FITZROY RESOURCES

FITZROY RESOURCES LTD

ABN 43 145 590 110

Fast Facts – 6 December 2013

Share Code	**ASX: FRY**
Shares on Issue	**47 Million**
Options	**11 Million**
Market Cap @$0.04	**$1.88M**
Cash at Bank	**$1.46M**

Directors

Tom Henderson, **Chairman**
Will Dix, **Director**
Ric Vittino, **Director**
Russell Lynton-Brown, **Director**
Benjamin Lane, **Interim CEO**

Projects

Rookwood:

- Queensland
  70km NW of Rockhampton

Glentanna:

- Queensland
  140km SW of Brisbane

Emmaus:

- West Virginia, USA
  100km S of Charleston, WV

Blackstone:

- West Virginia, USA
  100km S of Charleston, WV

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6 December 2013

Due diligence drilling complete and new coal seam discovery at Emmaus

- **Due diligence drilling now complete**
- **Fitzroy intercepts 3.8 feet (1.2m meters) of coking coal in Hole PCC-13-13 at Emmaus when testing potential for below drainage coal**
- **All coal is within known mid-volatile coking coal seams**
- **Fitzroy will now expand the future drill program to examine the potential of the new discovery**

Fitzroy Resources Limited ("Fitzroy" or "the Company") is pleased to announce that the last hole of its due diligence drilling has successfully intercepted 3.8 feet (1.2 meters) of coal in the first and only hole planned to be drilled below drainage[1] during the current program – PCC-13-13. The discovery of below drainage coal of mineable thickness could have a significant impact on the long term future of the Emmaus project's future development.

The due diligence program is now complete, pending quality results being received and analysed from the labs.

As previously announced, Cardno MM&A ("Cardno") has been appointed by Fitzroy to provide an independent technical report and a geological presence during the drill program. The new results will now be included in the technical report which will be released shortly.

Fitzroy and Cardno are discussing the how to progress future exploration, assuming shareholder approval and successful completion of the transaction with Premier Coking Coal. Following completion, Fitzroy will plan a drill program to understand the size and extents of this new discovery.

Interim CEO, Benjamin Lane says of the discovery,

"With knowledge of nearby properties, Fitzroy suspected the presence of coal where it was intersected. It is extremely satisfying to be able to announce to the market the success of PCC-13-13.

In the event that shareholders approve the transation with Premier Coking Coal, we look forward to commencing drill programs at Blackstone and below drainage at Emmaus to further test the exploration potential of the prospects."

[1] All coals that are above the natural water table and hence not gas prone are referred to as 'above drainage'. These coals typically have lower mining capital expenditure and are simpler technically. Below drainage seams can be mineable but typically require greater capital expenditure to access the coal seams. However these seams are often continuous as they are less prone to being subjected to erosion and weathering.

Emmaus and Blackstone

The Emmaus and Blackstone Properties are located within the Central Appalachian coal producing region of the USA. The Company's strategy is to continue to progress geological exploration and resource definition while simultaneously working with regional stakeholders to progress project development options and unlock the value of the properties.

