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Ardmore Phosphate Rock Project

Mineral Resource Upgrade & Extension

CAPTION: Centrex Managing Director & CEO Ben Hammond oversees an excavation at Ardmore for a bulk vendor crushing test work sample.

Highlights

- Mineral Resource update completed after recent 319 reverse circulation ("RC") drill hole program completed at the Ardmore Phosphate Rock Project
- Increase in total Mineral Resource to 14.2 million tonnes at 28.7% P_2O_5 (using 19% P_2O_5 cut-off)
- Includes 12.3 million tonnes of Indicated & Measured Mineral Resources
- Mine designs now being updated prior to release of Scoping Study
- All other elements of Scoping Study completed
- Further bulk sample taken at site for feasibility level vendor crushing test work
- Opportunity to reduce three-stage crushing circuit to two-stage or single-stage circuit
- Feasibility study already well underway and targeted for completion in mid-2018

Summary

Centrex Metals Limited ("Centrex") has completed a Mineral Resource estimate update for its Ardmore Phosphate Rock Project ("Ardmore") in North West Queensland. The update was based on a recently completed 319 hole reverse circulation ("RC") drilling program, plus 303 historical drill holes.

The estimate has defined total Mineral Resources of 14.2 million tonnes at 28.7% P_2O_5 (using a 19% P_2O_5 cut-off), an increase in quantity from the previous estimate. A total of 12.3 million tonnes of the resource is classed as either Indicated or Measured Mineral Resources. A full breakdown is provided below;

Mineral Resource Category	Million Tonne	P_2O_5 %
Measured	1.3	29.7
Indicated	11.0	29.0
Inferred	2.0	26.3
Total Mineral Resources	14.2 *	28.7

* Totals may not add precisely due to rounding.

The resource update again confirms Ardmore to be one of the few remaining undeveloped high-grade phosphate rock deposits in the world.

Centrex will now immediately commence updating its mine designs based on the new Mineral Resource estimate, in order to complete and release a Scoping Study it has been working on in parallel with its ongoing Feasibility Study for the project. All other elements of the Scoping Study have been completed. The process plant design for the Scoping Study based on bench scale test work involves crushing, attritioning and desliming of the ore to produce a premium 35% P_2O_5 concentrate with ultra-low cadmium levels. The product will be railed to the Port of Townsville for shipping.

For full details of the bench scale test work see announcement 21st September 2017;

http://www.asx.com.au/asxpdf/20170921/pdf/43mj13lptzjty9.pdf

The results were reported under JORC 2012 and Centrex is not aware of any new information or data that materially affects the information contained within the release. All material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

With the Scoping Study close to completion, the Feasibility Study is already well underway, with feasibility level beneficiation test work currently being completed in Adelaide based on an almost 1 tonne bulk composite derived from a recent PQ diamond drilling program. The test work will not only provide the inputs into the process plant design for the Feasibility Study but also produce initial product trial samples to meet numerous customer requests.

This week, Centrex also undertook excavations at the project site to provide a further 1 tonne bulk sample to be sent to the USA for vendor crushing test work. The current Scoping Study crushing circuit design has a three-stage crushing circuit, however given the bulk test work to date shows the ore to be very weak, there is potential to go to a two or single-stage crushing circuit in the Feasibility Study with vendor confirmation. Results of the crushing test work should be available in January or early February 2018.

Mineral Resource Estimate

Centrex engaged OreWin Pty Ltd ("OreWin") to complete the Mineral Resource update. OreWin had completed the previous Mineral Resource estimate based on historical drilling over the deposit. Full details of the estimation are provided in Table 1 within the Appendix of this announcement. A summary is as follows.

Geology & Geological Interpretation

Ardmore was discovered in 1966 and is located within the 'Ardmore Outlier' on the eastern side of the Georgina Basin. The Cambrian aged sedimentary phosphate rock deposit consists predominantly of pelletal phosphorites (carbonate-fluorapatite) with small bands of collophane mudstone.

The target high-grade phosphorite occurs as a single, essentially flat lying unit within two separate designated mining areas, the "Northern Zone" with a strike extent of approximately 4.0km (N-S) and the "Southern Zone" with a strike extent of approximately 1.6 km (E-W).

