14 November 2014

Updated Mineral Resource Estimate for the Fair Bride Deposit

Highlights

- Auroch has focused efforts on the Fair Bride deposit and present an updated Mineral Resource Estimate of over 900,000 ounces of gold at over 3g/t for Fair Bride
- High confidence in resource with over 60% of the resource in Measured & Indicated
- Results below are highlighted at a 1.0 g/t cut-off grade
  - 923,200 ounces Au in Global Resource
  - 291,600 ounces Au in Measured resource category
  - 263,300 ounces Au in Indicated resource category
  - 368,300 Au ounces in Inferred resource category

Mozambique focused gold explorer Auroch Minerals NL (ASX: AOU) (**Auroch** or the **Company**) provides an updated Mineral Resource Estimate (**MRE**) for the Fair Bride Deposit. Fair Bride is the flagship deposit within the Manica project in western Mozambique and on the back of this resource update and soon to be released metallurgical test work, Auroch is aiming to deliver the results from an updated Scoping Study to the market in the fourth quarter of 2014.

The Mineral Resources Statement is presented in Table A.

Fair Bride Mineral Resource Estimate (MRE) November 2014.					
Deposit	**Category**	**Cut-off Au (g/t)**	**Tonnes (kt)**	**Grade Au (g/t)**	**Total Au (Oz)**
Fair Bride	Measured	1.0	2,893	3.14	291,600
Fair Bride	Indicated	1.0	2,665	3.07	263,300
Fair Bride Measured & Indicated Resources			**5,557**	**3.11**	**554,900**
Fair Bride	Inferred	1.0	3 988	2.87	368,300
Fair Bride Total Resources			**9,546**	**3.01**	**923,200**

Table A. Fair Bride Mineral Resource Estimate presented at a 1.0 g/t cut-off. The grade-tonnage relationship for the Measured and Indicated category resources is presented in Figure 4.

Commentary

Over the last four months, Auroch made a strategic decision to focus on the Fair Bride deposit, the largest orebody within the Manica Project (**Figure 1**). The current update of the 2011 Mineral Resource Estimate (**MRE**) announced in this release and a comprehensive set of metallurgical tests at Fair Bride (expected to be released to the market shortly) will form the backbone of a scoping study focused solely on the development of the Fair Bride deposit.

*"The new direction is a clean and simplified strategy which focusses on a single deposit '**Fair Bride'** within the Manica Project"* Auroch Chairman Glenn Whiddon stated.

Whiddon went on to say "*Todays updated resource estimation clearly shows a relatively high-grade (3.0 g/t) resource of just under 1 million ounces. The bulk of the resource is shallow and potentially amenable to open pit mining and we believe that the grade increase is key and will lead to a fundamentally more robust project".*

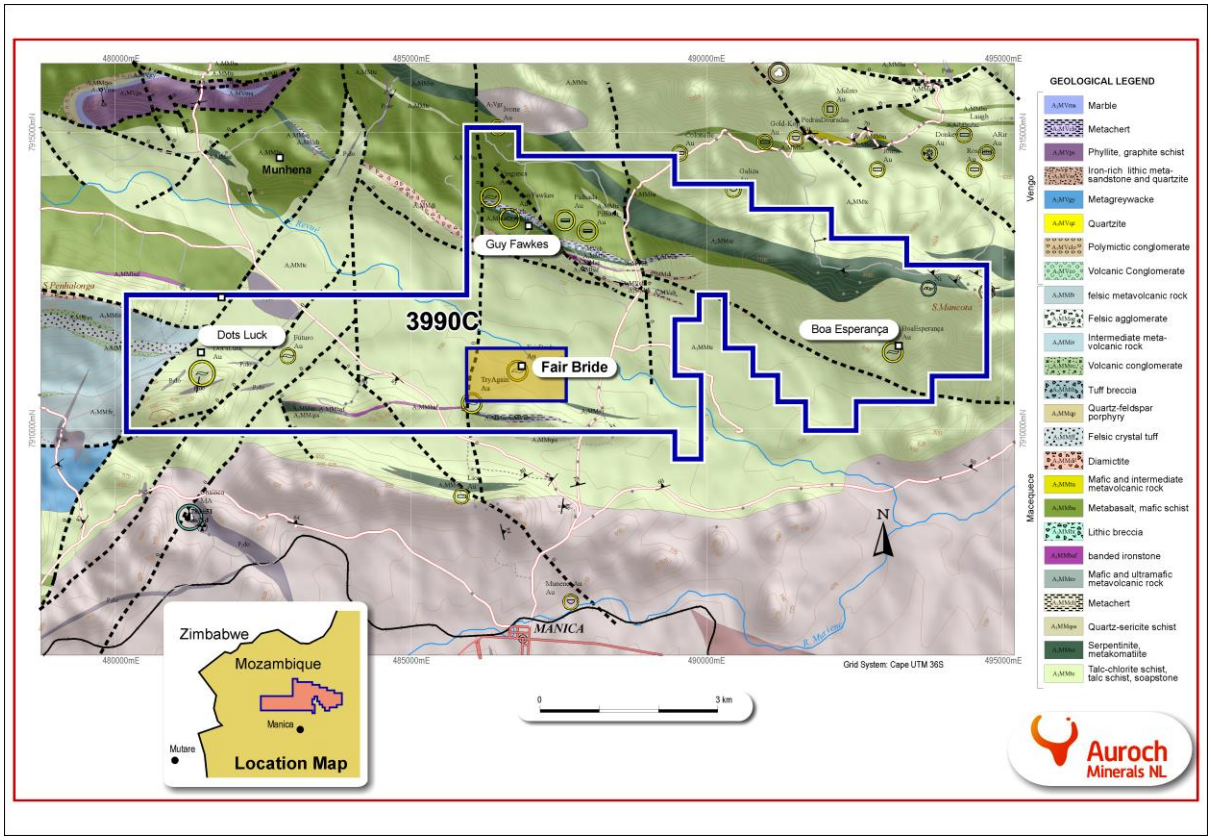

Figure 1. Project location Map highlighting the main prospects throughout Auroch's tenement area. Inset shows the location in western Mozambique

Fair Bride Resource Estimate

A summary of the information used to estimate the resource is as follows: The overall geological setting is a classic "Shear Zone Hosted Gold Deposit" occurring in the Odzi-Manica-Mutare (OMM) greenstone belt within the Archaean aged Zimbabwe Craton. The OMM hosts a number of gold deposits including the Redwing, Penhalonga and Rezende mines. The Fair Bride deposit is hosted within a sequence of low-MgO ultramafics, mafics and sedimentary units that have been metamorphosed to upper Greenschist – lower amphibolite facies. Gold mineralisation occurs in an east-west trending shear zone within a multiply deformed, retrograde alteration halo. The gold is typically associated with syn- to post- kinematic arsenopyrite (up to 5%) within a silica + chlorite + albite +biotite + Illite ± carbonate ± pyrite alteration halo.