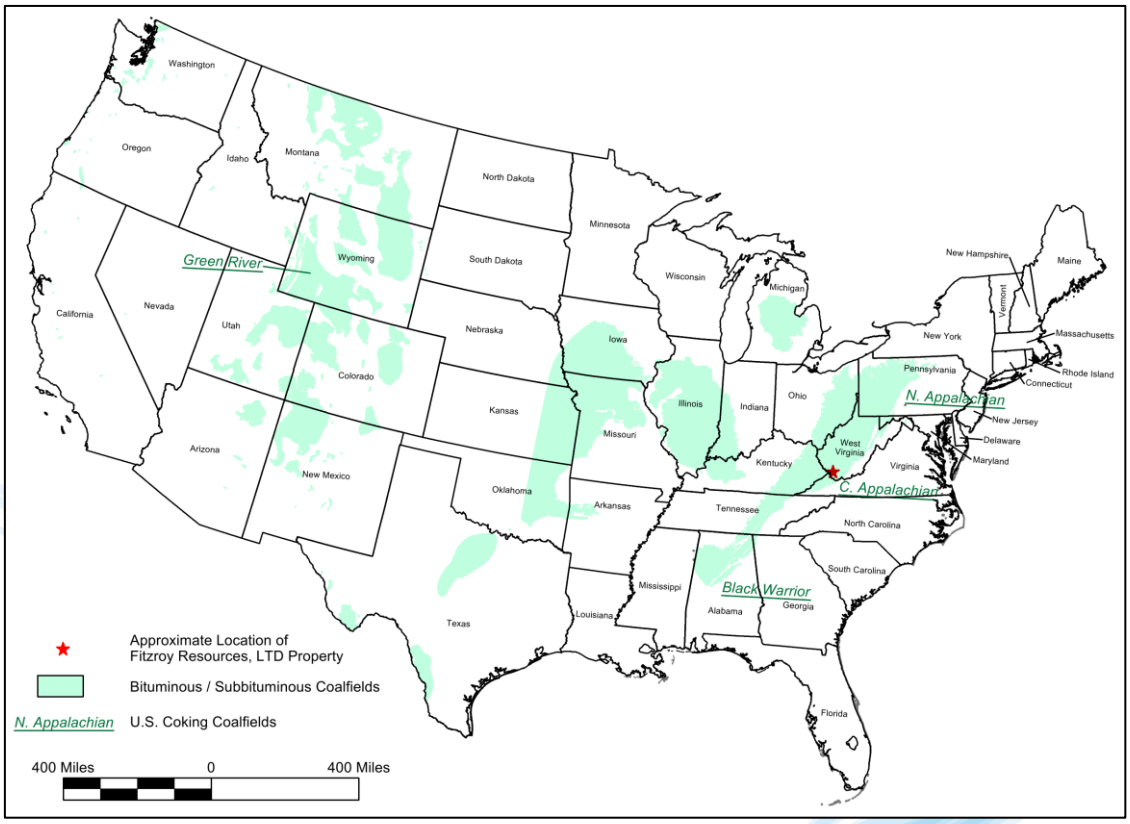

FIGURE 1 - PROJECT LOCATION

Coal Inventories are known to exist within the region in seams such as the Sewell, Beckley (War Creek), Firecreek and Pocahontas. To our knowledge, no known previous below drainage drilling has occurred at Emmaus. PCC-13-13 has now been drilled by Fitzroy to the Fire Creek seam when it was halted due to a bogged drill bit. In the future, Fitzroy intends to drill additional holes deeper than PCC-13-13 to test the potential of a future Coal Resource within the Beckley seam and at deeper levels.

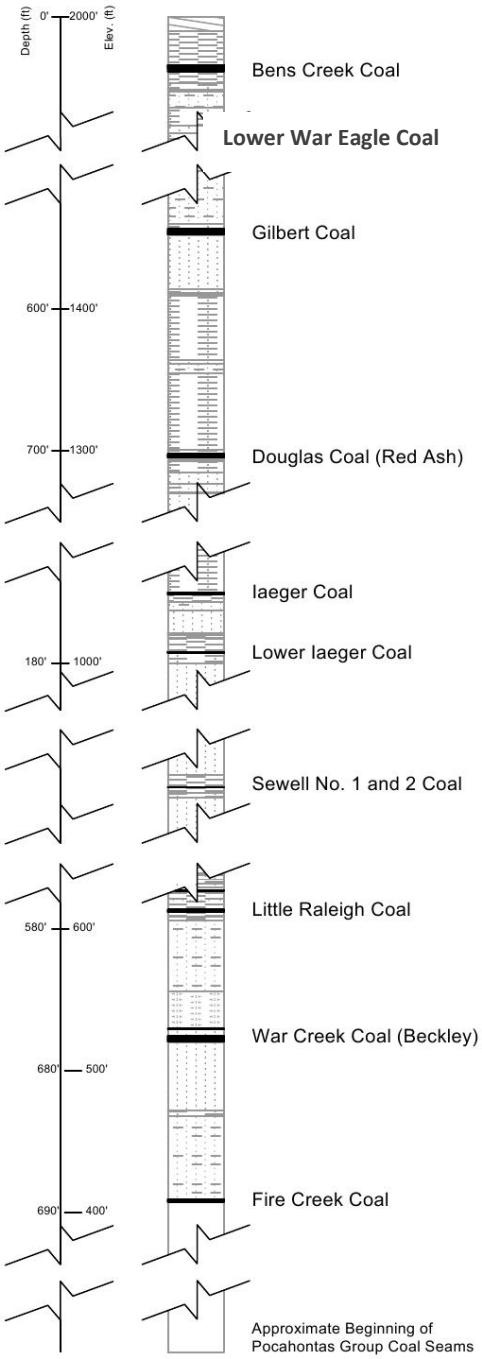

FIGURE 2: GENERALIZED STRATIGRAPHIC COLUMN OF ABOVE DRAINAGE COAL SEAMS AT EMMAUS/BLACKSTONE

Historic and current drill programs

Current Due Diligence

The aim of the due diligence program was to confirm historic, above drainage drill intercepts and quality and to give Fitzroy greater confidence as to the presence of coal between historic holes of greater spacing. The Company also wanted an initial view of the prospectivity of below drainage coal seams.

The above drainage drilling largely confirmed the presence of coal in the western part of Emmaus. Drilling in the east confirmed a suspicion that the Douglas/Red Ash seam had been mined. The results are shown in Table 2 on the next page.

Importantly, the first hole that the Company has drilled below drainage has intersected 3.8 feet of Beckley seam coal. Not only is this the thickest seam we have encountered but it also confirms that like our neighbouring properties, the Beckley seam is also present on the Emmaus property. PCC-13-13 was to have been drilled to the projected Pocahontas seam horizon (see stratigraphic column in figure 2). Unfortunately the drill became stuck at the Fire Creek seam and so lower seam presence remains unknown at this point. It is not certain at this time whether the Firecreek coal that was intersected was the entire seam of a portion of it.

