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EL19/2001

ANNUAL REPORT, 2015

KING ISLAND

NW TASMANIA

Tim Callaghan

December 2015

EXECUTIVE SUMMARY

EL19/2001 is an integral component of the tenement package required for the development of the King Island Scheelite Project. The 66km^2 EL covers a 7km length of the prospective Grassy Group-Granodiorite contact. The EL hosts a number of significant deposits and exploration targets including the Bold Head Mine, Investigator 21 and Grassy West.

During 2014-2015, King Island Scheelite (KIS) have completed numerous technical studies on the King Island Project. Following dewatering of the historic Dolphin Open Cut in 2014, infill drilling was completed in the base of the pit. The additional data was used for renewing the resource estimation of the Dolphin deposit, estimation of a Mining Reserve for an 8 year open cut operation, metallurgical testing, design of a 450ktpa gravity and flotation plant, redesign of the tailings storage facility (TSF) to suit the revised operation and the completion on a revised Definitive Feasibility Study (DFS). Additional technical work includes revision of the environmental impact statement, photogrammmetry and geotechnical investigation of the proposed 8 year pit, infrastructure engineering and marketing studies.

Work completed specifically on EL19/2001 included re-estimation of the Bold Head Resource and desk top investigation of the potential to mine the upper Bold Head Deposit from an open cut operation.

The Bold Head Mine remnant resource was re-estimated to meet the requirements of JORC 2012. The estimation included minor infill drilling completed in 2013, improved geological modelling and variogram modelling. Block modeled resource estimation was calculated using an ordinary kriged algorithm. The resource is reported in accordance with the 2012 edition of the JORC Code (Table 1).

Table 1. Bold head Resource WO_3 > 0.5%

Classification	Mtonnes	WO_3 %	TonnesWO_3
Inferred	0.15	0.85	1270
Indicated	1.61	0.92	14810
Total Resource	**1.76**	**0.91**	**16080**

The 2015 resource estimation reconciles well with the historic resource/reserve statements completed on mine closure in 1986. The resource has been classified as Inferred and Indicated Resource according to the 2012 edition of the JORC Code depending on the drill hole spacing and the reliability of the geological interpretation.

A preliminary pit shell of the Bold Head resource to a depth of 50m from surface contains an Indicated Resource of 0.12Mt @ 1.1% WO_3. Assuming 10% dilution and 10% ore loss the pit design contains a potential reserve in the order of 0.12Mt at approximately 1.0% WO_3.

An estimated 2.9Mt of overburden will need to be removed from the pit resulting in a high stripping ratio of 1:24. Assuming a mining cost for this style of operation in the order of $6-7/bcm the open pit has the potential to be viable above a head grade of 0.6% WO_3. Further studies including reserve estimation and reviewing the underground mining reserve are required.

The earlier TSF design completed by GDH as part of the 2012 DFS was specifically designed for the retreatment of the tailings and TSF storage of the Dolphin Underground Mine. The Dolphin TSF has been redesigned by consultants Pells Sullivan Meynink (PSM) to suit the revised project.

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EL19/2001 Digital File Listing

Exploration Work Type	Filename	File format
Report	EL192001_201512_01_Report.pdf	*pdf*
Drilling	EL192001_201512_01_SL_1.xls	xls
	EL1920010_201512_01_DS_1.xls	xls
	EL192001_201512_01_DL_1.xls	xls
	EL192001_201512_01 Lithologycodes	xls
	EL192001_201512_01_DG_1.xls	xls
Surface sampling		
Other (specify)	ddh_bold head	access
	geology_solids	surpac, dxf
	mineralisation_models	surpac, dxf
	blockmodel	surpac, csv
	bm_sections	pdf
	pit shells	surpac, dxf
File Verification Listing *(this file)*	EL192001_201512_FileListing.xls	xls

1 INTRODUCTION

The King Island Scheelite Project is located in the southeastern corner of King Island, Tasmania (Figure 1). Project tenure includes a Mine Lease (1M/2006), and an Exploration Licenses (EL19/2001). The full tenement package is integral to the development of the King Island Scheelite Project. The tenements are held by Australian Tungsten Pty Ltd, a wholly owned subsidiary of King Island Scheelite Limited (KIS) a public company listed on the Australian Securities Exchange.

The Dolphin Mine located on 1M/2006 was originally operated by Geopeko Ltd. along with the satellite Bold Head Mine located several kilometers to the north on EL19/2001.

The Dolphin Scheelite Mine operated intermittently since their discovery and start up in 1920 until the 1990's, with several forced shutdowns due to low tungsten prices. The Bold Head underground mine operated from 1972 until 1986. The site was decommissioned and rehabilitated in 1994 after low tungsten prices in the late 1980's forced closure of the operation.

KIS have been investigating the potential of re-opening the mines. Initial investigations into the viability of an open cut and seawall in 2006 were inconclusive and the focus changed to rehabilitation of the underground workings and production from remnant resources. KIS completed a definitive feasibility study into a 350ktpa mine and processing facility producing 5700t of concentrate per annum over an 11 year mine life in early 2012 from underground mines on the Dolphin and Bold Head deposits and retreatment of some of the tailings.

Project funding for the 2012 DFS proved to be difficult in the financial climate. Consequently KIS have revised the project to a staged start up commencing with an 8 year open cut operation on the Dolphin Deposit producing 450ktpa. A gravity floatation concentration plant producing 4000tpa of 65% WO_3 forms the basis of the revised DFS.

Mine rehabilitation and mill construction are scheduled to commence within twelve months of securing full project funding.

Resource estimation of the Dolphin and Bold Head Deposits and historic tailings storage facility (TSF) have been completed by KIS and form the basis of the King Island Scheelite Project (Table 1, Callaghan, 2011, 2015a, Callaghan 2015b).

