CRATER GOLD MINING

Crater Gold Mining Limited ABN 75 067 519 779

Registered Office and Postal Address

Level 4, 15-17 Young St
Sydney, NSW, 2000
Australia
Ph (02) 9241 4224
Fax (02) 9252 2335

4 May 2015

Australian Securities Exchange

High Grade Zone Mining Development and Drilling Update, Crater Mountain

Highlights

- First gold concentrate being processed for sale
- Mining of gold bearing structures
- Infrastructure being upgraded to result in higher gold production
- 7 drill holes test East West trending structures
- High grade intercepts in four drill holes including two with bonanza grades
  Nev 54 of 39.8 g/t over 1.0m and 26.6 g/t over 1.0m,
  Nev 55 of 32.5 g/t over 0.5m,
  Nev 57 of 95.0 g/t over 1.0m and
  Nev 59 of 33.1 g/t over 5.0m including 103.0 g/t over 1.0m and 45.4 g/t over 1.0m and 44.3 g/t over 2.5m including 100.0 g/t over 1.0m
- Exploration of southern extension of HGZ to commence

Crater Gold Mining Ltd (ASX: CGN) ("CGN" or "the Company") is pleased to announce that it has commenced mining development on key mineralised gold bearing veins. These veins have been delineated from mapping of underground development and subsequent diamond drilling in 2014. Refer to Figures 1 and 2

First Gold Sale

First production of gold concentrate is being processed for sale.

Mining Development Programme

Mining Development is currently being undertaken in 8 drives on mineralised gold bearing structures at the 1960 RL Adit. The drives are on the NV1 (North Vein No1), NV2, NV4, EV2 (East Vein No2), EV4, JL (Jeremiah Lode), JL2 and JL3 veins. These veins have been identified from exploration development in 2013 and diamond drilling in 2014 as being the most consistent structures both in extent and gold mineralisation. They show very good correlation with the artisanal workings up to 30m above and are consistent with those workings which were reported to have yielded the best gold.

Additional drives are scheduled to be commenced as site infrastructure is upgraded with a larger compressor, generator and gravity separation plant. We envisage that we will be mining at full capacity in approximately 3 months.

The drives have been prioritised to target identified zones of higher grade gold mineralisation and laid out to provide the basis for commencement of stoping on high grade shoots from 1960 RL to surface.

The Company has also planned to commence strategic haulage drives to the south close to the eastern margin of the main zone of mineralisation. These will enable exploration and exploitation of the southern extension of the HGZ.

Peter Macnab, the Company's Exploration Director notes that "the Company's HGZ underground exploration development which is at RL 1960 (1,960m above sea level) is located in the base of the spur beneath the 2005 to 2013 artisanal mine workings that recovered an estimated 15,000 ounces (450 kg) of gold by very simple mining and processing methods and that the structures being mined by the artisanal workers were open ended down dip".

"The Company is prioritising locating the downwards extensions of the high grade shoots and their connecting structures in order to stope upwards on them and efficiently extract between the 1960RL level and the surface. The nature of mineralisation localised by intersecting fracture sets such as the HGZ is such that additional high grade shoots and splays not located by the local miners can be expected to be identified in the course of exploration and mining."

Intersection of NV1, NV2 and EV2 Veins

Of immediate priority is the intersection of two N-S trending structures, NV1 and NV2, with the E-W trending structure EV2, close to the East Cross Cut (Refer to Figure 2). This was the site of bonanza grade channel samples up to 847 g/t Au (refer ASX release of 19 November 2013 : "Bonanza gold grades intersected at High Grade Zone". The Company is not aware of any new information or data that materially affects the information contained in that ASX release. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported).

Recent drilling in drill hole NEV059 encountered high gold grades between of 5.0 m at 33.0g/t Au from 28.5m, including 1.0m at 103.0 g/t Au from 30.0m and 1.0m at 45.4 g/t Au from 32.0m as well as 2.5m at 44.3 g/t Au from 35.0m, including 1.0m at 100.0 g/t from 36.5m.

These intersections occur approximately 8m directly above current development being undertaken in the EV2 Drive and the NV1 and NV2 Drives and are the priority for near-term development.

Intersection of NV1 and NV2 Veins

The second area of priority is the projected intersection of the NV1 and NV2 veins south of the main drive. Immediately below the projected point of intersection NEV039, previously reported 2 June 2014, returned 3.5m at 31.6 g/t Au from 48.5m, including 0.5m at 191.0g/t Au from 48.5. These values are directly south and below current NV1 Drive development by some 10m and 15m respectively.

Drilling Results

The diamond drill hole results being reported were drilled in a rough N-S direction in order to test E-W trending structures and to look for their confluence with N-S trending structures and the potential for high grade shoots.

Significant Drilling Intercepts

Interval (m)	grade (g/t)	From depth (m)	Section Diagram	Reason for Interval Significance
New Results				
Nev54	Figure 3		160 Deg Section	
1.0	39.8	9.0		New structure
1.5	18.6	59.0		Correlates with N S structure NV3
Incl 1.0	26.6	59.5		
Nev55	Figure 3		160 Deg Section	
0.5	32.5	34.5		Correlates with JL (Jeremiah) structure
1.0	9.9	41.0		Correlation with NS structure NV1
Nev56	Figure 4		177 Deg Section	
0.5	8.9	17.0		Possible East West structure
Nev57	Figure 4		177 Deg Section	
1.0	13.0	19.0		Correlates with JL (Jeremiah) structure
1.0	12.4	57.5		Correlation with NS structure
Nev58	Figure 4		177 Deg Section	
1.0	95.2	9.5		Correlates with JL (Jeremiah) structure
1.0	10.4	27.5		Part of JL group
4.0	6.1	42.5		Intersection of EW & NS structures
Incl 0.5	22.3	42.5		
Nev59	Figure 3		160 Deg Section	
5.0	33.1	28.5		Intersection of NS & EW structures
Incl 1.0	103.0	30.0		
and 1.0	45.4	32.0		
2.5	44.3	35.0		Intersection of NS & EW structures
Incl 1.0	100.0	36.5		

Table 1 - Significant Drilling Intercepts

Competent Person Statement

The information contained in this report relating to exploration results and mineral resource estimate at Crater Mountain PNG is based on and fairly represents information and supporting documentation prepared by Mr Richard Johnson, PNG General Manager of Crater Gold Mining Limited and Mr Peter Macnab, Non-executive Director of Crater Gold Mining Limited. Mr Johnson is a Fellow of The Australasian Institute of Mining and Metallurgy and has the relevant experience in relation to the mineralisation being reported upon 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 Johnson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Macnab is a Fellow of The Australian Institute of Geoscientists and has the relevant experience in relation to the mineralisation being reported upon 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 Macnab consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

