extensions into new ground.

However the data in-filling raised the proportion by ounces of the combined Measured and Indicated classes (the higher classes) at most cut-offs to above **60%**. This represents a **~5-10%** increase (to 58-65%) over the 2012 proportions (51-61%). The ratio of Measured to Indicated ounces is ~2:1.

Distribution of Resources is highly concentrated in four western lodes (BV3 to BV6) which account for ~80-90+% of total ounces.

Resource update details: These Resources, estimated in late March and early April 2014, update those previously estimated in October 2012. In essence the update simply incorporates new drilling data, maintaining all the previous modelling methods and parameters. Reporting of the estimate is brought up to JORC 2012 edition standard. The essential differences (and similarities) between the current and previous Resource estimates are:

- Data:
    - Addition of data from 14 new holes drilled in the intervening period. All new holes effectively represented in-filling between existing holes.
    - Slight adjustments of many drill hole collar locations due to re-surveying.
    - Adjustment of some deeper hole tracks through the inclusion of previously missing down-hole surveys.
- Geological interpretation:
    - The new holes required new mineralised lode intercept interpretations to fit into the existing sequence of 18 sub-vertical and sub-parallel lodes.
    - For thoroughness and to implement consistency the existing +4,000 intercept interpretations were all reviewed individually. Particular focus was on continuity of the principal higher grade and width intersections and on consistent correlation.
    - The review confirmed the existing sequence of 18 lodes. Whilst the review also indicated a further 2 lodes coming in at the very north east end of the deposit they were excluded from modelling for their paucity of data, being currently inconsequential in terms of the overall Resource.
    - The review confirmed the vast majority of the individual interpretations, with the exceptions simply being the re-assignment of a few intercepts between lodes.
    - Many of the principal intercept lengths were adjusted very slightly, generally to include internal or immediately adjacent sub-grade (<0.5 g/t) intervals which clearly fell within lode envelopes. This step improved geological structural continuity. It did not reduce grades however as the "un-folding" block grade interpolation technique used would restrict included low grade samples to their limited peripheral volumes. In turn this allowed the reporting cut-off used to accept or reject these zones.
- Modelling & block grade estimation:
    - The geological modelling of the 18 lodes was as before though bounding surface interpolation using trending. Interpolation parameters remained the same.
    - An orthogonal block model was built of the geological surface models as before, using the same block parameters (origins, block sizes, etc).
    - Block grades were estimated as before, through use of an intermediate "un-folding" direction control block model, and through the same interpolation ID2 algorithm and parameters.
- Resource reporting:
    - Tonnages used the same block densities as before, set by elevation for surface oxide material, underlying transitional material, and deepest fresh material.
    - Grade cut-offs were the same as used before (from 0.5 to 4.5 g/t), allowing for consideration of open cut and underground mining scenarios.
- JORC Code:
    - The previous October 2012 Resources were reported under the old 2004 Edition of the Code.
    - These updated April 2014 Resources are reported under the current and mandatory 2012 Edition of the JORC Code.
    - Consequently this Document reports the Resources and their estimation to the JORC 2012 standard, including details relevant to the original estimation.

Document constituents: The October 2012 Resource statement provided a very brief summary of the estimation work and results. A summary Section 1 is given again here - amended to include details of the treatment of the new drill hole data, and considerably extended where necessary to match requirements of the new 2012 JORC Code. Full details of the new data supplied since the original estimation are given in Section 2. A more detailed breakdown of the Resource figures is given in Section 3. The Competent Person statement is given in Section 4. JORC Code compliance dictates the inclusion of a “JORC Table 1”, provided here as Appendix 1. It lists estimation details in the specific Code format. In keeping with the Code’s intentions for sufficient detail and transparent disclosure various other Appendices are attached to fully document project data and results.

This Resource Document contains:

- This introductory letter – summarising the results.
- Section 1 – Consulting & Resource estimation details.
- Section 2 – Details of new data (incorporated since the last estimate).
- Section 3 – JORC (2012 Edition) classified Resource tabulations – in summary and by lode.
- Section 4 – Competent Person statement.
- Appendix 1 – JORC (2012 Edition) “Table 1” – tabulation of estimation details and methodology.
- Appendix 2 – Contextual background statements by the Consultant.
- Appendix 3 – Listing of all drill holes used in the estimation.
- Appendix 4 – Listing of all interpreted lode intercepts – by lode.
- Appendix 5 – Plots of lode models – by level.
- Appendix 6 – Plots of gold blocks – by E/W cross-section.
- Appendix 7 – Plots of block JORC class – by E/W cross-section.

Yours sincerely

Robin Rankin
MSc, DIC, MAusIMM(CP)[2]

Consulting Geologist – **Geo**Res

[2] Accredited by The Australasian Institute of Mining & Metallurgy (The AusIMM) since 2000 as a Chartered Professional (CP) in the Geology discipline.

JORC Code, 2012 Edition – Table 1

Most information in Section 1 (sampling and data) of the Table was provided by CML's Regional Geologist, Mr Edward S K Fry. Mr Fry managed CML's recent drilling. Mr Fry also contributed some information in Sections 2 and 3, the remainder provided by the Consultant. The Consultant provided all details in other Sections.

Section 1 Sampling Techniques and Data

Details in Section 1 apply to the new drilling data (acquired since 2012) used for this 2014 Resource estimate update. This new data was incorporated into a very large pre-existing data set. Details are included for the pre-existing data where known. Details for the pre-existing data would be similar to the new data, particularly for the most recently collected parts of it. Specifics are variably unknown for older data.

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

Criteria	JORC Code explanation	Commentary

Sampling techniques	• *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.*
		• Sampling:
		  ○ Source: Diamond drill core.
		  ○ Sampling: Core sampling was conducted according to geology and as such had no set intervals.
		• Sampling representivity ensured by:
		  ○ Where the geological unit was greater than 1 m, sampling was taken to the metre, then conducted metre on metre until the last sample.
		  ○ The minimum sample size was 0.1 m.
		• Mineralisation identification:
		  ○ As the new holes were in-fill picking the likely mineralized zones in them was indicated by existing interpretations in existing surrounding holes.
		  ○ The whole of likely mineralized zone was assayed.

Drilling techniques	• *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).*	• Drilling methods: ○ Drill holes used for the previous 2012 report consisted of a varied combination of reverse circulation (RC), diamond coring (DD), and mine bench blast hole (unsure of exact type).

Criteria	JORC Code explanation	Commentary
		○ New drill holes for this report started with reverse circulation (RC) and followed by a diamond coring (DD) tail. ○ The DD component was dominantly HQ core size, with the exception of one hole (CBV039DT) which contained a small section of NQ.
Drill sample recovery	• *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.*	• Recovery recording: ○ DD core recovery was assessed by measuring the correctly orientated core and comparing that to recorded drilling interval. ○ Recoveries were extremely good at Blue Vein. ○ he large volume of drilling data provided by many different drillers would mitigate against poor recovery being significant problem • Recovery maximization measures: ○ Cross sections with predicted geology (including fault zones) were given to the drillers at the commencement of each hole. This was aimed at informing the driller about the geology so the driller could prepare the appropriate drilling technique in order to maximise recovery. ○ Very little core was lost during the drilling program. • Recovery/grade relationship: ○ Sampling of this program was purely of solid drill core, of which the recovery was extremely good. ○ Therefore, given the large number of samples taken, only a few of which could possibly have occurred in the very few drill core sections of lower recovery, grade could have no relationship with recovery.
Logging	• *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.*	• Logging adequacy: ○ Samples were logged in detail (see below) – and the Consultant certainly believed it to be to an appropriate level. ○ This Resource estimate did not utilise specific logging data, relying simply on the field geologist's concurrence with the geological reasonableness of the interpreted mineralised intervals. ○ Three holes were sampled (¼ core) specifically for metallurgical test work. • Logging method: ○ The DD core was transported from Blue Vein to the Mt Holland core yard (approx. 5km away) where core preparation and geological logging occurred.