TABLE 1. KING ISLAND SCHEELITE PROJECT RESOURCES

	MTonnes	WO_3	Tonnes WO_3
Dolphin	0.20% WO_3 cutoff		
Indicated	**9.60**	**0.9**	**86,400**
Bold Head	0.50% WO_3 cut off		
Indicated	1.61	0.92	14,810
Inferred	0.15	0.85	1,270
Total	**1.65**	**0.96**	**16,080**
TSF	0.08% WO_3 cut off		
Measured	**2.70**	**0.17**	**4,590**
Total	**13.95**	**0.77**	**107,070**

Various reserve estimations have been completed encompassing both open pit and underground options as well as retreatment of the historic Tailings Storage Facility. The most recent reserve estimation on the Dolphin deposit completed by Xenith consulting reported in accordance with the 2012 edition of the JORC Code consists of a Probable Reserve of 3.14Mt @ 0.73% WO_3 at a 0.2% WO_3 cut off. The Bold Head Reserve has not been updated for the recent 2015 resource estimation and remains as a Probable Reserve of 0.59Mt @ 0.76% WO_3 reported at a 0.5% WO_3 cutoff in accordance with the 2004 edition of the JORC Code (Fudge, 2012)

Technical studies associated with the 2015 Definitive Feasibility Study are ongoing and include:

- Resource estimation
- Mining studies
- Reserve estimation
- Metallurgical testwork
- Process flow sheet design
- Cost estimates and construction plans
- Environmental management plan
- Negotiations with potential market off-taker
- Financial modeling
- Negotiations with potential project funding providers
- Resource infill drilling

Work over the past year completed on EL19/2001 includes an updated resource estimation of Bold Head, a preliminary pit design for Bold Head.

EL19/2001 is integral to the development of the King Island Scheelite Project and is expected to add longevity to the project through exploration once operations recommence.

It is anticipated that exploration will focus on resource extension and regional exploration once project funding is completed and construction has commenced in late 2015-16.

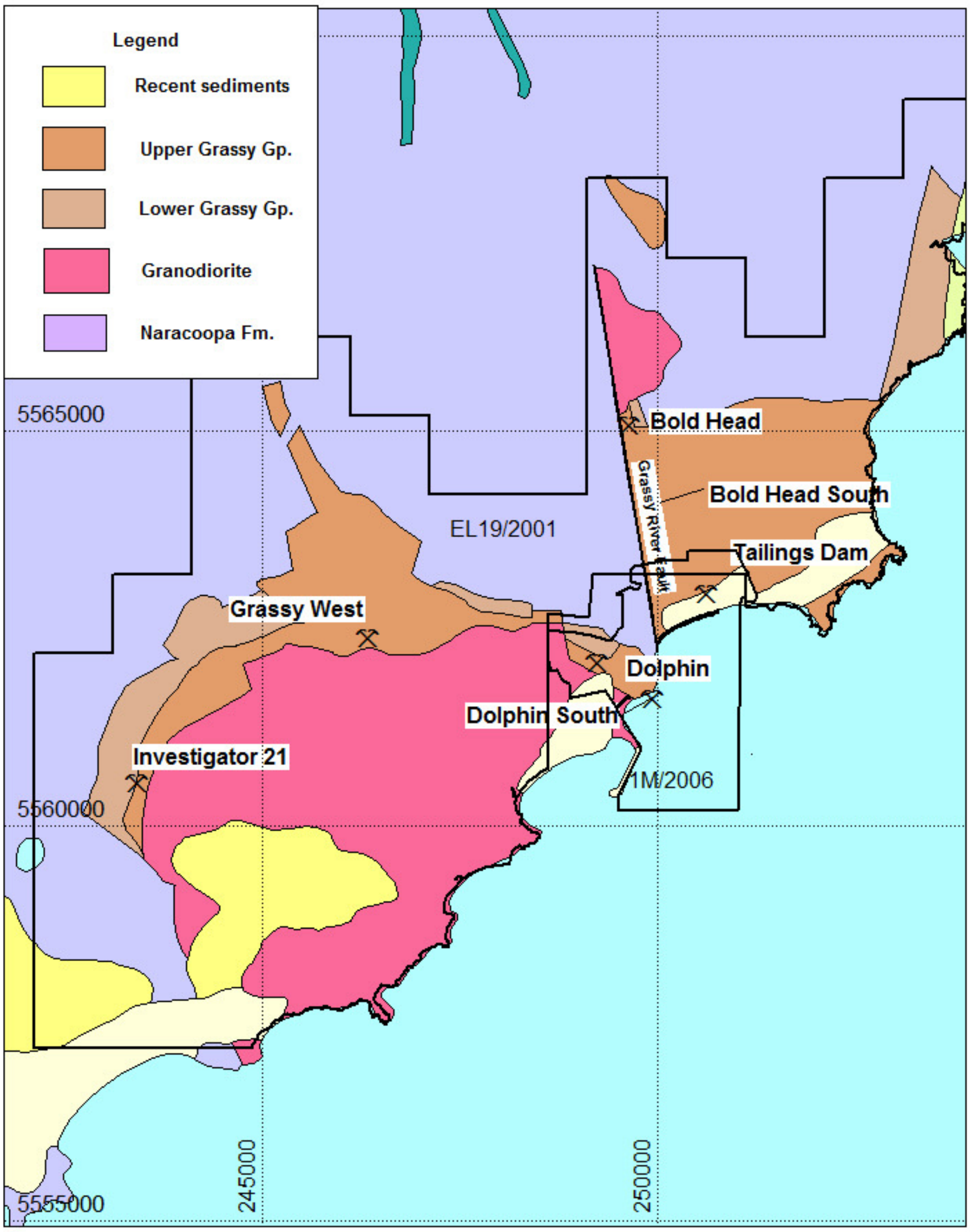

Figure 1. King Island Project Geology, Tenements and Major Prospects.

2 GEOLOGY

The regional geology of King Island is best described in Tasmanian Geological Record 2007/02, *Some Notes on the Geology of King Island* (Calver, 2007). Much of the geology described in this section is summarized from this publication (Figure 2).

The geology of King Island consists primarily of Proterozoic rocks with lesser Devonian Granites and extensive wind blown Pleistocene to Recent sand cover. The Proterozoic Geology of the eastern half of the island (hosting the Bold Head and Dolphin WO_3 deposits) is distinctly different from the geology of the western half. The relationship between the western and eastern halves remains problematic.

The western half is dominated by the Mesoproterozoic (1300Ma) Surprise Bay Formation. The Surprise Bay Formation is dominantly a N-S striking regionally metamorphosed amphibolite grade meta-sedimentary unit with minor mafic intrusives. The western margin of the Surprise Bay Group was intruded by a 790Ma granite body (Calver, 2007) post dating the 760Ma Wickham Orogeny (Cox, 1989, Turner *et. al.* 1998).

The Eastern half of the Island is dominated by the (1000-750Ma) Naracoopa Formation which appears to be a correlate of the Cowrie Siltstone in NW Tasmania (Calver, 2007). The Naracoopa Formation consists of a thick succession of relatively unmetamorphosed shale, siltstone and fine grained muscovite-quartz sandstone. Along the Southeast Coast the siltstone is conformably overlain by the 580Ma Grassy Group which is considered a correlate of the Togari Group in NW Tasmania, (Calver, 2007).