Detailed geological studies have identified the key lithologies interpreted to be important to the spatial distribution of the orebody, including the overprint of weathering where the Base of Complete Oxidation (BOCO) and the Top of Fresh Rock (TOFR) were logged in detail. This has allowed the compilation of a robust geological interpretation which was wireframed and used for resource estimation.

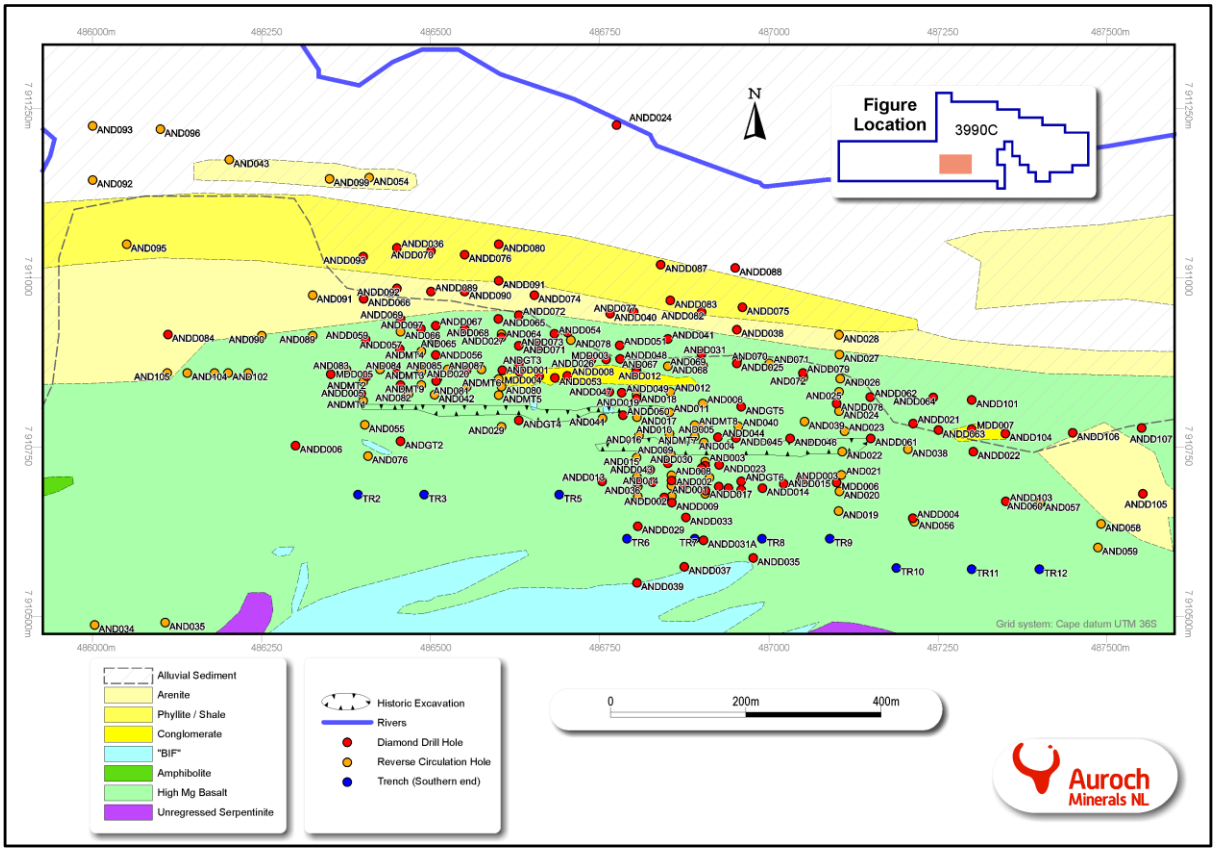

Figure 2. Fair Bride MRE focus area showing surface geology. Collar plan hole traces and trenching.

Drilling of the deposit has been by both diamond drilling (75%) and Reverse Circulation (RC) drilling. Diamond drilling was of HQ and NQ diameter core (111 holes for 21,555m), recoveries of diamond core across the deposit were excellent averaging 96%. The RC drilling was completed utilising a 120mm face sampling hammer (88 holes for 7,192m). Historical drill collars were surveyed by a qualified surveyor in 2007 and all post 2007 were surveyed by DGPS to centimetre accuracy. Prior to 2007 no down hole surveys were completed, since that time all holes have been surveyed.