Criteria	JORC Code explanation	Commentary
		○ The core was prepared by CML's field technicians under the supervision of CML's Regional Geologist. ○ Core preparation included core orientation, metre marking, recovery, and RQD measurements. ○ Additionally, the field technicians were responsible for recording the magnetic susceptibility for each metre of diamond core (taken on the metre), and determining the specific gravity (SG). ○ The regional geologist was responsible for the geological, structural, and geotechnical logging. ○ Logs noted the following: ▪ Geological code (Convergent standard) ▪ Colour ▪ Weathering intensity (qualitative) ▪ Hardness (semi- quantitative) ▪ Quartz vein percentage (quantitative) ▪ HCl reaction to carbonates (qualitative) ▪ Magnetic sensitivity (qualitative) ▪ Sulphide type and percentage (quantitative) ▪ Alteration type and intensity (qualitative) ▪ Structural features and intensity ▪ Comments ○ The S.G. was determined for each metre of diamond drilling by using the following method: ▪ Collect a core sample (approx. 10cm long) at the metre mark and record the from, to, and length ▪ Coat one side of the sample in hair spray and let dry, turn over and repeat for the other side ▪ Tare the scales and record the weight in air (using a Scout Pro 602 scales – 600 g max and 0.01 g resolution with under hook weighting potential) ▪ Remove the sample and tare the scales again and insert the sample into the hanging basket fully submerged with a constant water head and record the weight in water ▪ Then the S.G. can be calculated simply by dividing the difference of the weight in air and the weight in water by the weight in air. • Logging quantitative/qualitative: ○ The geological log was conducted on a geological break basis

Criteria	JORC Code explanation	Commentary
		(not meter by meter). ○ It was quantitative where possible and qualitative where not. • Proportion of logging: ○ 100% of the DD drilling was geologically logged.
Sub-sampling techniques and sample preparation	• *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.*	• Sub-sampling method – core: ○ After the diamond core was prepared, logged, and photographed, it was then sampled. ○ Samples were collected by using a brick saw to cut the core in half – perpendicular to the orientation line. ○ The half opposite to the orientation were sampled ○ To minimise human error, the sampler would cut all the core, then sample from top of hole to bottom – but from bottom of the top of each interval. ○ This technique is used to remove the potential of accidental over sampling. • Sample prep method & appropriateness: ○ Samples were sent to ALS for elemental analyses, where the entire sample was crushed/pulverised to 85% passing 75microns to produce a 50g charge for fire assay. • QC & representivity measures: ○ Representivity of sampling to geology was controlled by sampling to geological boundaries. ○ Representivity of sampling to expected underground mining realities was controlled by limiting sampling intervals to 1 m. ○ Sampling was periodically duplicated by both cutting and assaying ¼ core and submitting hidden duplicate samples (see below). • Sampling wrt grain size: ○ Blue Vein gold mineralisation is relatively well distributed through the host unit, with the usual high grade and low grade intercepts (spatially relatively close), which indicates a courser grained component. ○ Blue Vein does not display the typical problems associated with gold nugget deposits, and as such, the sampling size (½ HQ) was deemed appropriate. • Metallurgy: Three holes (CBV036DT, 040DT,041DT) were designated for metallurgical test work, and as such only ¼ core was sent to ALS for elemental analysis in order to provide sufficient sample for the metallurgical work.

Criteria	JORC Code explanation	Commentary

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.*
	• *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.*
		• Assay method and appropriateness:
		  ○ A 50g charge for fire assay (code Au – AA26) and a separate charge was collected for multi-elemental analyses (Ag, As, Cu, Fe, Ni, Pb, S; code ME-ICP61).
		  ○ Australian Laboratory Services (ALS) conducted the elemental analyses of the highest quality, and the analytical techniques listed above are appropriate to the Blue Vein gold deposit.
		  ○ Technique considered total.
		• Geophysics: None undertaken.
		• QC – duplicate assays:
		  ○ Each diamond hole sent for elemental analysis contains at least one duplicate sample (every thirty samples) in order to verify and test the primary analyses.
		  ○ The duplicate and its primary counterpart are quarters of the same half which would have been sent for analyses.
		  ○ Results acceptable.

Verification of sampling and assaying	• *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.*
		• Independent verification of significant intersections:
		  ○ Although sampling and assaying was not specifically verified by the Consultant his overall work on the full sample data set would constitute an “independent” verification of it. He found the data to be consistent, as expected of a WA Goldfields deposit, and without obvious anomalies.
		  ○ The small number of holes in the new data for this estimate did not warrant independent verification by CML itself.
		  ○ Additionally the significant intersections in these holes simply mirrored similar intersections in adjacent older holes.
		  ○ Agreement between holes from multiple eras and explorers would reduce the need for ongoing verification of intersections of existing mineralised lodes.
		  ○ It is not known if samples remain from past drilling which could be verified by re-assaying.
		• Twinned holes:
		  ○ The use of twinned holes was considered unnecessary (at this advanced time in the deposit’s exploration and mining history) due to the following points confirming the existence of gold mineralisation at Blue Vein:
		    ▪ Historic gold production totalled 292,094 t @ 4.06 g/t.
		    ▪ Blue Vein has been drilled by a number of different companies spanning 20 years.

Criteria	JORC Code explanation	Commentary
		▪ Those companies include Metals Exploration NL, Gold Mines of Kalgoorlie Ltd, PosGold NL, Forrestania Gold NL, Viceroy, and CML. ▪ Historic drill holes which are close together show an expected similarity in gold grade and thickness, e.g., RC- VBVP019 4.0 m @ 4.82 g/t, DD HNED298 5.2 m @ 7.21 g/t. These two holes are 18 m apart laterally, drilled in different styles (RC vs DD) and by different companies (Viceroy vs Forrestania). • Primary data documentation, entry, verification and storage: ○ All primary field data is hand written onto CML letter headed pages which are scanned and digitized. ○ In the case of assay results, the original assays and sample record sheets are kept in both hard and soft copies and are married together into a single file (per hole) and then are married into the master drill hole database (per project). • Adjustment of assays: ○ No adjustment of assay data has occurred. ○ "Less than": All samples assay values less than the detection limit were generally set either to the value 0.000 g/t or to a small value half 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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Surveying: ○ Collars: ▪ The collar positions of all recent CML holes were professionally surveyed by Greg Robinson of Southern Cross Surveyors. Data was considered to be of exceptional accuracy and quality. ▪ The fact that much drilling was performed for or during the past mining, and that the mining found the mineralisation where drilled, would indicate that data was properly located. ○ Down-hole surveys: ▪ All recent drill holes are down-hole surveyed. ▪ Historical deep holes are not all down-hole surveyed, either because they were never done or because they are missing. ▪ The down hole surveys during the 2013 drilling campaign were taken every 30 m in both the RC and DD components.

Criteria	JORC Code explanation	Commentary
		▪ The accuracy and quality of each survey shot is assessed along with geology (e.g., if a survey shot was recorded in the highly magnetic Banded Iron Formation (BIF) then it would be excluded). ○ Down-hole survey errors: ▪ The deep deviating holes at Blue Vein introduced particular sensitivity to down-hole surveying. ▪ Small differences in dip (particularly at the collar if down-hole surveys were absent) produce large horizontal movements in the apparent location of mineralized intercepts. ▪ Location of the sectional traces of holes CVG079 and CVG109 was found to be completely incompatible with surrounding data (up and down dip, and along strike). ▪ These holes were not surveyed down-hole. It is likely that down-hole surveying would have curved the holes and corrected the misplacement at depth. ▪ Remedies were applied by approximating a best fit with changes to the collar dips. A 2.0° increase was applied to CVG079, a 5.5° decrease to CVG109. • Coordinate grid system: The Grid system used was GDA, MGA zone 50. • Topography: ○ The topographic control at Blue Vein was established during the mining and the digital terrain model was created by professional surveyors at the termination of mining. ○ Recent drill hole collar pick-ups by surveyor were used to truth the existing topography surface. The topography surface elevation matched to within ~1 m.
Data spacing and distribution	• *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.*	• Data spacing: ○ Past surface holes were drilled generally eastwards on regular section lines. ○ Line spacing density varied along strike, and was generally 10 m, 15 m or 25 m. ○ Bench blast hole drilling in the open cuts was closer spaced. ○ New drill holes for this Project were planned to intercept the Blue Vein deposit in the upper proportion to infill the resource at ~30 m spacing. ○ Down-hole sampling was on 1 m intervals.