Drill programs in next year will define the extents and continuity of below drainage coal mineralisation in the Beckley while also testing for Fire Creek and Pocahontas seams. A drill program will also be conducted at Blackstone.

All holes have been completed. No sample or assay results from the current program are available at the date of this announcement.

Above drainage coal seams								
Hole ID	East [1]	North [1]	Surf. Elev. (ft)	Total Depth (ft)	Total Seam/Coal Thick. (ft) Low. War Eagle	Total Seam/Coal Thick. (ft) Gilbert	Total Seam/Coal Thick. (ft) Douglas	Total Seam/Coal Thick. (ft) Iaeger
PCC-6A-13	1,767,480	179,606	1,810	800.0	2.86/2.24	2.37/2.37	2.34/2.34	1.51/1.51
PCC-1B-13	1,764,143	174,312	1,805	792.5	3.92/3.60	2.52/2.52	2.10/1.77	2.22/2.00
PCC-C-13	1,774,149	177,027	1,790	320.1	n/a	Mine Void	Mine Void	n/a
PCC-7D-13	1,774,752	179,853	1,826	399.9	n/a	0.86/0.63	Mine Void (2.90')	NDE [2]
PCC-F-13	1,764,650	186,923	1,440	211.50	n/a	2.90/2.41	2.25/2.25	n/a
PCC-4H-13	1,765,522	176,054	1,661	360.00	n/a	2.24/2.24	1.63/1.63	NDE [2]

Below drainage coal seams								
Hole ID	East [1]	North [1]	Surf. Elev. (ft)	Total Depth (ft)	Total Seam/Coal Thick. (ft) Sewell	Total Seam/Coal Thick. (ft) Beckley	Total Seam/Coal Thick. (ft) Firecreek	Total Seam/Coal Thick. (ft) Pocahontas
PCC-13-13 [3]	1,769,768	176,530	1,260	702.1	n/a	3.82/3.70	1.76/1.76	

1) West Virginia South State Plane Coordinate System (NAD 27)

2) Not Deep Enough

3) Hole not completed

Indicates preliminary results; under review by Cardno geologists

Indicates location/elevation not surveyed

TABLE 2: EMMAUS DUE DILIGENCE DRILL HOLES AND PRELIMINARY RESULTS

Historic Drilling

Exploratory data and map from fifty historic holes and completed holes from the current drilling program have formed the basis of the upcoming Technical Report and are shown in Appendix A. Quality information for a subset of the fifty holes has been deemed valid for current use and will be released within the upcoming Technical Report.

As per the revised 2012 JORC reporting guidelines, a summary of the material information used in these exploration results, outlined in the Table 1 Report in Appendix B, is as follows:

> *The coal of interest is part of the Appalachian Basin. Coal deposits located on the properties are Carboniferous in age, being of the Pennsylvanian system. Coal in the region is typically bituminous with rank increasing from west to east. High-volatile bituminous coals in the west give way to low-volatile bituminous coal and anthracite in the east.*
>
> *A detailed list of the Emmaus Property drill holes, from previous exploration programs can be found in Appendix A. Drilling on the Emmaus Property utilized a wire-line diamond core drilling system consisting of a truck-mounted drill rig outfitted for drilling NQ-size (47.5mm or 1.87 in.) diameter core.*
>
> *In most cases, drill holes were geologically logged by the driller or a geologist. Many of the bore holes were subjected to geophysical logging to offer a greater accuracy of the geology*
>
> *The type of sampling and laboratory analysis has varied over time. In some cases, the coal seam core samples were divided for quality analyses, while in other samples the entire seam composites were analysed. Sample analysis was carried out by various companies throughout the various exploration programs. Quality data was provided in the form of laboratory data sheets which provide sufficient information for determining if the total recovered portion of the coal seam was delivered to the laboratory for analysis. It is assumed that samples were processed by the laboratory in accordance with American Society for Testing and Materials Standard Method of Preparing Coal Samples for Analysis (ASTM D 2013). Assumptions are based on Cardno's familiarity with the operating companies and the companies used to perform the analysis.*

For further information contact:

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Mr Simon Robertson
Company Secretary
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Competent Person Statement

The information in this report that relates to Exploration Results is based on and fairly represents, information and supporting documentation compiled by John E. Feddock, P.E. who is a Founding Registered Member of the **Society for Mining, Metallurgy, and Exploration (*SME*)**, a Recognized Professional Organization of The Australasian Institute of Mining and Metallurgy and a full time employee of **Cardno MM&A (*Cardno*)**. Mr. Feddock has sufficient experience 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*'. Mr Feddock consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