The Grassy Group in the City of Melbourne Bay area is well described by Calver (2007) and Meffre *et al* (2004). A summary of the Grassy group stratigraphic sequence is described below:

Cottons Breccia - A basal unit of polymict cobble to boulder diamictite.

Cumberland Creek Dolostone - Calcareous sediments, shale with limestone/dolomite inter-beds. (Host Horizon for the King Island Scheelite Mineralisation).

Yarra Creek Shale - Planar laminated shale with rare volcaniclastic interbeds.

Grimes Intrusive Suite - Gabbroic intrusive sills of andesitic composition.

City of Melbourne Volcanics - Tholeiitic pillow lava, peperite and volcaniclastic sandstone.

Shower Drop Volcanics – Picritic, high MgO pillow lava and hyaloclastite.

Bold Head Volcanics – Tholeiitic basalt, volcaniclastic sandstone and conglomerate.

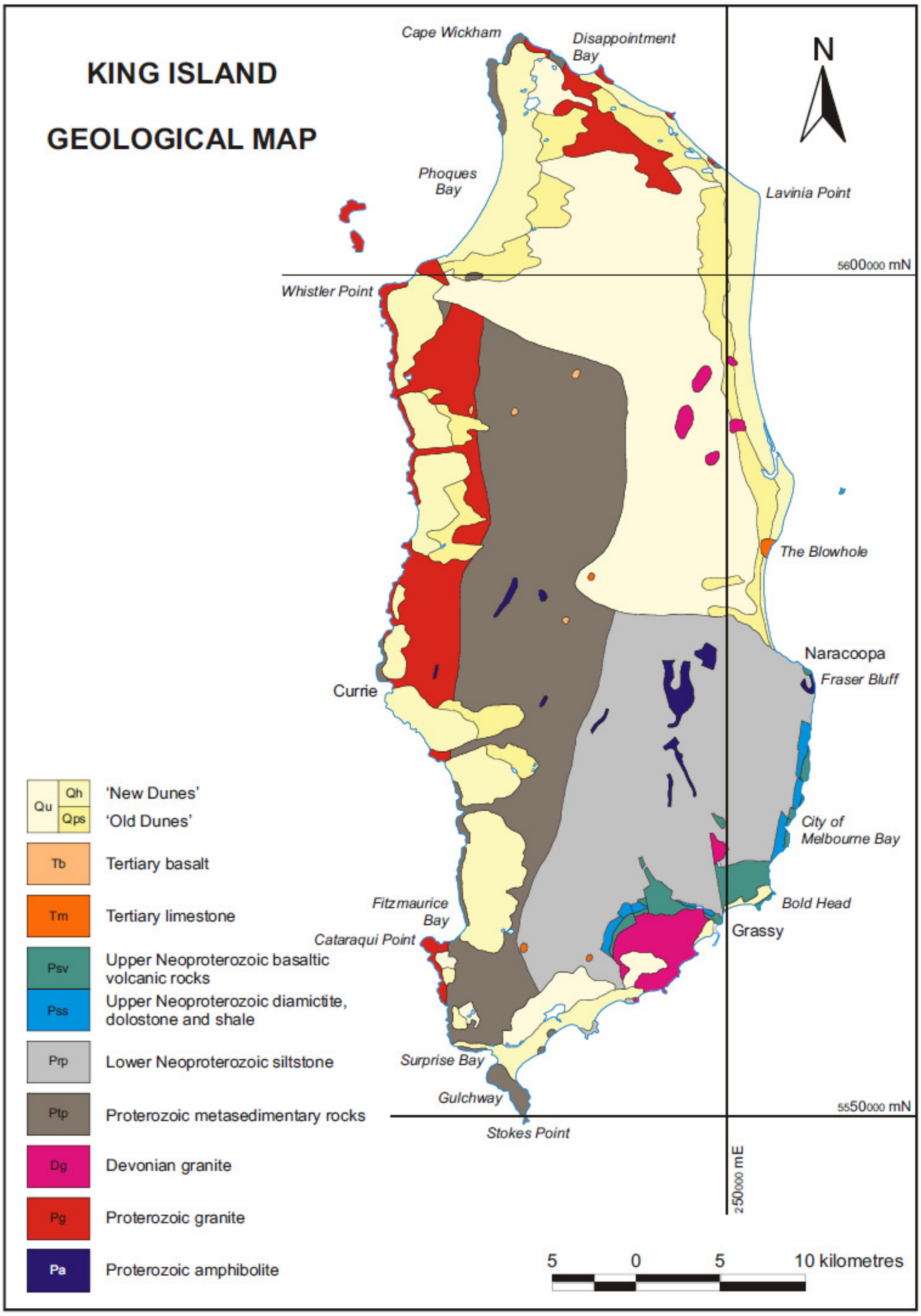

Figure 2. Regional Geology of King Island, (Calver 2007). Coordinates GDA94.

Three granite bodies, the Grassy, Bold Head and Sea Elephant plutons intrude the Proterozoic sediments on the southeast coastline of King Island. The intrusions are classified as I-type monzogranite-granodiorite (Calver, 2007). The Bold Head Granite may be a sliver of the larger Grassy granite, separated by the N-S trending Grassy River Fault (Figures 1 and 2).

The Bold Head Granodiorite is porphyritic with large pink k-feldspar phenocrysts. The mineralogy consists of quartz, k-feldspar, plagioclase, biotite and amphibole with minor apatite, allanite, sphene, magnetite and zircon.

Scheelite skarn mineralisation has formed within the metamorphic aureole of the Bold Head and Grassy Granodiorite plutons where they have come into contact with the calcareous sediments and carbonates of the Lower Grassy Group Cumberland Creek Dolostone. Both the Bold Head and Grassy mineralisation is hosted in a similar stratigraphic sequence, although the carbonate units appear to be thicker in the Grassy area (Danielson, 1975, Figure 2). Mineralisation has formed by selective metasomatism, mainly within and immediately adjacent to carbonate horizons. The deposits formed over a 100-200m sequence of complex skarn mineralogy located in the lower part of the Grassy Group, with two main host horizons known as B and C lens hosted in carbonates of 10-30m thickness separated by a similar thickness of skarn altered volcanic sediments. Mineralisation appears to have occurred where carbonates come into direct contact with the intrusion, or adjacent to brittle faults tapping into the nearby intrusion. Mineralisation grades increase towards major structures such as the Central, Decline and Grassy Faults at Grassy and the Number 2 and Boundary Faults at Bold Head.

