



PRECIOUS METAL RESOURCES LIMITED

Precious Metal Resources Limited
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Latest News

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Non-Executive Director

Peter Kennewell
Chief Geologist

Bruce Dennis
Non-Executive Director

Peter Meers
Non-Executive Director

ASX Symbol: PMR

Competent Person Statement

The information in this Report that relates to Exploration Information is based on information compiled by Michael Leu who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

Mr Leu is a qualified geologist and is a director of Sovereign Gold Company Limited.

Mr Leu 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, Mineral Resources and Ore Resources. Mr Leu consents to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

References to Mines refer to historical mines and geographical names, no inference should be made that PMR is operating any mines at this stage of its development.

Halls Peak – Completed drill holes continue to impress with further high grades

Precious Metal Resources (ASX: PMR), a 78% subsidiary of Sovereign Gold Company Limited (ASX: SOC) has received results from the final 4 diamond drill holes of a six-hole program conducted at Gibsons Mine at the Halls Peak base metal field in northern NSW.

A detailed study of drill cores and assay results of diamond drill holes in the historic Gibsons zinc-lead-copper-silver mine area has now been completed.

Gibsons Mine at Halls Peak is located on EL 4474 that, subject to shareholders approval, will be transferred to Sovereign Gold (ASX 9 April 2014).

This Announcement should be read together with previous releases by PMR regarding Halls Peak exploration targets and results, specifically the announcements of 3 January 2014 titled “Promising Results – Initial Halls Peak Drilling “ and 15 January 2014 titled “Halls Peak – Base metal mineralization continuity confirmed (bonus high grade silver)”.

Some of the mineralised intervals reported from diamond drill holes DDH HP 026, 027 (ASX Releases 3 and 15 January 2014) and 028 and 029 are shallow and have potential for direct shipment to smelters.

Further drilling is planned to establish the continuity of beds discovered to date and to locate new lodes. DDH HP 028, 029 and 030 were completed at the Gibsons Mine.

DDH HP 028 intersected the four base metal zones identified in HP026 and HP027, providing useful information about their configuration and copper, lead, zinc and silver grades.

DDH HP 029 was collared near the portal of the “Dry Tunnel” to attempt an intersection of Barker’s Lode. Barker’s Lode was intersected at shallow depth with high Ag, Cu, Pb and Zn grades.

DDH HP 030 was drilled vertically to test showings of mineralisation along mine tracks, in rocks overlying the main mineralised zones. Three rather narrow zones of copper mineralisation were intersected by the hole.

DDH HP 031 was drilled to investigate a shallow VTEM feature and to provide stratigraphic information in an area of very little rock outcrop, on the plateau to the east of Gibsons Mine Prospect.

DDH HP 028

- 9.4 metres (from 0.00 – 9.40m downhole) at 5.0% Zn, 2.2% Pb, 2.4% Cu, 73.4g/t Ag
 - Including 1.8 metres (from 1.60 – 3.40m downhole) at 12.76% Zn, 7.06% Pb, 7.13% Cu, 224.3g/t Ag, 0.9 g/t Au
- 3.3 metres (from 15.7 – 19.0m downhole) at 7.6% Zn, 3.0% Pb, 0.8% Cu, 29.5g/t Ag
- 1.5 metres (from 33.9 – 35.4m downhole) at 28% Zn, 9.6% Pb, 2.6% Cu, 62.9g/t Ag
- 3.2 metres (from 42.0 – 45.2 m downhole) at 19.7% Zn, 6.7% Pb, 1.57% Cu, 40.4g/t Ag



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DDH HP 029

- 1.8 metres (from 8.60 – 10.40m downhole) at 19.98% Zn, 10.69% Pb, 0.9% Cu, 41.4g/t Ag
- 0.4 metres (from 30.40 – 30.80m downhole) at 2.18% Cu
- 0.2 metres (from 31.90 – 32.10m downhole) at 3.33% Cu

DDH HP 030

- 0.4 metres (from 40.60 – 40.80m downhole) at 6.47% Cu, 0.22% Zn, 30.3g/t Ag
- 0.25 metres (from 84.35 – 84.10m downhole) at 3.19% Cu, 0.25% Zn

DDH HP 31 did not intersect any significant mineralisation. It was drilled in a separate location to Holes DDH HP 26-30 (Gibsons Mine).

Previous reported holes

Following are some results from holes reported earlier.

DDH HP 026

- 37.2 metres at an average grade of 8.7% zinc, 3.0% lead, 1.4% copper and 85 g/t (2.8 oz/t) silver, over 4 bands
 - Including 10.5 metres at an average grade of 9.81% zinc, 5.63% lead, 2.67% copper and 196 g/t (6.3 oz/t) silver
 - Including 1.48 metres (from 1.62 to 3.1m) at an average grade of 19.2% zinc, 10.7% lead, 5.66% copper and 509 g/t (6.3 oz/t) silver

DDH HP 027

- 3.5 metres (from 39.00 – 42.50m downhole) at 5.0% Zn, 2.2% Pb, 2.4% Cu, 73.4g/t Ag
- 7.45 metres (from 50.20 – 57.65m downhole) at 8.88% Zn, 3.11% Pb, 0.56% Cu, 22.35g/t Ag
 - Including 1.9 metres (from 53.80 – 55.70 downhole) at 27.1% Zn, 8.7% Pb, 1.5% Cu, 59.0g/t Ag

For further information please contact:

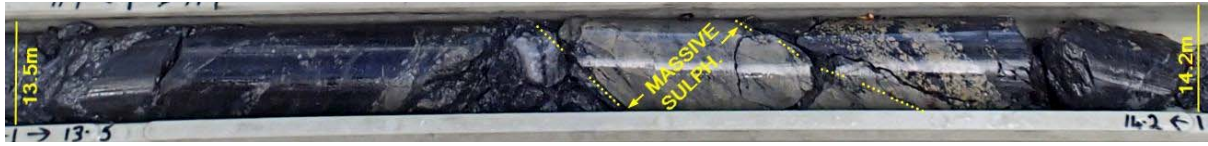
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Representative Photographs

DDH HP 026



Interval 13.5 – 14.2m (100% core recovery): 15.95% Zn, 2.2% Pb, 1.3% Cu, 63g/t Ag



Close-up photo of part of interval 13.5 – 14.2m



Interval 14.5 – 15.5m (100% core recovery): 16.7% Zn, 4.9% Pb, 0.5% Cu, 36g/t Ag

Interval 15.5 – 15.74m (100% core recovery): 31.7% Zn, 11.85% Pb, 0.9% Cu, 95g/t Ag - a massive sulphide lode (copper relatively low) - a width down hole of 0.24m



36.6 – 37.9m (approx) - all core is massive sulphide lode with very high average grade of 32.8% Zn