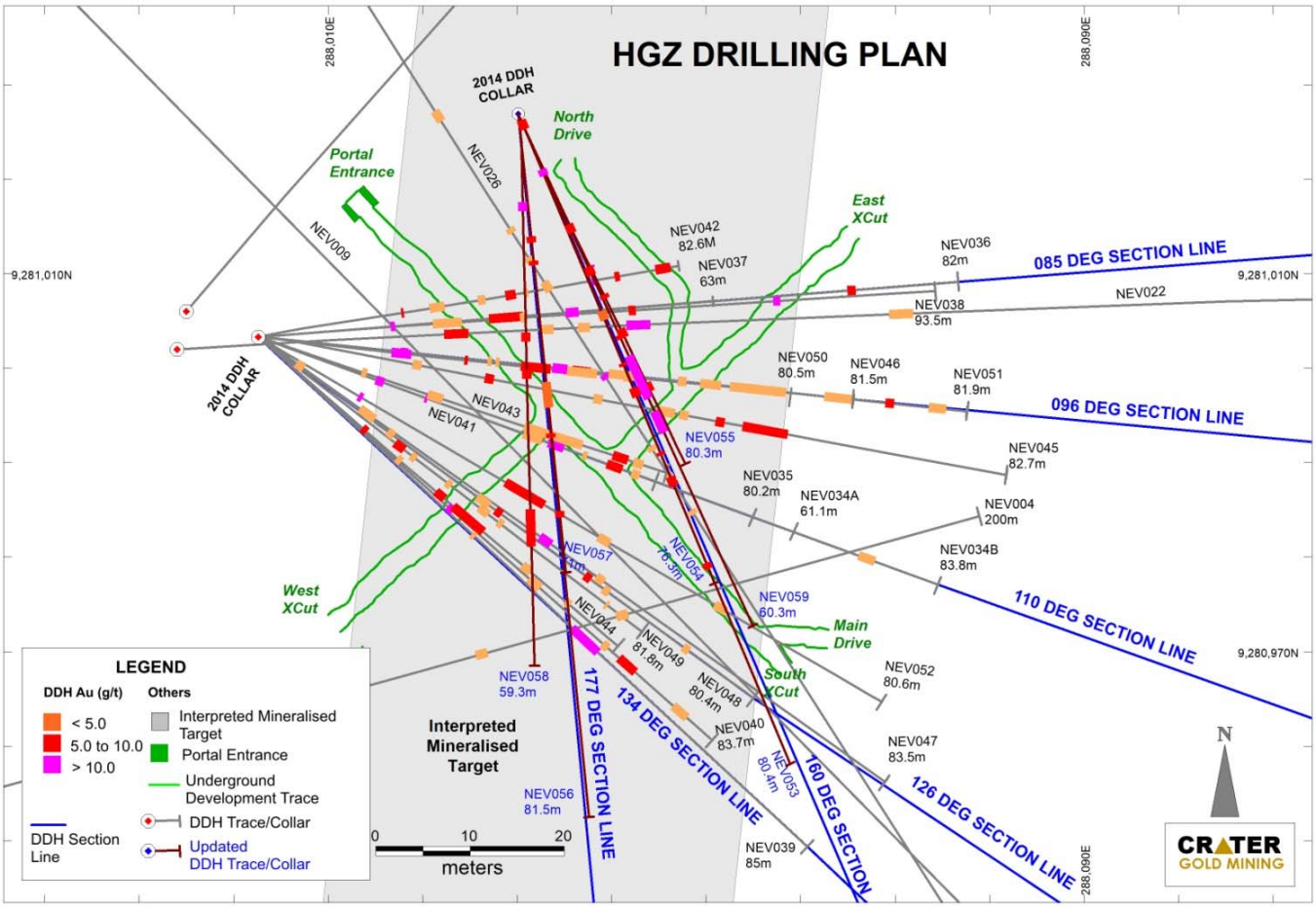

Figure 1 - Plan of Current Drill Hole Traces and Historic Drill Holes

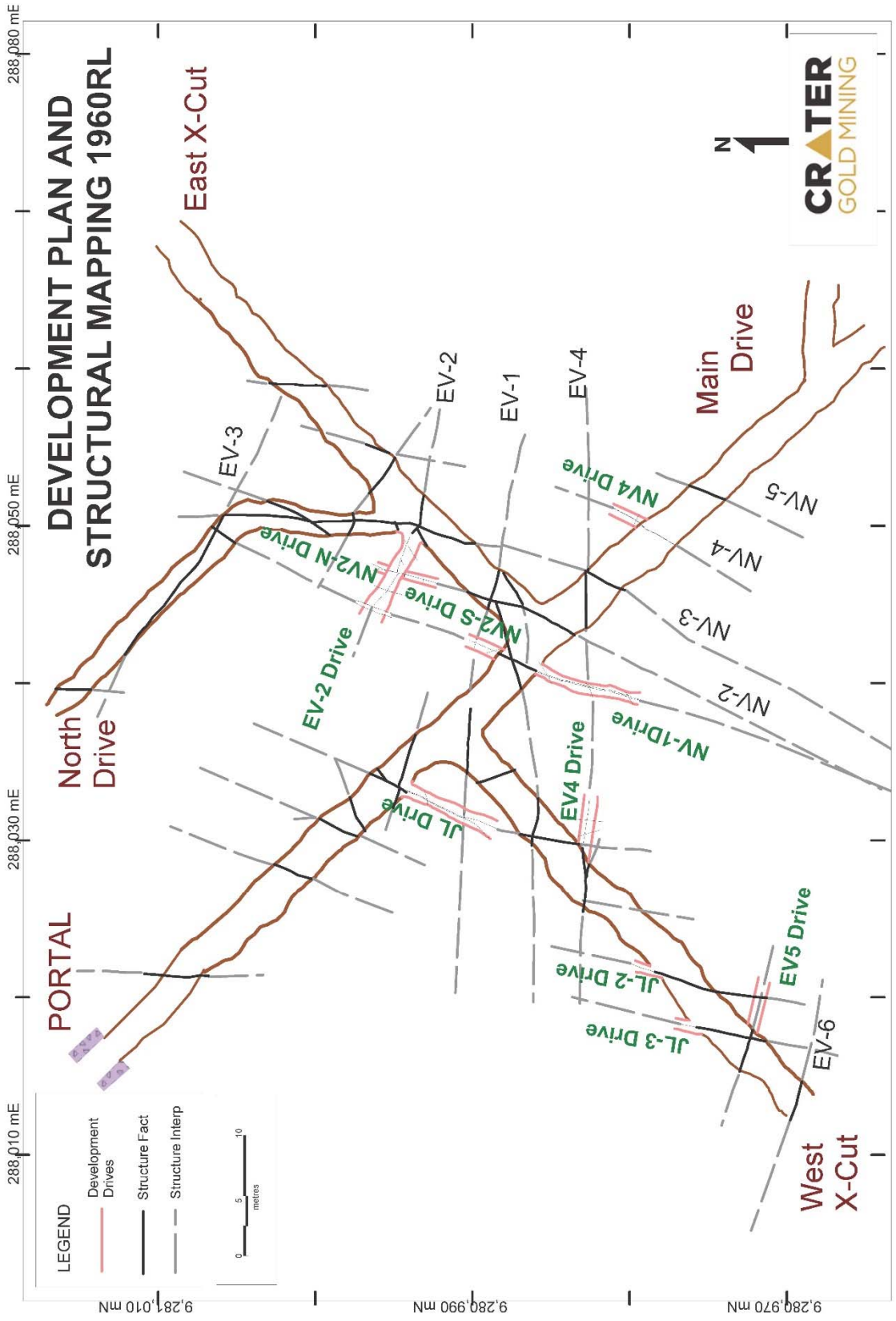

Figure 2 – Current 1960RL Development Plan with Structural Mapping

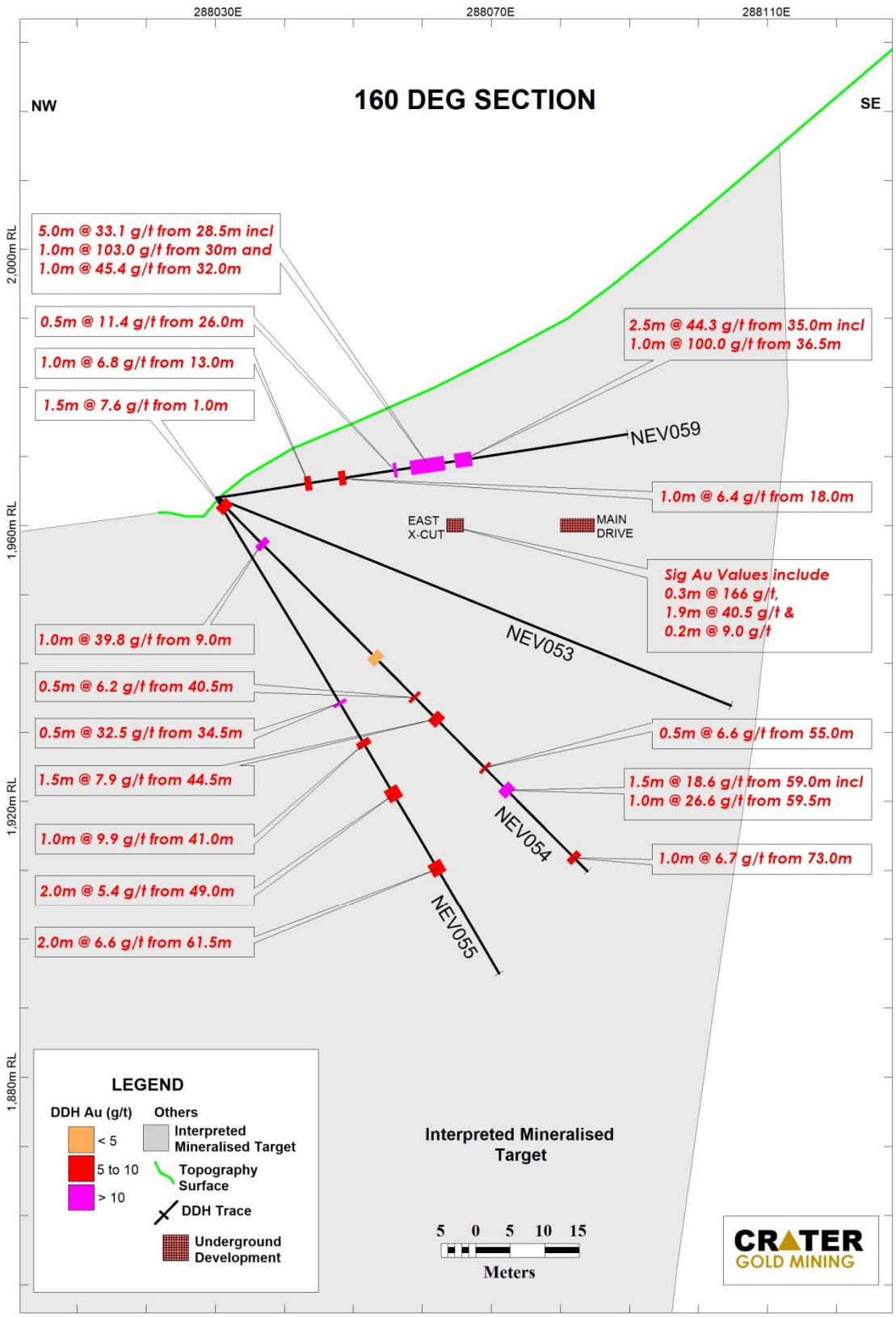

Figure 3. - Section of Drill Holes and Intercepts on 160° Bearing

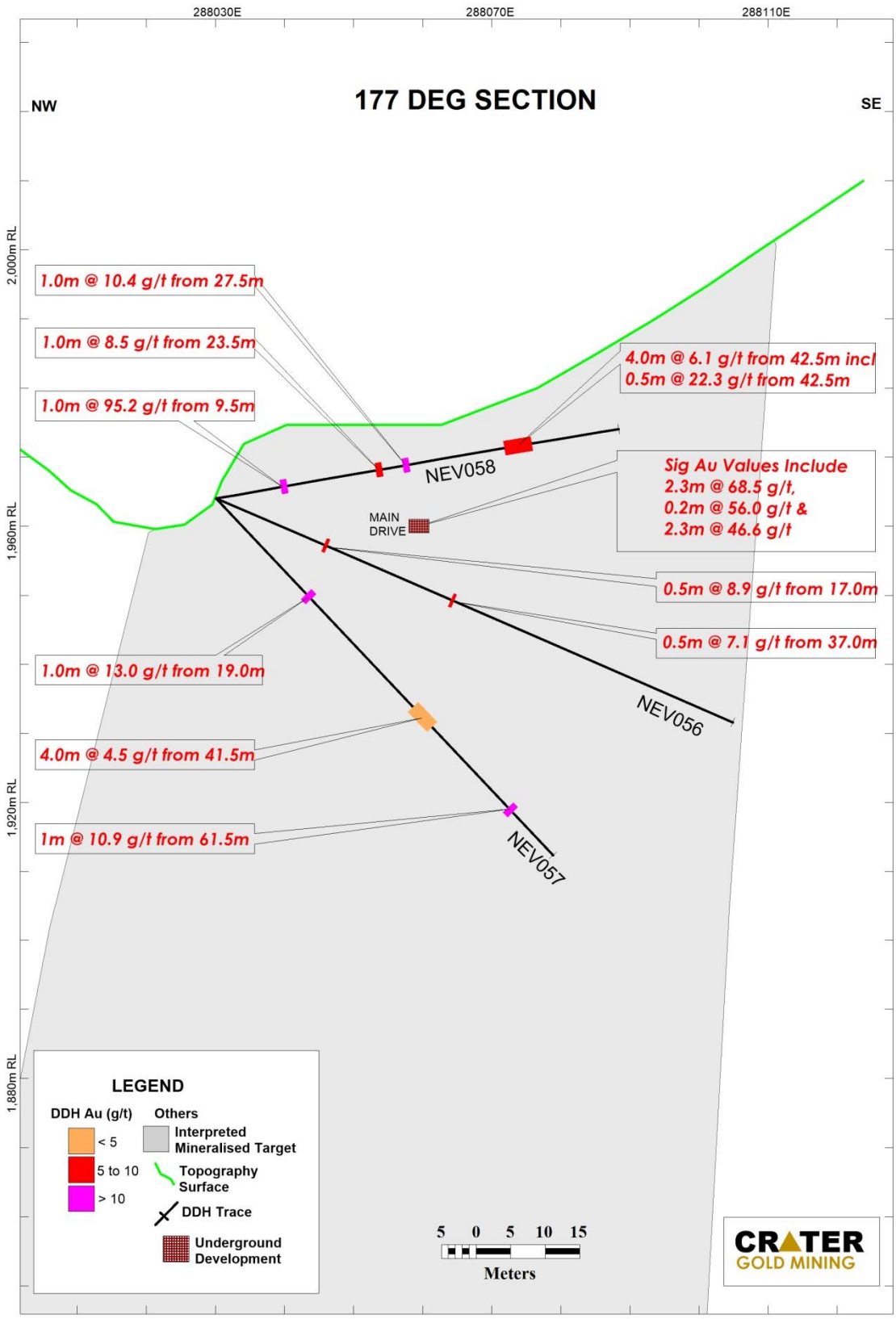

Figure 4 - Section of Drill Holes and Intercepts on 177° Bearing

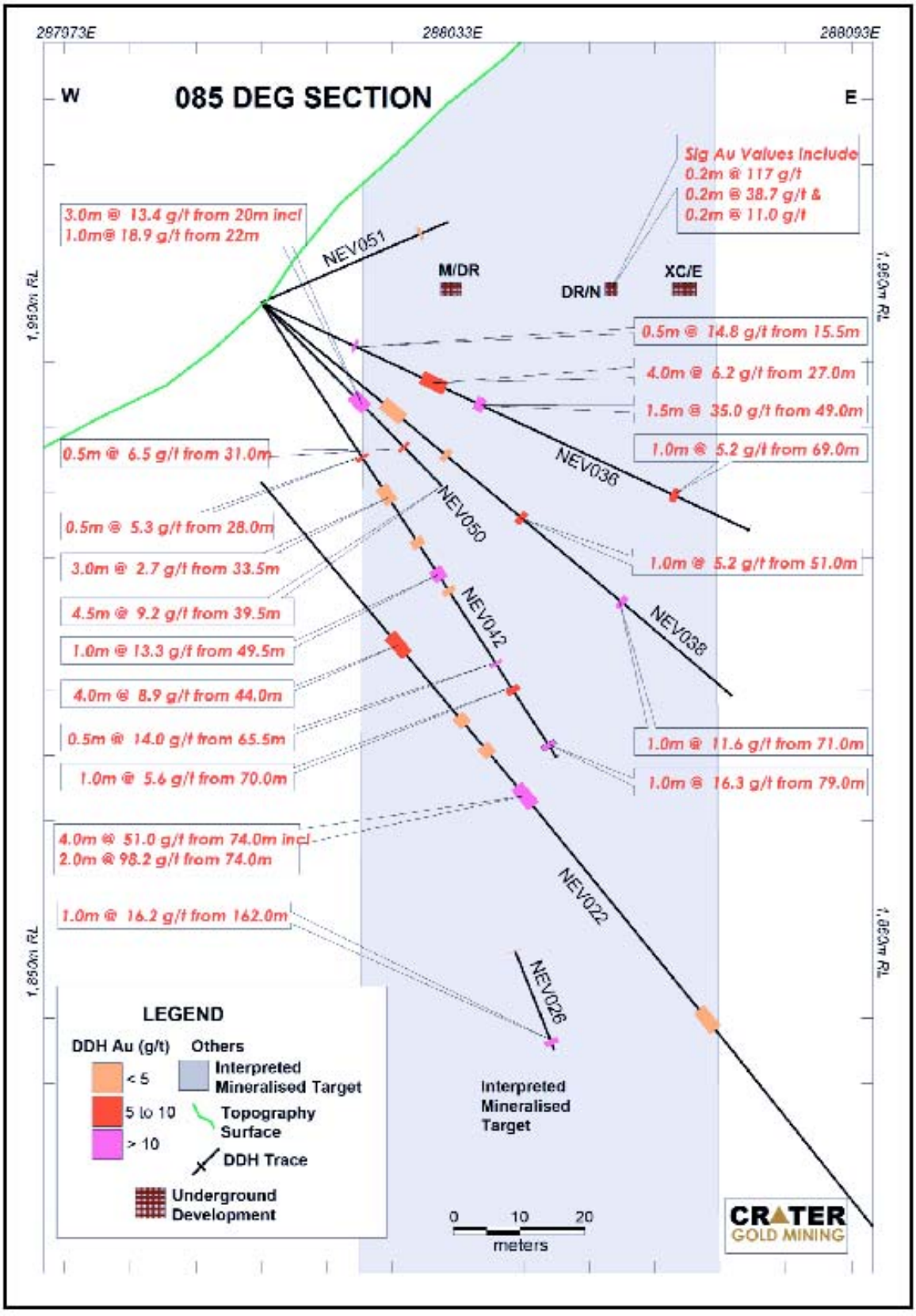

Figure 5 - Section of Drill Holes and Intercepts on 85° Bearing

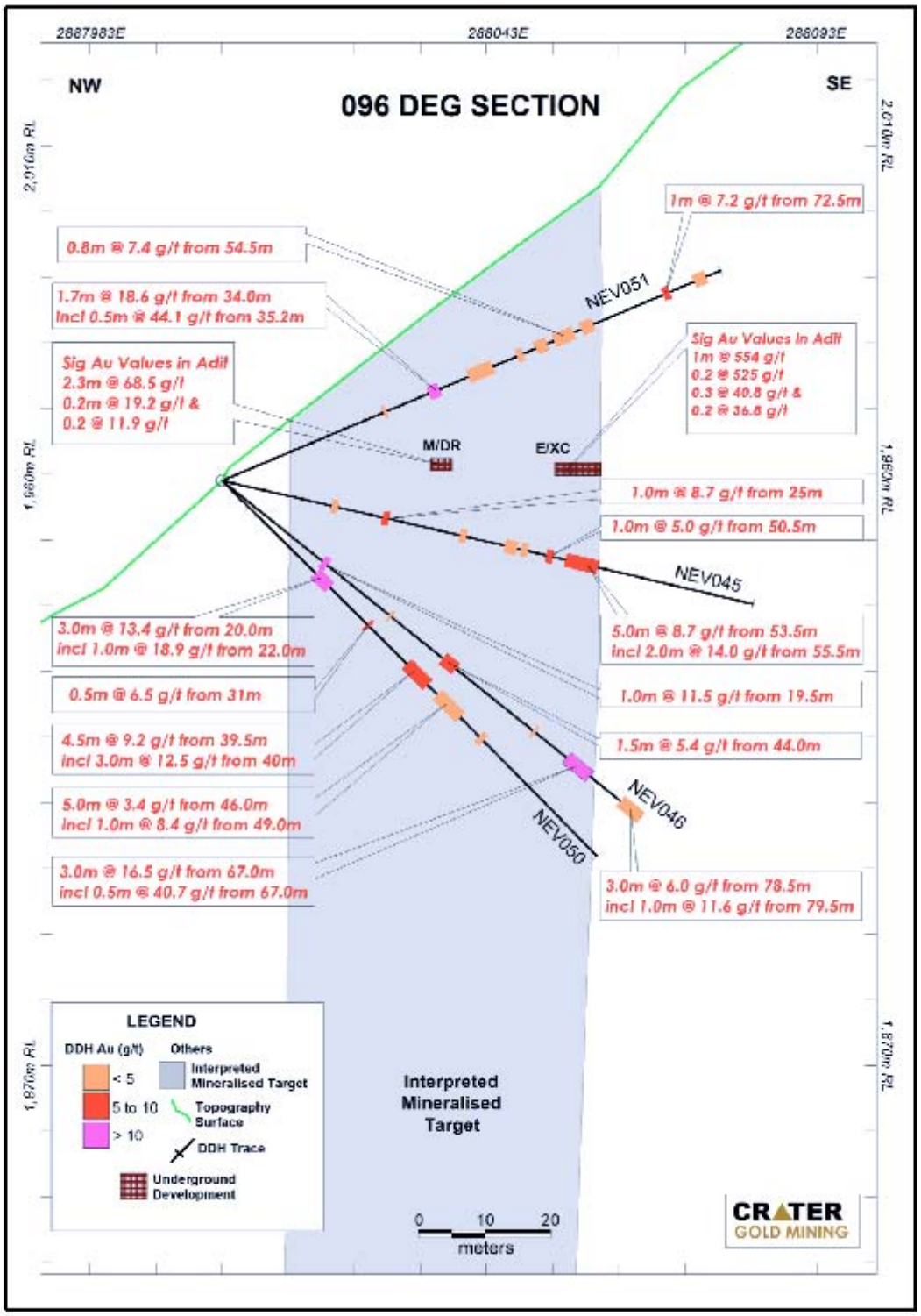

Figure 6 - Section of Drill Holes and Intercepts on 96° Bearing

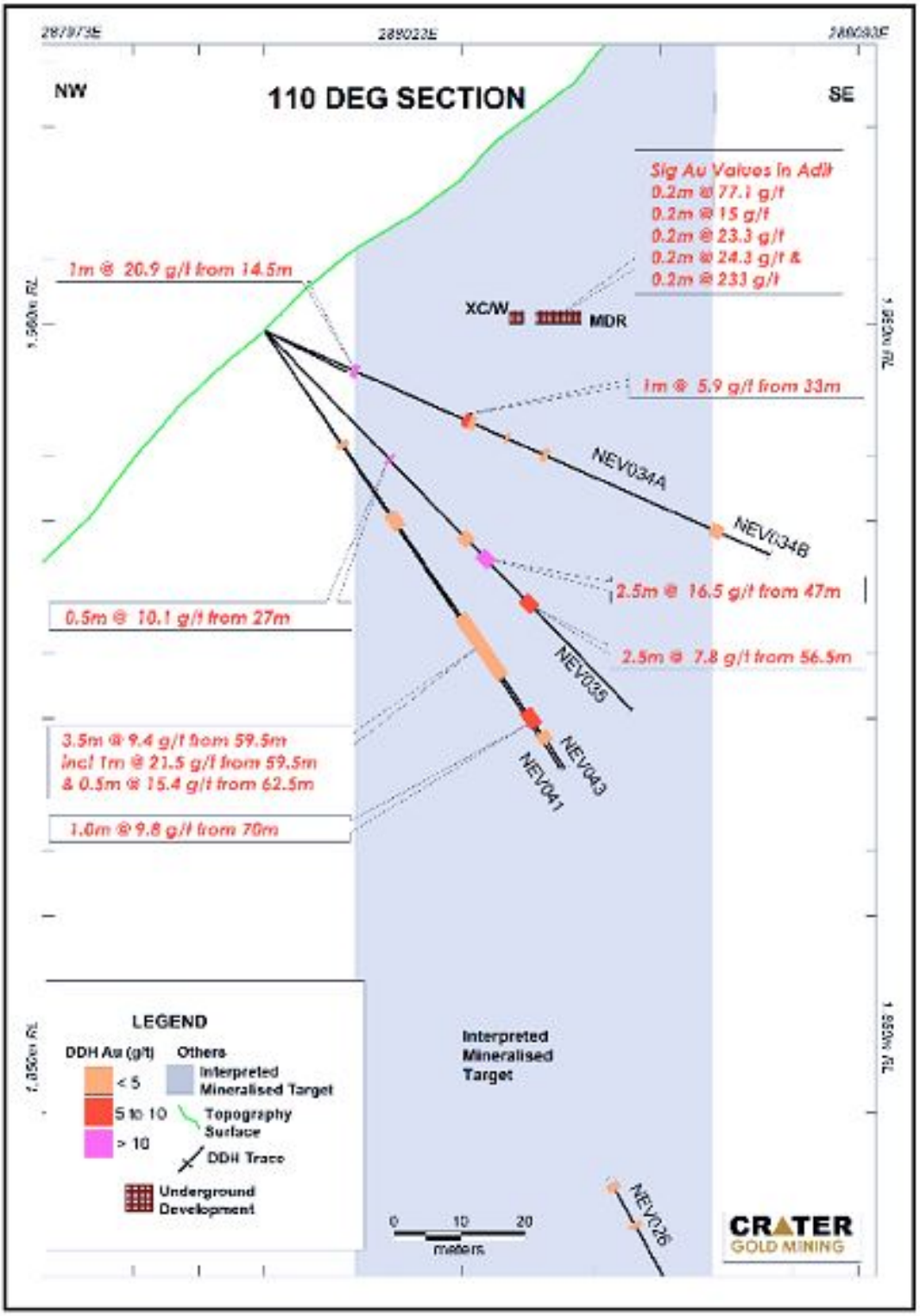

Figure 7 - Section of Drill Holes and Intercepts on 110° Bearing

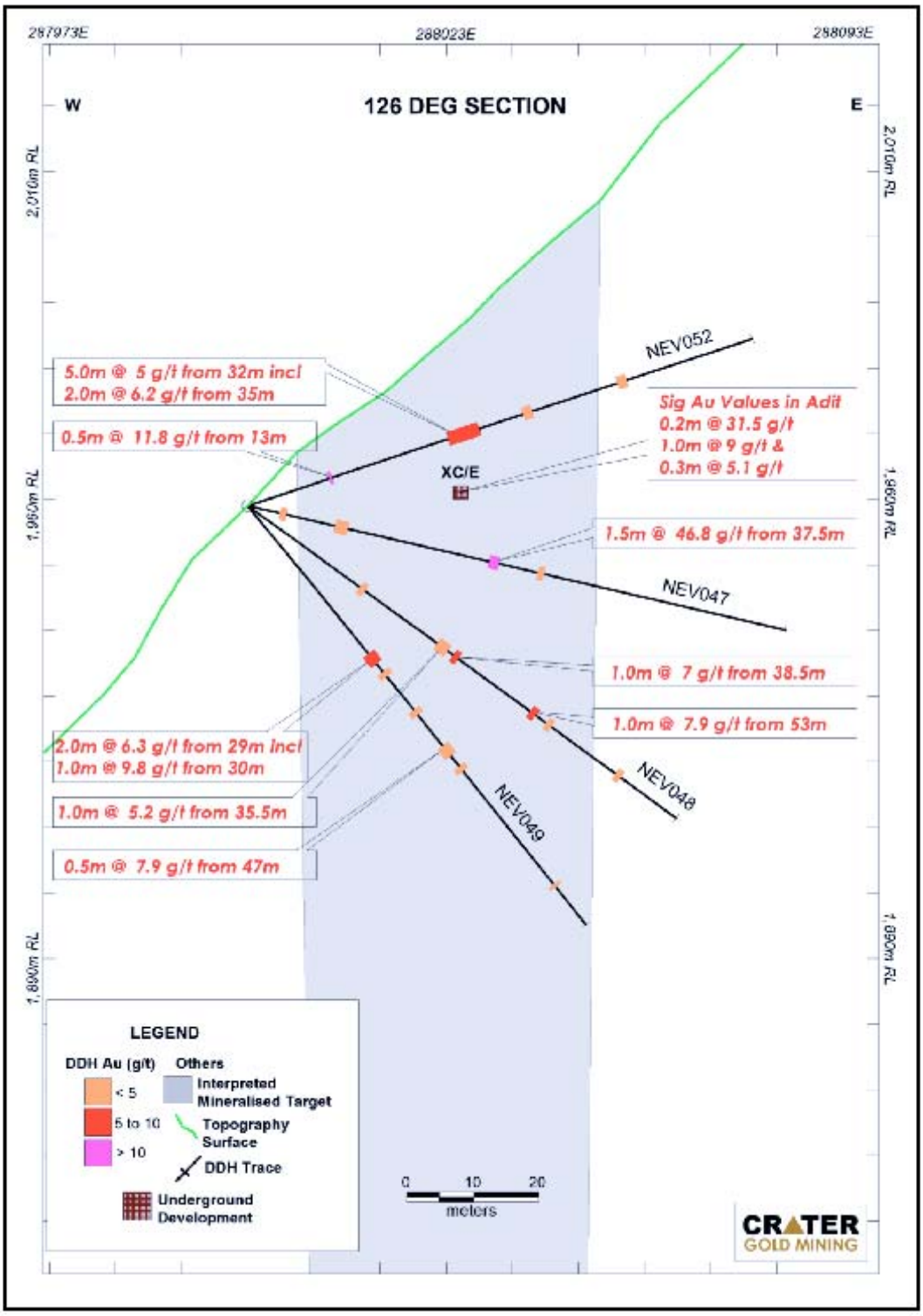

Figure 8 - Section of Drill Holes and Intercepts on 126° Bearing

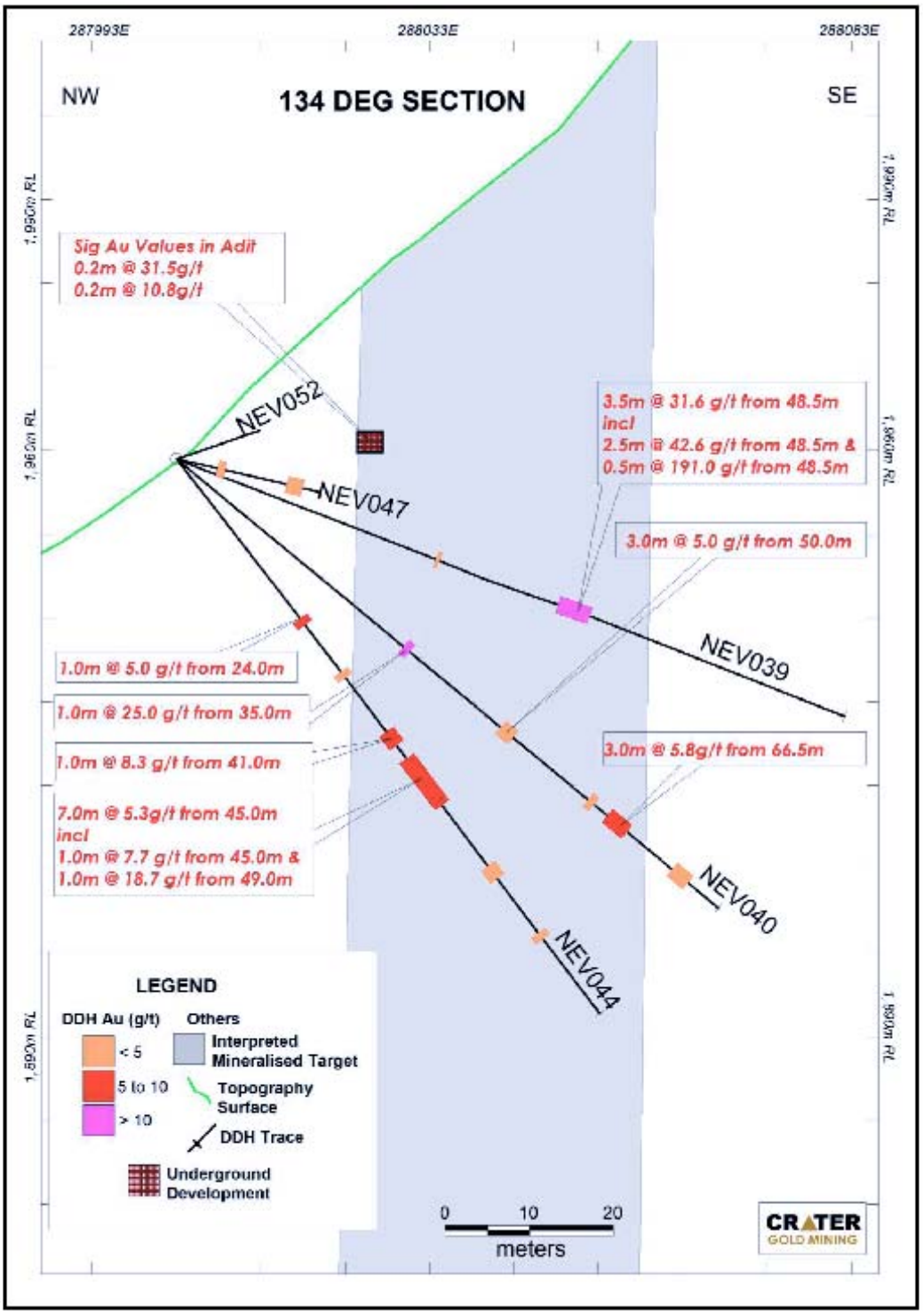

Figure 9 - Section of Drill Holes and Intercepts on 134° Bearing