Mine sequence rocks have been intensely contact metamorphosed and metasomatised and are described in Geopeko drill logs and maps by the resultant skarn mineralogy and not the stratigraphic protolith described in the regional geology. Geopeko logging codes include:

DDH logging codes

Code	**Geology**
um	Upper metavolcanics
bh	Biotite-actinolite hornfels
pbh	Pyroxene-biotite hornfels
pgh	Pyroxene-garnet hornfels banded pyroxene andradite skarn (+/- Scheelite)
gh	Garnet hornfels, andradite skarn (+/- Scheelite)
ch	Marble
bfb	Banded footwall beds, interbedded marble and biotite-pyroxene grossularite skarn (+/- garnet, Scheelite)
lv	Lower metavolcanics

Mineralisation occurs predominantly as coarse Scheelite with lesser Powellite in either garnet-hornfels, pyroxene garnet hornfels and garnet-pyroxene altered banded footwall beds.

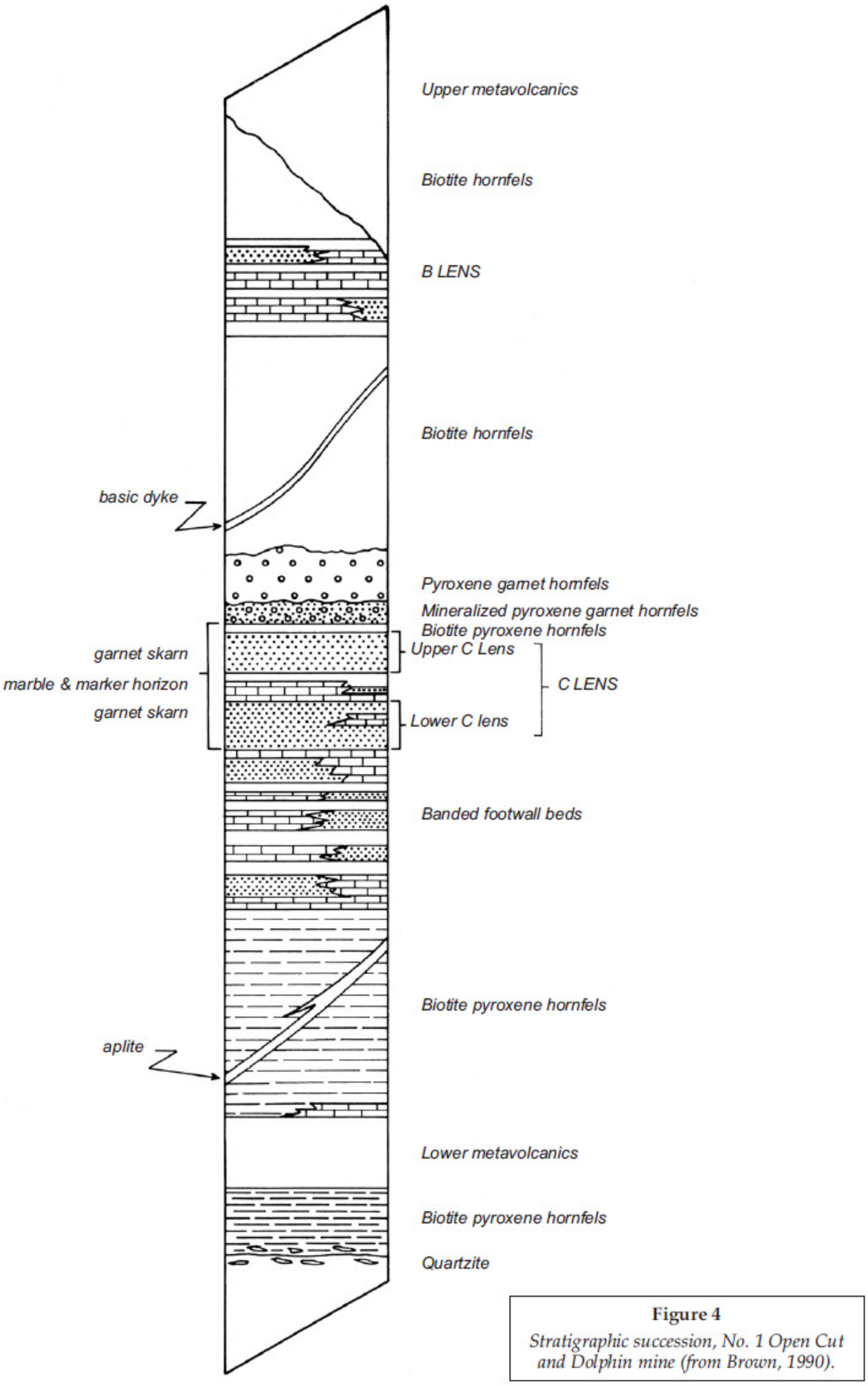

Figure 3. Stratigraphic column of the Grassy Group host sequence in the Grassy open cut (from Brown, 1990). The sequence is very similar to the Bold Head sequence 3km north.

3 EXPLORATION PROSPECTS EL19/2001.

EL19/2001 host several advanced prospects including the Bold Head Resource which forms a significant component of the King Island Project. Minor resource extensions are anticipated from exploration on the periphery of the Bold Head Resource. The Bold Head Resource has been recently updated and a new reserve estimation and mine plan are required for the Bold Head deposit. An ML application should be submitted on completion. Mining is envisaged to involve some small scale open cut mining before re-accessing and rehabilitating the historic underground workings.

A significant conceptual exploration target is located at South Bold Head which has the capacity to host a large, Dolphin type scheelite deposit in the order of 2-10Mt. South Bold Head is a purely conceptual exploration target located south of the Graham's Road Fault along the eastern side of the Grassy Fault and as such should be regarded as high risk but with potentially high reward. The Graham's Road Fault is a ductile shear with a south-side down throw of over 200m. Mine sequence is postulated to occur at depth beneath the outcropping upper volcanics of the Grassy Group.

Detailed geophysical surveys were completed in 1982 and reported in 1983 (Brown, 1983). Gravity surveys indicate a number of residual bouger anomaly highs and lows suggestive of a granite surface similar to the Bold Head setting. The presence of the upper volcanic sequence suggests there is the potential for a deep target (800m+) adjacent to the Grassy River Fault on its eastern margin.