The mineralised zone was represented by interpreted three-dimensional strings and wireframes. The data spacing and distribution is considered sufficient to establish the degree of geological and grade continuity appropriate for a Mineral Resource. The geological interpretation demonstrates continuity within each of the lateral spatial domains for many of the component elements. Recent drilling has enabled further refinement of the structural controls on the mineralisation, with two-dimensional faults observed on the surface and in geophysical data able to be interpreted in the third dimension.

Drilling Techniques

The updated Mineral Resource estimate was based on the recent 319 RC drill hole program completed by Centrex using a 4 ¼ inch hammer, plus a further 303 historical drill holes. 300 of the historical holes were completed via rotary percussion using a 6" tri-cone bland, and 3 were NQ diamond holes.

Sampling & Sub-Sampling Techniques

As previously reported drill holes were mainly (99% of the data) sampled at a nominal 0.5m interval. Historical rotary percussion drill holes were completed using a 6" tri-cone blade. Samples were collected via a venture system with a rubber seal over a PVC cased hole collar into a cyclone. Sample intervals were split by hand using a 16 pocket splitter and re-split to achieve average sample weights of 1kg. RC drilling was completed with a 4 ¼ inch hammer with a 900 psi compressor, and an auxiliary compressor for sampling below the water table. Samples were split to a target 1kg using a rig mount cone splitter. The sampling method for the three historical diamond core holes has not been verified and these holes were not specifically targeting phosphate but other commodities in the overlying shale.

Sample Analysis Method

Assays for both recent and historical programs were by lithium borate fusion followed by ICP. In 2010 93% of historical sample pulps were re-assayed. A total of 21 RC twin holes of historical rotary percussion holes were completed by Centrex to validate the historical sampling technique and results.

From the recently reported PQ diamond drilling program drilling for metallurgical purposes but not utilised within the Mineral Resource estimate as full intervals were utilised for destructive test work, a total of 98 core samples were sent for laboratory in-situ dry bulk density determination based on the Archimedes method. Based on the results the average in-situ dry bulk density of the mineralised material was 1.91 (g/cm3) with a standard deviation of 0.27 (g/cm3).

Drill Spacing

The figure below provides the generalised drill spacing for each resource classification with; Measured Mineral Resources at 20m grid spacing, Indicated Mineral Resources at 80m drilling spacing, and Inferred Mineral Resources at 160m to 240m grid spacing. It should be noted that drill spacing is not the sole determinant of resource classification.

Estimation Methodology

The mineralised zone was represented by interpreted three-dimensional strings and wireframes. These interpretations were used to develop a cellular model and to the flag drill hole samples. Grade estimation was undertaken using Ordinary Kriging methods. The kriged estimates were validated by inverse distance estimates. Variography was undertaken for the mineralised zone.

Cut-Off Grade

A notional cut-off of 19% P2O5 was used to constrain the interpretation, as generally this was observed to be the natural break (change) in the data distribution, and aligned with lithological logging. No high-grade or low-grade cuts were applied to data as the population distribution did not identify any significant unexplained outliers.