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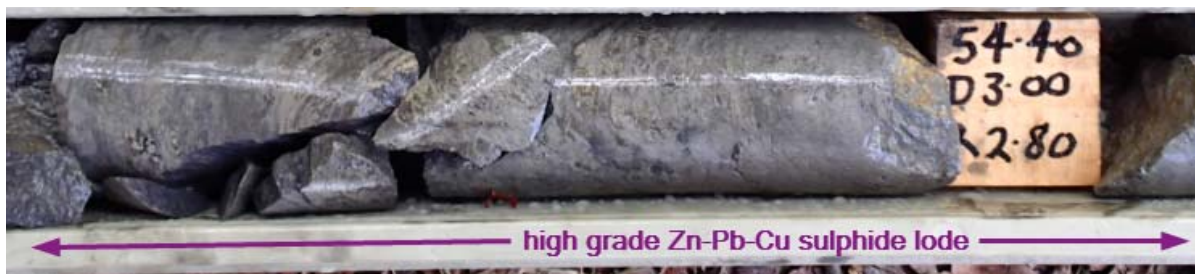


38.0 – 38.2m (approx) - all core is sulphide lode with very high average grade of 32.8% Zn - some bands with different composition are visible – banding to core angle 35 degrees

DDH HP 027



Interval 53.8 – 54.6m

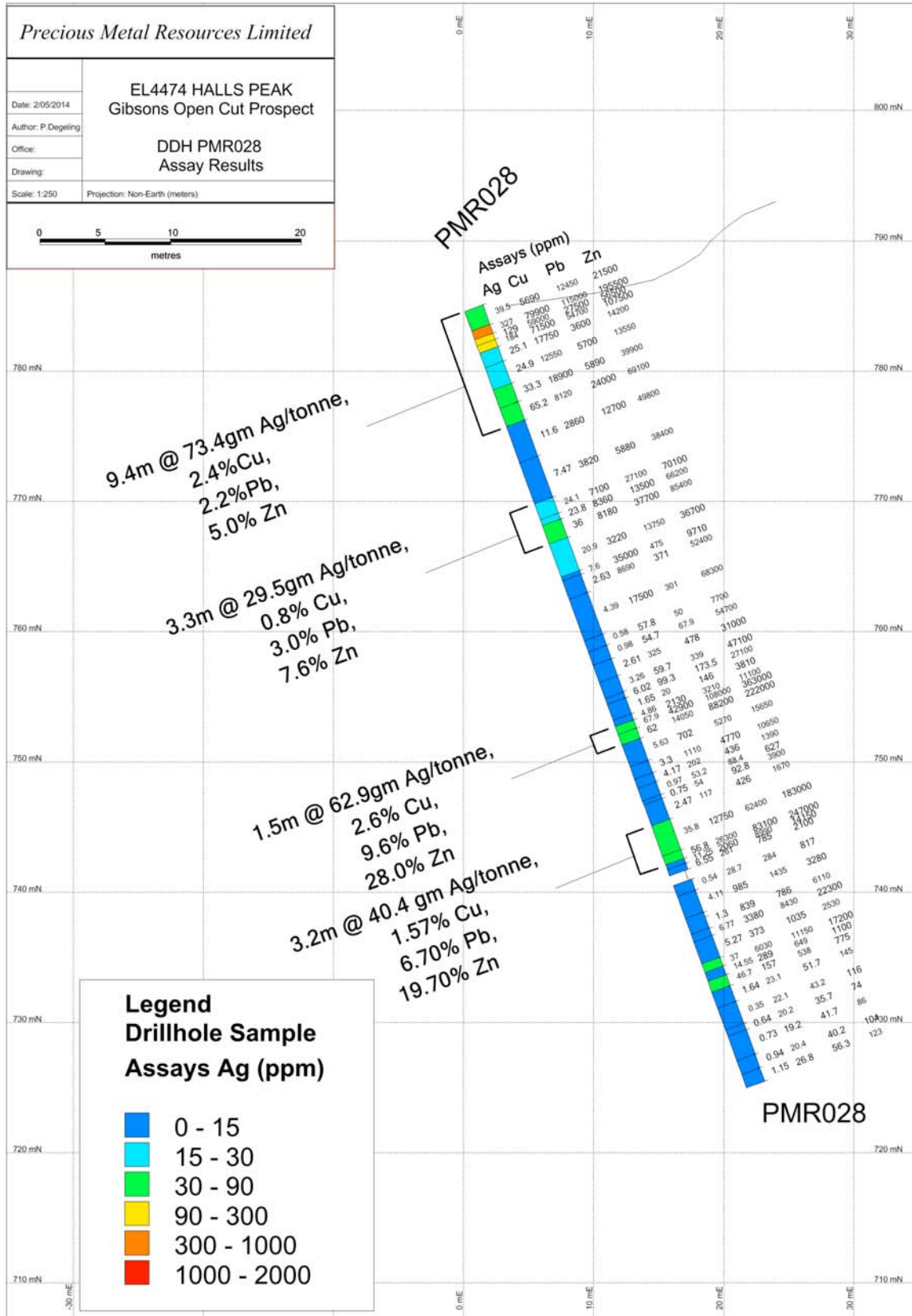


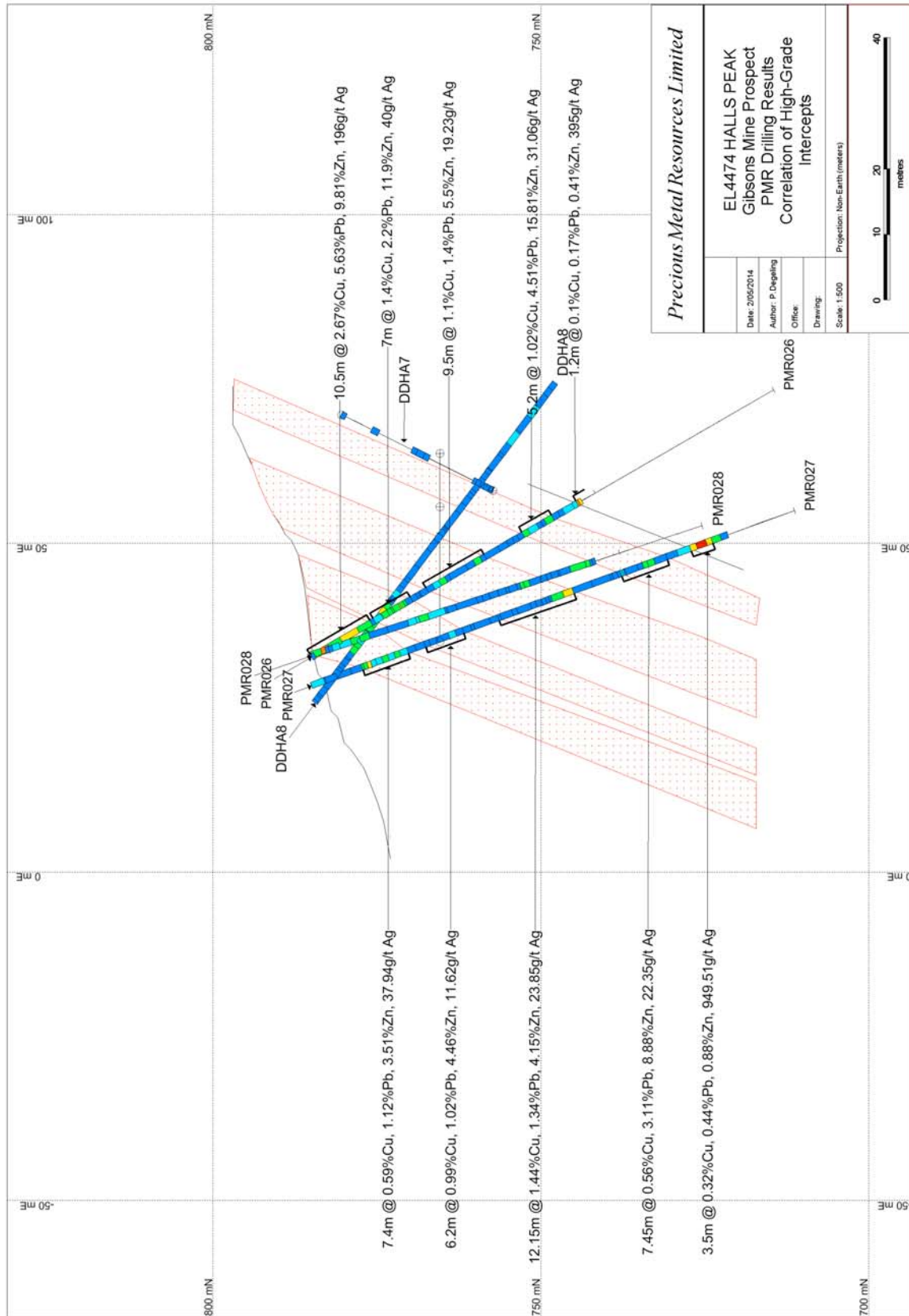
Interval 53.8 – 54.6m (0.8 metres downhole, 94% core recovery): 38.1% Zn, 8.0% Pb, 2.46% Cu, 60.7g/t Ag – a typical high grade zinc-lead-copper sulphide lode – note pale colour due to high zinc sulphide content and lack of pyrite