Criteria	JORC Code explanation	Commentary

		• Data distribution adequacy wrt estimation:
		  ○ The Consultant's view is that the lode sampling density (down-hole, along strike and down dip) and the hole cross-strike orientation was more than adequate to accurately represent lode geometry and grade distribution.
		  ○ Each lode was generally sampled by many samples from many drill holes (see intercepts in the Appendices)
		  ○ The long section horizontal and vertical intercept data spacing (often 10-20 m) was small enough for geological and grade continuity interpretation and estimation.
		  ○ This typical 10-20 m spacing was well less than the geostatistical maximum ranges of 40 m used to defined Measured Resources.
		  ○ The geostats worked in 3D.
		• Compositing:
		  ○ Samples were composited on-the-fly (without altering raw samples) during geostatistical analysis and block grade estimation.
		  ○ All samples were composited to exactly 1.0 m, with residuals if >0.5 m.
		  ○ Compositing was performed on a domain basis (i.e. starting and ending at domain boundaries).

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.*
	• *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.*
		• Data orientation adequacy wrt structure:
		  ○ The Consultant's view is that the fine lode sampling density and E/W cross-strike/dip orientation would sample the interpreted lodes in the best way and thereby be unbiased.
		  ○ The Consultant's sectional lode mineralisation interpretation strongly reinforced earlier sectional geological interpretations of the lode structure and validated the sampling orientation.
		  ○ Virtually all drilling aimed to cross lodes as normal to their perceived N/S sub-vertical orientation as possible.
		  ○ Most drilling azimuths were eastwards (090°) against the very steeply westward lode dips.
		  ○ Holes dipped 45-55° or steeper eastwards.
		  ○ Each lode was generally sampled by many samples from many drill holes.
		  ○ The 1 m sample lengths were small fractions of the lode width.
		• Orientation bias:
		  ○ The drilling orientation, and the close spaced section lines, did not appear to introduce a sampling bias.

Criteria	JORC Code explanation	Commentary
		○ As lode grade continuity was generally sub-parallel to strike the drilling and sampling orientation was well suited.
Sample security	• *The measures taken to ensure sample security.*	• Sample security: ○ With the exception of the three holes designated for metallurgy, the DD core was removed from the DD rig and relocated to the Mt Holland Core Yard (approx. 5 km north east of Blue Vein). ○ The core was then prepared, logged and sampled, securely stored at site, and driven into Perth for elemental analysis at ALS – all by trusted CML staff. ○ The three holes designated for metallurgy were transported to Independent Metallurgical Operations (IMO) where the core cutting, core sampling, and transportation to ALS was orchestrated by IMO staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Audits of recent drilling: ○ Hole locations were audited in the sense of being independently professionally surveyed. ○ Assays have not been independently audited. ○ However the assay tenor and locations are strongly supported by results in nearby older drill holes. • Audits of past drilling: ○ The status and existence of specific audits of past drilling results is not known. ○ However results from the multiple past drilling campaigns over a long period appear consistent and confirm the same geological interpretations. This fact indicates that successive explorers effectively audited the previous ones. ○ Shallow drilling data is confirmed by the past open cut mining. ○ Results of the bench blast hole drilling undertaken during the mining is consistent with (previous or latter) exploration drilling.

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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*
		• Mineral tenement status:
		  ○ Blue Vein is situated in M77/1065.
		  ○ The tenement is 100% owned by Montague Resources Australia Pty Ltd. Montague is a wholly owned subsidiary of Convergent Minerals Limited (CML).
		  ○ There are no Joint Ventures, overriding royalties, native title interests, historical sited, wilderness or national parks.
		• Security of tenure and impediments to operation:
		  ○ No issues with security of tenure or impediments exist.

Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous and/or other exploration:
		  ○ The following lists historic exploration at Blue Vein since 1988.
		  ○ 1988 MEL a29739 – 1st January 1988 to the 31st December 1988. Metals Exploration Limited completed line clearing and gridding.
		  ○ 1989 GMK a29835 - 1st January 1989 to the 31st December 1989. Gold Mines of Kalgoorlie Ltd completed a soil auger sampling program which returned a 600 m long gold/arsenic anomaly.
		  ○ 1990 GMK a32745 - 1st January 1990 to the 31st December 1990. No work in the reporting period.
		  ○ 1994 GMK a41099 – 1st March 1992 to the 30th April 1994. Discovery RAB and RC holes into Blue Vein North, RC HNEP061-068.
		  ○ 1994 PosGold a44003 – 1st January 1994 to the 31st December 1994. Poseidon Gold Limited. No work in the reporting period.
		  ○ 1995 PosGold a47327 - 1st January 1995 to the 31st December 1995. Poseidon Gold Limited. No work in the reporting period.
		  ○ 1996 Forrestania a50902 - 1st January 1996 to the 31st December 1996. Forrestania Gold NL completed 6,652 m of RC drilling at Blue Vein (HNEP067-177), with surveying all drill holes.
		  ○ 1998 Forrestania a56333 - 1st January 1996 to the 30th June 1997. Forrestania completed:
		    ▪ 13 RAB holes (FBVR001-013, 587 m) north of Blue Vein;
		    ▪ 70 RAB holes (BVR299-369, 1,524 m) to sterilise the proposed waste dump at Blue Vein);
		    ▪ 2 RC drill holes north of Blue Vein (FBP001-002, 236 m);
		    ▪ 184 RC holes at Blue Vein (HNEP178-289, 370-399, 407,

Criteria	JORC Code explanation	Commentary
		418-9, 431-469, 13,454 m), ▪ 29 diamond holes at Blue Vein (HNED001-006, 290-298, 400-401, 403-405, 408, 410-417). ○ 1999 Forrestania a59403 – 1st July 1998 to the 30th June 1999. Forrestania completed 110 holes at Blue Vein North (FBVR014-096, 241-267). By this stage the Blue Vein Resource had been delineated and mining commenced. ○ 2000 Forrestania a61217 - 1st July 1999 to the 30th June 2000. Forrestania. No work in the the reporting period. ○ 2001 Viceroy a63427 - 1st July 2000 to the 30th June 2001. Viceroy Australia Bounty (Victoria) Pty Ltd completed 11 RC holes totally for 1,069m (VBVP011-016, 018-022). Viceroy was the last company to complete exploration at Blue Vein before Convergent Minerals Limited.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Deposit type: ○ Would be characterised as a steeply dipping contact or quartz vein lode system in shape. ○ The Consultant geologically interpreted a consistent sequence of ~20 sub-parallel sub-vertical and fairly close lodes with an average strike direction of 000° and a 70-90° dip to the W. • Geological setting: ○ The lode gold mineralisation is in the long (order of 100 km) N/S oriented Southern Cross – Forrestania Greenstone belt mined for gold at numerous locations. ○ The geology at Blue Vein consists of a Pyroxenite and Actinolite – Chlorite +-Talc Ultramafic hanging wall, a highly brecciated and sheared Banded Iron Formation (BIF) with quartz veining host unit, and Pyroxenite/Actinolite – Chlorite +-Talc Ultramafic/mafic metasediment footwall. ○ The deposit structurally sits within the brittle-ductile zone. ○ High levels of alteration occur proximal to and within the mineralized zones. • Mineralisation style: ○ The Blue Vein style of mineralization is very similar to the +1 Moz Bounty Gold Mine (historic). ○ The mineralization type is considered BIF hosted (with associated untramafics) in a N/S striking steeply west dipping shear zone. ○ The zone delivered gold rich fluid into contact with the iron rich BIF, the iron causing the gold to precipitate out of solution.