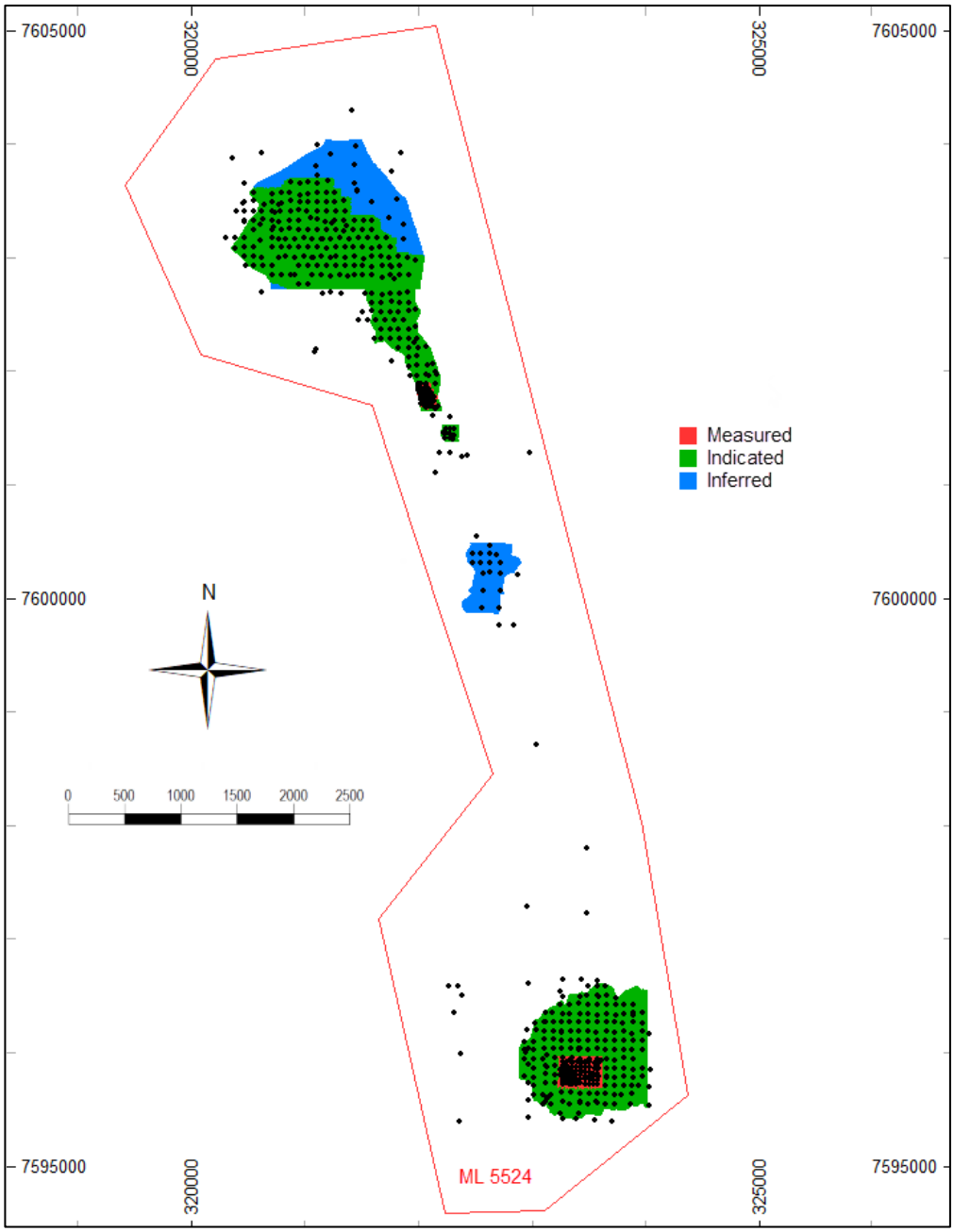

FIGURE: Plan view of drill hole locations over Mineral Resource area by category.

Full results of the drilling can be found in announcements on the 2nd February 2017, 23rd October 2017, 3rd & 13th of November 2017;

http://www.asx.com.au/asxpdf/20170202/pdf/43fr772d32lgt0.pdf

http://www.asx.com.au/asxpdf/20171023/pdf/43ngkq74j0qqrd.pdf

http://www.asx.com.au/asxpdf/20171103/pdf/43ny85wh5prq0m.pdf

http://www.asx.com.au/asxpdf/20171113/pdf/43p5hf47zpntff.pdf

The results were reported under JORC 2012 and Centrex is not aware of any new information or data that materially affects the information contained within the release. All material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

Modifying Factors

Because of the flat-lying orientation and shallowness of the mineralisation, it is considered conducive to open cut mining methods. The estimated grade of the mineralisation shows potential to produce a direct shipping ore (>28% P_2O_5) without beneficiation. Centrex continues its beneficiation test work however to produce a premium grade product as previously reported.