All core HQ – 63.5mm



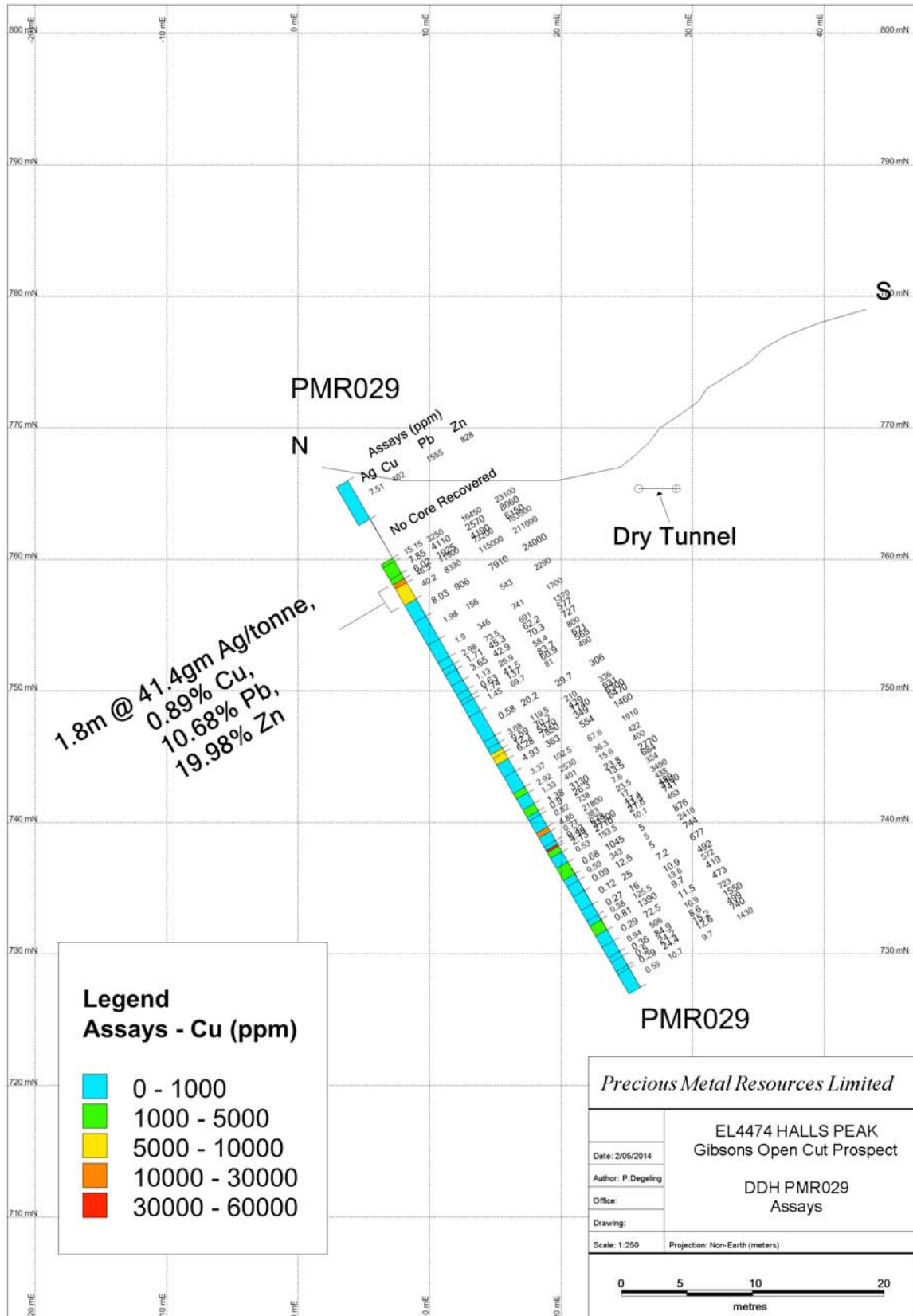
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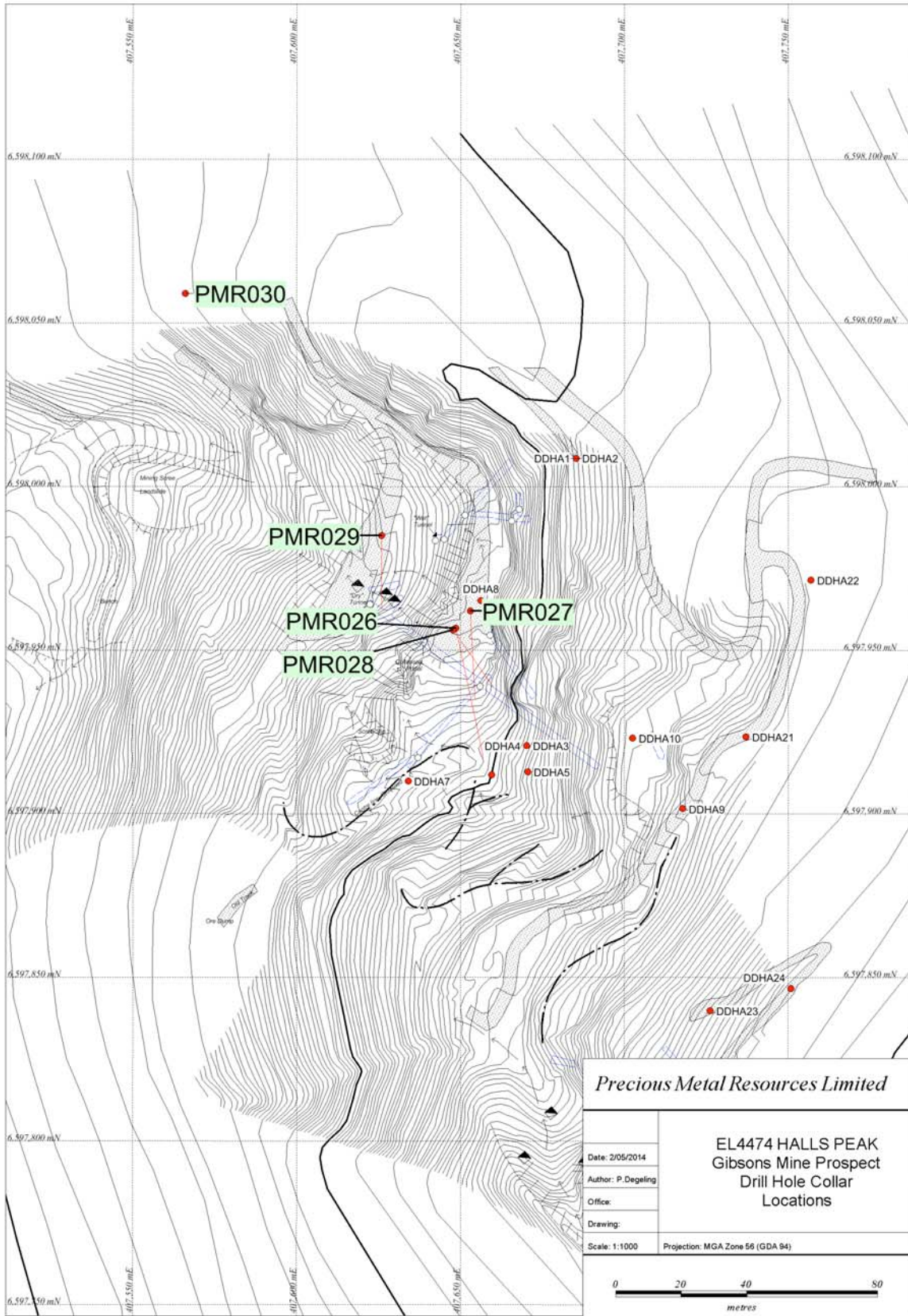