Interval (m)	grade (g/t)	From depth (m)	Section Diagram	Reason for Interval Significance
Previously reported results 8 October 2014				
Nev49	Figure 8		126 Deg Section	Infill Drill Section
1.0	9.8	30.0		
0.5	7.9	47		
Nev50	Figure 6		96 Deg Section	Infill Drill Section
3.0	13.4	20		Correlates with Nev46
Incl 1.0	18.9	22		
4.5	9.2	39.5		Correlates with Nev46
Incl 3.0	12.5	40.0		
1.0	8.4	49.0		
Nev51	Figure 6		96 Deg Section	Infill Drill Section
0.5	56.3	35.2		Correlates with Main Drive Sampling
0.8	7.4	54.5		Correlates with East Cross Cut Sampling
1.0	7.2	72.5		Possible East West structure
Nev52	Figure 8		126 Deg Section	Infill Drill Section
0.5	11.8	13		
2.0	6.2	35.0		Correlates with East Cross Cut Sampling
Previously reported results 7 July 2014				
Nev42	Figure 5		85 Deg Section	
1.0	13.3	49.5		Correlates with Nev22
0.5	14.0	65.5		Correlates with Nev22, Nev36 & Nev38
1.0	16.3	79.0		
Nev43	Figure 7		110 Deg Section	