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Appendix – Technical Information

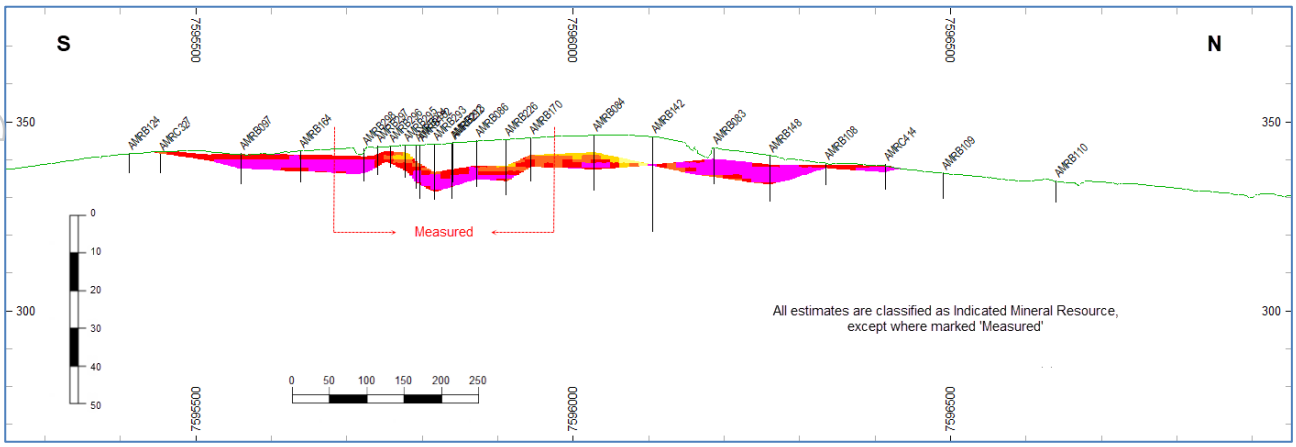

FIGURE: Representative north-south cross section (323,275 mE) through the Southern Zone of the deposit looking east, five times vertical exaggeration.

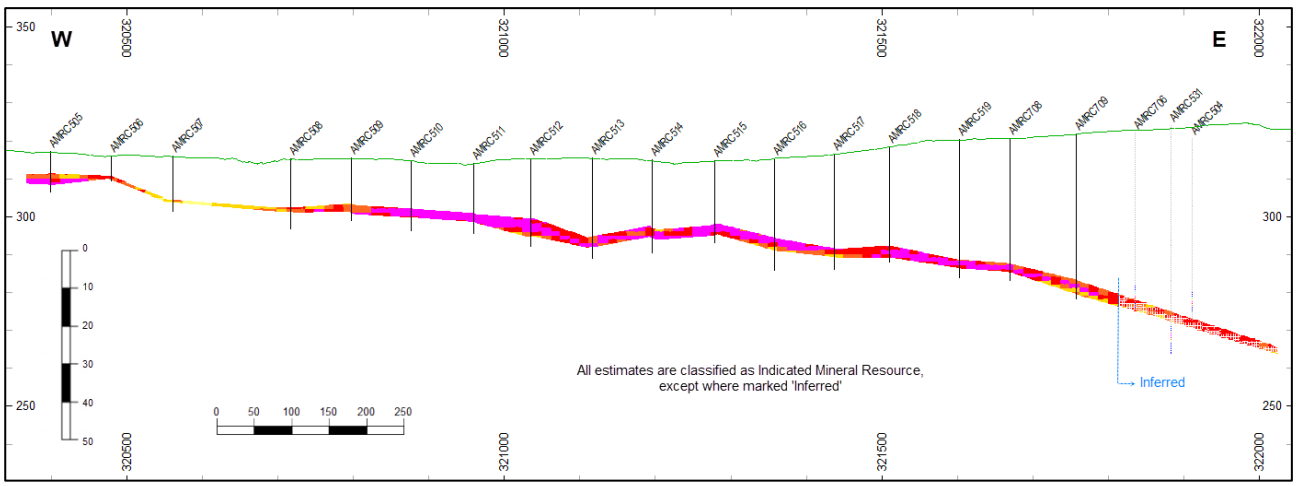

FIGURE: Representative east-west cross section (7,603,085 mN) through the Northern Zone of the deposit looking east, five times vertical exaggeration.