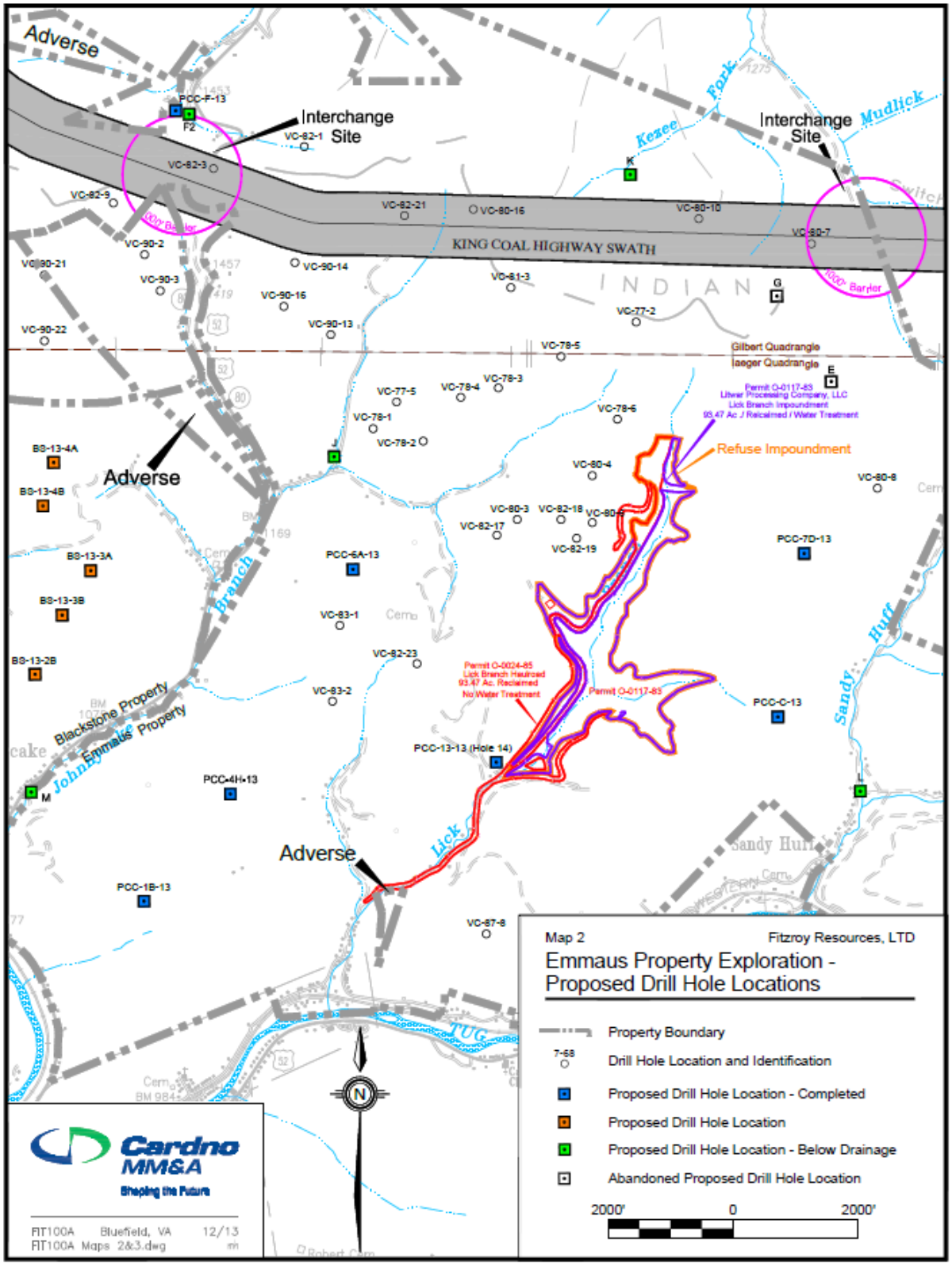

FIGURE 2 - EMMAUS DUE DILIGENCE PROGRAM

Appendix A: Drill hole Information - Previous Exploration

The following tables lists the exploratory data from historic exploration programs at Emmaus and Blackstone. Their location can be seen Figure 2.