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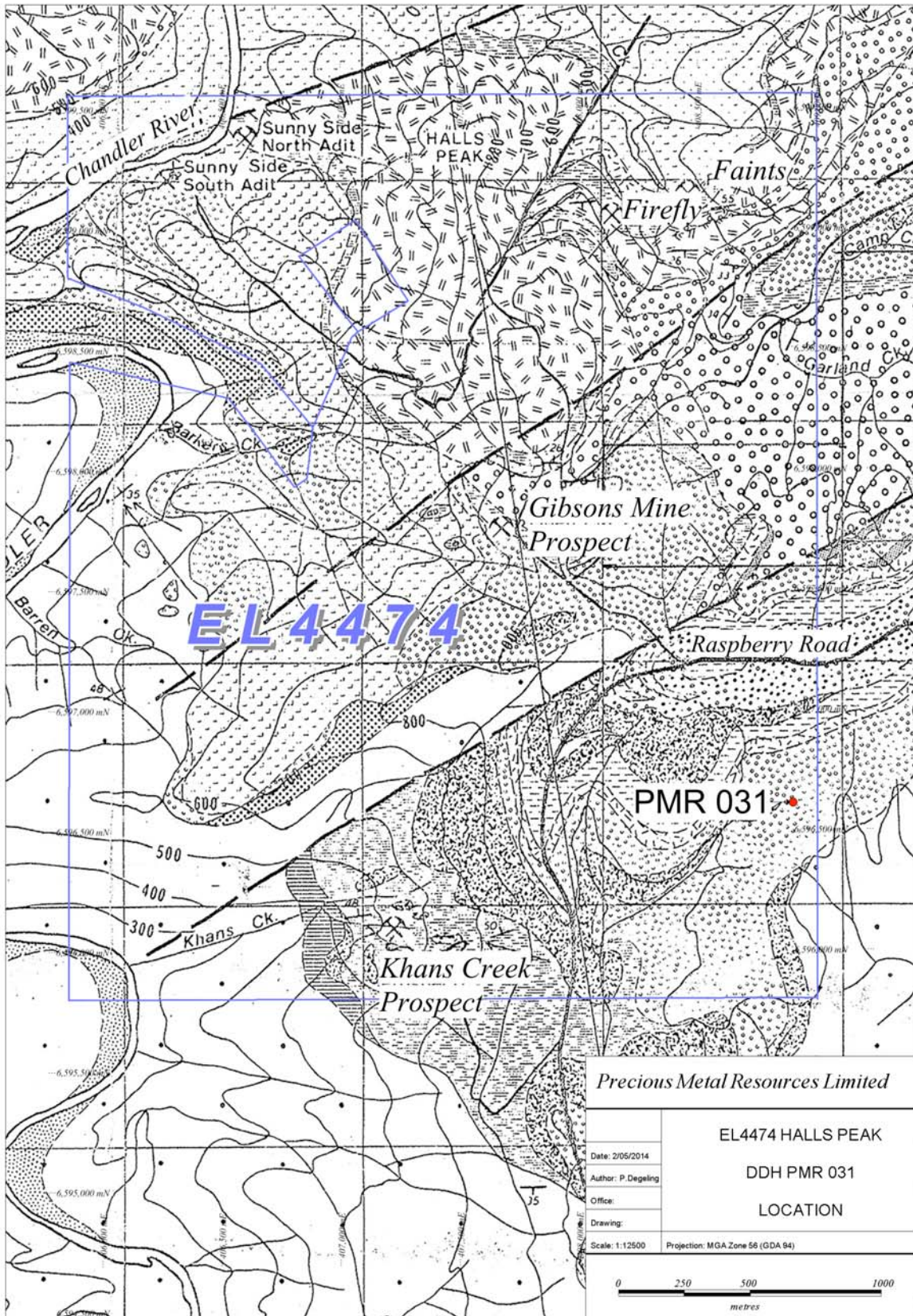