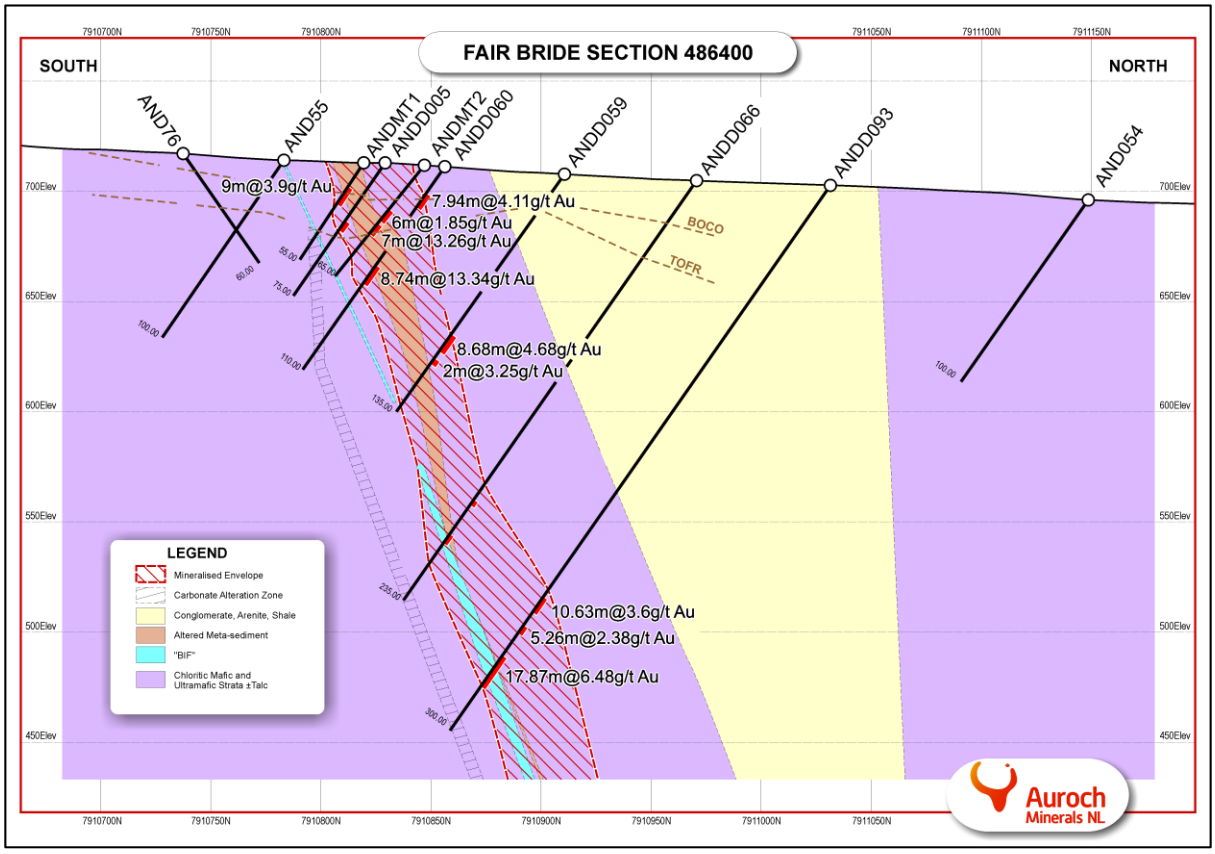

Figure 3. Cross section 486400mE looking east highlights the mafic, ultramafic, sedimentary sequence dipping steeply north.

Diamond Core was sampled on 1 metre intervals where practical or to honour logged geological boundaries. Whole core was sawn and half core marked and sampled by a qualified geologist. The remaining core was stored in a covered facility. RC samples were collected in 1m intervals and split to 6kg using a riffle splitter. From each 6kg split a 200g sample was scooped and used to make 3m composite samples. The remaining 5.8kg sample was stored. The 3m composites were assayed and the individual samples were analysed if the 3m composite returned over 0.75g/t Au. Field quality control procedures involved assay standards, along with blanks and duplicates. These QC samples were inserted at an average rate of 1:10.

Samples were assayed at a variety of accredited laboratories during the life of the project, typically by 50g or 30g fire assay with either an AAS or ICP-OES finish. This technique is a total assay typically reporting to a lower limit of 0.01 g/t Au. Independent checks between labs and appropriate QAQC procedures including laboratory duplicates, use of Certified Reference Material (CRMs), blanks and umpire laboratory checks were carried out. Review of QAQC results demonstrate that a suitable level of accuracy and precision of gold analysis with no evidence of significant bias has been established for use in mineral resource estimation.

Due to the similar strike (east west) and dip (70^{o} north to subvertical) of both the local geology and the mineralisation, combined with a strong deformational and alteration overprint it was difficult to create individual domains for sub sets of the mineralisation. Rather the mineralised envelope was selected on a minimum of 5m down hole with a minimum of 0.2 g/t Au, this created a robust wireframe that was used as a hard boundary, and thus no intercepts outside this domain were included in the updated resource (Figure 3 - Mineralised envelope wireframe highlighted by red crosshatch).

Directional variograms were calculated by Gordon Koll, Auroch's Chief Geologist, and reviewed and approved by CSA Global (CSA). The variography shows a clear anisotropy with a low nugget (0.3), a maximum range of 110m and a moderate westerly plunge within the plane of mineralisation. A block model was created based on the modelled mineralised volume limits. The drill hole spacing is approximately 25m in the western portion of the deposit, increasing to 50m in the east. A block model parent cell size of 15 x 5 x 15m (ZYX) is used. The block model was then sub-blocked to 5 x 2.5 x 5m in order to ensure that the mineralised volume geometry was honoured. The sub-block size used is also considered the smallest selective mining unit (SMU) for selective mining scheduling. Ordinary Kriging (OK) was used to estimate the grade within the parent block model. Because of the likely importance of selective mining to the project, it was decided to contract CSA to apply Uniform Conditioning (UC) and Local Uniform Conditioning (LUC) to more accurately reflect the likely grade variability of the SMUs.

In order to classify the resources, search ellipses were set up using the orientation and ranges obtained from the variography and "slope of regression" values were determined for each block within the block model. The slope value is a measure of how good the block estimates are based on the kriging variance and the variogram model used to generate the estimate. The classification criteria presented in Table B were then applied to the block model.

Resource Classification	Search Ellipse Range 1	Search Ellipse Range 2	Search Ellipse Range 3	Block Slope Value
Measured	60	60	10	$\geq$ 0.70
Indicated	120	120	20	$\geq$ 0.50
Inferred	200	200	70	-

Table B. 2014 Fair Bride Mineral Resource Estimation Resource Classification Criteria

Wireframes for the Measured and Indicated categories were then defined based on the above criteria. Estimated blocks outside of those wireframes were assigned to the Inferred category.