Criteria	JORC Code explanation	Commentary
		○ Gold is the only primary economic element and occurs dominantly in the BIF and minimal gold exists within quartz veins.
Drill hole Information	• *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:* ○ *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.*	• New data explanation: The explanation of the new drill hole data incorporated into this Resource estimate, and its use, is given in the report's Section 1 (which summarizes the consulting and estimation details). • New data tabulation: Specific detailed information on the new drill holes is given in the report's Section 2. That data includes: ○ Hole list and collar data: Easting's, northings, RL, azimuth, dip and total depth. ○ Down-hole surveys. ○ Interpreted mineralized intercept depths and composite assays. • Existing data tabulation: The previous 2012 Resource estimate statement did not contain a full data tabulation of the drill holes used. Consequently that information is given here in Appendices below. That data includes: ○ Hole list and collar data (as above) – Appendix 3. ○ Interpreted mineralised intercepts (as above) – Appendix 4. • Justification for any data exclusion: All data has been included, including that from the previous estimate.
Data aggregation methods	• *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.*	• Estimation details: ○ Grade estimation details and explanations are given in the report's Section 1. ○ Data was segregated by lode (domain), for geological modeling, analysis and grade estimation. ○ Although most raw drill hole sample lengths were 1 m all samples were still composited down-hole to exactly 1.0 m lengths for geostatistcal analysis and block grade estimation. ○ Upper and lower grade limits were applied during geostatistical analysis to identify the typical mineralized population (excluding low grade waste and anomalous high grades). ○ Block gold grade estimation was done using an Inverse Distance weighting algorithm, with distances squared (ID2). Search directions were controlled by an un-folding block model. Distances in the horizontal cross-strike E/W direction were further weighted by a factor of 2. ○ No input or output grade limits were applied during block

Criteria	JORC Code explanation	Commentary
		grade estimation. ○ Resources were reported as block gold grade accumulation averages, using tonnage weighing. • Intercept aggregations: ○ By definition the anomalous high gold grades were contained within the lode interpretations, and low grades were then generally excluded (except where internal within a lode). • Metal equivalents: No metal equivalent values were necessary or used.
Relationship between mineralisation widths and intercept lengths	• *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').*	• Geometry of mineralization and drill holes: ○ Mineralisation was interpreted in sub-parallel N/S striking steeply west dipping lodes. ○ Easterly drilled hole lode intercepts were mostly approximately normal to the lode strike, and traversed the lodes at approximately the typical 45-60° hole dip angle down to the east. ○ All hole lode intercept lengths were down-hole. ○ At up to ~10 m wide horizontally across strike the lode widths were generally far greater than the 1 m down-hole sample lengths – and thus the lodes were multiply sampled in each hole. ○ In long section the lode extents were typically ~800 m along strike and up to ~400 m down dip. Both extents were thus far greater than the average 10-25 m hole line spacing in this dimension.
Diagrams	• *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.*	• Diagrams: ○ Illustrations of typical data are given in the report's Section 1 above. ○ Sections though the models are given in Appendices 5 to 7. These show the lode models, the block grades, projected drill holes, and JORC classification.
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.*	• Balanced reporting (all values): ○ All samples within each interpreted lode intercept (so high and low, with depths) are listed for the new data in the report's Section 2. ○ The intervals between these lode intercepts may be taken as either having very low grades or as not being sampled. ○ All drill holes and the interpreted intervals used in the estimation are listed in the report and in Appendices.

Criteria	JORC Code explanation	Commentary
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.*	• Other material data: ○ In general the Consultant is not aware that any other exploration data that could concern the Resource, beyond that tabulated and used, was collected by CML. ○ CML has been conducting other studies around the deposit (which could be considered mining studies, such as metallurgical test work), but the Consultant does not believe them to be material to this estimate.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work planned: ○ The Consultant understands in a general sense that CML will continue to explore the deposit and /or to develop it as a mine. ○ The Consultant maintains that the deposit remains open along strike and to depth. ○ He suggests it could be extended in several directions by additional drilling: ▪ Down-dip extensions: Many sections only contain relatively shallow drill holes. Adding deeper drill holes along the full length of the deposit could extend lodes down dip. ▪ Along-strike extensions: The deposit is open at both the northern and southern ends. ▪ Parallel to strike additions: The models indicate the presence of other nearby structures parallel to strike. The principal one would possibly be the northern extension of the south western lodes. ○ The Consultant is not aware of any specific details of further work.

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	• *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.* • *Data validation procedures used.*	• Drill hole data integrity & validation: ○ Data supply: CML supplied raw drill data in MS Excel spread sheet format to GeoRes. GeoRes manipulated the spread sheet data into suitable formats for further databasing in Minex software. ○ Assumed integrity: GeoRes relied on the basic integrity of the data supplied by CML in the original spread sheets. ○ Drill hole data is both historical (prior to CML) and recent (produced by CML). As such its integrity would be variable. ○ Historical data sources were varied (paper and digital) whilst recent data was digitally sourced. Validation methods therefore varied according to source. ○ Surveying: To ensure accuracy CML commissioned professional surveyors for this 2014 estimate to pick up more recent hole collars. This improvement in accuracy changed the collar locations very slightly from their 2012 locations, in most cases by ~1-2 m. The maximum movement was ~8 m. ○ Historical data: ▪ The historical component of the data is considerable, and its full integrity cannot be assured. ▪ However, for the initial 2012 estimate work, the Consultant was assured that considerable effort had been expended by CML in verifying the historical data. ▪ This was through the extensive cross-checking of paper records and digital data during the data consolidation (of data from different explorers) process. ▪ Historical data was verified by CML to be satisfactory. ○ Recent data: ▪ Recent data was similarly verified by CML to be satisfactory. This includes the CML data up to the 2012 estimate and the most recent data for this 2014 estimate. ▪ This verification was through their own control of this data collection, and through their own processes. ▪ CML's verification: Sample intervals (including sample ID's) were computerised and checked mathematically for

Criteria	JORC Code explanation	Commentary
		errors (e.g., checking interval widths, and checking the previous sample end point to the current sample beginning point). These methods were deemed sufficient to highlight any human transcription errors. Sample record ID's were matched to the assayed data (using the same ID). Data was then updated into Micromine for database storage and visual checking. ▪ Recent data was verified by CML to be satisfactory. ○ The Consultant databased all supplied data (historical and recent) in Minex software. ○ Verification of the Minex database included: ▪ Loading error-checking. Particularly identifies down-hole depth errors, non-numerics, overlapping and missing intervals. ▪ Simple statistics. Picks up gross errors, such as unusual coordinates and anomalous grades. ▪ Reporting, followed by visual inspection and visual comparison with spreadsheet source. ▪ Plotting in plan and section and comparison with CML's plots. ▪ Continuous checking during the section by section geological interpretation. ○ Gross integrity of the drilling data would appear to be overwhelmingly confirmed by the broad confirmation from hole to hole of the continuity of distinct lodes and the assay patterns in each. ○ Down-hole survey errors: Two CVG holes (without down-hole surveys) required edits to their collar dips (see above) to correct gross lode incompatibilities. ○ The Consultant verifies the drill hole data to be satisfactory. • Topography data integrity & validation: ○ The topography data supplied produced a surface which matched collar locations closely (<1 m vertically). ○ Verification of the open cut topography surfaces was not possible as no other specific data was available. It nevertheless appeared to conform generally with the presence and location of pit blast holes. ○ The open cut surface topography was not accurate to the bench scale, appearing to generally smooth it out.

Criteria	JORC Code explanation	Commentary

Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*
	• *If no site visits have been undertaken indicate why this is the case.*
		• Site visits:
		  ○ The Consultant (the Competent Person) has NOT undertaken any site visits.
		• Reasons for lack of site visits:
		  ○ A site visit was not considered necessary, for a combination of the following reasons.
		  ○ CML staff had visited the site frequently, were able to supply information, and the most senior staff were of the view that little would be gained material to a Resource estimation.
		  ○ Estimation would be derived from drill hole data, the location and veracity of which was highly believable from its nature and great variety of sources over a long period.
		  ○ Openly available high definition aerial photography confirmed the location, down to individual drill pads and the open cut shapes and location.
		  ○ The apparent lack of surface ore outcrop (other than in the open cuts) obviated an inspection. The surface is covered by laterite and transported cover (EF).
		  ○ The fact that the deposit had been mined in modern times:
		    ▪ increased confidence in data;
		    ▪ proved the presence of mineralization;
		    ▪ provided confirmation of the mineralized lode style and location;
		    ▪ and provided detailed bench by bench blast hole drilling of the mineralization.
		  ○ Photographs provided of the open cuts showed the geology in sufficient detail to confirm the interpretation.

Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*
	• *Nature of the data used and of any assumptions made.*
	• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*
	• *The use of geology in guiding and controlling Mineral Resource estimation.*
	• *The factors affecting continuity both of grade and geology.*
		• The geological interpretation:
		  ○ Drill hole gold mineralised intercepts were interpreted from collections of consecutive gold assay intervals with a lower 0.2-0.3 g/t cut-off. Whilst a mining cut-off of 0.5 g/t was kept in mind this slightly lower cut-off marked the boundaries of repeatable mineralised zones, termed “lodes” here. The cut-off sharply differentiated the lodes from intervening very low grade “waste” zones.
		  ○ Whilst most lode grades were usually far higher than the cut-off the use of a cut-off at 0.2-0.3 g/t provided for both structural continuity of lodes between higher grade pods and for inclusion of lower grades internally.

Criteria	JORC Code explanation	Commentary
		○ Mineralised intercepts were geologically interpreted/correlated into a consistent sequence of ~20 horizontally close, sub-parallel, sub-vertical or steeply west dipping (70-90°), N/S striking lodes. ○ Interpretation/correlation was done on E/W cross-sections spaced between 10 and 25 m along the full strike length. ○ Lode positions were repeated consistently from section to section along strike, with most lodes existing over a considerable strike (all >500 m). ○ Except where lodes petered out along strike all lodes between the outer lodes on a section were interpreted (so that lodes would not be "missing" on a section and give rise to modelling errors). ○ Most lode interpretations and correlations were obvious. Occasionally intervals were split between two lodes. Missing intervals were usually positioned where low grade mineralisation occurred. ○ Individual lodes were segregated by name and domain number. Names given were from BV2 to BV22 (west to east), with domain numbers corresponding to the numeric suffix. ○ The lode distribution was characterised by western lodes (BV2 to BV9) in the southern half and eastern lodes (BV12 to BV22) in the northern half. These overlap in a central transitional zone which hosts several intermediate lodes (BV10 and BV11). • Confidence in the geological interpretation: ○ The Consultant is highly confident of the overall interpretations of the lode models. ○ Slightly lesser confidence is held for the central zone where the western lodes transition to the eastern lodes. This area hosts some intervals where correlation was confusing, and the possibility exists for the presence of very shallowly westerly dipping lodes. ○ The models conform closely to the presumed mined ore in the open cuts. ○ They also conform to CML's initial interpretations. ○ The models conform to the geology visible in the open cut photographs. ○ The grade continuity pinched and swelled in the fashion common with vein shaped lodes. • Data nature and assumptions: ○ Lode intercepts could easily be interpreted in the holes due to

Criteria	JORC Code explanation	Commentary
		their inherent drill objective of intercepting lenses known from mining. ◦ Lodes were assumed to be fundamentally defined by elevated grades. ◦ Elevated grades meant anything >0.2-0.3 g/t. ◦ Lodes were assumed to be laterally and vertically continuous, and to thin out along strike or down dip but still be indicated by slightly elevated grades. • Alternative interpretations: ◦ The main near surface parts of lodes in the open cuts were very clear from blast hole data, were massive, and no other lode interpretation could be arrived at but to assume they continue some way beneath the pits. ◦ And in these parts, any other modelling method, such as wire-framing, built from sectional outline interpretations, would have produced a very similar volumetric and block grade result and therefore Resource estimate. ◦ Overall it is very likely that an alternative modelling method would not have allowed the linkage of interpretations along strike as well or as smoothly as the surface modelling used here. ◦ And overall there appears very little alternative interpretation of the continuous repetition of mineralized intercepts into the multi-lode interpretation given here. ◦ Miss-correlation of mineralised intercepts would have little impact volumetrically on the estimate as overall geometry would be maintained by the commensurate alterations to adjacent lode interpretations. ◦ The individual lodes intercepts could all be combined into a single mineralized "zone" (which could only have the same sub-vertical N/S stike). Resource estimation within this zone would result in higher tonnages and lower average grades – because of the inability of discriminating grades as well. However this approach would be more of a simple grade envelope model and not model the clear geological narrow high grade zones. ◦ It is possible that, in limited places where the section lines are widest apart, the holes are furthest apart on section, and the lodes thinnest, that other orientations of connecting mineralized intervals could be valid.

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		○ This latter possibility was considered in the central part of the deposit where the lodes transition from the western set to the eastern set. Here the mineralised intercepts take on an apparent over-printing of a sub-horizontal possibly gently westerly dipping continuity. And interpretations are generally less confident in the northerly parts of the deposit where the section line spacing is continuously greater in the south. ○ However the sub-vertical northerly striking interpreted continuity persists throughout the deposit whatever cross-cutting additional structures might exist. ○ In any case the existing models would not over-estimate Resources as an alternative attitude (flatter) model would geometrically model the same volumes and grade averages would be similar. ○ If additional flatter structures exist in addition to the modeled ones then this Resource is an under-estimate. ○ The strike length and dimensions of any additional un-modelled flatter mineralization is considered small, and its impact on the Resource would be minimal. • Geological control on Resource estimation: ○ Interpretation was virtually purely based on grade, the hole logging either not being available (the majority) or not used. ○ However that interpretation and surface modelling fundamentally mirrored the geological layering visible in the open cut. • Continuity controls on grade & geology: ○ Grade continuity (the repeated mineralised intercepts) appeared to follow the geological layering visible in the open cut, which in turn appeared controlled by the geological contact zone running through the deposit and the mineralised zone. ○ A specific geological explanation for this is not known by the Consultant, other than the general geological understandings of the area described in the Section 1 in the body of the report • Grade continuity analysis by variography: ○ *Previous analysis*: Grade continuity distances were studied through variography for the 2012 Resource estimate. No analysis was performed for this 2014 estimate. The same grade estimation parameters, derived from the 2012 analysis,

Criteria	JORC Code explanation	Commentary
		were used again here. ○ *Variography*: Grade continuity was investigated by geostatistical variographic analysis of drill hole gold sample assays – by individual lode. ○ *Lodes*: Detailed geostats was undertaken on the two dominant (by volume and sample numbers) southern lodes (BV3 and BV4) and then on a series of others (those with significant volume). ○ *Continuity*: Grade continuity in the plane of the lodes was imposed with the un-folding Z-grid. ○ *Distance weighting*: A fairly strong distance weighting of 3 (increasing effective sample distance) was applied to the horizontal E/W cross-dip direction (pseudo Z) to decrease continuity normal to the lodes. ○ *Composites*: Sample intervals for geostats analysis were composited down-hole to 1.0 m. ○ *Limits*: Gold samples for geostats analysis were upper limited specifically for each lode. ▪ For the dominant lodes BV3 and BV4 the limits were <50 g/t and <20 g/t respectively. ▪ For the other lodes studied (BV2, BV5-6, BV14-16) the limits were either <10 g/t or <5 g/t. ○ *Ranges*: ▪ All lodes gave maximum ranges of at least 40 m, showing continuity at distances greater (or far greater) than data spacing on and between sections. ▪ Typically the range was 60-80 m. ▪ The maximum in range was in lode BV3 of 130 m. ▪ Shorter nested ranges of 25-40 m were evident. ○ *Anisotropy*: Most lodes showed weak to moderate anisotropy with the long range directions generally plunging at 15-30° down towards the north or the south.
Dimensions	• *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.*	• Lode dimensions: ○ The deposit model comprised 18 individual lodes (BV2 to BV20). Two other more easterly lodes were not modeled for lack of sufficient intercepts. ○ The overall envelope enclosing the lodes was ~1.6 km long N/S, ~200 m wide E/W and ~400 m deep. ○ Typical lode dimensions were ~0.5 –10 m horizontal width (up to a maximum of ~15 m), 700 m along strike and 2-300 m