Competent Persons Statement

The information in this report relating to Mineral Resources is based on and accurately reflects information compiled by Ms Sharron Sylvester of OreWin Pty Ltd, who is a consultant and adviser to Centrex Metals Limited and who is a Member of the Australian Institute of Geoscientists (RPGeo). Ms Sylvester has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity she 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". Ms Sylvester consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report relating to Exploration Results is based on information compiled by Mr Ben Hammond who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Hammond is the Managing Director & CEO of Centrex Metals Limited. Mr Hammond 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 Hammond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ardmore Phosphate Rock Project JORC Table 1 Report

SECTION 1: Sampling techniques and data.

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling.* • *Sample representivity.* • *Determination of mineralisation.*	Reverse circulation ("RC") drill holes were sampled at 0.5m down hole intervals. Samples were collected into a cone splitter mounted on the drill rig and an original and duplicate sample taken around 0.5-1kg each. All original samples logged visually as containing phosphorite were sent for analysis as well as a number of intervals either side or where the lithology indeterminate. Of the samples sent for analysis on average the duplicate of every 20th sample was also sent for assay. Samples were sent to Bureau Veritas in Adelaide for sample preparation and assays. Samples were crushed to -3mm and then split for a sub-sample to be pulverised in a tungsten carbide bowl. Samples were then analysed using lithium borate fusion followed by ICP. The PQ diamond core was for metallurgical testwork purposes. For each drill hole the mineralised interval was divided into further intervals down hole and packaged into 20-30kg plastic bags with cable ties for manual handling reasons. The interval of each bag was recorded and bags were weighed wet and dry at Bureau Veritas in Adelaide. There were 49 bags in total of mineralised intervals. From each dried bag interval, two representative approximately 20cm pieces were taken for in-situ dry bulk density determination. Each piece was wrapped in cling wrap and weighed in air and in water to determine the dry bulk density.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type.*	RC drilling was completed with a 4 1/4" hammer by Kelly Drilling using a Schramm 450 with a 900 psi compressor, and an auxiliary compressor was used for drilling below the water table. PQ diamond drilling was completed by Kelly Drilling using a Longyear GK850 multi-purpose rig.
Drill sample recovery	• *Method of recording and assessing sample recoveries.* • *Measures taken to maximise sample recovery.*	Drill sample recoveries were visually estimated. An auxiliary compressor was used below the water table to increase sample recovery. RC sample weights were consistent against the set interval. Diamond core recoveries were high.
Logging	• *Geological and geotechnical logging.* • *Whether logging is qualitative or quantitative.* • *Total length and percentage of the relevant intersections logged.*	Geological logging was qualitative based on visual field observations and conducted on all samples. Logging included lithology, hardness, colour, stratigraphy, grainsize, moisture, and weathering. 0.5m RC samples were wet sieved for observation. Diamond core was logged to 10 cm resolution. Diamond core was geotechnically logged by consultant geotechnical engineers.
Sub-sampling techniques and sample preparation	• *Nature, quality and appropriateness of the sample preparation technique.* • *Quality control.* • *Sample representivity.* • *Sample sizes.*	RC intervals were run through a rig-mounted cone splitter. 0.5m RC samples were crushed to –3mm and split for pulverising prior to analysis. Samples were generally 0.5 to 1kg. Field duplicates were taken on average every 20th sample. Blanks and standards were submitted to the laboratory on average every 20th sample respectively. Field duplicates showed acceptable variation. 21 of the 2017 RC holes were twin holes of historical rotary percussion holes completed from 1968 to 1974. The original sample pulps from the historical holes were re-assayed in 2010 using lithium borate fusion followed by ICP. Comparison of the twin pair data showed comparable results. Diamond holes were for metallurgical purposes and so were not routinely assayed. The holes were twins of historical percussion holes completed from 1968 and 1974. Comparison of lithological logging between twin pairs showed good correlation. For each drill hole the mineralised interval was divided into further intervals down hole and packaged into 20-30kg

