19 September 2016

ASX ANNOUNCEMENT

By Electronic Lodgement

MRV METALS PTY LTD CONFIRMS SIGNIFICANT RESOURCES IN TWIN HILLS MINE

It is with great pleasure the board of Moreton Resources Limited announces it's "Maiden JORC" for the Twin Hills Deposit which is a significant anchor Asset to the Granite Belt Project as previously announced to the ASX.

The following are the high level Resource Estimates as provided by Datageo Geological Consultants, whom are our authorised Competent Person for the Twin Hills Asset. The Company is extremely pleased about this validation work and the fact that the former Twin Hills Mines Site contains a significant estimated resource of Silver (Ag) and minor Gold (Au) traces within this cornerstone asset for our advancement plans.

Twin Hills in situ Mineral Resource above 26.5g/t Ag remaining at end of Feb 2014			
Class	**Tonnes**	**Ag g/t**	**Au g/t**
Measured	1,640,000	75.8	0.10
Indicated	5,586,000	44.1	0.08
Inferred	1,147,000	48.8	0.06
TOTAL	**8,373,000**	**51.0**	**0.08**

DataGeo whose Principal was the Geology Manager for the former owner and operator of the Twin Hills Mine and estimated the Twin Hills Mineral Resource model, upon which this announcement is based, reviewed the model and depleted it as best as possible for recent production. The resource is reported in the vicinity of ultimate pit design and to the south of the pit, within 100m of the surface.

In addition to the releases to the market in July, whereby significant Copper/Silver Exploration Targets in Harrier, Hornet and Hawker were identified, the Company is also currently finalising its review of the Mt Gunyan Resource and we are seeking to release a JORC estimate in the coming weeks. Of interest with this Asset is not only the potential for a significant additional Silver Resource but also we believe it to be highly prospective for a potential Gold Resource. Work is ongoing and as stated, a release to market is expected in the coming weeks.

Following this, the Company will be in a position to release the full strategy to the market which makes up the Granite Belt Project. As the market is aware the Company is currently working its way through Mining and Environmental Approvals within the relevant Government Departments. We will certainly update the market upon the progress of these applications as they continue to follow the due process and as outlined, we will put a complete and total picture to the market in the coming weeks of the "Granite Belt Mining Precinct" which is the subject of such approvals.

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Whilst the former owners of the Assets had released some of this information, and whilst the Company does believe it is material and significant for release, the ASX believes the historical information should be released as if it was being released for the first time, despite it already being within the market and in our view already meeting ASX compliance guidelines. This has caused significant delay upon our ability to keep the market informed, however as outlined we are looking forward to updating the market upon the total potential opportunity this exciting project holds.

In addition to this, as per our prior releases to the market, upon the 29th of August 2016 the Department of Natural Resources and Mines, confirmed in writing that "on termination of the former mining lease, the land within its external boundaries became part of the EPM 8854 area." That is the Department has now confirmed MRV Metals view, that the prior mining areas in-situ metal assets have, by default of the underlying tenure, fallen to MRV Metals by way of ownership of EPM 8854.

The Company continues to work through the renewal of EMP 8854, which was transferred to MRV Metals in May 2016.

The board is extremely pleased with the progress of not only the MRV Metals subsidiary business but also the MRV Tarong Basin Coal Project, and as such both will form the basis for multiple releases in the following weeks and months.

Regards

Jason Elks
Executive Chairman
Moreton Resources Limited

COMPETENT PERSON STATEMENT

The information in this report/release which relates to Mineral Resources for the Twin Hills Mine, Granite Belt Project is based on and accurately reflect a report prepared by Mr Peter Ball 2016, which accompanies this announcement.

Mr Ball has the necessary experience relevant to the style of mineralisation, the type of deposit and the activity undertaken to qualify as a 'Competent Person' under the JORC Code for Reporting of Mineral Resources and Ore Reserves (2012 Edition).

Mr Ball has given his consent to the inclusion of the information from his Report. Mr Ball is Principal of DataGeo Geological Consultants (an independent geological consultancy) and a member of the Australasian Institute of Mining and Metallurgy.

