



PRECIOUS METAL RESOURCES LIMITED

Precious Metal Resources Limited
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Latest News

www.pmrl.com.au

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Non-Executive Chairman

John Foley
Non-Executive Deputy Chairman

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Managing Director

Peter Kennewell
Chief Geologist

Bruce Dennis
Non-Executive Director

Peter Meers
Non-Executive Director

ASX Symbol: PMR

Halls Peak is the inferred volcanic centre for extensive small but high grade Volcanic Massive Sulphide (VMS) deposits rich in copper, lead, zinc and silver, with variable but largely untested gold values. Current exploration aims to locate the right depositional environment to host a high-grade deposit of between 30,000 and 170,000 tonnes^{ET} within a global exploration target of 5 – 70 million tonnes^{ET} of mixed grade mineralisation. Several geochemical and geophysical anomalies are also present that should identify further high grade, near-surface sulphides.

Additional to the VMS prospectivity, there are indications for the presence of orogenic gold from breccia floaters and small pods of Au-rich quartz on the tenements carrying 1 to 10 g/t Au.

A substantial body of exploration data has been generated over the years by the Geological Survey of NSW and a number of major mining companies including BHP Ltd., MIM Ltd., The Zinc Corporation, Allstate Exploration NL, Carpentaria Exploration Co. Ltd., CRA Exploration Limited and Amoco Minerals Australia Co.

Company Announcement Office
Australian Securities Exchange Limited

Additional \$8 million funding from Chinese SOE to explore New England Tenements

- Fast-tracked exploration provides significant shareholder leverage to drilling success
- 2 year funded exploration program over 3 tenements
- Jiangsu to commit a dedicated team of up to 14 geologists, geochemists and geophysicists to work with PMR
- Human and financial resources on an unprecedented scale for a junior base metals explorer – equivalent to a major

Precious Metal Resources Limited (PMR) has entered into 2 further cooperation and investment agreements with Jiangsu Geology and Engineering Co. Ltd. (SUGEC) of Nanjing, China to contribute a further \$8 million toward exploration on EL 4474 and EL 5339 in NSW. This is in addition to \$2 million exploration funding on EL 7679¹, which is well underway.

These Cooperation Agreements were completed with the support of Sovereign Gold Company Limited (ASX: SOC)² which when combined with PMR's agreement represent \$21 million of exploration funding.

SUGEC will be entitled to a 30% interest in each respective tenement upon meeting the associated expenditure commitment for that tenement.

For further information please contact

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JORC STATEMENT

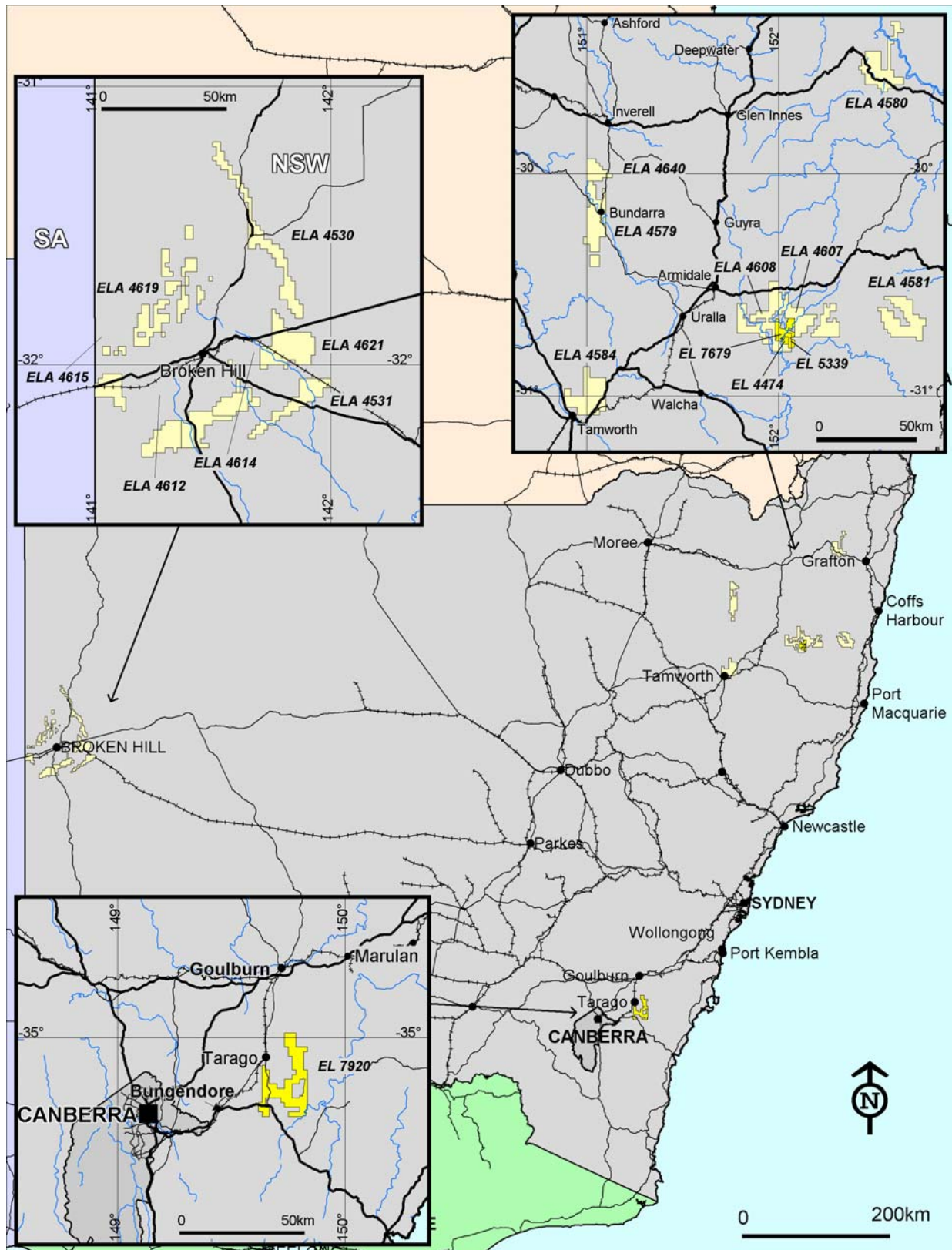
The information in this announcement that relates to mineral exploration is based on information compiled by Peter John Kennewell, who is a member of the Australasian Institute of Mining and Metallurgy. Peter John Kennewell is a director of Precious Metal Resources Limited, and has sufficient experience 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Identified Mineral Resources, and Ore Reserves". Peter John Kennewell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Exploration Targets

^{ET} The potential quantity and grade of exploration targets is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

¹ See ASX release 29th March 2012

² On 28th August 2012, Sovereign Gold completed a proposed takeover of PMR. At the close of the offer, Sovereign Gold had acquired a relevant interest of 81.26% in PMR.



Location map of PMR licences and applications 1 November 2012