3.5	9.4	59.5		Correlates with Nev35
incl 1.0	21.5	59.5		Discrete mineralised structure
and 0.5	15.4	62.5		Discrete mineralised structure
1.0	9.8	70.0		Correlates with Nev35
Nev44	Figure 9		134 Deg Section	
1.0	8.3	41.0		Correlates with Nev40
7.0	5.3	45.0		
Incl 1.0	18.7	49.0		
Nev45	Figure 6		096 Deg Section	Infill Drill Section
1.0	8.7	25.0		
5.0	8.7	53.5		
incl 2.0	14.0	55.5		
Nev46	Figure 6		096 Deg Section	Infill Drill Section
1.0	11.5	19.5		
1.5	5.4	44.0		
3.0	16.5	67.0		
incl 0.5	40.7	67.0		High grade intercept of narrow vein
3.0	6.0	78.5		
incl 1.0	10.5	79.5		

Interval (m)	grade (g/t)	From depth (m)	Section Diagram	Reason for Interval Significance
Nev47	Figure 8		126 Deg Section	Infill Drill Section
1.5	46.8	37.5		Correlates with Nev35 on Sect 110 Deg & Nev40 on 134 Deg
incl 1.0	64.2	38.0		Bonanza grade intercept of narrow vein
Nev48	Figure 8		126 Deg Section	Infill Drill Section
1.0	5.2	35.5		Correlates with Nev47
1.0	7.0	38.5		Correlates with Nev47