EL19/2001 also encompasses a seven kilometer length of Grassy Group volcanics exposed along the northern and western margin of the Grassy Granodiorite. The contact has been loosely defined by first pass drilling, mapping and magnetic surveys through exploration activities of by Geopeko in the 1970's. Significant exploration prospects have been located further west of the Dolphin Mine adjacent to the Grassy Granite. The two most advanced of these include Grassy West and Investigator 21, both of which have several significant Scheelite intersections hosted in the same stratigraphic sequence as the Bold Head and Dolphin Deposits. The Lower Grassy Group is similarly intensely metasomatised and scheelite mineralised adjacent to the Grassy Granodiorite.

Further exploration is required including collation of drilling data and geological information and interpretation of gravity and magnetic data followed by further targeted exploration drilling.

EL19/2001 is of strategic importance to the King Island Scheelite project and maintaining tenure of the EL is important for the longevity of the King Island Scheelite Project.

4 WORK COMPLETED 2015

Extensive test work and field programs have been completed over the past 18 months culminating in the completion of a new DFS document. The revised project is based on the mining of an 8 year open pit producing 450ktpa of ore from an open pit containing a Probable Reserve of 3.14Mt @ 0.73% WO_3. The ore is to be processed in a crushing, grinding gravity flotation plant and laboratory studies suggest a recovery of 85% is possible. The previous TSF design has been modified for the proposed operation and no longer includes the reprocessing of historic tailings. Total capital development is expected to be in the order of $80M.

Technical studies specifically conducted on EL19/2006 during 2015 include:

- Re-estimation of resources to include the 2013 drilling
- A preliminary pit design into mining the upper part of Bold Head

4.1 BOLD HEAD RESOURCE ESTIMATION.

The Bold Head Resource was re estimated during 2015 after a limited drilling program completed in 2013. The 2015 estimation (1.76Mt @ 0.91% WO_3) has resulted in a minor increase of 0.11Mtonnes from the previous 2009 estimation (1.65Mt @ 0.96% WO_3). There is a minor decrease in grade of 0.05% WO_3 for a net increase in contained metal of 240t WO_3. The differences between the two estimations are unlikely to be material but have resulted from the improved modelling, variography and the few surficial infill drill holes. Details of the resource estimation are contained in a full report located in Appendix 1.

The Bold Head Scheelite Mine is a satellite deposit of the world class Dolphin Mine located at Grassy on King Island. The Mine was operated as an underground room and pillar LHD mine between 1972 and 1986 before closure due to declining tungsten prices.

The Bold Head Mine is hosted in calcareous volcanoclastic sediments near the base of the Grassy Group. Scheelite mineralisation is associated with calcareous skarn developed adjacent to the contact of the Lower Grassy Group and the Bold Head Granodiorite. Mineralisation is localized in and around two main carbonate horizons termed B lens and C lens as well as occurring in calcareous sediments known as the Banded Footwall Beds. Mineralisation is best developed at the top and bottom of carbonate horizons directly in contact with faults, particularly the Boundary Fault and No 2 Fault and to a lesser extent the Western Fault.

The host sequence is bound to the north, south and west by the Bold Head Granodiorite, and a major N-S trending reverse fault known as the Boundary Fault to the east. A major east-west trending ductile shear known as the Grahams Road Fault has attenuated and down warped the Grassy Group on its southern margin before truncation with the later granodiorite intrusion. These geological structures limit the potential for near mine resource extension drilling with the prospective area limited to a basin of 650m x 200m. Minor resource extensions are possible on the extreme southern margin and in the northwest of the basin but resource additions are likely to be small (<100 000t).

The deposit has been accessed from a decline developed on the eastern footwall from the surface to over 200m depth. Most mineralisation consists of remnant mineralisation in existing room and pillar cut and fill stopes.

This resource estimation is based mostly on historic drilling data, geological sections and mine infrastructure plans. The digital compilation of historic drilling data, geological information and mine infrastructure has provided sufficient information to allow the assessment of the commercial viability of re-accessing the Bold Head Scheelite Mine. The data has been used for previous resource and reserve estimations in 2009 and 2010 respectively. A limited drilling campaign of 7 diamond holes for 589.4m was completed in the upper mine in 2013. Drilling confirmed the style and tenor of mineralisation reflected in the historic data.

No QAQC information was available on the historic drilling data. Resource estimation and production figures reconcile well with depleted zones within the resource.

This estimation supersedes the 2009 resource estimate.

The 2015 estimation is based on minimum mining widths of 3m @ 0.5% WO_3. Digital wire frame models of mineralised domains were created on sectional interpretation of drillhole data and historic mine sections.

Drillhole data within wire framed domains were composited on 1m intervals. Univariate statistical analysis was completed on all domains. Variogram modeling was completed on the four main mineralised fault blocks.

Block modeled resource estimation was calculated using an ordinary kriged algorithm. The resource is reported in accordance with the 2012 edition of the JORC Code (Table 2).

Table 2. Bold head Resource WO_3 > 0.5%

Classification	Mtonnes	WO_3 %	TonnesWO_3
Inferred	0.15	0.85	1270
Indicated	1.61	0.92	14810
Total Resource	**1.76**	**0.91**	**16080**

The 2015 resource estimation reconciles well with the historic resource/reserve statements completed on mine closure in 1986. The resource has been classified as Inferred and Indicated Resource according to the 2012 edition of the JORC Code depending on the drill hole spacing and the reliability of the geological interpretation.

There is potential for the development of a small open pit at the northern end of the resource with remnant ore located close to the surface in the Fault_B block. The remainder of the resource is accessible to conventional LHD underground mining from the historic decline.

A previous reserve estimation completed by Alan Fudge in 2010 indicates that the resource is amenable to underground mining. Minor modifications to the reserve will result from this recent resource estimation but material changes are unlikely.

Recommendations for follow up work include:

- Confirm origin and projection of the Bold Head Mine Grid.
- Pit optimization study for early mine development and re-estimation of the underground reserve.
- QA/QC analysis.
- Conceptual targeting of additional resources between Bold Head and Grassy.