TABLE 1- LIST OF EXPLORATORY GEOLOGY DATA – TECHNICAL DATA

Hole ID	North [1)]	East [1)]	Surf. Elev. (ft)	Total Depth (ft)	Total Seam/Coal Thick. (ft) Gilbert	Total Seam/Coal Thick. (ft) Douglas
MM-IAE-1	173,162	1,770,713	n/a	2.8	n/a	n/a
MM-IAE-2	173,205	1,770,772	n/a	3.6	n/a	n/a
MM-IAE-3	173,537	1,771,659	n/a	1.8	n/a	n/a
MM-IAE-4	173,519	1,771,750	n/a	1.9	n/a	n/a
OC-IAE-1	175,313	1,769,319	1,160	2.9	n/a	n/a
OC-IAE-2	174,153	1,767,683	1,040	2.4	n/a	n/a
OC-IAE-3	173,051	1,767,515	1,120	3.1	n/a	n/a
VC-77-2	183,550	1,772,000	2,000	950.1	2.95/2.95	2.75/2.60
VC-77-5	182,275	1,768,175	1,760	696.8	2.90/2.90	4.31/3.11
VC-78-1	181,850	1,767,800	1,610	608.4	2.74/2.74	3.65/2.23
VC-78-2	181,650	1,768,600	1,708	434.2	2.67/2.67	4.01/2.59
VC-78-3	182,500	1,769,800	1,856	835.7	2.92/2.92	2.41/1.56
VC-78-4	182,350	1,769,200	1,800	519.8	2.60/2.60	2.54/1.33
VC-78-5	183,000	1,770,800	1,926	638.1	2.88/2.88	1.33/1.33
VC-78-6	182,000	1,771,700	1,760	463.0	3.00/3.00	3.29/2.58
VC-80-2	179,750	1,770,600	1,560	174.8	n/a	2.50/2.50
VC-80-3	180,400	1,770,100	1,720	422.8	2.80/2.80	4.15/1.60
VC-80-4	181,100	1,771,300	1,760	451.0	2.95/2.95	3.41/2.48
VC-80-6	180,350	1,771,300	1,720	416.0	3.30/3.15	3.75/1.55
VC-80-7	184,800	1,774,800	1,800	446.0	3.50/3.24	not honored
VC-80-8	180,900	1,775,850	1,820	400.0	1.81/1.12	not honored
VC-80-10	185,200	1,773,000	1,840	526.0	3.74/3.05	2.70/2.60
VC-80-11	180,500	1,772,000	1,540	170.8	n/a	3.21/2.71
VC-80-12	180,625	1,771,800	1,540	163.0	n/a	2.60/2.47
VC-80-16	185,350	1,769,400	1,920	666.0	2.50/2.50	2.90/2.72
VC-81-3	184,100	1,770,000	1,920	696.0	3.00/3.00	3.00/2.87
VC-82-1	186,350	1,766,700	1,740	554.0	2.70/2.70	3.10/2.70
VC-82-3	186,000	1,765,250	1,680	495.1	2.70/2.70	2.15/2.15
VC-82-9	185,450	1,763,650	1,860	639.8	2.50/2.50	2.65/2.40
VC-82-17	180,150	1,769,775	1,740	260.7	3.00/3.00	n/a
VC-82-18	180,400	1,770,800	1,760	255.0	3.10/3.10	n/a
VC-82-19	180,100	1,771,050	1,640	145.0	3.25/3.25	n/a
VC-82-21	185,250	1,768,300	1,720	684.2	3.00/3.00	3.00/2.85
VC-82-23	178,100	1,768,500	1,700	345.3	2.80/2.80	not honored
VC-83-1	178,712	1,767,268	1,840	525.0	2.50/2.50	2.50/2.50
VC-83-2	177,500	1,767,150	1,700	375.0	2.50/2.50	2.40/2.40
VC-83-9	180,300	1,774,675	1,870	435.0	n/a	n/a

nia South State Plane Coordinate System (NAD 27)

List of Exploratory Geology Data – Technical Data (Cont'd)

Hole ID	North [1)]	East [1)]	Surf. Elev. (ft)	Total Depth (ft)	Total Seam/Coal Thick. (ft) Gilbert	Total Seam/Coal Thick. (ft) Douglas
VC-87-1	176,800	1,769,200	1,270	181.0	n/a	n/a
VC-87-2	174,500	1,769,050	1,295	183.5	n/a	n/a
VC-87-3	175,825	1,769,575	1,228	116.3	n/a	n/a
VC-87-7	176,592	1,767,515	1,356	297.2	n/a	n/a
VC-87-8	173,789	1,769,608	1,714	586.0	3.50/2.90	not honored
VC-90-2**	184,625	1,764,150	1,764	577.1	2.55/2.55	2.50/2.50
VC-90-3**	184,050	1,764,400	1,599	404.0	2.59/2.46	2.40/2.30
VC-90-13	183,350	1,767,125	1,640	422.1	2.47/2.38	4.44/3.37
VC-90-14	184,500	1,766,550	1,892	697.0	2.60/2.60	2.25/2.10
VC-90-16	183,800	1,766,375	1,830	612.1	2.72/2.61	2.00/2.00
VC-90-21**	184,300	1,762,550	1,913	747.0	2.50/2.50	2.20/2.20
VC-90-22	183,250	1,762,550	1,763	557.0	2.77/2.72	3.00/2.96
VC-99-03	174,072	1,770,838	1,632	462.8	n/a	2.26/2.17

1) West Virginia South State Plane Coordinate System (NAD 27)
**** Drill hole on Blackstone property**