Criteria	JORC Code explanation	Commentary
		plastic bags with cable ties for manual handling reasons. The down hole interval of each bag was recorded and bags were weighed wet and dry at Bureau Veritas in Adelaide. There were 49 bags in total of mineralised intervals. From each dried bag interval, two representative approximately 20cm pieces were taken for in-situ dry bulk density determination. Each piece was wrapped in cling wrap and weighed in air and in water to determine the dry bulk density.
Quality of assay data and laboratory tests	• *Nature of quality control procedures.*	RC field duplicates were taken on average every 20th sample from the cone splitter mounted on the drill rig. Blanks and two separate standards (sedimentary phosphorite certified reference material) were submitted to the laboratory on average every 20th sample respectively. Field duplicates showed acceptable variation. Blanks and standard results showed no concerns. 21 of the 2017 RC holes were twin holes of historical rotary percussion holes completed from 1968 to 1974. The original sample pulps from the historical holes were re-assayed in 2010 using lithium borate fusion followed by ICP. Comparison of the twin pair data showed comparable results. Diamond holes were for metallurgical purposes and so were not routinely assayed. The holes were twins of historical percussion holes completed from 1968 and 1974. Comparison of lithological logging between twin pairs showed good correlation. For each of the PQ diamond core density intervals the two average of the dry bulk density from the two pieces tested per interval was compared to the dry bulk density determined by the core-length-weight method which assumes 100% core recovery, which was very close to being achieved in the majority of intervals. The two methods of dry bulk density determination showed strong correlation indicating the pieces selected to be representative of the interval.

Criteria	JORC Code explanation	Commentary
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 protocols.* • *Any adjustment to assay data.*	Data and results collected by field geologists was reviewed and audited by alternative company geologists via site visits and database reviews. 21 of the 2017 RC holes were twin holes of historical rotary percussion holes completed from 1968 to 1974. The original sample pulps from the historical holes were re-assayed in 2010 using lithium borate fusion followed by ICP. Comparison of the twin pair data showed comparable results. Diamond holes were for metallurgical purposes and so were not routinely assayed. The holes were twins of historical percussion holes completed from 1968 and 1974. Comparison of lithological logging between twin pairs showed good correlation.
Location of data points	• *Accuracy and quality of surveys.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collar coordinates were collected by a licensed surveyor using DGPS. Topography was further confirmed using a high-resolution 1m contour LIDAR survey of the mining lease. All coordinates were reported in MGA94 Zone 54.
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.* • *Whether sample compositing has been applied.*	RC drilling was completed on a general 80m by 80m spaced grid pattern where the spacing was not already this from historical drilling programs. The hole spacing is considered sufficient to establish the degree of geological and grade continuity appropriate for estimation of a Mineral Resource. For each PQ diamond core interval, where two core pieces were selected for in-situ dry bulk density determination, the results were averaged for the interval.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling.*	The holes were drilled vertically, which is considered appropriate for a shallow-dipping sedimentary unit.
Sample security	• *The measures taken to ensure sample security.*	RC samples were collected in calico bags, transferred into plastic bags, and transported in batches in bulk bags to the laboratory. Diamond core metallurgical samples were collected in

Criteria	JORC Code explanation	Commentary
		plastic bags and packaged in steel drums for transport.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	There has been no detailed audit or reviews by Centrex of the sampling techniques and data. Reviews will be undertaken as part of the resource estimate once all sample results are returned.

Ardmore Phosphate Rock Project JORC Table 1 Report

SECTION 2: Reporting of Exploration Results.

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements.* • *The security of the tenure held at the time of reporting.*	The project is located on Mining Lease ML 5542 held by Centrex Phosphate Pty Ltd, a 100% subsidiary of Centrex Metals Limited. The Ardmore Mining Lease (ML 5542) has been renewed in October 2017 for a further 21-year term. Southern Cross Fertilisers Pty Ltd holds a 3% revenue royalty on production. Compensation agreements for exploration and mining with all relevant landowners over the Mining Lease are in place.
Exploration done by other parties	• *Exploration by other parties.*	BH South and Queensland Phosphate Limited (Mines Exploration Pty Ltd) completed a significant amount of exploration from 1968 through to 1980, including 300 RP and 3 DD holes. Six excavations were also dug for detailed geological mapping and metallurgical test work.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Ardmore phosphate deposit was discovered in September 1966 and is located within the 'Ardmore Outlier' of the Georgina Basin. The Cambrian-aged sedimentary phosphate deposit consists predominantly of pelletal phosphorites with small bands of collophane mudstone. The small (approx. 100-200 micron) sized pellets of carbonate-fluorapatite are thought to have formed in a shallow shelf environment. Within the 'Ardmore Outlier', the single phosphate bed occurs within the Simpson Creek Phosphorite Member (SCPM) of the Beetle Creek Formation. The SCPM is essentially flat-lying with a gentle-to-moderate dip (<20 degrees) to the east, and occurs spatially within two