- END -

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2012 JORC COMPLIANT

TABLE ONE

MRV METALS – GRANITE BELT PROJECT

TWIN HILLS ASSET

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Appendix 1
Reporting Criteria

Reporting Criteria

The data and interpretation utilised and the resultant mineral resource estimate for the Twin Hills Deposit is summarised as follows: -

- Geology and Mineralisation Interpretation
    - The deposit consists of steeply east dipping north south and NNE-SSW trending mineralisation hosted by altered sediments and displaying anomalous silver content. The main mineralisation occurs over a strike length of 700m, a depth of 200m and a true width which varies between 20 and 200m. Additional lower grade mineralisation occurs for another 500m to the south.
    - Silver mineralisation is generally argentite and/or polybasite.
    - The zones of mineralisation are wireframed.

- Drill Information and Sampling
    - The deposit has been drilled from surface using diamond coring, reverse circulation and open hole percussion techniques. The core recovery is generally very good, greater than 95% whilst the quantity of material returned by the other two methods is unknown.
    - Holes were surveyed by DGPS and the orientation and inclination at collar is set out using clinometer. Down hole survey was recorded at intervals averaging 30m down hole with either single or multi-shot cameras.
    - The diamond drilling and sample collection techniques consist of returned core stored in core boxes labelled with the hole number and length contained. The core is transported to the core storage area where it is logged geologically and intervals for analysis are marked up by the site geologist. The intervals selected for analysis had the core either quartered (pre Alcyone) or halved (Alcyone) at site to be sent for preparation and analysis. Standards and blanks were included in Alcyone programs only. Reverse Circulation holes had from sample collected every 1m from the cyclone. Two adjacent samples were combined and riffle split to approximately 3Kg. These sub-samples were stored in numbered calico bags. The open hole percussion samples were also collected at 1m down hole intervals from the cyclone into large numbered plastic bags from which sub-sample was selected by spearing and combined with the adjacent sample into 2m composites.
    - Moreton has not sampled the Deposit

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- Sample Preparation and Analysis

    - Drill samples have been prepared and analysed at commercial accredited laboratories in Queensland
    - The preparation is by drying, crushing, riffling and pulverising.
    - Ag and Au content is determined using grade range related methods by either acqu regia or acid digest with atomic absorption or emmision spectometry finish. High grade Ag results (>40ppm) were analysed using similar techniques with higher detection limits.
    - QAQC protocals were only adopted in the most recent Alcyone drilling where standards and blanks were included with routine samples submitted to the laboratory at the rate of 1 or each per 20 samples submitted. Comparisons of assays from the different sampling types indicated that there was little evidence of bias.

- Estimation Methodology

    - The drill hole information is composited within the mineralisation interpretation to the most common sample length within the dataset – 2m
    - Grade is estimated by ordinary kriging with the estimation constrained by a hard boundary representing the interpretation and with grade estimated into a block model with a cell size of 5mE x 20mN x 5mRL from top-cut 2m composite data.
    - Density is applied as a default according to position relative to the weathering profile.

- Validation and Classification

    - The block grade estimates are validated against the composites both globally and spatially
    - The block estimates are classified according to geological confidence, length of search, number of composites, location and global estimation error.

- Reporting

    - Reporting cut-off has been determined from the results of ore reserve determinations relating to open cut mining, fine crushing and cyanide heap leach extraction - see next point. These studies have indicated that the in situ grade required would be in excess of 50ppm Ag to identify material for viable extraction. As such a reporting cut-off of 26.5ppm Ag was identified from the ore reserve process. Moreton considers that the cut-off is appropriate based on current commodity prices.

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- Mining and Metallurgy

    - Metallurgical test work indicated that finely crushed material returned an Ag recovery of +60% in heaps using cyanide.
    - An optimisation based on Alcyone's preferred owner operated open pit mining, crushing, stacking and processing indicated that the economical cut-off was 26.5ppm Ag based on appropriate parameters and costs at the time – 2012. Moreton considers this operational method remains appropriate.

- Ownership and Approvals

    - The exploration tenure was acquired by MRV Metals Pty Ltd (a wholly owned subsidiary of Moreton) in 2016 from the Administrator appointed by Alcyone.
    - Tenement applications are in place for a mining license and an overlapping mineral development license which cover the Deposit and the location of previous/existing infrastructure
    - Government Approvals including an environmental authority to re-commence a mining, crushing and heap leach processing have yet to be obtained/finalised.

Sampling Techniques and Data		
Criteria	**Explanation**	Comments
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.*	The deposit has been drilled and sampled by diamond coring, reverse circulation and open hole percussion methods with holes on variable spacings around the hill. The total metres drilled from the 650 holes within the immediate vicinity of the Deposit and thus used to support the mineral resource estimate is 35,782m. The holes are drilled mostly towards the west into the steeply dipping north-south trending mineralisation.