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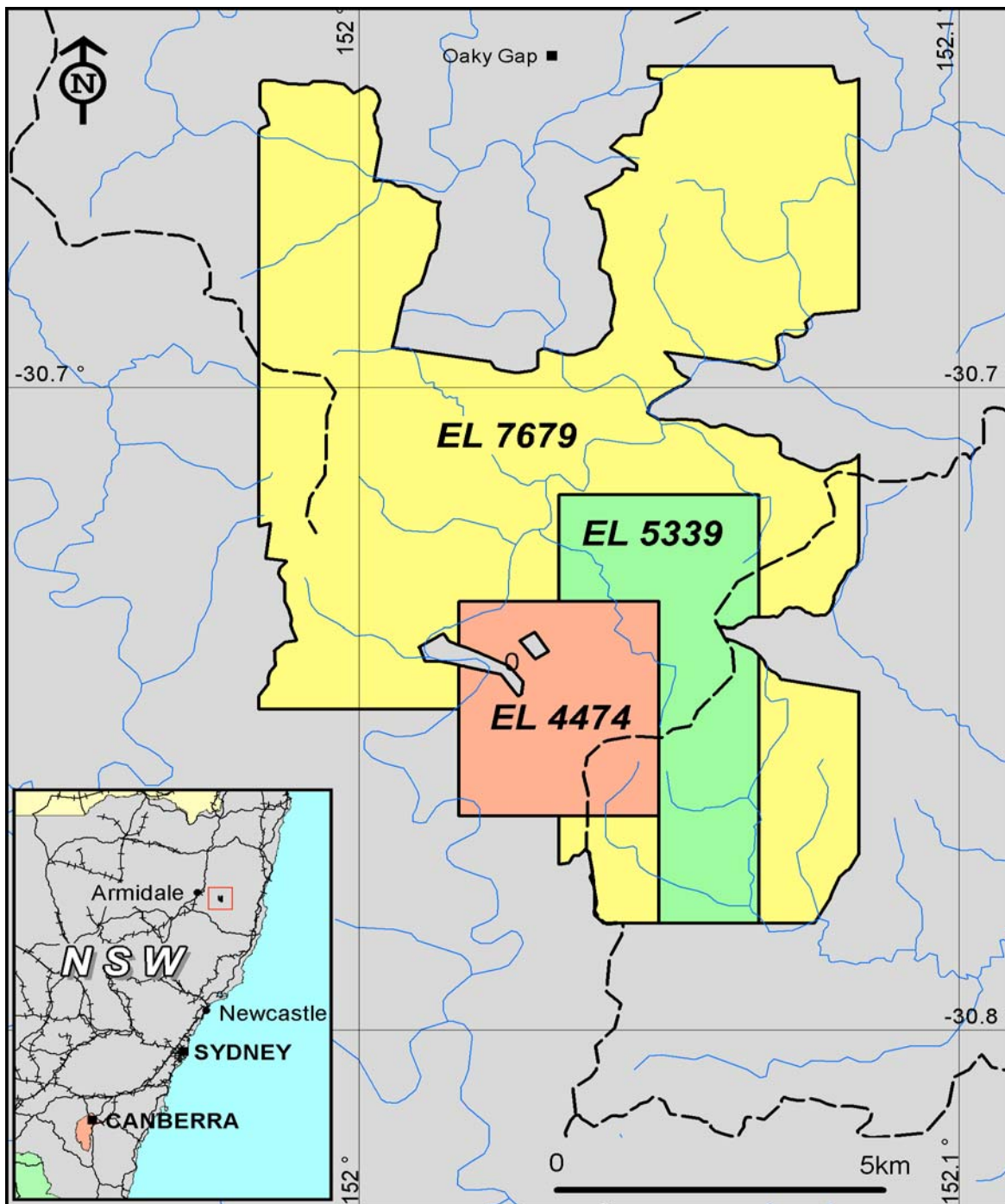


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The Halls Peak Tenements are located 80 km southeast of Armidale, New South Wales, Australia



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Drill hole information

Hole ID	Easting (m)	Northing (m)	RL (m)	Grid	Collar Azimuth (Degrees)	Collar Dip (degrees)	Total Depth (m)
HP 026	407648	6597956	785	MGA94 Zone 56	168	60	81.40
HP 027	407653	6597962	785	MGA94 Zone 56	177	70	78.4
HP 028	407648	6597956	785	MGA94 Zone 56	145	70	63.4
HP 029	407626	6597985	767	MGA94 Zone 56	180	60	44.5
HP 030	407566	6598059	758	MGA94 Zone 56	0	90	115
HP 031	408898	6596612	925	MGA94 Zone 56	0	90	99.5

DDH HP 028 Results

Top (m)	Base (m)	Interval (m)	Recovery (%)	Ag Grade (g/t)	Cu Grade (%)	Pb Grade (%)	Zn Grade (%)	Weighted Average Grades of mineralised zones
0.00	1.60	1.60	38%	39.5	0.569	1.245	2.150	9.4m @ 2.4% Cu, 2.2% Pb, 5.0% Zn, 73.4gm Ag/tonne (2.36 ozs Ag/tonne)
1.60	2.30	0.70	87%	327	7.990	11.500	19.550	
2.30	2.80	0.50	87%	129	5.900	2.750	5.650	
2.80	3.40	0.60	87%	184	7.150	5.470	10.750	
3.40	4.60	1.20	87%	25.1	1.775	0.360	1.420	
4.60	6.40	1.80	100%	24.9	1.255	0.570	1.355	
6.40	7.90	1.50	87%	33.3	1.890	0.589	3.990	
7.90	9.40	1.50	80%	65.2	0.812	2.400	6.910	
9.40	12.35	2.95	100%	11.6	0.286	1.270	4.980	3.3m @ 0.8% Cu, 3.0% Pb, 7.6% Zn, 29.5gm Ag/tonne
12.35	15.70	3.35	79%	7.47	0.382	0.588	3.840	
15.70	17.00	1.30	100%	24.1	0.710	2.710	7.010	
17.00	17.50	0.50	100%	23.8	0.836	1.350	6.620	
17.50	19.00	1.50	100%	36	0.818	3.770	8.540	
19.00	21.70	2.70	100%	20.9	0.322	1.375	3.670	
21.70	22.00	0.30	100%	7.6	3.500	0.048	0.971	
22.00	23.50	1.50	3%	2.63	0.869	0.037	5.240	
23.50	26.90	3.40	82%	4.39	1.750	0.030	6.830	1.5m @ 2.6% Cu, 9.6% Pb, 28% Zn, 62.9gm Ag/tonne
26.90	27.80	0.90	100%	0.58	0.006	0.005	0.770	
27.80	28.90	1.10	100	0.98	0.005	0.007	5.470	
28.90	30.30	1.40	79%	2.61	0.033	0.048	3.100	
30.30	31.60	1.30	100%	3.26	0.006	0.034	4.710	
31.60	32.10	0.50	100%	6.02	0.100	0.017	2.710	
32.10	33.40	1.30	100%	1.65	0.200	0.015	0.381	
33.40	33.90	0.55	100%	4.86	0.213	0.321	1.110	
33.90	34.55	0.60	100%	67.9	4.290	10.800	36.300	
34.55	35.40	0.85	100%	59.3	1.405	8.820	22.200	
35.40	37.20	1.80	100%	5.63	0.070	0.527	1.565	
37.20	38.20	1.00	100%	3.3	0.111	0.477	1.065	