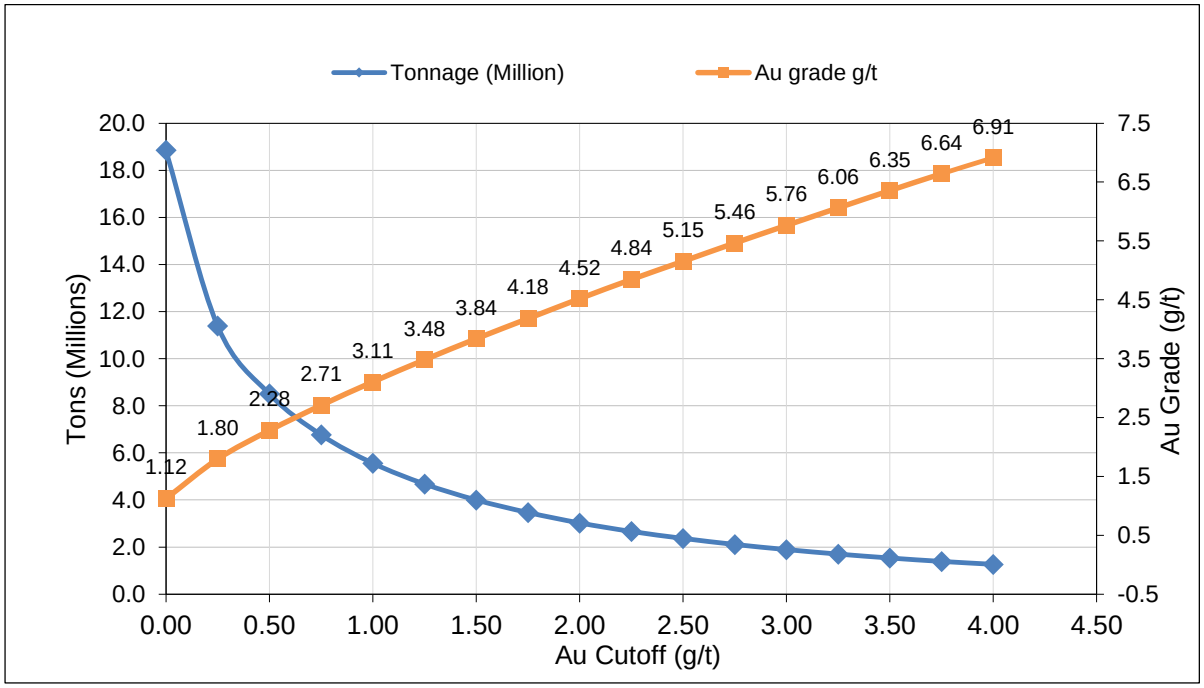

Figure 4. Graph of the Grade - Tonnage relationship for Measured and Indicated Resources

Discussion

The 2014 Fair Bride MRE represents a significant reduction in contained metal across all resource categories when compared to the previous resource estimated in 2011 and presented to the ASX by Auroch in March 2014 (see Figures 5 & 6).

The reasons for the changes from the 2011 MRE include:

- Revised geological interpretation
- Revised interpretation of the statistics and variography of the deposit
- Revised estimation strategy limiting extrapolation. This has the effect shortening the depth extent of the resource
- Different mineral resource category classification strategy applied
    - Shorter ranges applied
    - Includes an estimate of the quality of the estimate for each block
- Increase in reported cut-off grade

The Board and Management of Auroch feel that the new resource update more accurately reflects the mineralisation present at Fair Bride.

Chairman Mr Glenn Whiddon stated*: "Although the decrease in tonnes and contained ounces is disappointing there has been a considerable increase in grade across all categories of the resource and this grade increase will be factored into the Scoping Study which we expect to release to the market in the near future".*

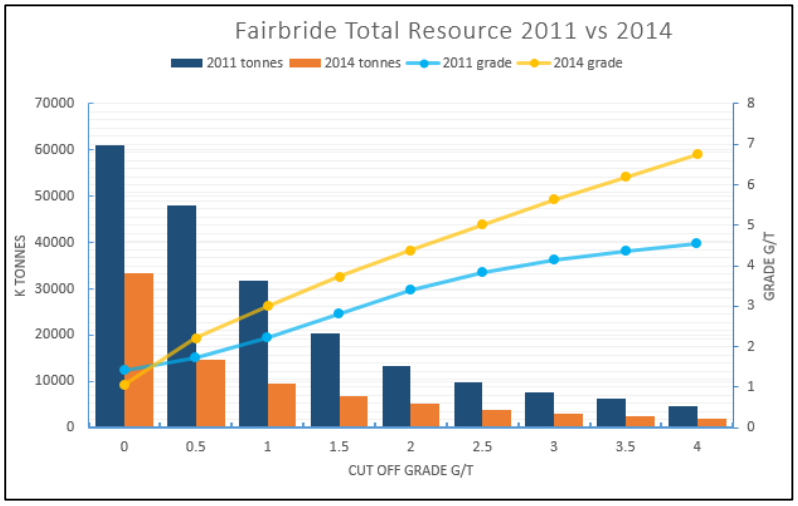

Figure 5.
Grade tonnage curve comparing results of the 2011 MRE and the current update of the resource. Tonnes have decreased at all cut-off grades however grade is substantially higher particularly at higher cut-off grades.

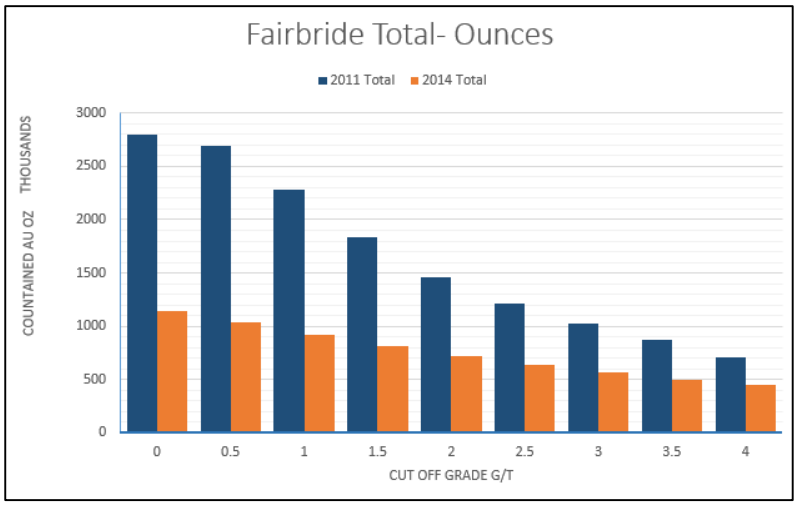

Figure 6.
Total contained ounces for the Fair Bride deposit plotted against cut-off grade. The total reduction at a 0.5 g/t cut-off is approximately 1.5 Moz. Importantly, over 1M of these ounces were in the inferred category and down dip of the updated resource.

Loan Facility

The Company advises it has entered into an unsecured loan facility with an unrelated party of up to $500,000 (**Loan Facility**). The Loan Facility has a repayment date of 31 July 2015 and accrues interest at a rate of 9.25% per annum.

