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

7 July 2014

Australian Securities Exchange

High Grade Gold Results continue from High Grade Zone at Crater Mountain, PNG

Highlights

- High grade gold intercepts in infill drill holes Nev46 and Nev47 of 40.7g/t over 0.5m and 64.2g/t over 1.0m
- Results from drilling continue to show good correlation between the underground development high grade results and adjacent drilling results
- Depth continuity further confirmed over strike of 60m in holes Nev42, Nev43 and Nev44
- High grade mineralised structures continue down dip at least 90m and on strike by at least 60m and remains open

Significant Drilling Intercepts

Interval (m)	grade (g/t)	depth (m)	Section Diagram	Reason for Interval Significance
New Results				
Nev42	Figure 2		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 4		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 6		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	Figure3		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 3		096 Deg Section	Infill Drill Section
1.0	11.5	19.5		
0.0	5.4	44.0		

Interval (m)	grade (g/t)	depth (m)	Section Diagram	Reason for Interval Significance
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		
Nev47	Figure 5		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 5		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		

Table 1 - Significant Drilling Intercepts

Crater Gold Mining Ltd (ASX: CGN) ("CGN" or "the Company") is pleased to announce continued excellent high grade gold assay results from its ongoing diamond drilling programme at its 100% owned High Grade Zone ("HGZ") project at Crater Mountain, PNG.

The results from diamond drill holes Nev42, Nev43 and Nev44, some 60m below the Company's previous high grade gold results from the underground drive development, in combination with historical results from drill hole Nev22 confirm that high grade mineralised structures continue down dip at least 90m and on strike by at least 60m.

The HGZ project is earmarked to commence gold production in the 4th quarter 2014, subject to the outcome of pending mining lease application.

Drilling Programme

Since drilling commenced at the HGZ in March 2014, 14 holes totalling 1,146.7m have been fully reported with gold assay results. These holes have been drilled from a single drill platform on surface approximately 25m from the portal of the underground drive that has been developed through the known zone of mineralisation. Two holes, Nev37 and Nev41, have been fully logged and photographed and kept as whole core for reference without being sampled.

Initial drilling was carried out to intercept the mineralised zone at approximately 20m centres between drill holes. Drill holes Nev42, Nev43 and Nev44 were completed drilling to a depth of approximately 60m below the underground drive development on bearings from 85° through to 134°.

Current drilling has been to infill and close the spacing between these lines. Diamond drill holes Nev45 through to Nev48 inclusive have been drilled on bearings of 96° and 126° respectively at dips which effectively close the drill spacing below the underground development to approximately 10 – 15m and to a depth of 50m below the underground development.

This sequence of drill holes is currently being completed with up-holes to be drilled above the underground development in order to complete the data required for detailed resource estimation and mine planning.

Discussion of Results

The results published in Table 1 should be read in entirety with all previously published drill hole results in Table 2 and shown in Figures 1 to 6.

Results from the drill holes set out in Table 1 continue to show good correlation between the underground development and adjacent drill holes. It is very encouraging that high grade intercepts, Nev46 with 40.7g/t over 0.5m from 67.0m and Nev47 with 64.2g/t over 1.0m from 38.0m, continue to be achieved.

Drill holes Nev45 through Nev48 are infill holes drilled on bearing 96° and 126° respectively. The drill data from all the current drilling is currently being interpreted by the Company's Independent consultant with the aim of calculating a maiden HGZ JORC compliant resource. The data are also being interpreted by the Company's in-house geoscientists and mining engineers to design and layout an ongoing development and mining plan.

Further Drilling

The nature of mineralisation at the HGZ is that there is a clear set of mineralised structures trending approximately NS. However, evidence from artisanal mining and exposures in underground development show that there is a set of EW structures as well as shallow dipping link structures which influence the mineralisation and potential gold tenor.

The recent drilling campaign has effectively identified a number of mineralised NS structures but has not been well placed to confirm EW structures. Three drill holes in the current programme have intersected broad zones of low grade gold mineralisation. Nev34a reported 0.8g/t over 20.0m from 42.0m, Nev34b (twin of Nev34a) reported 0.8g/t over 30.0m from 28.0m and Nev38 reported 1.0g/t over 55.0m from 17.0m. From underground mapping and sampling it has generally been established that gold mineralisation is concentrated in very narrow oxidised structures rather than broad low grade zones.