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Top (m)	Base (m)	Interval (m)	Recovery (%)	Ag Grade (g/t)	Cu Grade (%)	Pb Grade (%)	Zn Grade (%)	Weighted Average Grades of mineralised zones
38.20	38.95	0.75	100%	4.17	0.020	0.044	0.139	
38.95	40.00	1.05	100%	0.97	0.005	0.009	0.063	
40.00	40.30	0.30	100%	0.75	0.005	0.009	0.390	
40.30	42.00	1.70	100%	2.47	0.012	0.043	0.167	
42.00	44.50	2.50	100%	35.8	0.000	6.240	18.300	3.2m @ 6.7% Pb, 19.7% Zn, 40.4gm Ag/tonne
44.50	45.20	0.70	100%	56.8	0.000	8.300	24.700	
45.20	45.60	0.40	100%	11.25	0.206	0.899	1.415	
45.60	46.10	0.50	100%	6.55	0.026	0.079	0.210	
46.10	46.90	0.80	0%	NO CORE RECOVERED				
46.90	47.80	0.90	100%	0.54	0.003	0.028	0.082	
47.80	49.60	1.80	100%	4.11	0.099	0.144	0.328	
49.60	50.90	1.30	100%	1.3	0.084	0.079	0.611	
50.90	51.50	0.60	100%	6.77	0.338	0.843	2.230	
51.50	53.30	1.80	100%	5.27	0.037	0.104	0.253	
53.30	54.00	0.70	100%	37	0.603	1.115	1.720	
54.00	54.70	0.70	100%	14.55	0.029	0.065	0.110	
54.70	55.60	0.90	100%	46.7	0.016	0.054	0.078	
55.60	56.90	1.30	100%	1.64	0.002	0.005	0.015	
56.90	58.70	1.80	100%	0.35	0.002	0.004	0.012	
58.70	59.20	0.50	100%	0.64	0.002	0.004	0.007	
59.20	61.20	2.00	100%	0.73	0.002	0.004	0.009	
61.20	62.30	1.10	100%	0.94	0.002	0.004	0.010	
62.30	63.40	1.10	100%	1.15	0.003	0.006	0.012	

DDH HP 029 Results

Top (m)	Base (m)	Interval (m)	Recovery (%)	Ag Grade (g/t)	Cu Grade (%)	Pb Grade (%)	Zn Grade (%)	Weighted Average Grades of mineralised zones
0.00	3.40	3.40	18%	7.51	0.040	0.156	0.828	
3.40	6.80	3.40	0%	NO CORE RECOVERED				
6.80	7.10	0.30	20%	15.15	0.325	1.645	2.310	
7.10	8.15	1.05	100%	7.85	0.411	0.257	0.806	
8.15	8.60	0.45	100%	6.02	0.193	0.419	0.615	
8.60	8.95	0.35	100%	46.5	1.150	7.320	15.350	1.8M @ 0.89% Cu, 10.68% Pb, 19.98% Zn, 41.4g/t Ag (1.33oz/t Ag)
8.95	10.40	1.45	100%	40.2	0.833	11.500	21.100	
10.40	11.90	1.50	100%	8.03	0.091	0.791	2.400	
11.90	13.90	2.00	100%	1.98	0.016	0.054	0.229	
13.90	15.45	1.55	100%	1.9	0.035	0.074	0.170	
15.45	16.10	0.65	100%	2.98	0.007	0.069	0.137	
16.10	16.55	0.45	100%	1.71	0.005	0.006	0.058	
16.55	17.50	0.95	100%	3.65	0.004	0.007	0.073	
17.50	18.30	0.80	100%	1.13	0.003	0.006	0.080	
18.30	18.85	0.55	100%	0.63	0.004	0.008	0.067	



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Top (m)	Base (m)	Interval (m)	Recovery (%)	Ag Grade (g/t)	Cu Grade (%)	Pb Grade (%)	Zn Grade (%)	Weighted Average Grades of mineralised zones
18.85	19.15	0.30	100%	1.74	0.014	0.006	0.057	
19.15	20.20	1.05	100%	1.45	0.007	0.008	0.049	
20.20	22.40	2.20	100%	0.58	0.002	0.003	0.031	
22.40	23.00	0.60	100%	3.08	0.012	0.021	0.034	
23.00	23.50	0.50	100%	9.59	0.007	0.048	0.063	
23.50	23.85	0.35	100%	12.1	0.537	0.174	0.630	
23.85	24.40	0.55	100%	6.28	0.785	0.035	0.647	
24.40	25.50	1.10	100%	4.93	0.036	0.055	0.146	
25.50	26.90	1.40	100%	3.37	0.010	0.007	0.191	
26.90	27.40	0.50	100%	2.92	0.253	0.004	0.042	
27.40	28.35	0.95	100%	1.33	0.040	0.002	0.040	
28.35	29.00	0.65	100%	1.38	0.313	0.002	0.277	
29.00	29.30	0.30	100%	0.9	0.003	0.001	0.068	
29.30	30.40	1.10	100%	0.82	0.074	0.001	0.032	
30.40	30.80	0.40	100%	4.86	2.180	0.002	0.349	
30.80	31.60	0.80	100%	0.77	0.038	0.002	0.044	
31.60	31.90	0.30	100%	0.33	0.068	0.002	0.049	
31.90	32.10	0.20	100%	5.35	3.330	0.003	0.316	
32.10	32.60	0.50	100%	2.13	0.271	0.002	0.074	
32.60	33.50	0.90	100%	0.53	0.015	0.001	0.046	
33.50	34.40	0.90	100%	0.68	0.105	0.001	0.088	
34.40	34.55	0.15	100%					
34.55	35.10	0.55	100%	0.59	0.034	0.001	0.241	
35.10	36.00	0.90	100%	0.09	0.001	0.001	0.074	
36.00	37.20	1.20	100%	0.12	0.003	0.001	0.068	
37.20	38.10	0.90	100%	0.27	0.002	0.001	0.049	
38.10	38.55	0.45	100%	0.38	0.013	0.001	0.057	
38.55	39.45	0.90	100%	0.81	0.139	0.001	0.042	
39.45	40.40	0.95	100%	0.29	0.007	0.001	0.047	
40.40	41.35	0.95	100%	0.94	0.051	0.002	0.072	
41.35	41.75	0.40	100%	0.36	0.008	0.001	0.155	
41.75	42.55	0.80	100%	0.5	0.002	0.002	0.050	
42.55	42.80	0.25	100%	0.29	0.002	0.001	0.074	
42.80	44.50	1.70	100%	0.55	0.001	0.001	0.143	



