

ASX RELEASE

25 March 2014

Nickel Exploration Update – EM Conductors and diamond drilling program

HIGHLIGHTS

- **Moving Loop EM survey identifies 2 conductors**
- **Petrography identifies disseminated nickel sulphides in 1970's WMC drill hole**
- **Diamond drilling to test conductors to commence immediately**

Reed Resources Ltd ("Reed") advises that extensions to the surface geophysical surveys at Green Dam Prospect have identified two MLEM conductors. Reed has the option to acquire 100% of tenements E16/305 & E16/330 which adjoin its 100% owned Mt Finnerty Project.

The Mt Finnerty Project (Figure 1) is located 150 km northeast of Southern Cross, WA .

The moving loop survey (MLEM) was completed by Newexco and subcontractors in early March 2014.

A southern extension to the previous MLEM survey was located south of the massive sulphide vein intersected in GDD005, drilled last year. The northern extension was centred approximately 600m north of the PGE-enriched intersections of the 2012 - RC drilling and the strongly geochemically anomalous Western Mining percussion drill hole RFP21 – reported previously.

Recent petrographic identification of disseminated nickel sulphides, pentlandite and millerite in RFP21 further confirm the prospectivity of the ultramafic unit to host massive nickel sulphides.

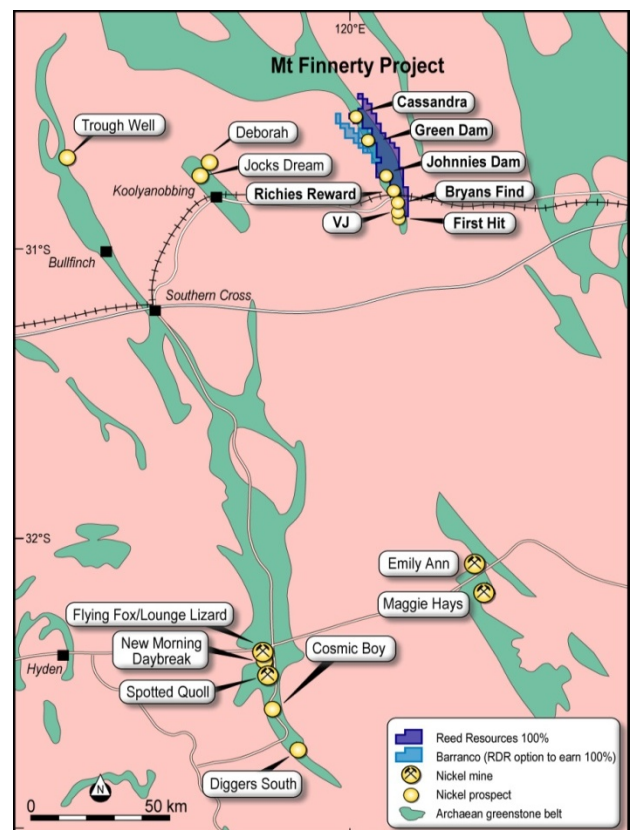


Figure 1. Project Location Plan

Conductor MFC02, the conceptually high priority target in this northern section is interpreted to be sourced by a steeply dipping bedrock conductor. MFC02 is on the western side of a high-magnesian ultramafic of the Green Dam Ultramafic Complex (GDUC), and is interpreted to be close to a basal contact. It may represent a near surface expression of remobilised nickel sulphides.