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		down dip. ◦ Lodes were generally separated by horizontal distances similar to the width range. • Overall dimensions: ◦ N/S strike length: ▪ ~1,750 m. ▪ 6,439,550 to 6,441,300 N. ◦ Cross-strike horizontal width: ▪ ~200 m. ▪ 760,100 to 760,300 E. ◦ Depth: ▪ ~400 m. ▪ ~425 RL to ~025 RL. • Block model dimensions: ◦ Dimensions of the block model volume containing all of the modeled lodes was: ▪ 225 m E (X) ▪ 1,650 m N (Y) ▪ 500 m RL (Z) • Blue Vein deposit can also be segmented into south and north parts. ◦ The southern segment plan area spans (south to north in MGA coordinates) 760,090;6,439,522 to 760,124;6,440, 426. That is ~950 m long and 35 m wide. It is present from beneath the open pit/close to surface at ~436 m RL down to a max depth of 8 m RL, a depth of ~430 m. ◦ The northern segment plan area spans 760,204;6,440,238 to 760,271;6,441,112. That is ~870 m long and 50 m wide. It is present from surface at ~450 m RL down to ~273 m RL, a depth of ~230 m. • See Appendices 5 to 7 for detailed illustrations.
Estimation and modelling techniques	• *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.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	• Modelling & estimation techniques: ◦ Software: Modelling and estimation was done in Minex Genesis software. ◦ Geological lode surface model: ▪ Method: Geological modelling employed computerised DTM surface interpolation. The method's appropriateness stems from its 3D computational capability and rigor. Surface were interpolated from the down-hole lode intercepts. Each lode was modelled

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	• *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	independently with a hanging wall (structure roof, SR) and foot wall (structure floor, SF) boundary surface. ▪ Algorithm: Surface modelling used a trending growth algorithm to interpolate smooth natural surfaces. Through extrapolation this method honours local inflections away from the reference plane mean orientation. Mesh point interpolations grow out from data points until all mesh points are estimated. ▪ Reference plane: Surface modelling here used a default vertical N/S reference plane oriented at 000° and dipping at 90°. It was located west of the lodes at 760,000 E. ▪ Surface estimation parameters: • Scan distance: 2,000 m (nominal with growth algorithm) • Expansion: 50 m outside perimeter intercepts. • Extrapolation. • No data limits. ▪ Surface details: • Names: BV2SR/SF to BV20SR/SF. • Pseudo grid XY equivalent to actual YZ in vertical N/S plane. • Origin (minimum): ○ 6,439,400 X (equiv. Y) ○ -50 Y (equiv. Z) • Extent: ○ 2,100 m X (equiv. Y) ○ 525 m Y (equiv. Z) • Mesh: 5.0*5.0 m XY (equiv. YZ) ▪ Build: After independent interpolation of each lode's roof and floor the suite of surfaces was "built" into a valid model (file MODEL14) using processes to correct potential cross-overs between and within lodes. This process also calculates the thickness grid for each lode. ○ Data population domains: ▪ Samples and blocks (see below) in each lode were identified and segregated by domain number for the purpose of analysis and block grade estimation. ▪ Domains were set in the drill hole database and in the

Criteria	JORC Code explanation	Commentary
		lode blocks. ▪ The 18 domain numbers ranged from 2 to 20. ▪ Domain numbers were derived from the lode name suffix (eg domain 2 in lode BV2). ○ Grade continuity control block model (Z-grid): ▪ An "un-folding" block model BV_Z4/D4 (a Minex Z-grid) was built within the geological lode surface models (file MODEL14) to provide and control grade trending continuity within the (vertical N/S striking) plane of the lodes and to provide domain control. ▪ "Un-folding" block model (Z-grid): • A Z-grid is built to align its X and Y data search directions sub-parallel to geological layer models (with each layer modelled by bounding upper and lower surfaces) with the same orientation. The XY searching is continuously (dynamically) transformed to follow along the undulations of the geological layers (and is therefore not in a straight line but parallels the layer). The Z direction remains a fixed direction normal to the average plane of the layer. The layer sub-parallel effect is achieved by a fixed number of "sub-blocks" being assigned across a layer in the Z direction (say 10). Layers with higher average and maximum thicknesses are assigned the most Z blocks. Thus Z direction block heights are always fractions of the full layer height at any XY location. As the thickness of the layer varies so does the Z sub-block height (so where the layer is 10 m thick the Z block heights would be 1 m, where 5 m they would be 0,5 m, etc). This creates an undulating block height mesh normal to the layer as the individual Z block boundaries continuously remain sub-parallel to the layer orientation. This mesh orients the search along the Z sub-block layers. • A Z-grid may be built from multiple geological layers. Blocks in each layer are assigned a unique domain number. • Where a geological layer model is not "horizontal"

Criteria	JORC Code explanation	Commentary
		(its XY axis in the usual horizontal plane) then the Z-grid is rotated to align its "pseudo" XY axes parallel to the plane of the geological model (and therefore its Z axis normal to the plane of the model). Thus a vertical geological layer model would require a 90° rotation of the relevant X or Y axis (depending on the model strike direction) to orient the XY plane vertically, resulting in the Z axis now being horizontal. ▪ Z-grid rotation: • Z-grid block model rotated 90° about the Y axis. • This aligned the pseudo XY axes into the vertical N/S plane (equivalent to ZY). • This also aligned the pseudo Z axis to be horizontal E/W across-strike (equivalent to X). ▪ Z-grid dimensions: • The Z-grid block model dimensions mirror the regular grade block model (see below), with the following exceptions: o XYZ block sizes set with consideration of block number limitations, number of lodes, and long deposit strike length. o X block size 10 m (not 5 m). Thus block sizes in the vertical N/S plane were 10*10 m (an even multiple of the 5*5 m surface mesh size). o Nominal Z block size 2 m to achieve actual E/W extent of 224 m with 112 blocks. o Actual Z block size approximated to <1 m through lode block number assignments. o Thicker lodes (BV3-8 and BV15-18) were assigned 6 Z blocks, the remainder from 5 to 2 with decreasing thickness. o No sub-blocking. o Gold grade estimate block model (3D-grid): ▪ Block gold grades were estimated, from drill hole gold (AU) sample assays, into a stand-alone 3D-grid block model BV_AU4 using the un-folding Z-grid block model (BV_Z4/D4) to dynamically control search directions

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		and impose domain segregation. ▪ "3D-grid": • A 3D-grid is a simple regular orthogonal (see below) block model storing a single estimated variable. • Blocks are defined by origin, extent and block size, with no sub-blocking possible. • Blocks are built within a geological model during grade estimation, and if controlled by a Z-grid then the blocks are not all orthogonal but take on the Z-grid variable block shape in the Z dimension. ▪ Sample composites: Drill hole gold (AU) sample intervals were composited on-the-fly down-hole to 1.0 m (plus >50% residual) lengths, on a lode/domain basis. ▪ Block rotation & dimensions: Same as the Z-grid. ▪ Continuity control: Un-folding search direction continuity control by Z-grid (BV_Z4) in the vertical N/S plane of the lodes. ▪ Domains control: Domain control by block domain grid (BV_D4) and drill hole sample domain. ▪ Block gold grade estimation parameters: • Algorithm: Interpolation using inverse distance weighting, to the power of two (ID2). • Scan distance: 150 m. • Distance weighting: Factor of 2 in the horizontal E/W (pseudo Z, actual X) direction. This reduced across-strike weighting (through effective increased distance) thereby increasing continuity in the lode plane. • Points/sectors: Maximum 3 samples per sector, minimum sectors 1. Effectively maximum samples 18, minimum 1. • Limits: No data input or output limits. ▪ Gold sample input statistics: • Samples 49,479 • Maximum 573.10 g/t • Minimum 0.00 g/t • Average 1.23 g/t