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DDH HP 030 Results

Top (m)	Base (m)	Interval (m)	Recovery (%)	Ag Grade (g/t)	Cu Grade ppm	Pb Grade ppm	Zn Grade ppm	Weighted Average Grades of mineralised zones
0	4.5	4.5	84.4	2.23	132.5	609.0	461.0	
4.5	7.1	2.6	42.9	1.07	93.6	32.9	65.0	
7.1	8.1	1	100	0.81	135.0	19.5	81.0	
8.1	8.3	0.2	100	4.46	295.0	1720.0	402.0	
8.3	9.6	1.3	82	0.73	98.5	18.7	61.0	
9.6	11.4	1.8	100	0.87	2830.0	20.4	36.0	
11.4	12.1	0.7	100	0.77	170.5	31.4	80.0	
12.1	12.4	0.3	100	0.8	131.0	9.4	45.0	
12.4	13.5	1.1	100	0.67	175.5	10.5	116.0	
13.5	14.1	0.6	100	0.35	129.0	10.3	173.0	
14.1	14.8	0.7	100	0.25	45.5	9.7	45.0	
14.8	16.4	1.6	100	0.35	37.5	10.8	150.0	
16.4	17.3	0.9	100	0.09	41.0	5.2	277.0	
17.3	19	1.7	100	0.28	84.6	7.3	189.0	
19	19.8	0.8	100	0.47	29.3	17.9	136.0	
19.8	21.8	2	100	0.24	26.0	12.5	371.0	
21.8	23.1	1.3	100	1.48	269.0	20.2	112.0	
23.1	24.6	1.5	100	1.05	82.2	13.0	75.0	
24.6	26.4	1.8	100	0.53	38.2	6.7	71.0	
26.4	26.9	0.5	100	1.23	97.1	9.2	46.0	
26.9	29	2.1	100	0.66	55.7	8.9	48.0	
29	30.6	1.6	100	0.31	7.6	7.4	75.0	
30.6	31.8	1.2	100	0.27	20.4	10.7	126.0	
31.8	32.05	0.25	100	0.33	45.2	32.6	256.0	
32.05	33.5	1.45	100	0.16	52.7	46.9	319.0	
33.5	33.9	0.4	100	0.21	725.0	38.0	287.0	
33.9	35.6	1.7	100	0.51	127.0	29.1	336.0	
35.6	37.1	1.5	100	1.22	646.0	137.5	506.0	
37.1	37.85	0.75	100	4.06	6850.0	289.0	1330.0	1.55m @ 0.8% Cu, 0.03% Pb, 0.17% Zn, 8.2g/t Ag
37.85	38.65	0.8	100	12.1	9380.0	309.0	2080.0	
38.65	40.35	1.7	100	2.68	723.0	77.7	492.0	
40.35	40.6	0.25	100	5.23	4140.0	181.5	602.0	0.95m @ 1.6% Cu, 0.05% Pb, 0.67% Zn, 9.7g/t Ag,
40.6	40.8	0.2	100	30.3	64700.0	735.0	2240.0	
40.8	41.3	0.5	100	3.76	2530.0	608.0	11650.0	
41.3	42.9	1.6	100	1.22	74.5	38.5	847.0	
42.9	43	0.1	100	2.21	398.0	138.5	40500.0	
43	43.75	0.75	100	1.26	507.0	204.0	370.0	
43.75	45.2	1.45	100	0.24	87.7	39.8	319.0	
45.2	45.6	0.4	100	0.11	122.5	15.7	248.0	
45.6	45.8	0.2	100	0.53	169.5	303.0	821.0	
45.8	46.8	1	100	1.58	141.5	146.5	287.0	
46.8	47.8	1	100	1.67	57.9	105.0	217.0	
47.8	48.8	1	100	1.16	28.0	46.3	214.0	



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Top (m)	Base (m)	Interval (m)	Recovery (%)	Ag Grade (g/t)	Cu Grade ppm	Pb Grade ppm	Zn Grade ppm	Weighted Average Grades of mineralised zones
48.8	49.8	1	100	0.58	27.7	35.9	258.0	
49.8	50.8	1	100	0.3	77.6	43.7	279.0	
50.8	51.8	1	100	0.24	27.9	21.4	240.0	
51.8	52.35	0.55	100	0.36	67.2	55.2	340.0	
52.35	53.95	1.6	100	0.44	42.9	26.9	207.0	
53.95	55.2	1.25	100	2.37	372.0	290.0	190.0	
55.2	57.6	2.4	25	0.81	725.0	282.0	566.0	
57.6	58.8	1.2	91	0.56	222.0	61.8	383.0	
58.8	59	0.2	100	0.22	217.0	28.3	424.0	
59	60.3	1.3	100	0.18	202.0	90.9	725.0	
60.3	61	0.7	100	0.74	226.0	59.4	389.0	
61	61.7	0.7	100	0.29	23.7	22.2	282.0	
61.7	62.05	0.35	100	0.39	32.3	44.0	257.0	
62.05	62.95	0.9	100	0.27	9.7	50.8	347.0	
62.95	64.4	1.45	100	0.35	80.0	50.0	488.0	
64.4	65.7	1.3	100	0.08	2.9	20.2	649.0	
65.7	67.4	1.7	100	0.41	45.5	62.1	822.0	
67.4	68	0.6	100	0.14	67.7	108.5	460.0	
68	69.35	1.35	100	0.14	54.3	37.1	378.0	
69.35	69.6	0.25	100	0.37	237.0	69.4	273.0	
69.6	71	1.4	100	0.38	539.0	73.9	456.0	
71	74.4	3.4	100	NOT ASSAYED				
74.4	75	0.6	100	0.14	112.5	151.0	413.0	
75	75.7	0.7	100	0.13	123.5	56.8	278.0	
75.7	80.9	5.2	73	NOT ASSAYED				
80.9	81.6	0.7	74	0.51	329.0	57.4	260.0	
81.6	82.4	0.8	100	0.34	339.0	24.7	436.0	
82.4	84.35	1.95	42	0.4	756.0	19.9	269.0	
84.35	84.4	0.05	100	10.05	92800.0	1180.0	7380.0	0.25m @ 3.19% Cu, 0.03% Pb, 0.25% Zn, 3g/t Ag
84.4	84.6	0.2	100	1.44	16700.0	140.0	1330.0	
84.6	86.6	2	100	0.35	22.0	9.9	360.0	
86.6	88.2	1.6	100	0.62	710.0	41.6	474.0	
88.2	89.3	1.1	100	0.85	2730.0	120.5	619.0	
89.3	114.6	25.3	100	NOT ASSAYED				



Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Half HQ core
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<ul style="list-style-type: none"> Consistent cut distance relative to mark up or orientation line along core.
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. 	<ul style="list-style-type: none"> Mineralisation within sheared shales and very soft white clay-like rock has resulted in reduced core recoveries in part of the holes. This problem has been ameliorated by the use of special drilling mud. Reduced recovery of this very soft clay like rock has biased the assay grades towards the grade of the harder recovered rock. This may have lowered or raised the grade reported over intervals of core loss. The grade of sheared shale may be comparable to the enclosed unshaded shale. Very soft clay-like rock has been recorded in the past as having base metal grades ranging from anomalous to high. As the type of rock lost during drilling is uncertain, the significance of any bias due to core loss cannot be quantified. It is unclear whether sample loss has any positive or negative relationship with grade, as discussed above.



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Sawn half HQ core with sample lengths ranging from 0.1 metres to 2.51metres was sent to ALS laboratories and was pulverised to produce a 30g charge for fire assay (Au_AA25), and 4 acid digestion for 48 element ICP-AES and ICP-MS analysis (ME-MS61)
Drilling techniques	<ul style="list-style-type: none"> <i>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).</i> 	<ul style="list-style-type: none"> HQ diamond triple tube coring by Warman 600 drilling rig was used throughout the hole. No core orientation was carried out.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> 	<ul style="list-style-type: none"> Lithological logging, photography Core samples were measured with a standard tape within the core trays. Length of core was then compared to the interval drilled, and any core loss was attributed to individual rock units based on the amount of fracturing, abrasion of core contacts, and the conservative judgment of the core logger. Results of core loss are discussed in "Sampling techniques", above).



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> Experienced driller contracted to carry out drilling. Drilling produced large diameter HQ core from short runs to maximise core recovery. Core was washed before placing in the core trays. Core was assessed by eye before cutting to ensure representative sampling.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See "Aspects of the determination of mineralisation that are Material to the Public Report" above.
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Core samples were not geotechnically logged. Core samples have been geologically logged to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<ul style="list-style-type: none"> The core logging was qualitative in nature. All core was photographed
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> 100% Total length of the relevant intersection is 67.6 metres. Total depth of the hole was 78.4 metres. 100% of the relevant intersections were logged.
Sub-sampling techniques and sample	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> Half HQ core cut with a diamond bladed core saw.