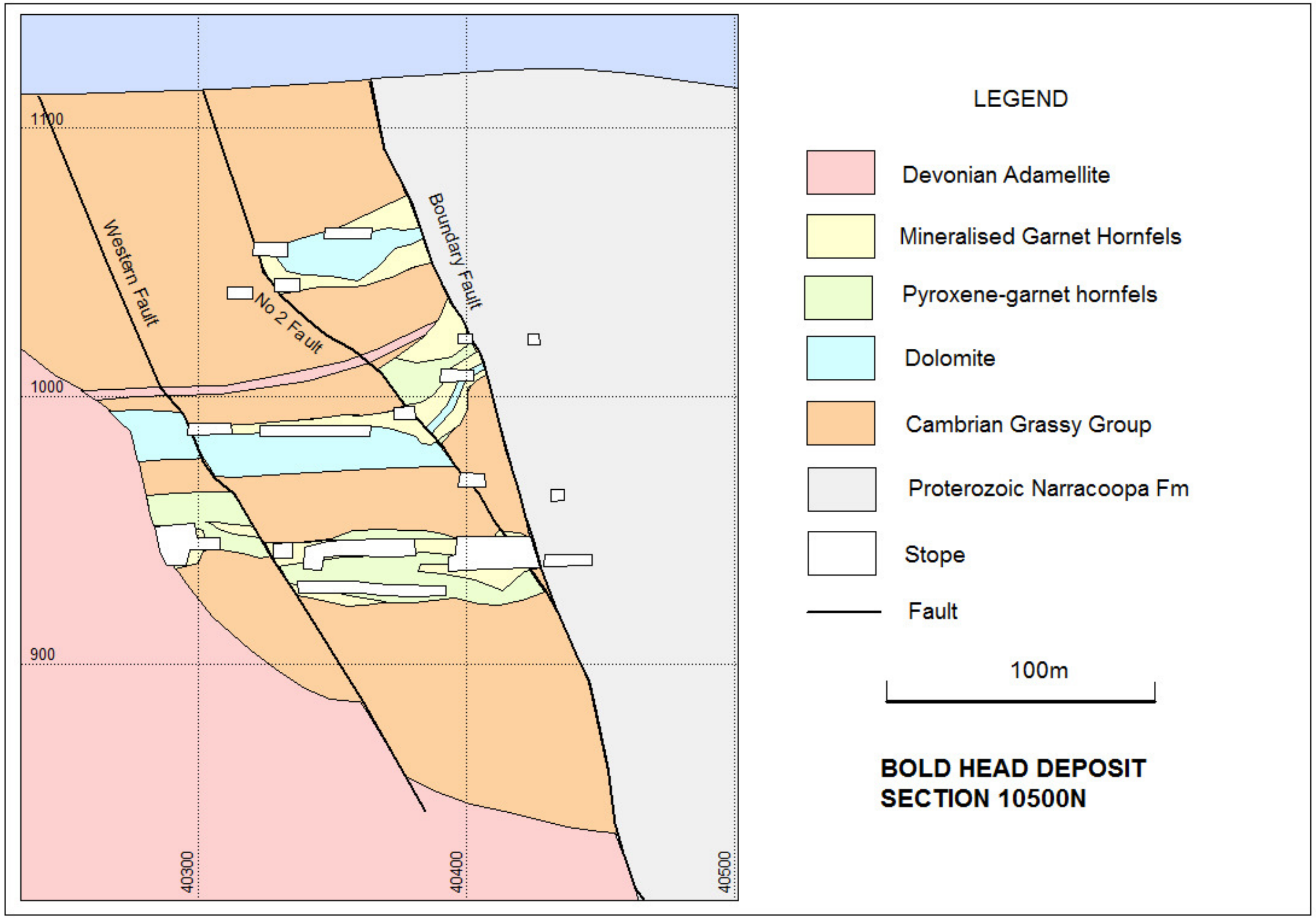

Figure 4. Bold Head cross section 10500mN.

4.2 PRELIMINARY PIT DESIGN

A desk top review of the potential for mining the upper 50m of the Bold Head deposit as a conventional open pit operation was completed during the year. The full report is locate in Appendix 2. Results from the investigation are summarized below.

The B-Lens Fault Block mineralisation at Bold Head outcrops and plunges shallowly south at the northern end of the Bold Head Deposit. The top 10m of the deposit is weathered and unmineralised. A preliminary conventional open pit was created in Surpac software to investigate the potential of mining the top 50m of the resource from surface. Design parameters are based on geotechnical investigations on the Dolphin Pit to the south. The remainder of the Dolphin deposit can be mined as an underground operation from the existing historic mine infrastructure and requires a revised underground reserve estimation and schedule.

The preliminary 50m pit shell contains an Indicated Resource of 0.12Mt @ 1.1% WO_3. Assuming 10% dilution and 10% ore loss the pit design contains a potential reserve in the order of 0.12Mt at approximately 1.0% WO_3.

An estimated 2.9Mt of overburden will need to be removed from the pit resulting in a high stripping ratio of 1:24. Assuming a mining cost for this style of operation in the order of $6-7/bcm the open pit would appear to be viable above a head grade of 0.6% WO_3. The high head grade of the resource suggests that open pit mining of the top 50m of the Bold Head Deposit may be a viable option.

It is recommended that the following studies should be investigated:

- Optimize 50m pit
- Reserve estimation
- Financial modelling.
- Review and update the Bold Head underground mining reserve and schedule.