It is planned that additional drilling will be carried out from a drill pad which will allow a sequence of holes to be drilled as close to NS as possible to test the importance of EW mineralised structures in the overall gold inventory of the HGZ.

For further information contact

Greg Starr
Managing Director
P +61 2 9241 4224

or visit the CGN website www.cratergold.com.au

Competent Person Statement

The information contained in this report relating to Exploration Results at Crater Mountain, PNG is based on and fairly represents information and supporting documentation prepared by Mr R Johnson, PNG General Manager 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.

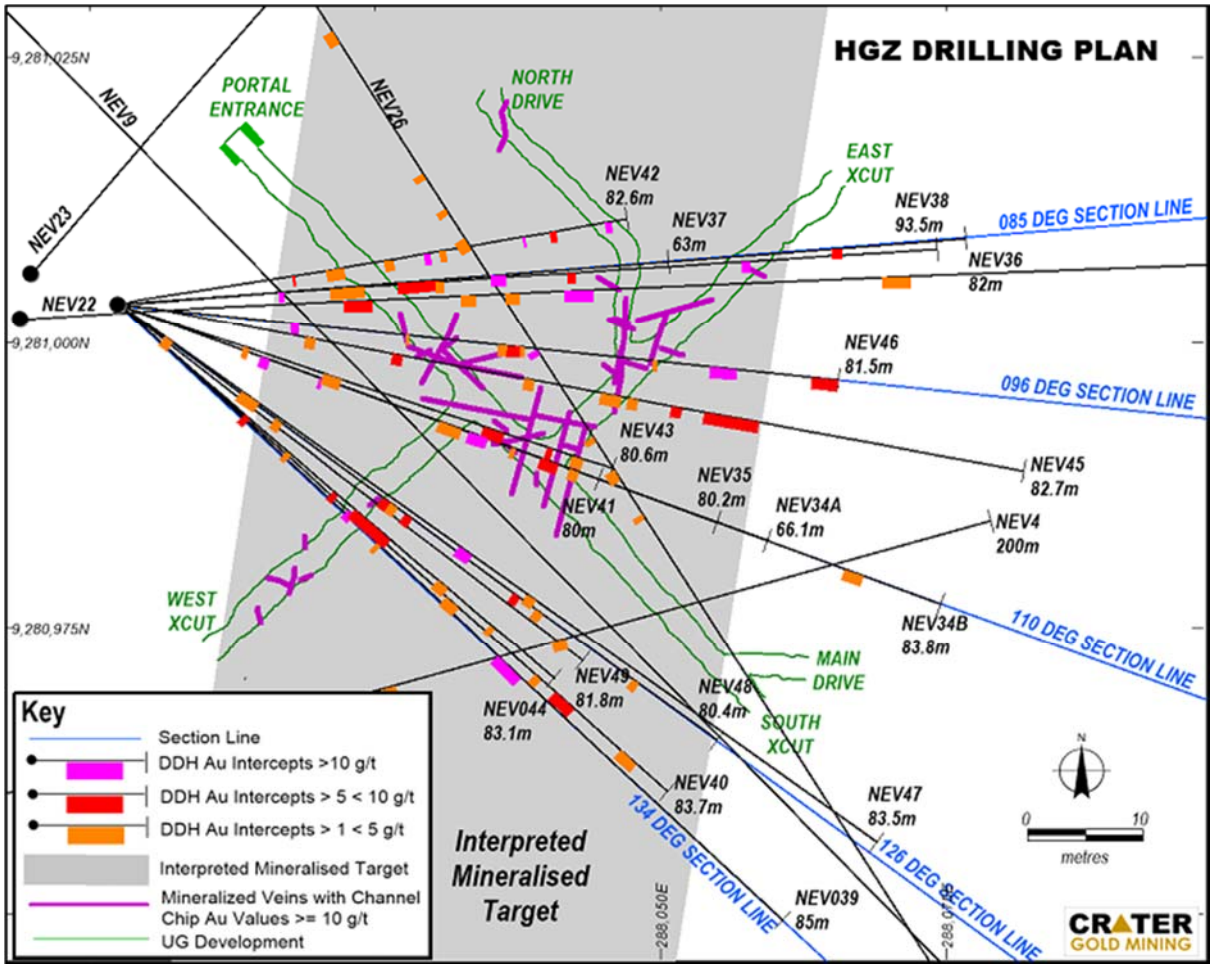

Figure 1 - Plan of Current Drill Hole Traces and Historic Drill Holes

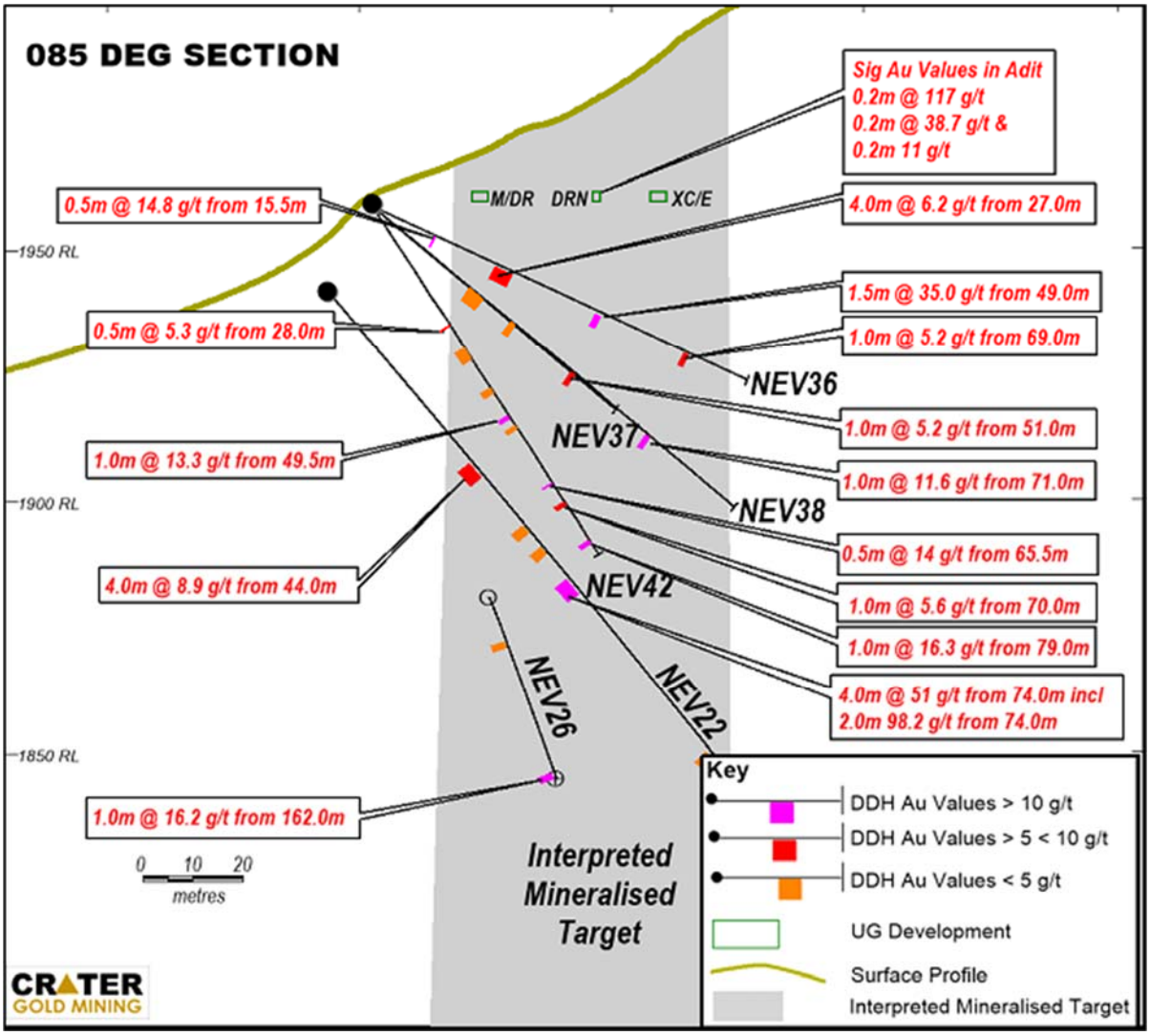

Figure 2 - Section of Drill Holes and Intercepts on 85° Bearing

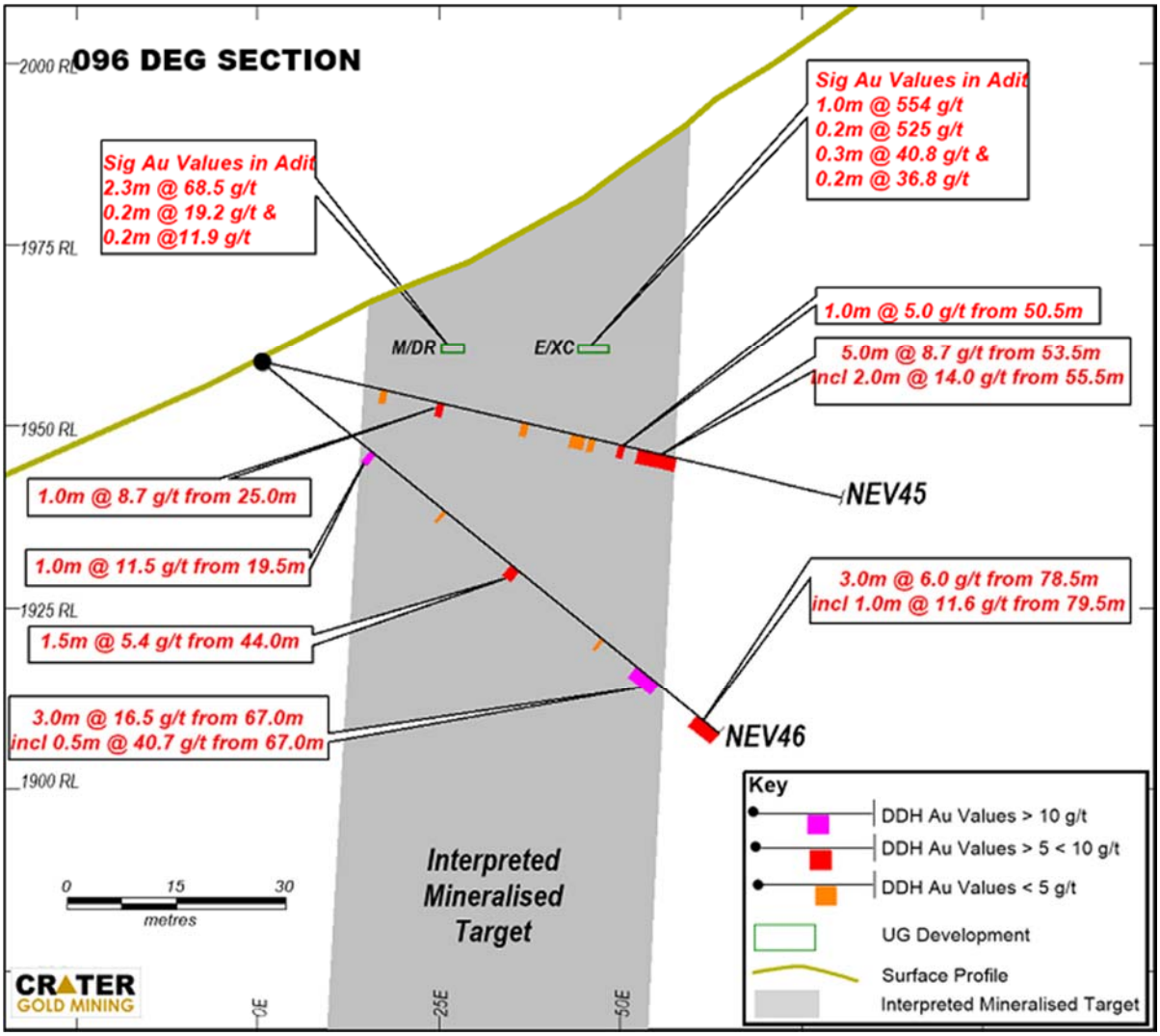

Figure 3 - Section of Drill Holes and Intercepts on 96° Bearing

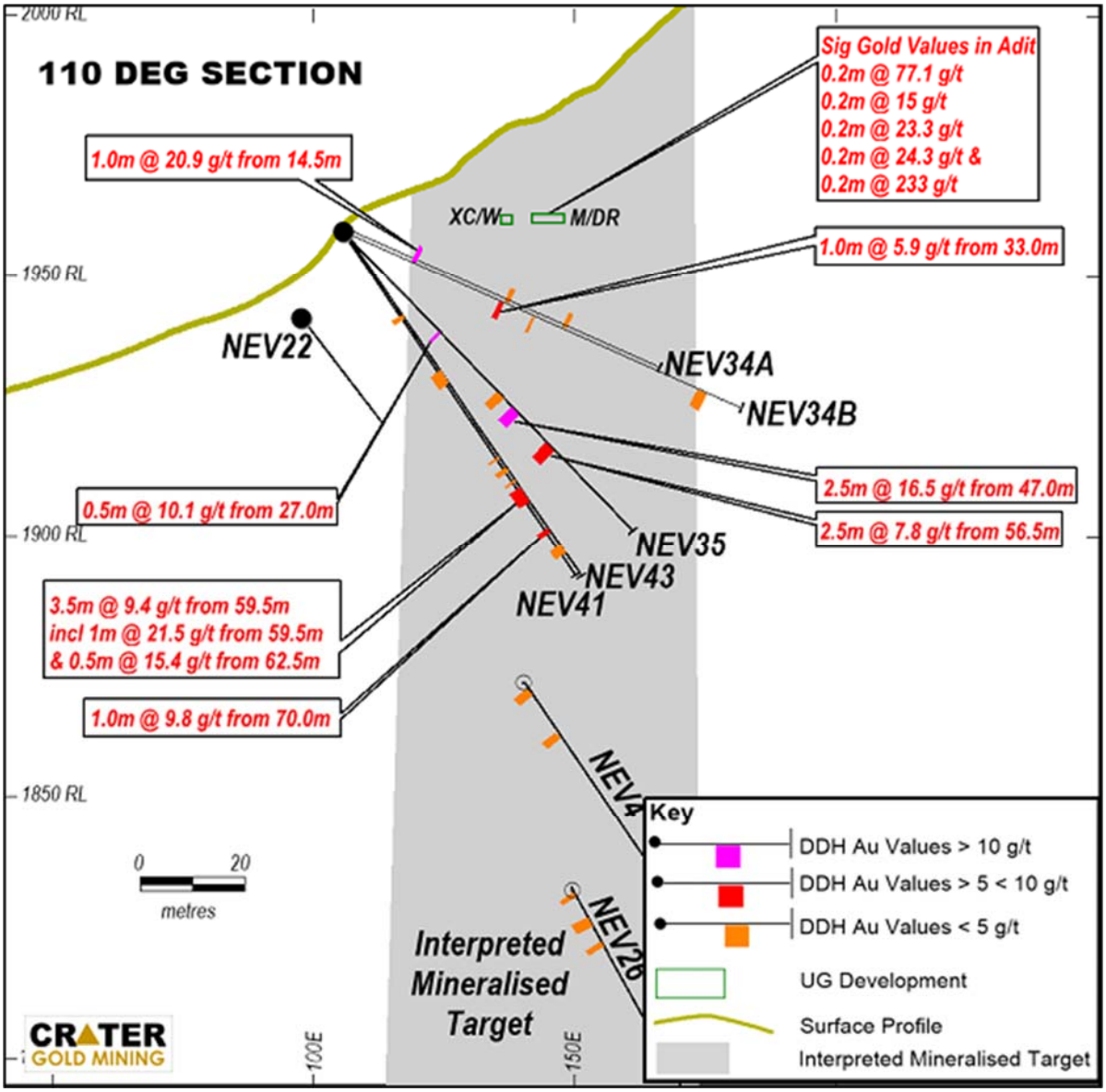

Figure 4 - Section of Drill Holes and Intercepts on 110° Bearing

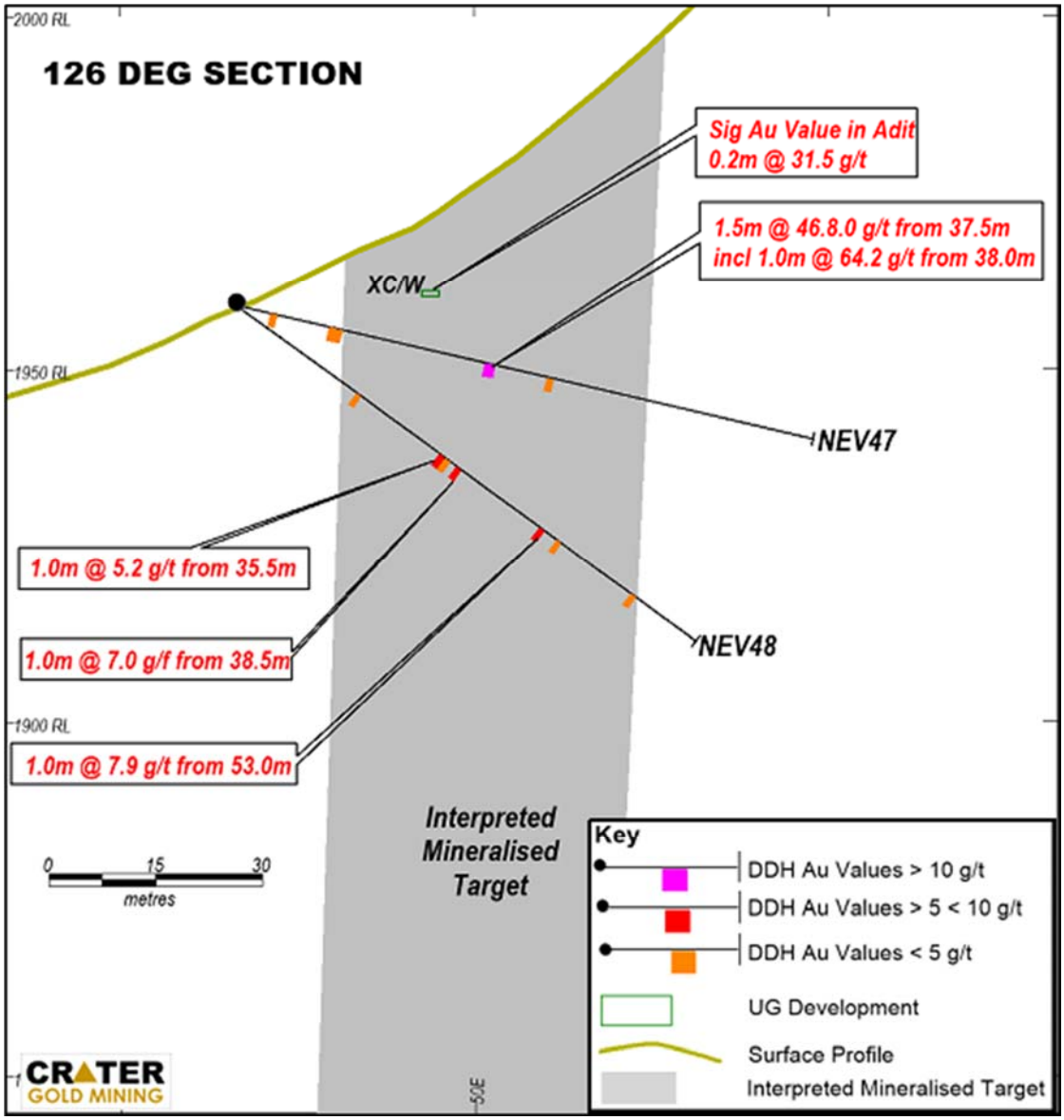

Figure 5 - Section of Drill Holes and Intercepts on 126° Bearing

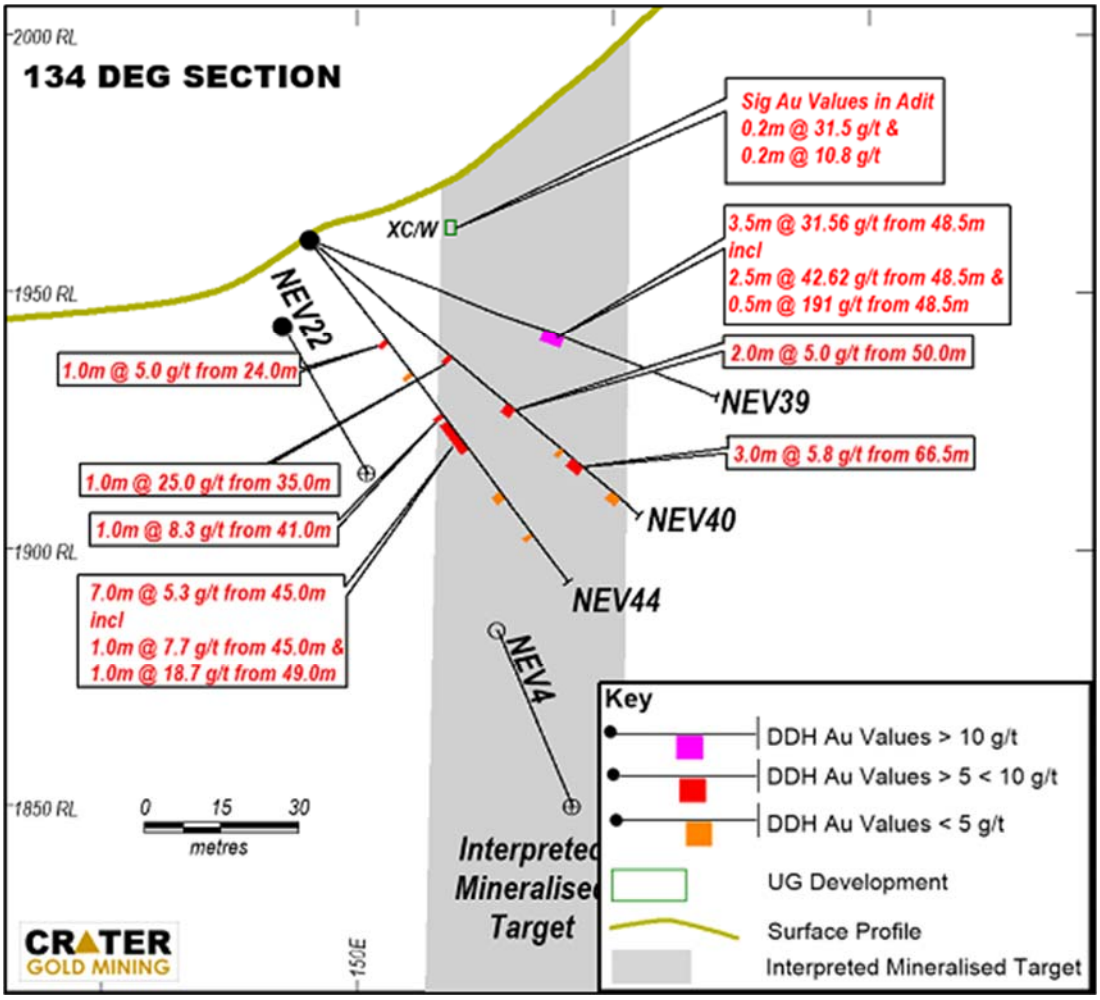

Figure 6 - Section of Drill Holes and Intercepts on 134° Bearing