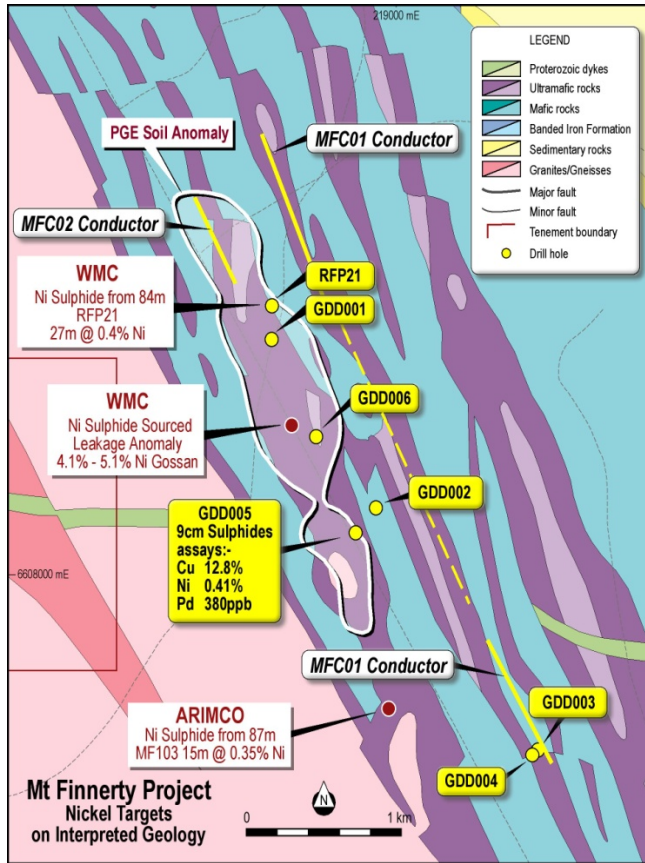


Figure 2. Nickel Targets on Interpreted Geology

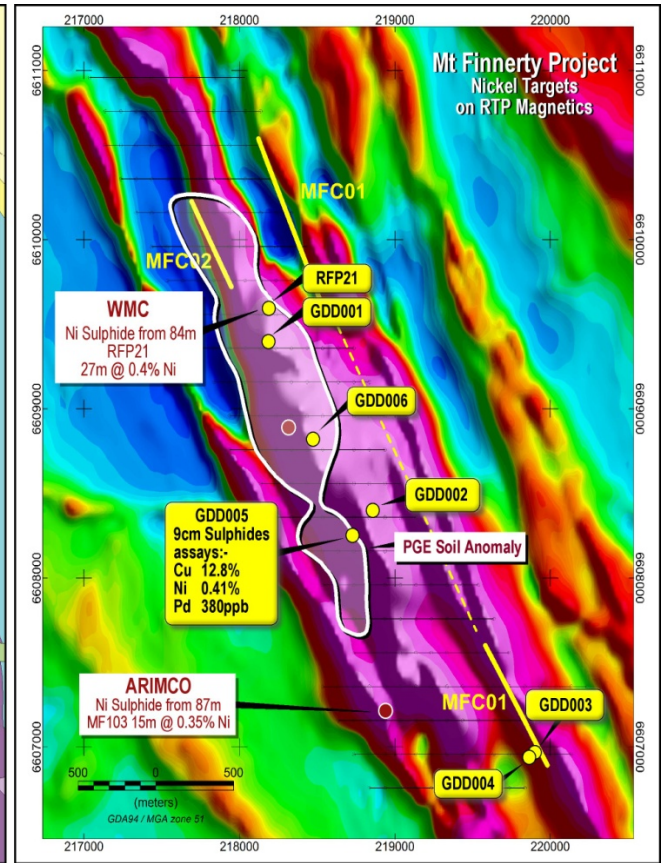


Figure 3. Nickel Targets on RTP Magnetics

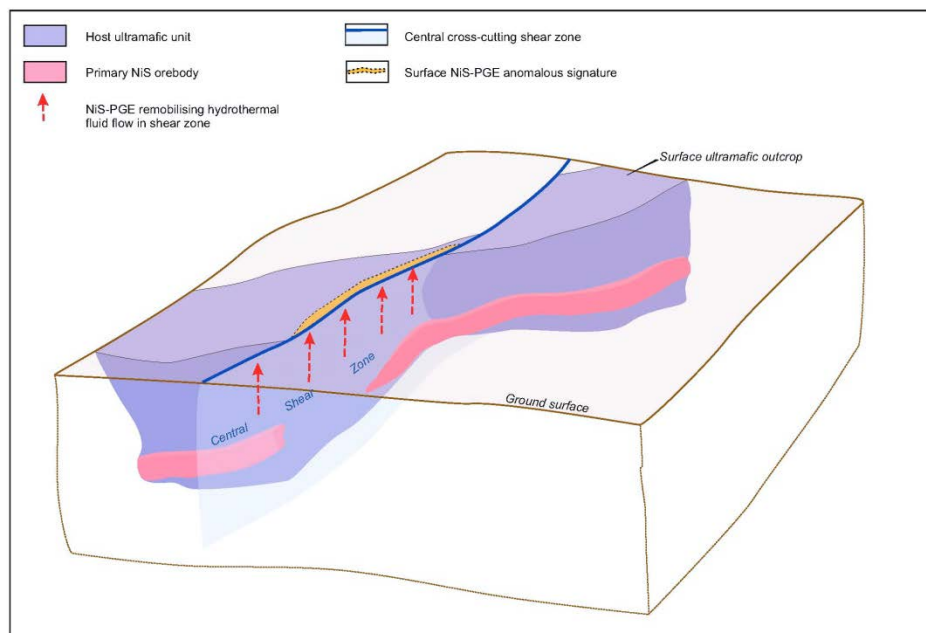


Figure 4. Conceptual Geological Model

Conductor MFC01 is coincident with the strike extension of a strong linear aeromagnetic trend that is located east wards of the centre of the widest aeromagnetic expression of the Green Dam Ultramafic Complex (GDUC). Previous exploration had also identified a strong IP response southwards along this eastern trend line. Subsequent drilling in GDD003 & 4, had penetrated massive iron sulphides with stringer chalcopyrite mineralisation (best 7,000ppm Cu). The potential for strong hydrothermal remobilisation of base metal sulphides along structures identified at Green Dam has been proposed by several consultant geologists. Target MFC01 therefore justifies drill testing to test for remobilised nickel associated with the sulphidic sediment / ultramafic contact.

Petrography

The drill hole chip samples from WMC's RFP21 had previously been geochemically interpreted by a consultant geologist, Martin Gole, as being fertile and containing fine nickel sulphides. The best intersection from this hole is from 100 to 111m (EOH) and contained 11m @ 0.45%Ni). The core from RFP21 extension (for 0.5m) has recently been examined by a consultant petrologist, Roger Townend. Disseminated magnetite is abundant but it also contains very fine grained disseminated pentlandite with incipient millerite alteration. Photomicrographs of the pentlandite-millerite grains are attached as Figure 5. The previous petrographic examination of historic hole RFP103, some 3km southwards of RFP21 had identified fine grained pentlandite in a similar serpentine rim-replacement of the olivine cumulate.