For further information please visit www.aurochminerals.com or contact:

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Competent Person Statements

The information in this report that relates to Mineral Resources and their estimation is based on information compiled by Mr Malcolm Titley of CSA Global (UK) Ltd. He is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). Malcolm Titley consents to the inclusion in this release of information relating to the estimation of Mineral Resources, in the form and context in which it appears.

The information in this report that relates to Geological interpretation is based on information compiled by Mr Gordon Koll who is a registered Professional Natural Scientist (Pr.Sci.Nat.) under the South African Council for Natural Scientific Professions (SACNASP) and a Fellow of the Geological Society of South Africa, which is recognised as a RPO by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012). Mr Koll is a full-time employee of the Company. Mr Koll has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of The JORC Code. Mr Koll consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
1.1 Sampling Techniques	Several drilling campaigns have been conducted on Fair Bride: 1) Pan African Resources (PAR) in 2002: 33 RC holes for 2,010m 2) PAR in 2003 6 RC holes for 474m 3) PAR in 2004: 7 RC holes for 699m and 8 Diamond Drill holes (DD) for 1,312m 4) PAR in 2005: 12 RC holes for 1,149m 5) PAR in 2006: 7 DD holes for 1004m (For metallurgical test work) 6) PAR in 2007:3 RC holes for 164m and 60 DD holes for 10,699m 7) PAR in 2009: 18 RC holes for 2,118m and 25 DD holes for 6,835m 8) Auroch in 2013: 9 RC holes for 578m (metallurgical test work) and 11 DD holes for 1,704m (Geotechnical and metallurgical test work) 9) DD core was sampled on 1 metre intervals, where practical, or to honour logged geological boundaries 10) RC holes were sampled in 1m intervals
	Fair Bride is sampled by Diamond and RC drilling and trenching. No open hole techniques were used. Drill hole locations were surveyed by qualified surveyors. No borehole deviation surveys were carried out prior to 2007. The boreholes were generally shallow (less than 150m) are not considered to have deviated sufficiently to warrant down-hole surveys. In 2007 the decision was taken to conduct down-hole surveys as the exploration focus shifted to depths greater than the 150m. Downhole surveys were conducted on 14 diamond holes using industry standard equipment. The bulk of the diamond drilling was completed in 2007. All recent (post 2011) drill-hole collars were surveyed by a qualified surveyor using DGPS to centimetre accuracy. Random field checks using hand held GPS have verified the collar locations. Historical drilling was re-surveyed in 2007 by a qualified surveyor to ensure centimetre accuracy. On completion of every stage of a drilling program, holes were surveyed by a qualified surveyor using a DGPS. Recent drilling was downhole surveyed by the drilling company using a Reflex gyro downhole tool. All holes drilled since June 2013 were surveyed by Weatherford Wireline Services, Tete, using a downhole gyro.

Criteria	Commentary
1.1 (cont.)	Diamond Core was sampled on 1 metre intervals where practical or to honour logged geological boundaries. The core is not oriented but was marked using the foliation plane for reference. Whole core was sawn and half core marked and sampled by a qualified geologist. The remaining core is stored on standard core trays onsite in a covered core shed. RC samples were collected in 1m intervals which was weighed then thoroughly mixed and split to 6kg using a riffle splitter. From each 6kg split a 200g sample was scooped and used to make 3m composite samples. The remaining 5.8kg sample was stored. The 3m composites were assayed and the originals were analysed if the 3m composite returned over 0.75g/t Au. Samples were sent to a variety of labs (see Section 1.6.1) for assay over the life of the project, appropriate QAQC procedures including the use of blanks and standards were inserted into the system and are discussed in Section 1.5.3.
1.2 Drilling Techniques	RC Holes were drilled using a 120mm bit using a face sampling hammer. Holes were generally drilled with a -50º to -60 º dip and oriented NS. All diamond holes prior to 2013 were drilled HQ diameter within the weathering zone and decreased to NQ diameter in fresh rock. Holes drilled in 2012 and 2013 were drilled PQ from surface decreasing to HQ at depth.
1.3 Drill sample recovery	For RC, sample recoveries were assessed by weighing each 1m sample and recording the recovered sample mass. Histograms of the recovered sample per m mass and scatter plots of the recovered sample per m vs assay Au grade do not indicate any systematic bias of these data sets. DD core recovery was recorded using the standard logging techniques where recovered core is measured and compared to depth chocks inserted by the drilling contractor. DD recoveries were generally assessed to be good – Mean 88%, Median 99%.
	There is no record of measures taken to maximise sample recoveries.
	A review of DD data within the mineralisation wireframe suggests there is no relationship between grade and recovery and therefore, it is concluded that it is unlikely that sample bias has occurred due to preferential loss or gain of fine or coarse material.
1.4 Logging	Both RC and Diamond holes were logged by qualified geologists at the time of drilling. Diamond holes have been re-logged in 2014 by Auroch's geologists to standardise historical codes and check for weathering/oxidation boundaries. Six Geotechnical HQ Diamond holes were drilled in 2013 to assess rock quality.
	Logging has been completed both qualitatively in terms of rock classification and quantitatively in terms of percent estimates on veins, alteration sulphides. All core is photographed as a backup for geological interpretation All drill holes are logged in full.