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Criteria	JORC Code explanation	Commentary
preparation	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	<ul style="list-style-type: none"> Not applicable at this stage of the program.
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> For core samples: a) the samples are of sawn core; b) the quality of the core is that of good quality core, with many zones of very friable rock recovered with a minimum of core loss; c) this sample preparation technique is appropriate and industry standard for the assay results being reported.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> No sub sampling has been carried out to date.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Appropriate measures taken – half core remaining if further analysis warranted. Duplicate assays and assays of blanks and comparable standards are routinely carried out at the laboratory to check laboratory procedures and techniques.
	<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Yes, sample sizes are appropriate to the grain size of the material being sampled
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<ul style="list-style-type: none"> Analyses by Australian Laboratory Services Pty. Ltd. (ALS), ALS is accredited to ISO/IEC 17025-2005 standards and has ISO 9001-2008 Registration in Australia.. Appropriate techniques of fire assay for gold and ICP-AES and ICP-MS for multielement analysis were used. Techniques are considered total for the type of mineralization sampled.
	<ul style="list-style-type: none"> For geophysical tools, spectrometres, handheld XRF instruments, etc, the parametres used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. 	<ul style="list-style-type: none"> Not relevant at this stage of the program



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Internal standards and blanks not used at this early stage
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	<ul style="list-style-type: none"> Not relevant at this stage of the program
	<ul style="list-style-type: none"> The use of twinned holes. 	<ul style="list-style-type: none"> Not relevant at this stage of the program
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	<ul style="list-style-type: none"> Core measured, photographed and logged by geologists. Digitally recorded plus back-up records.
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> There is no adjustment to assay data
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill collars recorded with hand held Garmin GPS that has an accuracy in the order of 5 metres for location. Drill collars locations will be surveyed by registered surveyor.
	<ul style="list-style-type: none"> Specification of the grid system used. 	<ul style="list-style-type: none"> GDA94 (Zone 56)
	<ul style="list-style-type: none"> Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Topographic control based on Department of Lands digital terrain model.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<ul style="list-style-type: none"> Not relevant to current drilling.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not relevant to current drilling.
	<ul style="list-style-type: none"> Whether sample compositing has been applied. 	<ul style="list-style-type: none"> No sample compositing has been applied.



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Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	<ul style="list-style-type: none"> The orientation of the mineralisation is unknown. The drilling program is aimed at determining orientation of the base of mineralisation by drilling three holes.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> It is uncertain whether sampling bias has been introduced, or whether the thickness drilled is a true thickness.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Core samples are stored at the secure Sovereign Gold Uralla core yard before express overnight freight to Australian Laboratory Services Pty. Ltd. (ALS) Brisbane. Sample movements and security documented by ALS Chain of Custody.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Not undertaken at this stage

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> EL4474 is held by PMR1 Pty. Ltd., a wholly owned subsidiary of Precious Metal Resources Limited. It is currently under MOU with SUGEC Resources Limited who may earn a 30% interest in EL 4474 for expenditure of \$A 4 million.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Tenure is current and in good standing.



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Criteria	JORC Code explanation	Commentary																																																								
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The mineralised structure currently being drilled was discovered in about 1914. Two tunnels were dug totalling about 250 metres with small amounts of stoping recorded. Open cut mining by other parties has been undertaken in the 1950s and 1960s. Drilling of a total of 4000 metres of core was carried out in the 1960s and 1970s by BHP, CRA, Carpentaria Exploration, All-state and Halls Peak Mining. BHP mined a bulk sample of 1000 tonnes of high grade mineralisation from the nearby Khans Mine in 1974. PMR logged and assayed 4,000 metres of previously unassayed core from earlier drilling programs in 2011/12. 																																																								
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Black shale hosted SEDEX mineralisation. 																																																								
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<table border="1"> <thead> <tr> <th>Hole ID</th> <th>Easting (m)</th> <th>Northing (m)</th> <th>RL (m)</th> <th>Grid</th> <th>Collar Azimuth (Degrees)</th> <th>Collar Dip (degrees)</th> <th>Total Depth (m)</th> </tr> </thead> <tbody> <tr> <td>HP 026</td> <td>407648</td> <td>6597956</td> <td>785</td> <td>MGA94 Zone 56</td> <td>168</td> <td>60</td> <td>81.40</td> </tr> <tr> <td>HP 027</td> <td>407653</td> <td>6597962</td> <td>785</td> <td>MGA94 Zone 56</td> <td>177</td> <td>70</td> <td>78.4</td> </tr> <tr> <td>HP028</td> <td>407648</td> <td>6597956</td> <td>785</td> <td>MGA94 Zone 56</td> <td>145</td> <td>70</td> <td>63.4</td> </tr> <tr> <td>HP029</td> <td>407626</td> <td>6597985</td> <td>767</td> <td>MGA94 Zone 56</td> <td>180</td> <td>60</td> <td>44.5</td> </tr> <tr> <td>HP030</td> <td>407566</td> <td>6598059</td> <td>758</td> <td>MGA94 Zone 56</td> <td>0</td> <td>90</td> <td>115</td> </tr> <tr> <td>HP031</td> <td>408898</td> <td>6596612</td> <td>925</td> <td>MGA94 Zone 56</td> <td>0</td> <td>90</td> <td>99.5</td> </tr> </tbody> </table>	Hole ID	Easting (m)	Northing (m)	RL (m)	Grid	Collar Azimuth (Degrees)	Collar Dip (degrees)	Total Depth (m)	HP 026	407648	6597956	785	MGA94 Zone 56	168	60	81.40	HP 027	407653	6597962	785	MGA94 Zone 56	177	70	78.4	HP028	407648	6597956	785	MGA94 Zone 56	145	70	63.4	HP029	407626	6597985	767	MGA94 Zone 56	180	60	44.5	HP030	407566	6598059	758	MGA94 Zone 56	0	90	115	HP031	408898	6596612	925	MGA94 Zone 56	0	90	99.5
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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not relevant
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 	<ul style="list-style-type: none"> Uncut
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All aggregate intercepts detailed on tables are weighted averages.
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> None used
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. 	<ul style="list-style-type: none"> True width not currently known. All lengths are down-hole lengths and not true width unless otherwise stated.
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 	<ul style="list-style-type: none"> The precise geometry is not currently known but is being tested by the planned drilling, with diamond drill hole azimuths designed to drill normal to the interpreted mineralised structure.
	<ul style="list-style-type: none"> If it is not known and only the down-hole lengths are reported, there should be a clear statement to this effect (eg 'down-hole length, true width not known'). 	<ul style="list-style-type: none"> Down-hole length reported, true width not known.



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Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Due to intense shearing and folding of the black shales hosting the mineralisation no meaningful sections can be prepared at this time. • The drilling is aimed at clarifying the structure of the mineralisation.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Representative reporting of all relevant grades is provided in tables to avoid misleading reporting of Exploration Results.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Overview of exploration data leading to selection of drill targets provided.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Test for lateral and depth extensions, resource delineation of the mineralised structure. • Due to intense shearing and folding of the black shales hosting the mineralisation no meaningful sections can be prepared at this time. • The drilling is aimed at clarifying the structure of the mineralisation.