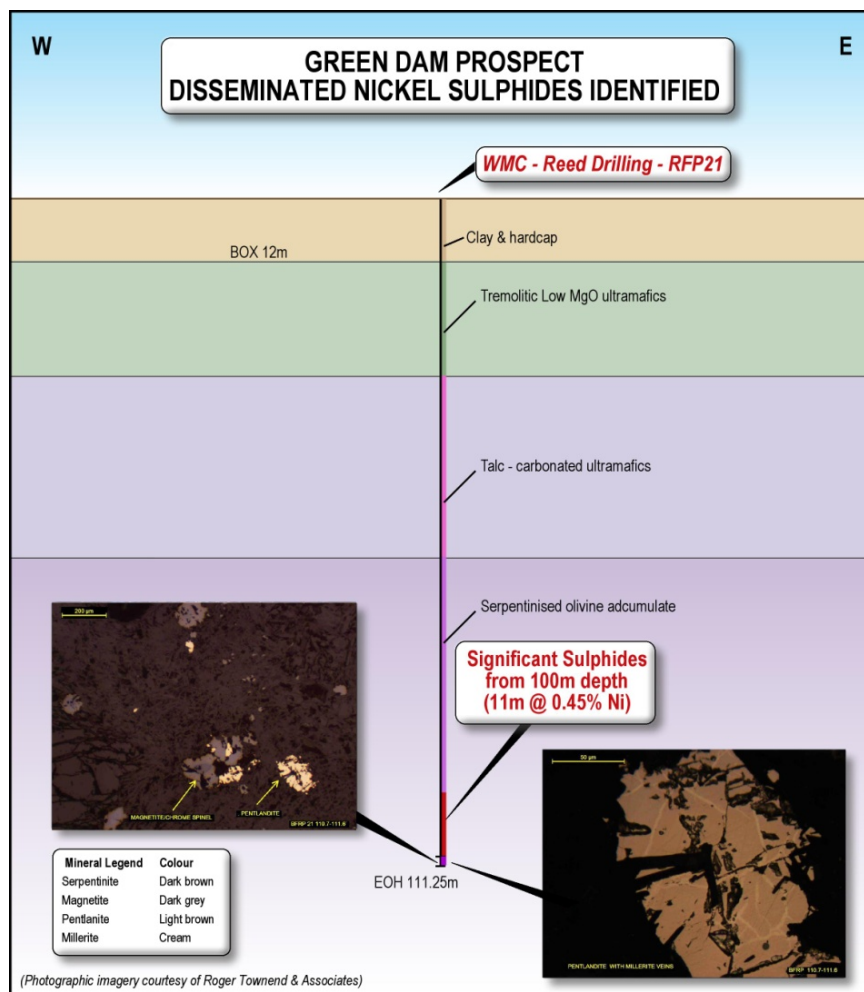


Figure 5. Cross Section

Drilling Program

The MLEM conductors will be tested with westerly-angled diamond drill holes targeted at the conductor core and will also be extended westwards to test the stratigraphy, and the basal contact in the case of the north western hole. The drilling will be partially funded by a Government of Western Australia - Exploration Incentive Scheme grant.

Project Strategy

Reed is reviewing the structure of its wholly owned subsidiary Reed Exploration Pty Ltd ("REX"), responsible for nickel exploration and holder of the option to acquire tenements E16/305 and 330. Reed's aim is to maximise value to its existing shareholders and for REX to be independently financed as it focusses on its Mt Marion Lithium and Barrambie Titanium projects.

ENDS

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Gordon Kelly, a Member of the Australian Institute of Geoscientists. Mr Kelly is a full-time employee of Reed Resources Ltd. Mr Kelly has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity 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 Kelly consents to the inclusion in this report of the matters based on his information in the form and context in which it appears above.

About Reed Resources

Reed Resources Ltd (ASX: RDR, OTC: RDRUY) is a Western Australian resource developer.

Reed Resources' American Depositary Receipts (ADR's) trade under the code RDRUY (CUSIP Number: 758254106). Each Reed Resources ADR is equivalent to 10 ordinary shares of Reed Resources as traded on the ASX. The Bank of New York Mellon is the depository bank.

Website: www.reedresources.com

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>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.</i> • <i>Include reference to measures taken to ensure sample “representivity” and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <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"> • Moving in-loop ground EM survey carried out at 200m line spacing using a SMARTem24 system by ElectroMagnetic Imaging Technology Pty Ltd. • EMIT Fluxgate sensor recording 3 orthogonal components: Bz, Bx and By. • Survey done at ground level. • SMARTEM standard window times used for a transmitter frequency of 2.0833 Hz. • 200m x 200m transmitter loop producing a loop dipole moment for ~1200000 Am². • Location of stations was accomplished with Garmin handheld GPS units with an accuracy of +/- 4m. • The samples taken for petrographic examination also included in this release have been taken from approximately half a metre of diamond drill core extending from the base of open hole percussion hole RFP21, drilled in 1968 by WMC. • Sampling of the HQ core was completed by Roger Townend & Associates at his Malaga offices. The samples were not pulverised but were selected as 2cm slabs of core, taken for routine polished slab preparation and reflected light petrographic examination. • The selected slabs were taken to be representative of the sulphide mineralisation visible in the core. The slabs were not taken for subsequent analytical determination of trace elements at a commercial laboratory. • One further hole discussed in the release, MF103, had been drilled by Arimco Australia in 1995. The geological logging at that time resulted in submission of a single RC rock chip sample for petrographic examination. This has been reported 19 years ago in a WAMEX archived report.
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</i> 	<ul style="list-style-type: none"> • Drilling was not conducted as part of this release.