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		▪ Gold block output statistics: • Blocks 162,781 • Maximum 78.28 g/t • Minimum 0.00 g/t • Average 0.98 g/t ○ Grade reporting block model: ▪ A “grade reporting” block model BV_4 (a Minex geological database) was built within the geological lode surface models (file MODEL14) to store, JORC classify, and report gold (AU) grade estimates. ▪ “Geological database”: • A Minex geological database has regular orthogonal blocks and is used to database geology (by domain) and multiple variables (typically grades and density). • Blocks are built from geological models (typically wire-frames or surface models). Primary maximum size blocks are created where possible, and variably sized sub-blocks are created along edges of models to provide volumetric accuracy. • Grades may be estimated directly into blocks from drill hole samples or may be loaded from grade block 3D-grids. Those grade 3D-grids may be rotated and/or computed with Z-grid control. • Other variables, such as density or JORC classification variables, may be computed using SQL macros. ▪ Block rotation: • No rotation was applied. • XYZ axes natural. • Axes of the imported grade block model, a vertically rotated 3D-grid, were normalised on-the-fly. ▪ Block dimensions: • Origin (minimum): ○ 760,080 E (X) ○ 6,439,500 N (Y) ○ -25 RL (Z) • Extent:

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		○ 225 m E (X) ○ 1,650 m N (Y) ○ 500 m RL (Z) • Primary block size: ○ 1.0 m (X) ○ 10.0 m (Y) ○ 5.0 m (Z) • Sub-blocking: ○ 2 (X) ○ 5 (Y) ○ 5 (Z) • Potential minimum sub-block size: ○ 0.5 m (X) ○ 2.0 m (Y) ○ 1.0 m (Z) ▪ Gold block grade variable: • Variable AU • Loaded from 3D-grid BV_AU4 (see above). • Variably sized X input blocks averaged into 1 m X database blocks. • 10*10 m YZ input blocks averaged into 10*5 m YZ database blocks. ▪ Density: • Variable SG • Computed in each block with SQL. • Set by level into oxidised, intermediate and fresh. ▪ JORC classification variables: • Variable AU_CAT. • Computed in each block by SQL. • Based on variables generated during block gold estimation for average distance (AU_D) and number of sample points (AU_P). • Set to: ○ 3 – Measured ○ 2 – Indicated ○ 1 – Inferred • Set by criteria: ○ 3: D<=40 m and P>=1. ○ 2: D<=60 m and P>=1

Criteria	JORC Code explanation	Commentary
		○ 1: D<=150 m and P>=1 • Other estimates to check against: ○ Resource estimates and old mine production figures – see reconciliation and audits below. • By-products and other elements: ○ No by-products were considered (it is understood none were extracted during previous mining). ○ No deleterious or other elements were modeled (elements other than gold were only sporadically assayed). • Block size relationship to samples and search distances: ○ Major block sizes were 1*10*5 m (XYZ). Minimum block sizes were 0.5*2*1 m (if sub-blocked). ○ Down-hole sampling (~X direction) was typically 1 m; drill sections (Y direction) varied ~10-25 m; and hole spacing on section (Z direction) varied ~10-50 m or more. ○ Data search distance was 150 m. ○ Relationships: ▪ Across strike (~X direction) the 1 m blocks closely matched the 1 m down-hole sampling – implying block estimates could closely simulate down-hole grade variations. ▪ Along strike (Y direction) the 10 m blocks were either as fine as the closest drill sections or up to 2½ times less – also implying reasonable resolution. ▪ Down dip (Z direction) the 5 m blocks were either several or many times finer than the typical and variable hole spacings – similarly implying reasonable resolution. ▪ The 150 m search distance was virtually everywhere many times the typical average sample data distance from any block. Therefore this scan was relevant only to “fill-out” distant sporadic blocks which would end up in the lowest Inferred Resource class. • Selective mining units: ○ No specific focus on selective mining units occurred. ○ However, the fine block sizes used, particularly the 1 m horizontal cross-strike width, were specified with typical narrow vein underground mining stope sizes in mind. • Correlation between variables: ○ As significant assaying of samples other than gold was not

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		available little specific focus on variable correlation was done. ○ However, where sampled, arsenic in particular, as well as silver and copper, were routinely viewed as proxies for gold, and expected to vary in tandem. ○ During the mineralized intercept interpretation considerable notice was taken of the gold proxy elements where gold grades were low and lode intercepts were nevertheless expected. These proxies were also looked for general confirmation of intercepts in general as they usually varied with gold grade. ○ No elements other than gold were analysed statistically or block modeled. • Geological interpretation control of estimate: ○ The block grade estimates were fundamentally controlled by the geological interpretation of gold sample mineralization (essentially >0.3 g/t) into thin sub-vertical N/S striking planar lodes. ○ In turn the geological interpretation that grade continuity was strongly aligned with the plane of the lodes was implemented through use of un-folding control (to trend search directions in the plane) and the use of strong cross-dip anisotropy. ○ Grades were individually estimated in each lode through use of sample domains (a function of the interpretation). ○ And grade estimates were classified for JORC from results of the variographic analysis by lode (a function of the interpretation). • Grade cutting/capping use: ○ Although very high grade samples were present in small numbers the grade estimation here did not employ cutting or capping to ensure their influence was not unduly or particularly felt. ○ This position rested on several factors: ▪ Firstly the numbers of highly anomalous samples was limited, and the normal variability of mineralised samples was not extreme. This effectively prompted the decision not to cut or cap input grades – with the position taken that the high grades present were "real" and should be allowed to have some effect. ▪ Then the un-folding controlled grade estimation method, combined with the fine 1 m down-hole sampling intervals and the fine 1 m wide X block size, inherently severely

Criteria	JORC Code explanation	Commentary
		limited cross-strike (ie cross-lode) grade smearing. This would limit the volume any anomalously high grade influenced. ▪ The horizontal distance weighting factor of 2 further diminished this smearing effect. ▪ Finally the close drill hole section spacing (10-25 m) and reasonable down-dip hole spacing (~10-50 m), in combination with the 10*5 m block sizes in those directions, similarly limited the chance of high grades having a large volumetric effect. ▪ Lode segregation by domaining fundamentally precluded samples influencing lodes they were not flagged in. • Estimate validation process: o Block geology validation: ▪ Volume report: Initial check to compare volumes reported within geological model lode surfaces with volumes reported from the blocks built from them. Expect almost exact match. Spot checks of several lodes considered acceptable. ▪ Plots: Visual cross-sectional plot comparison of block boundaries with geological model surface intersections. Particular focus on validity of the blocks in each lode (possibly corrupt if the raw surfaces overlapped). Also check of block domain assignments. Comparisons considered good. o Block grade estimate validation: ▪ Estimate stats: initial basic check to compare overall (not on a lode/domain basis) stats given during the block estimation – input drill sample stats with estimated grade stats. Expect reasonable but not exact match. Particular focus on closeness of the maximums and the raw averages: • Sample gold average1.2 g/t • Estimate gold average 1.0 g/t • Averages considered close enough. ▪ Plots: Methodical visual cross-sectional plot comparison of colour-coded block grades with annotated drill hole samples. Comparisons considered acceptable.

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		• Estimate reconciliation: ▪ 2012 estimate: ▪ This 2014 estimate was compared with the previous 2012 one – both visually and through Resource reporting. ▪ Results were very similar – as would be expected from the new in-fill data which did not potentially enlarge the Resource, and were considered a confirmation. ▪ Resource differences were small, with a slight upgrade in JORC classification due to the sample distance reduction from the in-filling. ▪ Other Resource estimates: o Hellman &Schofield (H&S), 2009: ▪ Un-published, possibly unfinished estimate. ▪ This estimate was not seriously compared with the H&S figures as the geological modeling and grade estimation approaches were significantly different. ▪ H&S's relatively shallow modelled zone was not markedly deeper than the existing cut and was only considered for surface mining. It was thus reported with a 0.5 g/t lower cut-off. ▪ H&S reported a combined Measured, Indicated and Inferred JORC Resource of 3.7 Mt @ 1.53 g/t gold (for 183,000 oz). ▪ H&S's estimate was ~50% less than here in terms of ounces of gold. Their tonnage was of a similar order being only ~20% less, but their grade was ~40% lower. ▪ H&S had fewer drill holes, with less extent, which partially accounting for the difference. ▪ The H&S geological model was very simple and of a large envelope enclosing all mineralization. It therefore did not discriminate ore grades from waste as done here. Consequently the H&S average grade was always going to be lower. ▪ The H&S grade estimation used an indicator Kriging method. That probabilistic method differs considerably from the specific hard estimation used here.