1.0	7.9	53.0		
Previously reported results 2 June 2014				
Nev34b	Figure 7		110 Deg Section	
30.0	0.81	28.0		Twin hole to Nev34a.
including				
1.0	5.85	33.0		
Nev38	Figure 5		85 Deg Section	
55.0	1.02	17.0		Broad zone correlating with interpreted mineralised target
including				Correlates with Nev36 and Nev22
1.0	5.21	51.0		
1.0	11.6	71.0		
Nev39	Figure 9		134 Deg Section	
3.5	31.56	48.5		
including				
0.5	191.00	48.5		Narrow bonanza grade structure typical of the target zone. Confirms southerly extension of high grade structure in Nev35 20m to the north
Nev40	Figure 9		134 Deg Section	
1.0	25.00	35.0		Confirmation of continuity to south and depth
2.0	4.92	50.0		Several zones of mineralisation
1.0	4.31	63.5		
3.0	5.75	66.5		
2.5	4.52	76.5		
Previously reported results 29 April 2014				
Nev34a	Figure 7		110 Deg Section	
1.0	20.90	14.5		A new structure outside the interpreted mineralised zone
20.0	0.81	42.0		Zone of mineralisation confirming depth extension
Nev35	Figure 7		110 Deg Section	
0.5	10.10	27.0		A new structure outside the interpreted mineralised zone
29.0	3.39	43.0		Zone of mineralisation confirming depth extension
including				

Interval (m)	grade (g/t)	From depth (m)	Section Diagram	Reason for Interval Significance
2.0	4.30	43.0		
2.5	16.53	47.0		Correlates with underground development
0.5	24.70	56.5		Correlates with underground development
Nev36	Figure 5		85 Deg Section	
0.5	14.80	15.5		A new structure outside the interpreted mineralised zone
4.0	6.20	27.0		Zone of mineralisation confirming depth extension
1.5	34.96	49.0		Further confirmation of high grade and in HGZ planned mining zone
9.0	2.72	65.0		Indication of possible width extension of mineralised zone
Historical Results				
Nev22	Figure 6		096 Deg Section	
4.0	8.90	44.0		Good correlation with Nev 36
4.0	51.00	74.0		
including				
2.0	98.20	74.0		Good correlation with Nev 36
4.0	4.10	118.0		Confirmation of depth continuity