Criteria	JORC Code explanation	Commentary
	<i>type, whether core is oriented and if so, by what method, etc).</i>	
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • No samples of drilling chips or core were taken and no recording was required. • No drilling was completed and no recording of sample recovery or representative status of the samples was required. • No drilling was completed and no relationship between recovery, grade, bias and loss of material during sampling is required.
<i>Logging</i>	<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. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • No drilling was completed as and no discussion of the level of geological and geotechnical reporting on drilling is required. • The sample description by Roger Townend & Associates is of the highest professional standards. His report has been issued as a document with embedded imagery. Selected close-up images of the nickel sulphides have been copied from this report and inserted into this release, with the permission of Roger Townend & Associates. • The imagery is presented as qualitative in nature and establishes the presence of high grade nickel sulphides. • Because of its qualitative nature, the images and petrographic report do not present as definitive estimates of the percentages of nickel sulphides in the drill core. • There is no direct statement that the reported nickel sulphides represent the open hole percussion samples nor analyses from the WMC era work. The strongly anomalous base metal analyses from this historic sampling however imply that disseminated nickel sulphides would extend back up the hole, to at least the 11m as indicated in the intersection.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • 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 representative nature to the 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 	<ul style="list-style-type: none"> • Core samples from the end of RFP21 and RFP20 were submitted to consultant petrographer, Roger Townend – Perth. The core was selectively diamond-saw cut to expose the better mineralised portions. Core from RFP20 was identified as a sample of metamorphosed dolerite, although percussion chip geochemistry had indicated that ultramafic lithologies existed higher up the hole. RFP21 penetrated low magnesian and carbonated lithologies further up the hole but ended at 111.25m in weakly nickel sulphide mineralised high-magnesian serpentinite. The half-metre extension continued penetration into the mineralised serpentinite. • Sample size of the core selected for petrographic work was approximately 2cm in size. Opaque minerals embedded in

Criteria	JORC Code explanation	Commentary
	<i>being sampled.</i>	<p>serpentinised olivine adcumulate included 100-200 micron sized magnetite plus ~1% nickel sulphides, less than 50 microns in size. The very fine grain size of the sulphides indicates adequately representative sample size to estimate the proportion of sulphides in the rock.</p> <ul style="list-style-type: none"> Nickel sulphides identified consisted of irregular blebs of pentlandite plus incipient millerite replacement, intimately associated with magnetite and serpentinite. Sulphides are absent from areas with relict magmatic olivine, indicating that hypogene fluids are involved in their genesis.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> Data acquired using SMARTem24 receiver system. Data were delivered by GEM Geophysical Surveys Pty Ltd who performed QA/QC on a daily basis. Data were again subject to QA/QC by consultants Newexco Services Pty Ltd on a daily basis. QA/QC was achieved using Maxwell software by ElectroMagnetic Imaging Technology Pty Ltd. Petrographic work does not have standards and blanks relevant to its investigation. Quality control is based on the decades of experience that the petrographer possesses and is a bench mark against which other petrographic work is measured.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Data were check and validated on a daily basis using Maxwell software by Electro Magnetic Imaging Technology Pty Ltd. Sampling of the HQ core at the end of RFP21 did not require twinned holes as it was a greenfields exploration hole and was not designed for ore reserve estimation purposes. Primary data collection of the original percussion hole was by WMC company geologists in 1968. Core samples from 2010 were logged geologically by Reed and Newexco geologists, prior to submission to Roger Townend & Associates. All geological and location data has been stored in Reed Resources .xlsx database files. Data entry has been by manual input and validation of the small amount of data was done by checking input on screen prior to saving. The data from WMC is not subject to verification or any resampling due to loss of original material. Original analytical data has been recorded in Reed database files and has not been edited or adjusted in any fashion. No analytical data exists for the small length of core taken as it was