Criteria	Commentary
1.5 Sub-sampling techniques & sample preparation	Diamond Core was sampled on 1 metre intervals where practical or to honour logged geological boundaries. The core is not oriented but was marked using the foliation plane for reference. Whole core was sawn and half core marked and sampled by a qualified geologist. The remaining core is stored on standard core trays onsite in a covered core shed.
	RC samples were collected in 1m intervals which was weighed then thoroughly mixed and split to 6kg using a riffle splitter. From each 6kg split a 200g sample was scooped and used to make 3m composite samples. The remaining 5.8kg sample was stored. The 3m composites were assayed and the originals were analysed if the 3m composite returned over 0.75g/t Au. Trenches were dug to 5m depth and samples were collected as continuous 1m channel samples from between 4 and 5m depth. The sample compositing and assaying strategy used for the RC samples was applied to the trench samples. The trench sample assay set returned lower Au grade results than the RC and DD sets, and this may be due to shallow dispersion processes in the supergene. The trench CRM and Standards performances were relatively poor, and it is the smallest data set. It was decided to exclude the trench assay data from the data that informed the MRE.
	A review of field duplicates performed within standard tolerances, which suggests that sample preparation was adequate. However, no historical information is available on the QAQC of sub-sampling preparation and or sample representivity.
	For all sampling an industry appropriate number of duplicates, standards and blanks were inserted into the sample stream and analysed- making up approximately 10% of total sample volume. Statistical analysis of the results shows no systematic variation between the original and field duplicate and standards and blanks performed within standard tolerances. When standards or blanks assayed outside standard tolerances the entire batch was re-submitted for re-assay.
	No sampling size nomograms were recorded in the previous historical work. However, the mineralisation occurs in relatively fine-grained alteration and gold deportment studies show the gold is very fine-grained therefore sample sizes are judged to be adequate for this material.
1.6 Quality of assay data & laboratory tests	During the life of the project several labs have been used: 1) Prior to 2006 Antech Laboratories Kwekwe Zimbabwe (SANAS accredited Lab # T0194) Analysis was by Fire assay with fusion of a 50g aliquot followed by AAS to a limit of 0.01ppm. This is a total assay; 2) From 2006 Samples were submitted to SGS Lakefield in Johannesburg (SANAS accredited Lab # T0169) Analysis was by Fire assay with fusion of a 50g aliquot followed by AAS to a limit of 0.01ppm This is a total assay; and 3) Most recent sampling from 2011 onwards was analysed by Set Point Laboratory in Pretoria, RSA and more recently Performance Laboratory in Harare, Zimbabwe Samples were analysed for gold using 30g or 50g fire assay with AAS or ICP-OES finish. Other elements analysed selectively were Ag, S, Cu, Pb, Zn, SG, and screen test -75µm

Criteria	Commentary
1.6 (cont.)	All drill holes are logged in full.
	Appropriate QAQC procedures including laboratory duplicates, use of Certified Reference Materials (CRMs), blanks and umpire laboratory checks were carried out. Review of QAQC results demonstrate that a suitable level of accuracy precision of gold analysis and no evidence of significant bias has been established for use in mineral resource estimation.
1.7 Verification of sampling and assaying	The Mineral Resource Estimate (MRE) attached to this report is an update of a previously published MRE which was reported to JORC2004. The previous MRE was completed by ExplorMine Consultants of Johannesburg and peer-reviewed by experienced consultants at SRK and Venmyn. All consultants visited site. The current MRE has been compiled by Mr Gordon Koll, the Company's Chief Geologist, with the assistance of Mr Francisco Matos, the Company's Exploration Manager who has logged all available diamond core. The significant intercepts in diamond core that are still available have been viewed the field by Dr. Andrew Tunks, a consultant with appropriate experience.
	Twinned holes completed for metallurgical test work and geotechnical analysis have demonstrated repeatability of the geology and gold mineralisation.
	Drill-hole data were stored in a relational database held on Auroch's servers. All original written logs are stored in Auroch's offices and selected logs were verified by Malcolm Titley, Principal Consultant, CSA Global (UK) Ltd (CSA).
	There is no adjustment to the assay data.
1.8 Location of data points	All recent (post 2011) drill-hole collars were surveyed by a qualified surveyor using DGPS to centimetre accuracy. Random field checks using hand held GPS have verified the collar locations. Historical drilling was re-surveyed in 2007 by a qualified surveyor to ensure centimetre accuracy. On completion of every stage of a drilling program, holes were surveyed by a qualified surveyor using a DGPS. No borehole deviation surveys were carried out prior to 2007. The boreholes were generally shallow (less than 150m) are not considered to have deviated excessively to warrant down-hole surveys. In 2007 the decision was taken to conduct down-hole surveys as the exploration focus shifted to depths greater than the 150m. The bulk of the diamond drilling was completed in 2007. Recent drilling was downhole surveyed by the drilling company using a Reflex gyro downhole tool. All holes drilled since June 2013 were surveyed by Weatherford Wireline Services, Tete, using a downhole gyro. Topography control is based on surveyed spot heights and drill-hole collar elevations. The quality and adequacy of the topographical control is considered to be adequate for the current classification levels of the Mineral Resource estimate.
	The Grid System is UTM CAPE Zone 36 South.

Criteria	Commentary
1.9 Data spacing and distribution	Average drill spacing for areas under consideration for the mineral resource ranges from 25m, to 50m+. 25m has been used for areas of significant mineralisation. Spacing within section lines is variable, and often dependent on topographic access, and ranges from 25m to 100m. Data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation procedures and classifications applied.
1.10 Orientation of data in relation to geological structure	Mineralisation is generally strata bound within steep to vertical strata. Drilling has generally been inclined to 55 degrees from the horizontal which ensures appropriate intersection of mineralisation and representation of gold grades. There is no perceived bias between drilling orientation and key mineralisation structures.
	Compositing to a nominal 3m length down the hole has been applied for RC drilling prior to the 2013 campaign prior to the mineral resource estimation. Composite intervals with values in excess of 0.75 g/t Au were resampled as three separate 1m samples. No compositing was done on any of the 2013 drilling prior to analysis. The DD core was not composited prior to laboratory analysis.
	The orebody strikes east-west and dips vary between 75˚ to the north to sub- vertical. All drilling is oriented NS and is drilled between -55˚ to vertical with the approximately two thirds of the drilling oriented -55˚ to the south and one third oriented -55˚ to the north.
1.11 Sample security	There is no sampling bias resulting from the intersection between drilling because the angle of interception is close to orthogonal. All intercepts are reported as down-hole widths.
	Historical core and samples were stored in a dedicated building under cover. During 2011 prior to the recent drilling a dedicated core shed was constructed. Adequate security is in place to ensure sample integrity. Samples selected for analysis are transported in sealed bulker bags to the selected laboratory for gold analysis with certificates of custody, which are scrutinised for compliance.
1.12 Audits or reviews	Previous audits completed by ExplorMine Consultants based out of South Africa for the historical drilling for the recent drilling concluded that the core and reverse circulation sample data is suitable for mineral resource estimation.