Table 2 - Previously announced and Historical Drilling intercepts

APPENDIX 1

JORC CODE, 2012 EDITION – TABLE 1

Notes on data relating to Drilling at Crater Mountain High Grade Zone

SECTION 1 SAMPLING TECHNIQUES AND DATA

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of*	• *Diamond drilling is used to obtain core from which samples at intervals ranging from 0.5-2.0m in length are submitted for analysis using FAA505 methodology. A 50g charge is used for fire assay for analysis for gold.* • *All diamond drill core drilled by CGN is sampled in intervals based on geological logging. Previous diamond drilling was carried out with PQ, HQ and NQ diameter core and all core was cut with half core typically sent for sample preparation at SGS, Lae and pulps sent to SGS, Townsville for assay.* • *Current diamond drilling is with LTK48 core, 35mm diameter. Whole core is sampled and sent for preparation and assay. Whole core is used to ensure sufficient sample mass and representivity.* • *Underground exploration development is also carried out with drives and cross cuts. Face and sidewall channel samples are taken using moil and hammer to obtain samples of approximately 3kg. Channel lengths vary from 0.20-2.0m depending on geology.*

Criteria	JORC Code explanation	Commentary
	detailed information.	
Drilling techniques	• *Drill type (e.g. 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.).*	• *Diamond drilling has been carried out using an underground rig with LTK48 rods and standard tube core barrel. Core diameter is 35mm. The rig is also set up to drill from surface.* • *Historical drilling by CGN at the Nevera prospect has been by diamond drilling PQ, HQ and NQ diameter core using triple tube and core orientation with a Reflex ACT II device*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *Core recovery is measured for the complete hole based on the driller's mark-up, checked during core mark-up in 1m intervals by the geologist. Drill core is measured to accurately quantify sample recovery.* • *Gold mineralisation at the CGN HGZ is typically concentrated in narrow oxidised structures. To ensure representative samples, whole core is sampled.* • *This release relates to results from twenty five holes in the current programme, eighteen of which have been reported previously. It is not known whether a relationship exists between sample recovery and grade.*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• *A qualified geoscientist logs the geology of all holes in their entirety including geotechnical features. Drill core is geologically and routinely geotechnically logged to a level of detail considered to accurately support Mineral Resource estimation. The parameters logged include lithology with particular reference to veining, mineralogy, alteration, and grain size.* • *All core is photographed. Recent digital photos and scans of film photography are stored electronically. All of the holes with results mentioned in the release have been logged and photographed in their entirety.*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature,*	• *For samples of core, whole core was taken and bagged.* • *Channel samples were bagged wet underground.* • *Samples were sent to SGS, Lae for sample preparation.* • *Samples dried in original calico bags at 105°C for 4+ hours in an Essa DO1 two cubic metre drying oven.* • *Dried samples crushed to 90 per cent passing 3 mm using a Rocklabs Boyd Mark III jaw*

Criteria	JORC Code explanation	Commentary
	quality and appropriateness of the sample preparation technique. • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	*crusher.* • *Crushed samples riffle split to collect 0.6 to 1.2 kilogram subsample.* • *Subsamples pulverised to 90 per cent passing 75 µm, for approximately three minutes in either of two Essa LM2-P pulverisers with B2000 bowl sets.* • *One sample in 20 wet sieved to check pulveriser performance to target standards.* • *One sample in ten selected randomly and resplit prior to pulverisation, with control samples shipped as part of the batch to SGS Townsville.* • *Prepared assay pulps placed in wire-top bags, with several included in a heat-sealed plastic bag in a shipping box, sealed with packaging and SGS security tape.* • *Up to three shipping boxes placed in a labelled, security sealed and numbered poly-weave sack and shipped to SGS Townsville by DHL Express.* • *Assaying at SGS, Townsville is by FAA505 methodology fire assay for gold*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• *All samples have been assayed at SGS, Townsville. SGS maintains robust internal QA/QC procedures (including the analysis of standards, repeats and blanks) which are monitored with the analytical data by CGN geologists.* • *Ore grade Certified Reference Material standards and blanks are introduced into the sample stream by the geologists. Blanks are also introduced by SGS after the sample preparation stage in Lae before shipment to Townsville.* • *Based on the results of standard analysis, in addition to the internal QA/QC standards, repeats and blanks run by the laboratory, the laboratory is deemed to provide an acceptable level of accuracy and precision.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification,*	• *Significant intersections are checked by the Senior Exploration Geologist.* • *Twinned holes are drilled to represent approximately 15% of the holes drilled. The core is not sampled but logged and kept as a permanent whole core record.* • *Original laboratory documents exist of primary data, along with laboratory verification procedures.* • *The Crater Mountain drilling and channel sampling database exists in electronic form. The*

Criteria	JORC Code explanation	Commentary
	data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	*assay data are imported directly into the database from digital results tables sent by the laboratory. The Senior Exploration Geologist manages the drill hole assay database.* • *No adjustment has been made to assay data received from the laboratory.*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *The initial datum was established using a single station differential GPS (DGPS) at two points. The mean of readings taken over 3 days was accepted as datum. Survey from the datum point is by theodolite with 20 second closure.* • *Grid is UTM WGS84*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *Drilling at the HGZ is intended to identify the nature and style of mineralisation.*
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *At the HGZ a general north south trending zone of mineralisation is interpreted with north south and east west mineralised fractures.* • *Drilling intersects this zone such that sampling of north south structures is considered unbiased.* • *Possible east west cross cutting structures have been drilled in the holes currently reported at 160° and 177° azimuth.*
Sample security	• *The measures taken to ensure sample security.*	• *For diamond drilling, whole core is collected in calico sample bags marked with a unique sample number which are tied at the top. Samples are transported to SGS, Lae under direct company supervision or secure independent contractor.*

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *No audits or reviews of sampling techniques and data were done.*

SECTION 2 REPORTING OF EXPLORATION RESULTS

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *The results are from drilling and underground channel sampling within Exploration License EL1115 and Mining Lease ML510 located at Crater Mountain, Lufa District, Eastern Highlands Province PNG. EL1115 and ML510 are wholly owned by CGN.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Four programmes of diamond drilling were conducted at the Nevera Prospect from 1994, when EL 1115 was first granted with successive operators BHP Billiton Pty Limited (BHP), Macmin NL (Macmin) and Triple Plate Junction Plc (TPJ). CGN acquired control of EL1115 in 2009*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *The Crater Mountain Project lies within a typical large and complex New Guinea Orogen mineralised hydrothermal system. Mineralisation is associated with sub-volcanic magmatic activity related to the locally prominent Nevera Igneous Complex.* • *The mineralisation models identified to date are:* ▪ *Low sulphidation epithermal carbonate-base metal sulphide-gold Mixing Zone mineralisation* ▪ *High sulphidation high grade epithermal quartz-pyrite-gold mineralisation (High Grade Zone "HGZ") extending from surface to several hundred metres depth, comprising a series of sub-vertical fractures and associated near-vertical mineralised shoots.* ▪ *Deep porphyry copper-gold mineralisation.*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following*	• *Locations and orientation of the reported drill holes are tabulated below. Significant intercepts are reported in the table on pages 1 and 2 of the release.*

Criteria	JORC Code explanation	Commentary

information for all Material drill holes:

- *easting and northing of the drill hole collar*
- *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
- *dip and azimuth of the hole*
- *down hole length and interception depth*
- *hole length.*
- *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*