Criteria	JORC Code explanation	Commentary
		designed for petrographic examination originally.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Locations were planned using a combination of GIS software packages. • Location of stations was accomplished with Garmin handheld GPS units with an accuracy of +/- 4m. • All data points were located using the Geocentric Datum of Australia 1994 and the Map Grid of Australia zone 51 projection. • Topographic control was not required to be determined for this release.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • At least 3 readings were recorded per station. • Stations were spaced 100m along line. • Line spacing was 200m • There was no drilling completed for this release and no ore reserve nor resource estimation was therefore determined. • No drilling and sample generation precludes any sample compositing.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Survey was oriented with E-W lines perpendicular to the main geological trend. • The geophysical survey was oriented along AMG grid lines at even coordinate station sites. The resultant data has been transformed to MGA coordinates for presentation. • The original WMC drill hole was drilled on a local imperial grid as was the sample intervals, down-hole (5ft). The collar was picked-up by handheld GPS instrument and the direct MGA coordinates determined. • RFP21 was drilled vertically as an isolated drill hole and there is no known relationship between any mineralised structures or ore-controlling surfaces. The mineralisation identified is fine grained and very disseminated in nature. • There is therefore no sampling bias induced by the vertical drill hole RFP21.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Data were acquired by GEM Geophysical Surveys Pty Ltd and reported to the company director. • Data were forwarded from GEM Geophysical Surveys Pty Ltd to consultants Newexco Services Pty Ltd. • Samples of drill core were archived in Reed Resources offices, West Perth; for security. They are currently on loan to Roger Townend &

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<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p>Associates, and will eventually be returned to Reed Resources.</p> <ul style="list-style-type: none"> The geophysical data has internal auditing maintained by Newexco. The sample of drill core taken for petrographic purposes does not require auditing of sampling techniques nor professional examination by the consultant.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Tenements E16/305 & E16/330 are owned by Barranco Resources N.L. (15 blocks and 12 blocks respectively) and are located as a contiguous block within the Coolgardie Mineral Field. The centre of the block is located approximately 100km NE of Southern Cross or 200km WNW of Kalgoorlie. The tenements overlay Vacant Crown Land, which also contains the Proposed ex-Jaurdi Conservation Park - Proposed Reserve P5H/34, managed by DPaW. All exploration activities are managed by the DMP and the 2 entities may collaborate on environmental management protocols that exploration activities justify. • Tenements E16/305 & E16/330 are held by Barranco and are in good standing with the DMP. • Reed Resources Ltd through its wholly owned subsidiary Reed Exploration Pty Ltd holds an option to acquire 100% of the tenements E16/305 and E16/330.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • The tenement block has received most exploration within the current E16/305. The first modern exploration dates from 1967-1972, when WMC held the entire greenstone belt. Surface exploration included soils, short hole and deeper open hole percussion testing of IP anomalies. This data is valid and very useful in today's exploration of nickel sulphide environments and includes hole RP21, which intersected highly anomalous geochemistry from 100m to 111m (base of hole); that was due to the presence disseminated nickel sulphides. Gold explorers predominated the next 25 years until Arimco completed a short RAB line plus one RC follow-up hole in 1995 in the southern part of the tenement. Trace pentlandite was identified in fresh serpentinite RC chip, intimately associated with magnetite and serpentine minerals. • A short pause in nickel exploration was broken by the Barranco/Breakaway Resources JV in 2005-6, who completed some geophysical work and selected auger soil sampling. The soils indicated a strong PGE anomaly coincident with the base metal signatures, coincident with the northeastern side of the Green Dam Ultramafic Complex (GDUC). No follow-up RC drilling was completed