Section 2 Reporting of Exploration Results

Criteria	Commentary
2.1 Mineral tenement and land tenure status	The Project lies within Mozambique Mining Concession 3990C, valid from 3/3/2011 for 25 years. There is an existing Environmental Licence granting approval to conduct exploration activities from 14/12/2012.
	Explorator Limitada is wholly owned by Auroch Minerals NL, who are listed on the ASX (AOU).
2.2 Exploration done by other parties	Manica is an historical gold mining locality. Prehistoric mining and exploration activities started during the Monomotapa Empire, continued by the Portuguese and other Europeans from the 1800s to about 1970s. Most recent comprehensive exploration in the prospect was done by Brigada de Fomento Mineiro in 1964, followed by Lonrho in 1987, and then by Explorator sponsored by Pangea, and then by Pan African Resources PLC (2000-2013). During 2013 the asset was transferred into Auroch Minerals NL.
2.3 Geology	The Fair Bride deposit is a classic example of an Archean Greenstone Belt Orogenic Gold deposit. The deposit occurs in the eastern portion of the 2.6 -2.7 Ga Odzi Manic greenstone belt which in turn is part of the Zimbabwe Craton. The deposit is largely hosted within a metamorphosed sequence of low-MgO ultramafic to mafic rocks and sedimentary units that have been metamorphosed to upper Greenschist to lower amphibolite facies. Mineralisation occurs in a retrograde multiply deformed vein stock work and surrounding alteration halo. The gold is typically associated with syn to post kinematic arsenopyrite (up to 5%) within a silica + chlorite + albite +biotite + Illite ± carbonate ± pyrite + alteration halo.
2.4 Drill hole Information	Not applicable as no exploration results are being reported. All drilling used in the MRE has been previously reported by Auroch.
2.5 Data aggregation methods	Not applicable as no exploration results are being reported.

Criteria	Commentary
2.6 Relationship between mineralisation widths and intercept lengths	Not applicable as no exploration results are being reported.
2.7 Diagrams	Not applicable as no exploration results are being reported, although the report presents appropriate plans and sections.
2.8 Balanced reporting	Not applicable as no exploration results are being reported.
2.9 Other substantive exploration data	Metallurgical testwork results for the various oxidation zones of the orebody have been documented to the ASX. Oxide Recoveries 94% Transitional Recoveries 90 % Primary (sulphide) recoveries are currently being tested and will be released to the market as soon as testwork is finalised.
2.10 Further Work	Further drilling to acquire metallurgical sample material is being planned. Selected drilling targeting high-grade zones for possible underground mining is in planning stage.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	Commentary
3.1 Database integrity	Data used in the Mineral Resource Estimate is sourced from the Auroch data base containing historic and current Auroch data.
	Internal database validation includes checks for overlapping intervals, missing data, and repeated data.
3.2 Site visits	This MRE is compiled by Gordon Koll, a full-time employee of the Company. Malcolm Titley, Principal Consultant, CSA Global (UK) Ltd, visited the property following the 2013 drilling campaign as part of a MRE on two of the other deposits which were drilled in the same campaign within the mining concession. He reviewed the drilling and sampling methodology and concluded that the data was acceptable for mineral resource estimation.
3.3 Geological interpretation	There is a high level of confidence in the geological interpretation, based upon logging of drilling which totals close to 30,000m Interpretations are assisted by extensive regional and detailed mapping and geophysical data sets.
	Drill-hole intercept logging and assay results and structural interpretations from drill core have formed the basis for the geological interpretation.
	The interpretation of the mineralisation domains is based upon visual logging of the alteration halo that accompanies gold mineralisation. This is used in conjunction with the down-hole assay data to interpret a mineralised domain which was then wireframed.
	Logging of the oxidation state of the orebody into Oxidised, Transitional and Fresh has enabled mineralisation to be estimated into these overprinted domains.
	The mineralisation occurs along a shear zone. Specific lithological units can be mapped reasonably along strike and down dip from the boreholes although not all lithologies are continuous. The alteration and Au mineralisation halo (mineralised envelope) appears late as it overprints most lithologies and is more continuous that the individual lithological units. The controlling factors limiting the mineralised envelope at the eastern and western ends of the deposit are unknown. The deposit is open at depth.
3.4 Dimensions	The mineral resource has a strike length of 900m, a plan width varying between 70m and 215m and a depth between 310m and 460m. The mineral resource outcrops at surface.

Criteria	Commentary
3.5 Estimation and modelling techniques	Average drill spacing for areas under consideration for the mineral resource ranges from 25m, to 50m+. 25m has been used for areas of significant mineralisation. A parent block size for the block model of 15m x 5m x 15m was selected. The estimation technique used to estimate the resource was Uniform Conditioning (UC) using Isatis software. Results were localised (LUC) to the size of the selective mining unit (SMU) for mine planning purposes. The SMU was 5m x 2.5m x 5m. CAE Studio 3 (Datamine) software was used for geological modelling, block modelling, validation grade interpolation using Ordinary Kriging and Inverse Distance Squared (OK and IDS) and MRE classification. OK and IDS were run as check estimates and supported the UC estimate. Due to the likely importance of selective mining to the project, UC and LUC were undertaken using Isatis software. GeoAccess Professional, CAE Studio 3 and ISATIS were used for geostatistical analyses of the data. The Au interpretations were based upon a mineralized envelope a minimum of 5m thick and minimum grade of 0.2g/t Au. This was treated as a hard boundary. The Oxidised, Transitional and Fresh Rock domains were superimposed on the mineralised envelope. The variogram parameters were:

Variogram Parameters		Ranges			Rotation		
Nugget	2.61	Dir 1	Dir 2	Dir 3	Isatis ZYX	Z	-12
Sill 1	4.9	40	40	7		Y	-4
Sill 2	1.21	110	140	50		X	-60
Normalised Variogram Parameters		**Ranges**			CAE Studio 3 ZYX	Z	19
Nugget	0.3	Dir 1	Dir 2	Dir 3		Y	8
Sill 1	0.56	40	40	7		X	60
Sill 2	0.14	110	140	50			

Criteria	Commentary
3.5 Estimation and modelling techniques (cont.)	The search, topcut and estimation parameters were

Search parameters	Ellipse Rotation (Isatis ZYX)			Search Ranges (m)			Samples				Topcutting		Discretisation		
	Z	Y	X	Dir 1	Dir 2	Dir 3	Min Sam	Max Sam	Max per hole	Minimum Holes	Topcut	Threshold (m)	X	Y	Z
Search Pass 1	-12	-4	-70	60	60	10	12	40	4	Not specified	30	10	10	10	10
Search Pass 2				140	140	20			8	Not specified					
Search Pass 3				200	200	70	6	20	10	Not specified					
	Ellipse Rotation (CAE Studio 3 ZYX)														
	Z	Y	X												
	19	8	70												

During the appraisal of the spatial and statistical distributions of the composite grades, it was decided to apply a top cut of 30g/t to the data set, to limit the influence of high grade outliers. A threshold of 10m has been applied to the top cut so that the block or blocks where high values occur honour the data. Data beyond this distance were top-cut.