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		○ Snowden, 2008: No details available. ○ Andrew Thompson, 2010: ▪ Few details available. ▪ At a 0.5 g/t cut-off Thompson reported a combined class Resource of 2.6 Mt @ 2.1 g/t gold (for 172,000 oz). ▪ As no estimate details were available a comparison could not be made. • Differences with other estimates: ○ The H&S and Thompson estimates were lower than here in tonnes, average grade and ounces. This is attributed to several factors. ○ The current model incorporates new drill hole data, some of which is deeper and more extensive than before. ○ Current modelling involved detailed section by section geological interpretation. ○ Current modelling utilised un-folding techniques – able to better correlate along layered lodes and aid variographic analysis. This method may explain the higher grades reported here with elevated hanging or footwall mineralization better focussed. ○ In contrast to estimation here the H&S and Thompson estimates used wire-frames to model grades within a broad shallow envelope around the mineralised "zone". These models would allow greater dilution than here, further explaining their lower grades. ○ The H&S and Thompson models were shallower than here. • Mine production comparison: A comparison between this estimate and the mine production was not attempted due to the paucity (as made available to the Consultant) of specific information about production form the Blue Vein pit.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Moisture: Reporting has assumed a hard rock dry basis, with no account made for water.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Cut-off grades: ○ Resources were reported using a range of lower gold grade cut-offs – 0.5 to 4.5 g/t at 0.5 g/t increments. ○ The basis for this was to provide for consideration of open cut

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		(possibly 0.5 g/t cut-off) or underground mining situations (possibly 3.0 g/t cut-off or above). o It also provided data for a grade/tonnage curve.
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.*	• Mining factors & assumptions: o CML's basic assumption was that this Resource estimation was to provide for underground mining (see cut-offs above).. o This partly rested on the presumption that the existing open cut over the southern part of the deposit had already mined whatever was viable for open cut mining. o As well as the primary underground mining objective the Consultant did not exclude the possibility for additional open cut mining should the geological and grade modelling reveal significant shallow Resources. o Current lode and grade modelling would apparently support further open-cut mining beneath and as strike extensions to the current open pit. o The possibility for open cut mining could be evaluated through pit optimisation.
Metallurgical factors or assumptions	• *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.*	• Metallurgical factors & assumptions: o The Consultant is aware that CML has been conducting metallurgical test work since the last estimate through consultants in Perth, WA. o Three holes in the new data used here were also intended to supply data for metallurgical testing.
Environmen-tal factors or assumptions	• *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.*	• Environmental factors & assumptions: o Environmental issues have been ignored for this estimate. o The basis for this was effectively the past mining on the deposit – where issues such mining and waste disposal had already been dealt with to gain past permissions, with the assumption that future processing and permissions would follow similar routes.
Bulk density	• *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*	• Bulk density determination: o Considerable historical exploration and mining density data was available.

Criteria	JORC Code explanation	Commentary
	representativeness of the samples. • *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.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	○ The density used here was derived from the H&S work, which had determined a relationship between actual density determinations, weathering and depths from surface. ○ Analysis of the data had indicated that density for oxide and fresh material could be set from depth from surface. With a flat topography the depths equated to horizontal RLs. ○ Density was set for three zones: ▪ Oxide – 2.20 t/m^3 for the 45 m thick zone from surface (~440 RL) down to the 395 RL. ▪ Transitional – 2.48 t/m^3 for the 25 m zone from 395 RL down to the 370 RL. ▪ Fresh – 2.90 t/m^3 for fresh material below the 370 RL. • Density accounting for rock variability: ○ The past bulk open cut mining, mirrored by the H&S study, determined that differentiating rock density on the basis of simple weathering was adequate. • Assumptions behind density estimates: ○ N/A as density taken from previous use.
JORC classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie 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).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• JORC classification basis: ○ The principal criterion used in classification was the average distance of samples used to estimate each block grade. ○ Sample distance could be related to the average geostatistical maximum range determined from the variogram analysis of the principal lodes. ○ The minimum maximum range in all lodes studied was at least 40 m. This was continuity at distances greater (or far greater) than typical data spacing on and between sections (10-25 m). ○ Typically ranges were 60-80 m. ○ The maximum range was in lode BV3 at 130 m. ○ Shorter nested ranges of 25-40 m were evident. ○ Range anisotrophy was weak to moderate, plunging at 15-30° down towards the north or the south. ○ Block sample distances for the higher Measured and Indicated classes were plotted in 3D to check class continuity with the aim of ensuring contiguous zones of the same class. • JORC classification: ○ Average sample distance criteria applied were: ▪ Measured (3): D<=40 m ▪ Indicated (2): D<=60 m

Criteria	JORC Code explanation	Commentary
		▪ Inferred (1): D<=150 m ○ Measured Resources: ▪ Gold blocks estimated with an average sample distance <40 m. ▪ This distance was ⅔ of the typical range (60 m). ▪ Spatially these blocks formed a contiguous zone principally located immediately below and extending a similar pit length along strike from both ends of the open pit. This also corresponded with the highest drill density. ▪ In these areas the geological structure and mineralisation continuity between the exploration drill holes and the grade control drill holes in the pit above was very clear. ○ Indicated Resources: ▪ Gold blocks estimated with an average sample distance <60 m. ▪ This distance was equal to the typical range (60 m). ▪ Spatially these blocks formed a contiguous zone bounding the Measured zone, both below and along strike. The zone contained several lobes extending to depth in areas where sections contained concentrations of deep drill holes. ○ Inferred Resources: ▪ Gold blocks estimated with an average sample distance <150m. ▪ This distance was up to the maximum scan distance used in the estimation (and still within some of the longest ranges). ▪ However in practice no distances close to 150 m were encountered as the lode surface models ended only 30 m beyond perimeter drill holes. ▪ Spatially these blocks filled out the remainder of the blocks beyond the Indicated zone. • Classification accounting for all relevant factors: ○ Classification details were developed : ▪ As project knowledge was gained. ▪ During the geological interpretation. ▪ As grade estimation results came to hand. ▪ With regard to the previous mining history and data

Criteria	JORC Code explanation	Commentary
		spacing deemed necessary for that. ▪ With regard to photographs of geology exposed in the open cut. ▪ With backward referral to earlier estimates and methods. ○ Confidence in the classification was particularly supported by the high data density in parts and the clear geological lode model continuity. • CP's view of classification result: ○ The classification scheme developed by the Consultant (the CP) produced results which accurately reflect his expectations of the class proportions and their relative locations and distributions.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Audits: ○ The Consultant was aware of previous recent Blue Vein estimates by Snowden Consultants (2008), Hellman & Schofield (H&S, 2009) and Andrew Thompson (2010). Explainable differences between those estimates and this are detailed in the estimate reconciliation item above. ○ This current 2104 estimate has not been audited by third parties, but is currently being used for mine design work. ○ The previous 2012 estimate was reviewed by CML and has formed the basis for detailed mine design work.
Discussion of relative accuracy/ confidence	• *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.* • *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.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Accuracy & confidence in the estimate: ○ Statement: The Consultant is very confident in the accuracy of the estimate. Reasons follow. ○ This estimation work could be considered to be a second or third generation process – able to build on earlier knowledge. ○ The careful geological interpretation and surface modelling are considered the most appropriate to the style of mineralisation. ○ The use of un-folding is considered to have substantially aided the variography (leading to definition of longer ranges than before with clearer indications of anisotropy) and grade estimation. • Global or local estimate: This is a global estimate. • Reconciliation: Although not performed it would be possible to reconcile past pit production (if available) with the current estimates.