Criteria	JORC Code explanation	Commentary
		main separate areas: the Northern Zone and the Southern Zone. The SCPM has an approximate average thickness of 5 m in the Southern Zone and is located from surface to greater than 15 m depth. The Northern Zone has an approximate average thickness of 3 m and is deeper than the Southern Zone, with depths starting from near-surface in the west before dipping away to the east and extending to depths greater than 20 m.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results.*	The relevant Exploration Results, including tables of drill hole locations and assay results, have been included in the Appendix – Technical Information; .
Data aggregation methods	• *Weighting averaging techniques and grade cuts.* • *Aggregation procedure.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Reported assay results for public reporting were composited by weighted average interval for consecutive intervals above and below 19% P_2O_5 for ease of reporting.
Relationship between mineralisation widths and intercept lengths	• *Geometry of the mineralisation with respect to the drill hole angle.*	The mineralised unit is sub-horizontal to shallow dipping at between 0° to 20°, meaning true thickness of mineralisation may be slightly less than the down hole intervals reported.
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.*	See figures included in this announcement.
Balanced reporting	• *Representative reporting of both low and high grades and/or widths.*	The reporting of results in the Appendix – Technical Information, are considered to be balanced and all relevant results have been reported.
Other substantive exploration data	• *Other exploration data.*	No other exploration data results have been received at this time.
Further work	• *The nature and scale of*	The Mineral Resource will be utilised for mine designs and

Criteria	JORC Code explanation	Commentary
	planned further work.	cost estimation to allow the completion of a Scoping Study by Centrex. A Feasibility Study for the project is underway.

Ardmore Phosphate Rock Project JORC Table 1 Report

SECTION 3: Estimation and Reporting of Mineral Resource.

Criteria	JORC Code explanation	Commentary
Database Integrity	• *Measures taken to ensure that data has not been corrupted.* • *Data validation procedures used*	Random cross-checks were conducted of databases relative to original hand-written logs. Approximately 20% of the assays were cross checked with no issues identified. All drill hole collars were verified against original data and against topographic LIDAR survey. A correlation analysis was undertaken on the re-assays versus original assay results for approximately 20% of the assay database. Q-Q plots were produced and the re-assay data and the original data were observed to correlate well, with P_2O_5 R2=99.66, Fe_2O_3 R2=98.4, and Al_2O_3 R2=96.3.
Site Visits	• *Comment on any site visits undertaken by the Competent Person.* • *If no site visits have been undertaken indicate why in this case.*	Sharron Sylvester from OreWin visited the site in June 2017 and inspected the main drilling areas and associated historical drill collars, costeans, and outcropping geological units.
Geological Interpretation	• *Confidence in the geological interpretation.*	The data spacing and distribution is considered sufficient to establish the degree of geological and grade continuity appropriate for a Mineral Resource. The geological interpretation demonstrates continuity within each of the three lateral spatial domains for many of the component elements. Recent drilling has enabled further refinement of the structural controls on the mineralisation, with two-dimensional faults observed on the surface and in geophysical data able to be interpreted in the third dimension.
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 target high-grade phosphorite occurs as a single, generally flat lying unit within two separate areas, the Northern Zone with a strike extent of approximately 4.0 km (N-S) and the Southern Zone with a strike extent of approximately 1.6 km (E-W). The target phosphorite unit is shallow-dipping, with the average depths of the hanging wall and footwall contacts being 8.3 m and 12.0 m respectively based on drilling to