TABLE 2 - **LIST OF EXPLORATORY GEOLOGY DATA – ADDITIONAL DATA**

Hole ID	Quality	Date	County	Logged By	Drilled By
MM-IAE-1	No	Unk.	McDowell	Unknown	Unknown
MM-IAE-2	No	Unk.	McDowell	Unknown	Unknown
MM-IAE-3	No	Unk.	McDowell	Unknown	Unknown
MM-IAE-4	No	Unk.	McDowell	Unknown	Unknown
OC-IAE-1	Yes	Unk.	McDowell	Unknown	Unknown
OC-IAE-2	Yes	Unk.	McDowell	Unknown	Unknown
OC-IAE-3	Yes	Unk.	McDowell	Unknown	Unknown
VC-77-2	Yes	03/14/77	McDowell	MM&A GLS - C. Stower	Atec Drilling Company - T. Howard
VC-77-5	No	07/16/77	McDowell	MM&A GLS - J.D. Kemp	Atec Drilling Company - W. Smith
VC-78-1	No	04/06/78	McDowell	MM&A GLS - S. Minns	Bluewell Drilling Company - H. Cook
VC-78-2	No	04/28/78	McDowell	MM&A GLS - B. Hills	Bluewell Drilling Company - H. Cook
VC-78-3	No	04/28/78	McDowell	MM&A GLS - B. Hills	Bluewell Drilling Company - H. Cook
VC-78-4	No	05/11/78	McDowell	MM&A GLS - J.D. Kemp	Pauley Drilling Company - R. Cook Jr.
VC-78-5	No	05/22/78	McDowell	MM&A GLS - J.D. Kemp	Pauley Drilling Company - R. Cook Jr.
VC-78-6	No	05/30/78	McDowell	MM&A GLS - J.D. Kemp	Pauley Drilling Company - R. Cook Jr.
VC-80-2	Yes	05/03/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - H. Cook Jr.
VC-80-3	No	05/21/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - H. Cook Jr.
VC-80-4	Yes	05/03/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - H. Cook Jr.
VC-80-6	Yes	05/03/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-80-7	Yes	05/17/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-80-8	No	05/15/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company
VC-80-10	Yes	05/30/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-80-11	Yes	06/05/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-80-12	Yes	06/17/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-80-16	Yes	06/24/80	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-81-3	Yes	01/08/82	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-82-1	Yes	03/25/82	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-82-3	Yes	05/24/82	Wyoming	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-82-9	Yes	05/24/82	McDowell	Voest-Alpine	Cook Brothers Drilling Company - H. Cook Jr.
VC-82-17	Yes	09/10/82	McDowell	Voest-Alpine	Cook Brothers Drilling Company - H. Cook Jr.
VC-82-18	Yes	12/27/82	McDowell	Unknown	Cook Brothers Drilling Company - H. Cook Jr.
VC-82-19	Yes	09/12/82	McDowell	Voest-Alpine	Cook Brothers Drilling Company - H. Cook Jr.
VC-82-21	Yes	12/27/82	McDowell	Voest-Alpine	Cook Brothers Drilling Company
VC-82-23	No	11/04/82	McDowell	Voest-Alpine	Unknown
VC-83-1	No	08/03/83	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-83-2	No	08/03/83	McDowell	Voest-Alpine	Cook Brothers Drilling Company - N.L. Cook
VC-83-9	No	09/10/83	McDowell	Unknown	Cook Brothers Drilling Company - H. Cook Jr.

List of Exploratory Geology Data – Additional Information (Cont'd)

Hole ID	Quality	Date	County	Logged By	Drilled By
VC-87-1	No	10/26/87	McDowell	Unknown	Joe's Drilling Co., Inc. - J. Church
VC-87-2	Yes	11/02/87	McDowell	MM&A GLS - B. Staton	Joe's Drilling Co., Inc. - J. Church
VC-87-3	No	11/02/87	McDowell	MM&A GLS - B. Staton	Joe's Drilling Co., Inc. - J. Church
VC-87-7	No	11/20/87	McDowell	MM&A GLS - B. Staton	Cook Brothers Drilling Company - H. Cook Jr.
VC-87-8	Yes	11/20/87	McDowell	MM&A GLS - B. Staton	Joe's Drilling Co., Inc. - J. Church
VC-90-2**	Yes	05/07/90	McDowell	MM&A GLS - Watters	Joe's Drilling Co., Inc. - J. Church
VC-90-3**	Yes	04/21/90	McDowell	MM&A GLS - Watters	Joe's Drilling Co., Inc. - E. Church
VC-90-13	Yes	06/05/90	Wyoming	MM&A GLS - Watters	Joe's Drilling Co., Inc. - J. Church
VC-90-14	Yes	06/11/90	McDowell	MM&A GLS - Watters	Joe's Drilling Co., Inc. - J. Church
VC-90-16	Yes	06/18/90	McDowell	MM&A GLS - Watters	Unknown
VC-90-21**	No	08/02/90	McDowell	MM&A GLS - J. Nunn	Joe's Drilling Co., Inc. - J. Church
VC-90-22	No	08/02/90	McDowell	MM&A GLS - J. Nunn	Joe's Drilling Co., Inc. - J. Church
VC-99-03	Yes	11/15/99	McDowell	MM&A GLS - C .Shultz	Noah Horn Well Drilling - T. Elswick