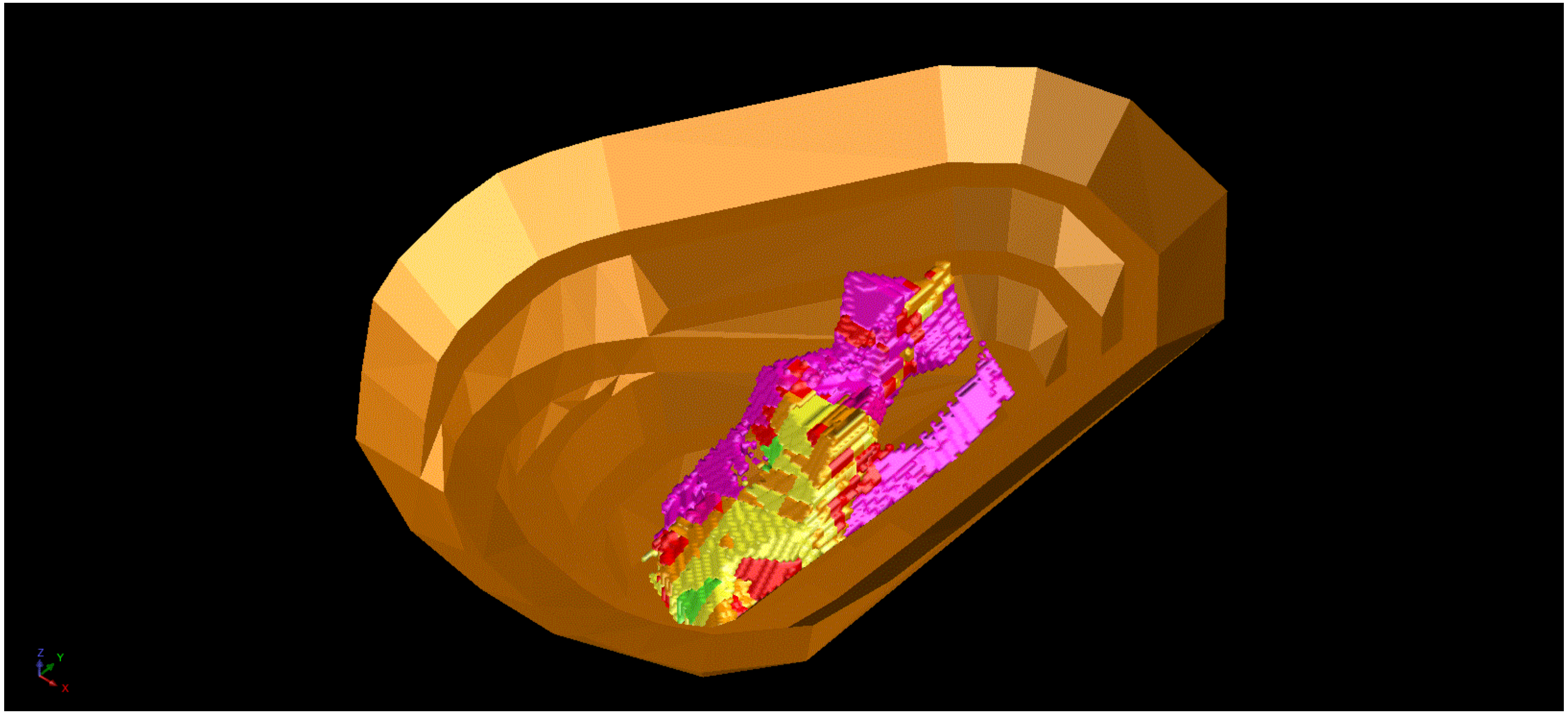

Figure 5. View of Bold Head 50m pit looking northwest

5 PROPOSED WORK 2016

With the focus on construction and commissioning next year a limited exploration program is anticipated for 2016. Historic data collation and targeting in preparation for future exploration drilling programs should occur in 2016. Exploration drilling of the tenement package is expected to resume once funding for the project has been secured and construction and mining operations commence.

The project work program for 2016 is scheduled to include:

- Finalize Bold Head pit design and reserve revision.
- ML application for the Bold Head Mine.
- Compilation of historic geological data and preliminary investigation of Bold Head South, Grassy West and Investigator 21
- 1-2000m of exploration drilling near Grassy West and Investigator 21

ADDITIONAL NOTES

.

COMPETENT PERSON AND JORC CODE

The information within this report that relates to Mineral Resources and Reserves and Exploration Results is based on information compiled by Mr Tim Callaghan who is a consultant geologist working for King Island Scheelite. Tim is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and has sufficient experience in the styles of mineralisation and types of deposits in consideration to qualify as a competent person according to the 2004 edition of the Australasian Code for reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). He consents to the inclusion of this material in the form and context in which it appears in this report.

The information within this report that relates to Mineral Reserves is based on information compiled by Consultant Mining Engineer Mr Alan Fudge of Polberro Consulting, who is a Member of The Australasian Institute of Mining and Metallurgy ("AusIMM") and has a minimum of five years experience in the estimation, assessment and evaluation of Mineral Reserves of this style and is a Competent Person as defined in the JORC Code (2004). This announcement accurately summarises and fairly reports his estimations and he has consented in writing to this review in the form and context in which it appears.

COORDINATES

All coordinates in this report are recorded in AGD94 Zone 55 or Bold Head Mine Grid

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Appendix 1

Bold Head Resource Estimation 2015

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BOLD HEAD MINE

MINERAL RESOURCE ESTIMATION

KING ISLAND

Prepared for: King Island Scheelite Project.

Tim Callaghan, July 2015

MAP CONVENTIONS

Unless otherwise stated, coordinates in for this report and in digital data associated with this report are in Bold Head Mine Grid (BHMG), a local grid established by Geopeko during the operation of the mine during the 1970,s.

No available documentation referring to the origin and projection of the BHMG has been established. A survey control report (TCR 70_0676) makes no mention of the BHMG but does reference survey control points in the district.

Reviewing historic plans suggest an approximate location of the grid origin is:

ISG Zone 55/3	BHMG
220 000E	39 950E
566 500N	10 000N

Rotation 20 degrees west of ISG north.

This information is **NOT** sufficient for the resumption of mining operations.

It is recommended that the reference point origin and projection of the BHMG be confirmed as a matter of urgency.

RL's in this report are MSL plus 1000m.

Cross sections are drawn looking north.

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The host sequence is bound to the north, south and west by the Bold Head Granodiorite, and a major N-S trending reverse fault known as the Boundary Fault to the east. A major east-west trending ductile shear known as the Grahams Road Fault has attenuated and down warped the Grassy Group on its southern margin before truncation with the later granodiorite intrusion. These geological structures limit the potential for near mine resource extension drilling with the prospective area limited to a basin of 650m x 200m. Minor resource extensions are possible on the extreme southern margin and in the northwest of the basin but resource additions are likely to be small (<100 000t).

The deposit has been accessed from a decline developed on the eastern footwall from the surface to over 200m depth. Most mineralisation consists of remnant mineralisation in existing room and pillar cut and fill stopes.

This resource estimation is based mostly on historic drilling data, geological sections and mine infrastructure plans. The digital compilation of historic drilling data, geological information and mine infrastructure has provided sufficient information to allow the assessment of the commercial viability of re-accessing the Bold Head Scheelite Mine. The data has been used for previous resource and reserve estimations in 2009 and 2010 respectively. A limited drilling campaign of 7 diamond holes for 589.4m was completed in the upper mine in 2013. Drilling confirmed the style and tenor of mineralisation reflected in the historic data.

No QAQC information was available on the historic drilling data. Resource estimation and production figures reconcile well with depleted zones within the resource.

This estimation supersedes the 2009 resource estimate.