- The grade model was validated by
  1) Appraisal of the “slope of regression” values. The slope value is a measure of how good the block estimates are, based on the kriging variance and the variogram model used to generate the estimate.
  2) Comparison of estimation techniques of the parent block model. Ordinary Kriging (OK) and inverse distance squared (IDS) methods were run concurrently. They compare reasonably.
  3) Appraisal of the “SLOPE” parameter. The slope is a measure of how good the estimated block grade is. It is calculated for each block in the OK block model, based upon the kriging variance and variogram model used in the grade interpolation. The quality of the estimates ranges from very poor where the slope value is low to excellent where the slope value approaches 1. This value was observed to vary in accordance with sample density, which relates to the drill hole pacing spacing.
  4) A series of cross sections through the LUC block model showing borehole composite grades and the block model grades were visually reviewed and the composite and adjacent block values compared. An acceptable correlation was observed.
  5) Swath plots comparing average block grades with average sample grades on 50m thick slices along easting, northing and RL slices were reviewed and are considered acceptable.
  6) The model understates grade relative to the input data by approximately 10%. However, this can largely be attributed to the volume estimated at depth, where data support drops off. Reliability of the grade estimate has been considered in the classification of the MRE.

Criteria	Commentary
3.5 Estimation and modelling techniques (cont.)	The current Mineral Resource was checked against the previously reported resource and differences in tonnage and grade explained in detail in the MRE report. The reasons for the changes from the 2011 MRE include: 1) Revised geological interpretation; 2) Revised interpretation of the statistics and variography of the deposit; 3) Revised estimation strategy limiting extrapolation. This has the effect shortening the depth extent of the resource; 4) Different mineral resource category classification strategy applied; 5) Shorter ranges applied; 6) Includes an estimate of the quality of the grade estimate for each block; and 7) Increase in reporting cut-off grade. No reconciliation data was available as this deposit is not in production. Only Au was modelled therefore no correlation between other variables was carried out.
3.6 Moisture	Tonnages are estimated on a dry basis.
3.7 Cut-off parameters	The reporting cut-off grade of 1.0 g/t Au at Fair Bride was selected as this is considered a reasonable value for an eventual open cut mining operation.
3.8 Mining factors or assumptions	It is assumed that Fair Bride will be developed as an Open Cut Operation. A selective mining unit of 5m x 2.5 m x5m (X x Y x Z) was assumed in this model.
3.9 Metallurgical factors or assumption	Metallurgical test work was conducted on Fair Bride oxides, transitional and fresh ores, by Pan African Resources and more recently by Auroch. Additional representative samples of the "fresh" ore have been taken and are currently under analysis in Johannesburg. The results so far confirm the recoveries and process route. A summary of the previous work and the current test work is available for consideration.

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>3.10
Environmental factors or assumption</td><td>An environmental impact assessment, required for the conversion of the mining concession into a mining licence, has been submitted for review to the Authorities and has not identified any fatal flaws. This work is being undertaken by SLR (South Africa) in collaboration with Envirosig (Mozambique).</td></tr>
<tr><td>3.11
Bulk density</td><td>1,131 Specific Gravity (SG) measurements have been collected from the Fair Bride orebody.

Most of the determinations were by the Archimedes / displacement principle on lengths of dry core (whole or half) between 15cm and 30cm in length. Weathered or porous samples were sealed with wax to ensure that the measurements reflect dry densities. Some SG determinations were undertaken by pycnometer.

The SGs were appraised and the following values were used in the MRE:

Oxide Ore Zone : 2.57

Transition Ore Zone : 2.68

Fresh Ore Zone : 2.79

It was assumed that the above dry SG values were representative of each domain and were applied to the relevant blocks within the block model.</td></tr>
<tr><td>3.12
Classification</td><td>In order to classify the resources, search ellipses were set up informed by the orientation and ranges obtained from the variography and “slope of regression” values were determined for each block. The slope value is a measure of how good the block estimates are based on the kriging variance and the variogram model used to generate the estimate. The classification criteria presented in the following table were then used to flag the block model.

<table>
<tr><th>Resource Category</th><th>Search Ellipse Range 1</th><th>Search Ellipse Range 2</th><th>Search Ellipse Range 3</th><th>Slope Value</th></tr>
<tr><td>Measured</td><td>60</td><td>60</td><td>10</td><td>≥ 0.70</td></tr>
<tr><td>Indicated</td><td>120</td><td>120</td><td>20</td><td>≥ 0.50</td></tr>
<tr><td>Inferred</td><td>200</td><td>200</td><td>70</td><td>-</td></tr>
</table>
Wireframes for the Measured and Indicated categories were then defined. Estimated blocks outside of those wireframes were assigned to the Inferred category.</td></tr>
</table>

Criteria	Commentary
3.13 Audits or reviews	CSA Global (UK) Ltd reviewed the interpretation, data, variograms, estimation parameters, density data, model validation and classification criteria and were satisfied that the MRE as presented here is a true representation of mineralisation at Fair Bride. The classification accounts for the confidence associated with the MRE.
Discussion of relative accuracy/ confidence	The Uniform Conditioning method has been used to estimate local resources to model the proposed selectivity of the mining method. An Ordinary Kriging interpolation was used to verify the results which support the UC results. Ordinary Kriging estimates global (in-situ) resources, while UC estimates local resources (i.e. SMU blocks above a cut-off). The Mineral Resource is a constrained estimate, whereby the drill-hole data was geologically domained above a nominated Au cut-off grade (which was used to separate mineralized material from waste), resulting in fewer drill-hole samples to interpolate the block model than the complete drill-hole dataset, which would comprise an unconstrained estimate. Relevant tonnages and grade above a nominated cut-off grade are provided in the introduction and body of this report. Tonnages were calculated by filtering all blocks above the cut-off grade and sub-setting the resultant data into bins for weathering and classification. The volumes of all the collated blocks were multiplied by the dry density value to derive the tonnages. The gold metal value (g) for each block was calculated by multiplying the Au grade (g/t) by the block tonnage. The total sum of all metal (g) for the deposit for the filtered blocks was divided by the total tonnage to derive the reportable Au grade (g/t). The density review showed a bimodal distribution based on different rock types. It is unknown if the sampling was representative of the in-situ rock types, which would influence the average value used. No production data is available for reconciliation.