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	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Initial surface drilling identified near surface mineralisation which was later supplemented by deeper drilling. The subsequent drill holes in filled and extended the mineralisation coverage down dip and plunge. The holes had collars surveyed using DPGS and downhole orientation was taken from the logs. The diamond core and percussion samples were logged for sulphide content, lithology and other geological features if possible.
	• *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.*	The diamond core was either HQ or NQ size. The mineralised intervals and adjacent locations were sampled by cutting the core in 1/2 or 1/4 based on the logging. The RC and PC sample return was collected in 1m intervals and either spear or riffle split to collect sub-samples which were combined into 2m down hole composites. The preparation and analysis was undertaken at accredited commercial laboratories. The entire sample was dried and crushed to 2mm and then split and a portion pulverised to 95% passing a minimum of 75microns. The analysis was of aqua regia digested subsamples with either atomic absorption or ICP finish.
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).*	Diamond drilling (24 holes) is cored from collar and hole depths range from 40m to 250m. The core was not orientated. The RC holes (93 holes) range in depth from 3m to 250m and the PC holes (533 holes) range in depth from 2m to 75m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	The core recovery recorded in the database indicates it is usually in excess of 95% which is supported by observation and re-measurement from the core in the yard. There is nothing recorded concerning the

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		amount and consistency of material recovered from the RC or PC drilling.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	The cyclone was fully enclosed to reduce dust and thus loss of fines.
	• *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.*	Whilst no assessment has been reported the competency of the core would tend to preclude any potential issue of sampling bias with respect to obtaining representative samples for silver. The review of grade by sample type supports this.
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.*	Geological recording of lithology, mineralisation, veining, alteration, weathering, and structure is appropriate to the style of the Deposit.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography*	geological logging is both in summary and detailed for the information listed above and includes mineralisation type and content, some angle to core axis information (core only), vein type, incidence and frequency. Not all geological logs are recorded in the database but appear on hardcopy logs.
	• *The total length and percentage of the relevant intersections logged.*	the entire length of all holes was logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	the majority is 1/4ed with the Alcyone core 1/2ed. A mechanical cutting device was used. It is not known if the core was consistently taken from one side of the stick.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	The RC and PC samples were collected at 1m intervals from the cyclone and either riffle split or spear sampled. Two adjacent samples were combined. All material was sampled as returned -

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		usually dry. Wet holes were re-drilled.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	based on information provided and the test work comparisons the field sampling techniques were appropriate. The use of commercial laboratory facilities for the preparation of samples is industry standard practise and the techniques used appropriate to the style of mineralisation.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Prior to Alcyone QAQC samples (standards and blanks) were not used with only sample duplication for RC and PC holes carried out. Alcyone adopted standards and blanks included with the samples submitted for analysis.
	• *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.*	Field duplicate sampling from the PC and RC holes, when conducted, is supportive of the original results. No core duplicate assay results have been observed.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	The silver mineralisation style and the relatively low local grade variance combined with the domaining and lack of bias between the various drilling sample types provides confidence in the overall silver grade of the deposit being fairly represented.
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.*	The assay techniques applied for the measurement of silver content is appropriate for the determination of the level of silver in the sample. The routine technique was aqua regia digest with ICP-AES analysis with over range values repeated using a similar digest with atomic absorption spectroscopy finish.

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	• *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.*	none applied
	• *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.*	Only the most recent drilling conducted by Alcyone included Standards and Blanks at approximately 1 in 20 of the number of core samples submitted. Fields Duplicates were used for RC and PC drilling. Comparisons between drill sample types revealed little evidence of bias.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	higher grade mineralisation intercepts were observed and verified by Alcyone personnel.
	• *The use of twinned holes.*	No specific twinning program has been conducted however in many positions within the Deposit drilling is in close proximity and the comparison of assays results is supportive
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols*	For most holes primary data was recorded onto paper logs and sample record sheets. More recent holes directly onto electronic spread sheets and validated against code tables by the database manager.
	• *Discuss any adjustment to assay data.*	not applicable
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.*	The collar positions are surveyed by a contractor from known surface datum. The orientation and dip at the start of the hole was recorded and similar information down hole is recorded by single shot camera.
	• *Specification of the grid system used.*	The regional grid is AMG84 Zone 54 and the Deposit is laid out on this grid. The elevation is according to AHD.