**** Drill hole on Blackstone property**

Appendix B: JORC CODE, 2012 EDITION – TABLE 1 REPORT

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	> *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	> The Emmaus Property has been explored primarily by vertical subsurface drilling. Subsurface drilling is the preferred method of exploration for coal deposits in the Central Appalachian region, generally utilizing either rotary or core drilling systems, which are designed to collect core samples. Vertical subsurface core drilling is favoured for coal exploration because it provides a complete representative vertical section of the coal bearing stratigraphy for use in coal seam correlations and collection of coal samples for determination of coal rank and quality. > As of the effective date of this TR, an initial exploration program is has been completed on the Emmaus Property. > An new exploration program is being developed to further explore seams stratigraphically located below drainage. > An exploration program is being developed for the Blackstone Property and is in the permitting stage. > A Cardno geologist was present during most of the drilling, and reviewed the cores describing the coal seams, as well as roof and floor strata. > With the exception of Hole PCC-13-13 the holes were being subjected to geophysical logging by Cardno GLS and are under review by Cardno geologists. > During drilling of Hole PCC-13-13, technical problems encountered prevented the drilling company to remove steel casing from the holes. Because of this, it will not be possible to subject the bore hole to geophysical logging. Geology data reported herein is based on the driller's log and Cardno's independent observations of the core samples.
Drilling techniques	> *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	> Drilling on the Emmaus Property utilized a wire-line diamond core drilling system consisting of a truck-mounted drill rig outfitted for drilling NQ-size (47.5mm or 1.87 in.) core. > Similar equipment was used for the 2013 Emmaus exploration program, and will be used for the new Emmaus and Blackstone exploration.
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.*	> Since Cardno was not present during previous drilling activities, core recoveries were not monitored. However, many of the bore holes were subjected geophysical logging which can be analysed to provide accurate measurements of coal seam thicknesses. > Geophysical logging of many of the Emmaus holes was performed by Cardno as Marshall Miller & Associates, Inc. or Geological Consulting Services, Inc. > Cardno monitored the core recoveries of the 2013 Emmaus Exploration program. > Cardno GLS performed geophysical logging for the 2013 Emmaus exploration.

Criteria	JORC Code explanation	Commentary
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.*	> In most cases, drill holes were geologically logged by the driller or a geologist. > Many of the bore holes were subjected to geophysical logging to offer a greater accuracy of the geology > In the case of core drill holes, lithological logs were correlated with the geophysical logs and, where appropriate, seam thickness and elevation were adjusted. > For the 2013 Emmaus exploration, a Cardno geologist was present during most of the drilling, and reviewed the cores describing the coal seams, as well as roof and floor strata. Additionally, with the exception of Hole PCC-13-13, the holes were subjected to geophysical logging by Cardno GLS and reviewed by Cardno geologists.
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.*	> The type of sampling and laboratory analysis has varied over time. In some cases, the coal seam core samples were divided for quality analyses, while in other samples the entire seam composites were analysed. > Core samples from the 2013 Emmaus exploration program will be subjected to extensive quality analyses in order to determine their potential marketability.
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	> Sample analysis was carried out by various companies throughout the various exploration programs. > Quality data was provided in the form of laboratory data sheets which provide sufficient information for determining if the total recovered portion of the coal seam was delivered to the laboratory for analysis. It is assumed that samples were processed by the laboratory in accordance with American Society for Testing and Materials Standard Method of Preparing Coal Samples for Analysis (ASTM D 2013). Assumptions are based on Cardno's familiarity with the operating companies and the companies used to perform the analysis. > Analyses were performed on an as-received, air dry and washed basis unless otherwise stated. > Analyses for the 2013 Emmaus exploration program will be conducted by Gallagher Coal Research Center, Inc. located in Carb Orchard, West Virginia. Gallagher will follow ASTM D 2013 standards.

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 (physical and electronic) protocols.* > *Discuss any adjustment to assay data.*	> When applicable, coal intersection data used to generate the geologic model was cross referenced with the geophysical logs. > Partial and preliminary results from completed drill holes of the current exploration program are currently under review by Cardno geologists, however, no significant corrections are expected.
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.*	> The majority of drill data included location information in the West Virginia South NAD 27 State Plane Coordinate System. If coordinates were provided in an alternative coordinate system, coordinates were converted to WVS NAD27 for mapping purposes. Scanned images of USGS maps depicting data point locations were also provided for many of the data points. In a few instances, only scanned maps were provided for data point locations. These maps were digitally correlated to known reference points and approximate coordinates were extracted. > Locations of most 2013 Emmaus exploration drill holes were surveyed professionally. For those not yet surveyed, approximate locations are listed pending confirmation. > Topography is based on the United States Geological Survey's topographic 7.5 minute quadrangle maps.
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.*	> Various sources of data where utilized, as such, spacing of the drill holes used to model the Gilbert and Douglas (Red Ash) seams. > Data obtained from the 2013 Emmaus drilling will be incorporated into the model for future work. > Correlation of the target seams was simple due to the continuity of the strata and the seams observed in the data, and as is historically known.
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.*	> Drill holes have been vertically drilled. No downhole deviation logs have been collected and it is therefore not know if the drill holes have deviated away from vertical. Based on the depth of most holes, any deviation is expected to be insignificant and immaterial to the geologic characterization. > The geology of the properties is consistent with the regional trends of a northeast-southwest striking and northwestward dipping strata of one percent, or less, with little to no evidence of structural deformation in the form of faulting or folding.