Criteria	JORC Code explanation	Commentary
		date.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions.* • *The availability of check estimates.*	The mineralised zone was represented by interpreted three-dimensional strings and wireframes. These interpretations were used to develop a cellular model and to the flag drill hole samples. No compositing was undertaken because more than 99% of the data within the mineralised zones was sampled at 0.5m intervals. Grade estimation was undertaken using Ordinary Kriging methods. The kriged estimates were validated by inverse distance estimates. The following nine (9) components were estimated: P_2O_5, Al_2O_3, CaO, Fe_2O_3, K_2O, MnO, MgO, Na_2O, and SiO_2. In addition, density was estimated, as was percentage indurated. Variography was undertaken for the mineralised zone on all components for a total of three (3) lateral domains: South, Central, and North.. Variograms were generally robust. Where the quantum of data did not permit variography to be undertake for a component in a given domain, parameters from domains with similar architecture and statistical properties were assigned The orientation of the search ellipse was controlled using a process referred to as 'dynamic anisotropy' in which strings that represent the dip and strike of the interpreted mineralised lodes are digitised on each section and laterally along the length of the mineralised zone, and the dip and dip-direction are estimated from these strings into each model cell.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture.*	The tonnages are estimated on a dry basis.

Criteria	JORC Code explanation	Commentary
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	A notional cut-off of 19% P_2O_5 was used to constrain the interpretation. No high-grade or low-grade cuts were applied to data as the population distribution did not identify any significant unexplained outliers.
Mining factors or assumptions	• *Assumptions made regarding reasonable prospects for eventual economic extraction.*	Because of the flat-lying orientation and shallowness of the mineralisation, it is considered conducive to open cut mining methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability.*	The estimated grades of the mineralisation shows a potential direct shipping ore without further beneficiation.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options.*	For a direct ship ore option, there would be no process tailings only mine waste, to be stored in a conventional tailings storage facility.
Bulk density	• *Whether assumed or determined.*	From the recent PQ diamond drilling program, a total of 98 core samples were sent for laboratory in-situ dry bulk density determination based on the weight in air-weight in water method. Based on the results the average in-situ dry bulk density of the ore was 1.91 (g/cm^3) with a standard deviation of 0.27 (g/cm^3).
Classification	• *The basis for the classification of the Mineral Resource into varying confidence categories*	As a result of the following factors, the interpreted and estimated mineralisation is considered to have sufficient confidence to be classified as a Mineral Resource: - There is a significant quantity of data in the historical and recent database. Recent drilling has fully corroborated the earlier interpretation. - The quality of the documentation, the condition of the drill hole database, and the ability to replicate results provide reason to have good confidence in the historical database. - Recent collar surveys have verified the presence of the collars in the expected locations. - The 2010 re-assay programme shows very good reproducibility of the original 1968–1980 data. - The geological interpretation demonstrates continuity within each of the three lateral spatial domains for many of the component elements. Recent drilling has enabled further refinement of the structural controls on the mineralisation, with two-dimensional faults observed on the surface and in geophysical data able to be interpreted in the third dimension.

Criteria	JORC Code explanation	Commentary
		- The geostatistical assessment yielded robust variograms to support to interpreted continuity. The classification of the Mineral Resource has benefited from recent infill drilling, which has (a) infilled the spacing between the historical drill hole dataset, and (b) corroborated the data from the historical drilling. As a result, 86% of the estimated Mineral Resource is classified as Indicated and Measured (77% Indicated, 9% Measured). The remaining (14%) of the mineralisation remains in the Inferred category – this is largely in peripheral areas where the drill spacing is larger.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates*	The resource modelling and estimate was conducted by independent consultants.
Discussion of the relative accuracy/ confidence	• *Statement of the relative accuracy and confidence level in the Mineral Resource estimate*	The classification of the Mineral Resource has benefited from recent infill drilling, which has (a) infilled the spacing between the historical drill hole dataset, and (b) corroborated the data from the historical drilling. As a result, 86% of the estimated Mineral Resource is classified as Indicated and Measured (77% Indicated, 9% Measured). The remaining (14%) of the mineralisation remains in the Inferred category – this is largely in peripheral areas where the drill spacing is larger.