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	• *Quality and adequacy of topographic control.*	Topographic control is taken from detailed site surveys and individual hole collar surveys and is adequate for the control required.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	Spacing varies with position in the deposit with the near surface drilling (mostly PC holes) on spacing averaging 10mE x 20mN to 20mE x 25mN. At depth (below 80m from surface) the spacing is 25mE x 30 to 50mN. Below 130m the spacing is variable depending on position relative to the hill.
	• *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.*	Successive drilling programs have in filled the previous and on the majority of occasions drilling has returned mineralisation in the expected locations. This provides a high degree of confidence in the geological continuity. Close spacing drilling provides good support for positioning of mineralisation by domain.
	• *Whether sample compositing has been applied.*	The sampling reflects the geological conditions. For mineral resource estimation a 2m composite length was chosen given that this is the dominant sample length in the drilling.
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.*	The drilling is oriented as best as possible to perpendicular to the structure/geology containing or controlling the mineralisation. Closer to surface some drilling is vertical. Generally the orientation is appropriate.
	• *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.*	No sampling bias is considered to have been introduced given that the mineralisation is disseminated within the alteration and as well is associated with small scale quartz veins.

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Sample security	• *The measures taken to ensure sample security.*	The chain of custody adopted by Alcyone and as best known from previous companies is appropriate and based on responsibility and documentation.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	None conducted

Table 17: Estimation and Reporting of Mineral Resources		
Criteria	**Explanation**	Comments
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.*	The data utilised was validated by Alcyone and its database management consultant by comparing laboratory result sheets and sample intervals on the drill logs to the contents of the database. The majority of assays were reloaded from original ALS result sheets obtained from ALS's archive.
	• *Data validation procedures used.*	Alcyone's database manager utilised a SQL Server database and loads data with the contents checked against validation tables. The process adopted provided sufficient confidence in the database contents to state that it accurately represents the drill information.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	The competent person regularly visited the site as part of his responsibility as Alcyone Resource's Geology Manager.
	• *If no site visits have been undertaken indicate why this is the case.*	not applicable
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The confidence in the geological interpretation is considered good as it is supported by a considerable amount of exposure from mining and a relatively large drill dataset. The mineral domaining is generally against well-known orientation

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		controls and is supported by statistical and geo-statistical analysis.
	• *Nature of the data used and of any assumptions made.*	Only physical data obtained in the field was utilised.
	• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*	The application of hard boundaries to reflect the position of the domains is supported by the field and drilling observations. It is felt that other estimation techniques would give similar results.
	• *The use of geology in guiding and controlling Mineral Resource estimation.*	The presence of alteration in favourable rock types combined with the overall orientation control of the shearing provides the geological control and this combined with presence of silver is used to constrain the interpretation.
	• *The factors affecting continuity both of grade and geology.*	The higher-grade silver occurs in the central part of the overall mineralisation sub-parallel to the domain boundaries. All silver mineralisation is disseminated within the host rock and/or occurs in association with fine quartz veins. The position and style of mineralisation impacts the grade continuity.
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.*	The higher-grade silver mineralisation within the Deposit occurs over a 700m strike length, a width of between 20m and 200m and some 200m vertically from surface. This occurs within an overall silver mineralisation anomaly which extends for in excess of 1Km and to 300m in width and depth. Whilst the deposit remains open at depth it thins significantly.
Estimation	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation*	The large size of the domains and the large number of included composites plus the availability of a continuity model supported the use of ordinary kriging techniques. Grade estimation was carried out in Vulcan™ application. Density was assigned using default values based on core analysis. The composites were created within each domain and input to

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	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 grade estimation was restricted to those composites which were within the domain being estimated. Top-cuts were applied to the composites based on statistical analysis. Estimated blocks were informed a three step strategy with orientation set to the orientation of the domain being estimated. The initial (primary) search was 30m x 15m x 10m in strike, dip and across dip-strike plane. This search range was expanded by double the length for blocks not informed in the primary search and again in the final search strategy. This strategy informed on average 70% of the blocks in the primary and secondary search.
and modelling techniques	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	Comparison of the estimate in global terms to production figures is generally fair with some indication from assessment of Alcyone's production that the exploration model is slightly overstated in tonnes and grade above cut-off compared to blast hole defined grade control information. The mineral resource model does not account for production.
	• *The assumptions made regarding recovery of by-products.*	The silver "ore" contains gold which is estimated within the model. Gold is recovered in the leach process with a recovery factor of 45% based on test work.
	• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	No assessment of deleterious elements has been made, it is noted that the "ore" contains some base metals which could interfere with the recovery process.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	The block model was constructed using blocks of 5mE x 20mN x 5mRL. Sub-celling to 1/2 the block size in each direction was adopted to ensure accurate volume representation. Grade estimation was to the parent block size. The block size is a compromise given the variation in drill spacing with position in the deposit.
	• *Any assumptions behind modelling of selective mining units.*	not applicable