Interval (m)	grade (g/t)	depth (m)	Section Diagram	Reason for Interval Significance
Previously reported results 2 June 2014				
Nev34b	Figure 4		110 Deg Section	
30.0	0.81	28.0		Twin hole to Nev34a.
including				
1.0	5.85	33.0		
Nev38	Figure 2		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 6		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 6		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 4		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
Nev 35	Figure 4		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				
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

Interval (m)	grade (g/t)	depth (m)	Section Diagram	Reason for Interval Significance
Nev 36	Figure 2		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				
Nev 22	Figure 3			
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 is currently 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 fourteen holes in the current programme, seven 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 is taken and bagged.* • *Channel samples are bagged wet underground.* • *Samples are 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 are currently 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 20% of the holes drilled or at least one twinned hole per section line. 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.*

Criteria	JORC Code explanation	Commentary
	data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	• *The Crater Mountain drilling and channel sampling database exists in electronic form. The 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.*	• *Current 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 mineralization is interpreted with north south and east west mineralized fractures.* • *Current drilling intersects this zone such that sampling of north south structures is considered unbiased.* • *Possible east west cross cutting structures will require drill testing from additional drill pads in due course*
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 located at Crater Mountain, Lufa District, Eastern Highlands Province PNG. EL1115 is wholly owned by CGN and is due for renewal in September 2014.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Four programs 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 mineralization* ▪ *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 mineralized shoots.* ▪ *Deep porphyry copper-gold mineralization.*
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.*	
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*	• *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.*