Criteria	JORC Code explanation	Commentary
		<p>before the agreement was aborted.</p> <ul style="list-style-type: none"> • Barranco then formed a JV with Reed Resources in 2009 and a major reassessment of the earlier work ensued. Reed also pursued its own, and other JV exploration, elsewhere along the greenstone belt from 2005, before concentrating exploration within E16/305. Reed extended the strongly anomalous WMC holes RFP20 & RFP21 with approximately 0.5m of HQ core. • No GSWA mapping has been completed in recent times over the GDUC and the only recent governmental exploration was re-flying of high resolution 'photo imagery in 2012. • Geophysical surveys completed under Breakaway management have been extended by Reed work since 2010. They included some regional EM and IP surveys at Green Dam. Strongly anomalous responses were drilled in 2012 with intersection of disseminated iron sulphides. The re-interpreted IP surveys in 2012 and the anomaly centres moved 200m SW. One DDH was drilled in early 2013 and disseminated nickel sulphides plus a 9cm vein of massive nickel-copper sulphides was intersected. • This report refers to the petrographic examination results of the sulphides intersected in 2013 and of the core extension to RFP21.
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Green Dam project is located within the Watt Hills greenstone belt, a SE extension to the Mt. Dimer greenstone belt and the Hunt Range greenstone belt to the NE. All greenstone belts are tentatively dated at 2.9 Ga and are located west of the terrane-bounding Ida Fault. The Watt Hills greenstone belt stratigraphy and structure is incompletely understood from greenfields explorers but faces eastwards from a high-magnesian ultramafic komatiite flow sequence on the western contact with granite, a central mafic volcanic-sediment sequence and an eastern BIF-iron ore dominated sequence. Drilling of the BIF has identified isoclinal folding and ore pod repetitions but no unambiguous evidence of folding can be recognised on the western side of the belt. • Stratigraphy within E16/305 is dominated by a large aeromagnetic bulge that is due to a lateritised high magnesian vent facies accumulate olivine unit. Analogies with Mt. Keith have been. The Green Dam Ultramafic Complex contains no internal sedimentary units but can be traced along strike to the south over 40km as a semicontinuous overbank facies olivine orthocumulate. Minor trough embayments have been defined by historic drilling by JV partners

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		<p>Western Areas. Geochemical anomalism along the western (basal) contact has not been completely explored but is considered of lower priority in comparison with the anomalism and presence of nickel sulphides within the Green Dam Ultramafic Complex.</p> <ul style="list-style-type: none"> • Exploration at Green Dam is targeting a variety of conceptual nickel sulphide targets, including; basal contact massive sulphides (Type 1), structurally remobilised massive nickel sulphides (Rocky's Reward), hydrothermally remobilised massive nickel sulphide (High grade New Guinea massive sulphide veins in serpentinite).
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • No drilling was completed for this release, however the location data for RFP21 is: 6609559mN 218205mE, MGA coordinates taken with hand held GPS over 300 plus readings. The location is within Zone 51. The drill hole is vertical. The intersection commenced at 100.25m down hole (converted to metric) and ended at 111.25m down hole at end of hole. The core extended the hole by approximately 0.5m.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • The drill hole intersection is composed of historic analytical data that does not justify any data manipulations, including averaging, truncation, or concatenation of analyses.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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').</i> 	<ul style="list-style-type: none"> • The historic analytical data does not qualify further dissection due to the unknown relationship of historic analyses and modern analyses on the same drill chip samples. • Resampling of the drill chips will not be possible in future.

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<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"> • The attached figures to this release contain all relevant sample intervals, intercepts and estimated geological comments based on historic geological logging.
<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"> • The release is the total of information available and the intersection contains the only significant compilation of nickel assays that are related to fresh rock samples.
<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"> • Survey designed and managed by Newexco Services Pty Ltd. • Moving in-loop Transient Electromagnetic surveying was completed by GEM Geophysical Surveys Pty Ltd. • Geophysical surveying employed a SMARTem24 receiver system, an EMIT Fluxgate magnetic field sensor, Zonge ZT-30 transmitter and 200m x 200m transmitter loops. Survey stations were spaced 100m along line and lines were spaced 200m. • Interpretation of the Electromagnetic data was undertaken by Newexco Services Pty Ltd.
<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"> • Diamond drilling of conductors MFC01 and 02 planned to commence in the near future. • The figures included in this release indicate where the geophysical conductors are located and the drilling will therefore be designed to intersect those conductors at depth below the base of weathering, where fresh nickeliferous sulphide would exist. • Initially one deep angled diamond drill hole would be completed into each conductor. • Successful intersection of nickeliferous sulphides would then require evaluation of the project aims and may result in other diamond drill holes into the target areas.