Hole	Depth (m)	GridE	GridN	RL (m)	Grid Azimuth	Dip
NEV004	200	287955.00	9280950.00	1962	74	-50
NEV009	458	287918.00	9281105.00	1930	135	-60
NEV022	282	287994.00	9281002.00	1942	85	-50
NEV026	306	287982.00	9281090.00	1968	148	-45
NEV034A	66.1	288002.60	9281003.30	1959	110	-24
NEV034B	83.8	288002.60	9281003.30	1959	110	-24
NEV035	80.2	288002.60	9281003.30	1959	110	-46
NEV036	82	288002.60	9281003.30	1959	85.5	-25
NEV037	63	288002.60	9281003.30	1959	85.5	-40
NEV038	93.5	288002.60	9281003.30	1959	85.5	-43
NEV039	85	288002.60	9281003.30	1959	131.5	-22
NEV040	83.7	288002.60	9281003.30	1959	131.5	-40
NEV041	80	288002.60	9281003.30	1959	110	-56
NEV042	82.6	288002.60	9281003.30	1959	78	-57
NEV043	80.6	288002.60	9281003.30	1959	107.5	-56
NEV044	83.1	288002.60	9281003.30	1959	132	-52
NEV045	82.7	288002.60	9281003.30	1959	96	-13
NEV046	81.5	288002.60	9281003.30	1959	96	-39
NEV047	83.5	288002.60	9281003.30	1959	124	-13
NEV048	80.4	288002.60	9281003.30	1959	124	-36
NEV049	81.8	288002.60	9281003.30	1959	127.5	-51.3
NEV050	80.5	288002.60	9281003.32	1959	096	-45
NEV051	81.9	288002.60	9281003.32	1959	096	23
NEV052	80.6	288002.60	9281003.32	1959	124	18
NEV053	80.4	288030.12	9281026.91	1964	160	-22
NEV054	76.3	288030.12	9281026.91	1964	160	-45
NEV055	80.3	288030.12	9281026.91	1964	160	-59

Criteria	JORC Code explanation	Commentary

NEV056	80.5	288030.12	9281026.91	1964	177	-23
NEV057	71.0	288030.12	9281026.91	1964	177	-47
NEV058	59.3	288030.12	9281026.91	1964	177	10
NEV059	60.3	288030.12	9281026.91	1964	160	9

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *Drill hole intercept grades are reported as down-hole length-weighted averages with any non-recovered core within the reported intervals treated as no grade but included in the sample length. Significant intercepts are generally reported at a lower cut off of 2 g/t Au where intercepts are limited to 1.0m or less and to 1g/t for intercepts greater than 1.0m. No top cuts have been applied* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of lower grade results the procedure is to report the aggregate longer length of lower grade which includes a shorter length of higher grade.* *As an example, in the body of the release Nev35 has an intercept reported as:* *29.0m at 3.39 g/t Au from 43.0m, including* *8.0m at 7.02 g/t Au from 43.0m,and* *3.0m at 6.79 g/t Au from 56.0m*
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• *Drilling is carried out to understand the relationship between lithology, mineralisation widths and intercept lengths* • *Results are reported for down hole length, true width not known*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts*	• *Appropriate plans and section views are presented in the release.*

Criteria	JORC Code explanation	Commentary
	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.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *Only mineralised intersections regarded as highly anomalous, and therefore of economic interest, have been included in the results tables.* • *Low grade mineralisation is characterised by grades considered to be sub-economic. Such intervals are not reported in the results table.* • *The proportion of each hole represented by the reported intervals can be ascertained from the sum of the reported intervals divided by the hole depth.*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *Other exploration data have been reported in prior CGN Releases. These relate to surface geochemistry, geological mapping, geophysical survey, trenching and drilling.*
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *The planned scope of the drilling programme is depicted on a plan and sections in the release showing testing depth extensions.* • *Future drilling is dependent on the outcome of the current programme.*

Appendix 2

Mineralisation Sampling and Core Recovery

Mapping and sampling of the gold bearing structures in the underground development confirmed that coarse free gold is largely confined to narrow (<0.2m wide) oxidised structures within an intensely brecciated zone. High grade gold, up to 847g/t is found in the presence of hematite - limonite oxidation in narrow veins with residual vuggy silica alteration.

Three sets of high grade structures have been identified in underground development. Two of these sets of structures trend roughly NS and EW with a third shallow dipping set which are interpreted as link structures. Bonanza grades are typically found at the junction of these sets of structures. (ASX Release 19 November 2013 “Bonanza gold grades intersected at High Grade Zone”) Drilling from one drill pad has been broadly on an easterly azimuth from 85° to 134°. Consequently the EW trending and shallow dipping link structures were less likely to be intersected in the current programme as these structures are sub-parallel to the general azimuth of the drill holes. Further holes have been drilled in a broadly south easterly direction from another drill pad to test the EW trending structures.

An ongoing drilling programme is being undertaken from selected surface and underground drill pads planned to target these structures

Logging of the drill core confirms this style of mineralisation in very narrow veins. However, drilling is being carried out with LTK48 standard tube gear which produces 35mm core. Owing to the fractured nature of the breccia and also that the mineralised structures are for the most part very narrow, it was decided to sample whole core. Cutting of 35mm core would result in significant loss of sample, particularly in friable ground, thus reducing the mass of sample and representivity for sampling purposes. All core is logged in detail and photographed before sampling. Regular twinned holes are planned in the programme to effectively retain a permanent whole core reference across the zones.

Appendix 3

(Information about material drill holes)

Hole	Depth (m)	GridE	GridN	RL (m)	Grid Azimuth	Dip
NEV004	200	287955.00	9280950.00	1962	74	-50
NEV009	458	287918.00	9281105.00	1930	135	-60
NEV022	282	287994.00	9281002.00	1942	85	-50
NEV026	306	287982.00	9281090.00	1968	148	-45
NEV034A	66.1	288002.60	9281003.30	1959	110	-24
NEV034B	83.8	288002.60	9281003.30	1959	110	-24
NEV035	80.2	288002.60	9281003.30	1959	110	-46
NEV036	82	288002.60	9281003.30	1959	85.5	-25
NEV037	63	288002.60	9281003.30	1959	85.5	-40
NEV038	93.5	288002.60	9281003.30	1959	85.5	-43
NEV039	85	288002.60	9281003.30	1959	131.5	-22
NEV040	83.7	288002.60	9281003.30	1959	131.5	-40
NEV041	80	288002.60	9281003.30	1959	110	-56
NEV042	82.6	288002.60	9281003.30	1959	78	-57
NEV043	80.6	288002.60	9281003.30	1959	107.5	-56
NEV044	83.1	288002.60	9281003.30	1959	132	-52
NEV045	82.7	288002.60	9281003.30	1959	96	-13
NEV046	81.5	288002.60	9281003.30	1959	96	-39
NEV047	83.5	288002.60	9281003.30	1959	124	-13
NEV048	80.4	288002.60	9281003.30	1959	124	-36
NEV049	81.8	288002.60	9281003.30	1959	127.5	-51.3
NEV050	80.5	288002.60	9281003.32	1959	096	-45
NEV051	81.9	288002.60	9281003.32	1959	096	23
NEV052	80.6	288002.60	9281003.32	1959	124	18
NEV053	80.4	288030.12	9281026.91	1964	160	-22
NEV054	76.3	288030.12	9281026.91	1964	160	-45
NEV055	80.3	288030.12	9281026.91	1964	160	-59
NEV056	80.5	288030.12	9281026.91	1964	177	-23
NEV057	71.0	288030.12	9281026.91	1964	177	-47
NEV058	59.3	288030.12	9281026.91	1964	177	10
NEV059	60.3	288030.12	9281026.91	1964	160	9