Hole	Depth (m)	GridE	GridN	RL	Grid Azimuth	Dip
NEV004	200	287955.0	9280950.0	1962.0	74	-50
NEV009	458	287918.4	9281098.8	1955.0	135	-60
NEV022	282	287994.0	9281002.0	1942.0	85	-50
NEV026	306	287982.0	9281090.0	1968.0	148	-45
NEV034A	66.1	288002.6	9281003.3	1959.0	110	-24
NEV034B	83.8	288002.6	9281003.3	1959.0	110	-24
NEV035	80.2	288002.6	9281003.3	1959.0	110	-46
NEV036	82	288002.6	9281003.3	1959.0	85.5	-25
NEV037	63	288002.6	9281003.3	1959.0	85.5	-40
NEV038	93.5	288002.6	9281003.3	1959.0	85.5	-43
NEV039	85	288002.6	9281003.3	1959.0	131.5	-22
NEV040	83.7	288002.6	9281003.3	1959.0	131.5	-40
NEV041	80	288002.6	9281003.3	1959.0	110	-56
NEV042	82.6	288002.6	9281003.3	1959.0	78	-57
NEV43	80.6	288002.6	9281003.3	1959	107.5	-56
NEV44	83.1	288002.6	9281003.3	1959	132	-52
NEV45	82.7	288002.6	9281003.3	1959	96	-13
NEV46	81.5	288002.6	9281003.3	1959	96	-39
NEV47	83.5	288002.6	9281003.3	1959	124	-13
NEV48	80.4	288002.6	9281003.3	1959	124	-36

Criteria	JORC Code explanation	Commentary
	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.*	*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').*	• *Current drilling is being 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 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.*	• *Appropriate plans and section views are presented in the release.*
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	• *Other exploration data, if meaningful and material, should be reported including (but not limited to):*	• *Other exploration data have been reported in prior CGN Releases. These relate to surface geochemistry, geological mapping, geophysical survey, trenching and drilling.*

Criteria	JORC Code explanation	Commentary
exploration data	*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.*	
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 sat the junction of these sets of structures. (ASX Release 19 November 2013 “Bonanza gold grades intersected at High Grade Zone”) Current drilling is broadly on an easterly azimuth from 85° to 130°. Consequently the EW trending and shallow dipping link structures are less likely to be intersected in the current programme as these structures are sub-parallel to the general azimuth of the drill holes.

An ongoing drilling programme will be 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	Grid Azimuth	Dip
NEV004	200	287955.0	9280950.0	1962.0	74	-50
NEV009	458	287918.4	9281098.8	1955.0	135	-60
NEV022	282	287994.0	9281002.0	1942.0	85	-50
NEV026	306	287982.0	9281090.0	1968.0	148	-45
NEV034A	66.1	288002.6	9281003.3	1959.0	110	-24
NEV034B	83.8	288002.6	9281003.3	1959.0	110	-24
NEV035	80.2	288002.6	9281003.3	1959.0	110	-46
NEV036	82	288002.6	9281003.3	1959.0	85.5	-25
NEV037	63	288002.6	9281003.3	1959.0	85.5	-40
NEV038	93.5	288002.6	9281003.3	1959.0	85.5	-43
NEV039	85	288002.6	9281003.3	1959.0	131.5	-22
NEV040	83.7	288002.6	9281003.3	1959.0	131.5	-40
NEV041	80	288002.6	9281003.3	1959.0	110	-56
NEV042	82.6	288002.6	9281003.3	1959.0	78	-57
NEV43	80.6	288002.6	9281003.3	1959	107.5	-56
NEV44	83.1	288002.6	9281003.3	1959	132	-52
NEV45	82.7	288002.6	9281003.3	1959	96	-13
NEV46	81.5	288002.6	9281003.3	1959	96	-39
NEV47	83.5	288002.6	9281003.3	1959	124	-13
NEV48	80.4	288002.6	9281003.3	1959	124	-36