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Estimation	• *Any assumptions about correlation between variables.*	whilst comparisons have been made between silver and gold no correlation was observed and the result did not influence the estimation process.
and modelling techniques (continued)	• *Description of how the geological interpretation was used to control the resource estimates.*	Hard boundaries were applied to the Domains. Grade was estimated within these boundaries.
	• *Discussion of basis for using or not using grade cutting or capping.*	Statistical analysis of the silver indicated that it was fairly normally distributed according to the coefficients of variation thus only the extreme outliers were controlled by top-cutting. For gold the populations were positively skewed and thus to minimise the influence of higher-grade composites their influence was restricted to the primary search distances.
	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Volume validation was carried out by comparison of the solids representing the mineralisation to the block model. Grade validation was carried by both global comparison of the average estimated grade to the average input grade and spatially by comparison of the estimated grades to the input grades by position. Also visual comparison was used. Comparison to recent production information has been fairly supportive of the model.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnages were estimated using density determined by wet and dry measurements and applied by weathering profile position as a default.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	A 40g/t Ag boundary appears to define statistically and geologically the margins of the more continuous higher-grade mineralisation whilst 20g/t Ag provides the extent of the mineralisation.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always*	Previously Alcyone optimised the model using 65% silver recovery on a crushed ore heap cyanide leach process. Mining, blast, haul, crushing, stacking and processing costs were driven by owner operation using existing mining fleet, and upgraded crushing and stacking infrastructure. Mining has been by open cut which has

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	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.	proven, in the areas mined, appropriate to the physical extraction of "ore" which is confirmed by comparison of the model to production. The optimisation process indicated a reporting cut-off of 26.5g/t Ag. Moreton considers that this method of operation is appropriate given the history and current commodity prices.
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.*	The metallurgical characteristics of the Deposit have been determined by column leaching trials using finely ground bulk sample from the pit as it existed in 2009. The silver recovery curve was projected to 68% over an extended period of time (+90days).

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Environmental 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.*	When Alcyone operated the Project it was within a granted mining license and all of the necessary licensing and environmental approvals were in place. MRV Metals Pty Ltd has acquired the underlying exploration tenure which is currently not permitted for Mining by a Mining Licence nor an Environmental Authority. However both of these applications have been made to the relevant regulators and those processes are following the due process currently. The intent of these applications is a broader mining region, however it fully contains the Twin Hills deposit as a primary resource to be mined.
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 representativeness of the samples.*	Density has been determined from core using weight in the air and weight in water techniques. The results were applied by weathering profile position into the block model.
	• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc),*	The rocks do not display significant porosity thus the technique adopted is appropriate.

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	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 material is generally fairly uniform as evidenced by the consistency in the observations from mining.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.*	The classification is based on the quality and amount of input data, the grade continuity model, and the physical domaining which is supported by mining and drilling observation of the mineral system. Shortcomings in QAQC have been offset by the amount of drilling data and the apparent lack of bias between sample types. Higher confidence areas have more supporting data and a mining history, areas of lower geological support reflect a lower classification.
	• *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).*	The input data particularly the more recent is consistent and closely spaced enough to support the projection of the geological interpretation at depth. Later drilling programs have successfully in filled earlier programs in mineralised locations predicted by the initial program. The estimated grade correlates reasonably well with the input data given the nature of the mineralisation.
	• *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The Mineral Resource estimate reflects the Competent Persons understanding of the Deposit.
Audits or reviews.	• *The results of any audits or reviews of Mineral Resource estimates.*	Audits have been conducted by external parties looking at finance options.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an*	relative accuracy has not been quantified given the mineral resource is volume and sample constrained. The confidence in the mineral resource is defined by the classification adopted as per the guidelines of the 2012 JORC code.

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	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.*	The statement relates to global estimates of tonnes and grade.
	• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	From the commencement of mining by Alcyone grade control production information (based on blast hole sampling) has been compared to the exploration model prediction on a monthly basis and the result is fair with the exploration model over predicting tonnes and grade by 2% and 5% respectively.

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