Criteria	JORC Code explanation	Commentary
Sample security	*The measures taken to ensure sample security.*	> Sample handling procedures are unknown. It is assumed that samples were handled in accordance with American Society for Testing and Materials Standard Method of Preparing Coal Samples for Analysis (ASTM D 2013). Assumptions are based on Cardno Cardno's familiarity with the operating companies and the companies used to perform the analysis. > Cardno observed most of the handling and sampling procedures, which were handled in accordance with ASTM D 2013. > Cardno is familiar with the work of Gallagher Coal Research Center, Inc., which will be conducting the quality analyses and, from multiple experiences with the company for such tasks, Cardno believes results delivered by Gallagher to be reliable.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	> Cardno is reviewing all available geological information for the properties in developing the geologic model. Provided that the data is suitable, a a 2012 edition JORC compliant exploration target estimate will be produced.

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.*	> The Emmaus and Blackstone Properties are located within the New River Formation of the Appalachian Basin in McDowell and Wyoming Counties, West Virginia immediately north of the community of Iaeger. > Emmaus Partners LLC leases the coal within the Emmaus Property from numerous private owners. > After review of the option and exploration agreements and the underlying leases, Cardno believes these documents represent fairly the Emmaus Property. > For the Blackstone Property, Marco Land Company Leases the coal to the Blackstone Energy Corporation. > Cardno did not review the Blackstone Leases and relied upon PCC's information in terms of controlled mineral within the property. Cardno assumed PCC's depiction of the terms to be accurate. > Fitzroy Resources Ltd., an Australian based company, signed an option agreement to acquire Premier Coking Coal Limited and its subsidiary, Premier Coking Coal, a United States of America (USA) based coal exploration and a development company. In turn, Premier Coking Coal holds an option to acquire the mineral rights of the Emmaus Property from Emmaus Partners LLC, and from the Blackstone Energy Corporation for Blackstone. > There are no known obvious legal or environmental encumbrances that would impede coal property acquisition.
Exploration done by other parties	> *Acknowledgment and appraisal of exploration by other parties.*	> The Emmaus Property has been explored primarily by vertical subsurface drilling which was completed by Virginia Crews Coal Company, a subsidiary of former Massey Energy Coal Company, now Alpha Natural Resource, Inc. Various exploration programs were conducted in the late 70s through the late 80s. > An exploration program was completed in December 2013 on the Emmaus Property, which was managed by PCC and observed by Cardno. > A new exploration program is being developed to explore seams stratigraphically located below drainage levels on the Emmaus Property. > An exploration program is being developed for the Blackstone Property, and is currently in the permitting stage.

Criteria	JORC Code explanation	Commentary
Geology	> *Deposit type, geological setting and style of mineralisation.*	> The coal of interest is part of the Appalachian Basin. > Coal deposits located on the properties are Carboniferous in age, being of the Pennsylvanian system. > The coal seams of interest, including the Lower War Eagle, the Gilbert, and the Douglas (Red Ash) seams, are found in the Kanawha Group. The Iaeger, Beckley (War Creek) and Fire Creek are in the New River Group. Seams below the Fire Creek are in the Pocahontas Group. > Coal in the region is typically bituminous with rank increasing from west to east. High-volatile bituminous coals in the west give way to low-volatile bituminous coal and anthracite in the east. Sulfur contents of coals are typically higher in the west, decreasing to the east. > Depositional environments in the upper portion of the stratigraphic sequence are typically of upper deltaic-alluvial plain sequences, heavily dominated by sandstone, with coals that are typically erratic in nature. The lower portion of the sequence is typically of transitional or lower deltaic plan environments, with siltstones and shales being more prevalent, and coal seams generally exhibiting regularity and consistency. > The geology of the properties is consistent with the regional trends of a northeast-southwest striking and northwestward dipping strata of one percent, or less, with little to no evidence of structural deformation in the form of faulting or folding. The target seams are generally contiguous across the majority of the properties, with occasional localized absences.
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.*	> A detailed list of the Emmaus Property drill holes, from previous exploration programs, used to define the exploration target can be found in this announcement. > All drill holes are provided with West Virginia South NAD 27 easting and northing coordinates.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	> *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	> Existing coal quality data has been tabulated by Cardno and the average coal quality values were calculated and summarized. > Coal quality data to be obtained from the 2013 Emmaus and proposed exploration programs will be tabulated by Cardno and the average coal quality values calculated and summarized.
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 (e.g. 'down hole length, true width not known').*	> Coal thickness values from all coal intersections and down hole geophysical logs are considered to be vertical thicknesses. Seams dips have little effect on the vertical thickness of the seam.
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.*	> Appropriate geologic data maps, diagrams and exhibits are included in this TR.
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.*	> All of the available exploration data from previous exploration programs was provided by Premier Coking Coal, and has been included and used appropriately.
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.*	> No other geological data other than those previously mentioned are known to exist.