The 2015 estimation is based on minimum mining widths of 3m @ 0.5% WO_3. Digital wire frame models of mineralised domains were created on sectional interpretation of drillhole data and historic mine sections.

Drillhole data within wire framed domains were composited on 1m intervals. Univariate statistical analysis was completed on all domains. Variogram modeling was completed on the four main mineralised fault blocks.

Block modeled resource estimation was calculated using an ordinary kriged algorithm. The resource is reported in accordance with the 2012 edition of the JORC Code (Table 1).

Table 1. Bold head Resource $WO_3 > 0.5\%$

Classification	Mtonnes	WO_3 %	TonnesWO_3
Inferred	0.15	0.85	1270
Indicated	1.61	0.92	14810
Total Resource	**1.76**	**0.91**	**16080**

The 2015 resource estimation reconciles well with the historic resource/reserve statements completed on mine closure in 1986. The resource has been classified as Inferred and Indicated Resource according to the 2012 edition of the JORC Code depending on the drill hole spacing and the reliability of the geological interpretation.

There is potential for the development of a small open pit at the northern end of the resource with remnant ore located close to the surface in the Fault_B block. The remainder of the resource is accessible to conventional LHD underground mining from the historic decline.

A previous reserve estimation completed by Alan Fudge in 2010 indicates that the resource is amenable to underground mining. Minor modifications to the reserve will result from this recent resource estimation but material changes are unlikely.

Recommendations for follow up work include:

- Confirm origin and projection of the Bold Head Mine Grid.

- Pit optimization study for early mine development and re-estimation of the underground reserve.

- QA/QC analysis

- Conceptual targeting of additional resources between Bold Head and Grassy (Bold Head South).

CONTENTS

Appendices

- Drilling Database (Access)
- Solid Models of Historic Mine Workings (Surpac)
- Solid Models of Major Geological Elements (Surpac)
- Solid Models of Mineralisation Domains (Surpac)
- Block Modeled Resource Estimate (Surpac)
- Bold Head Block Model (Surpac)
- Block model sections (pdf)
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1 INTRODUCTION

King Island Scheelite operated are redeveloping the historic Dolphin Scheelite Mine located at Grassy in the southeastern corner of King Island, Tasmania. The Bold Head Scheelite Mine was originally operated by Geopeko Ltd. as a satellite mine for the larger Dolphin Mine and Mill located several kilometers to the south at Grassy.

The King Island Scheelite Project is 100% owned King Island Scheelite (KIS). KIS commenced investigating the potential of re-opening the Grassy Open Cut in 2005 culminating in the 2009 PFS. The 2009 PFS outlined an initial 10 year project involving expansion of the open cut to 180m depth necessitating the construction of a seawall. A remnant mineral resource estimate for the open cut project was completed in 2006 by Australian Mining Consultants (AMC, 2006). Inconclusive geotechnical results for the design of the seawall lead KIS to investigate an underground operation.

The Bold Head Mine was closed in the mid 1980's due to declining market conditions. The deposit had been developed as a trackless LHD decline accessed mine with room and pillar and cut and fill stopes. On closure the remaining resources were estimated to be 1.8Mt @ 0.8-0.9% WO_3.

The author was requested to compile historic geological data and mine infrastructure into a digital format suitable for the operation and assessment of a modern mining operation. The Bold Head Mine may provide an early additional ore source during construction of the Grassy Open Pit and Seawall.

Scanned copies of historic drill logs and mine plans were provided in April 2009. The Drilling Database was compiled in April while the plans were being outsourced for digitization. Modeling of the Geology, Resource Estimate and Digital Mine Model was completed in June 2009 with reporting commencing in the same month.

1.1 PREVIOUS ESTIMATIONS

Previous resource estimations of the Bold Head Deposit include the final resource/reserve estimation by Geopeko Ltd on closure (Stephenson, 1989) and a 2009 estimation for assessment of the underground resource for KIS (Callaghan, 2009)

Table 2. Comparison Resource Estimations.

Estimate	MTonnes	% WO_3
Geopeko	1.80	0.90
REG 2009 (0.50% WO_3 domain)	1.65	0.96
REG 2015 (0.50% WO_3 domain)	1.76	0.91

The grade of the remnant resource from the 2015 estimation reconciles exceptionally well with the final Nth Broken Hill Peko Ltd estimate on mine closure. Although not stated, the historic report is probably a minable resource and does not include pillars or resource sterilized by underground mining activities. The REG and AMC estimates include all remnant resources irrespective of whether they can be extracted by room and pillar methods to allow assessment of open cut mining models. The tonnage of the 2015 model is slightly up on the 2009 model due to an improved geological model and minor infill drilling completed in 2013.

1.2 MINING METHOD

Remnant mineralisation near surface at the northern end of the deposit is possibly amenable to conventional open cut mining to the -50m level however stripping ratios may be high. The majority of the deposit is accessible from the historic workings. A reserve estimation of 0.59Mt @ 0.76% WO3 was completed by mining consultants Polberro Mining (A Fudge, 2010) with most of the reserve mined by cut and fill with minor bench stoping. The 2010 reserve will require minor amendment to the new resource estimation but should not provide any material changes.

The Historic Bold Head Mine produced 1.1Mt @ 0.96% WO3. The block model reports a depleted resource of 0.6MT @ 1.0% WO3. There is good correlation between the estimated grade and mined grade (without dilution and mining loss). However the tonnes from the depleted model are significantly lower. This may suggest the void model does not include all previously mined mineralisation or that some mineralisation was mined outside of the estimated resource model.

1.3 METALLURGICAL TESTWORK

Flow sheet design involves a standard crushing-grinding circuit followed by gravity concentration prior to flotation. Metallurgical test work completed since 2006 suggests process recovery is expected to around 80 - 85% producing a concentrate grade of 55% from the lower grade open cut mineralisation. The 2013 PFS involved a whole or flotation process that produced a higher grade concentrate. Metallurgical test work and flow sheet design is ongoing.

1.4 SCOPE OF WORK

REG propose to carry out the following work on the Dolphin Tungsten Skarn:

- Provide geological interpretation of the deposit
- Prepare three dimensional solid models of geological elements required for resource estimation
- Undertake statistical and geostatistical investigations
- Prepare a block model of the Bold Head Deposit
- Estimate total WO_3 and Mo into the model.
- Validate digital mine model and deplete the block model for mined areas
- Validate the model
- Report the mineral resource in accordance with the 2012 edition of the JORC Code

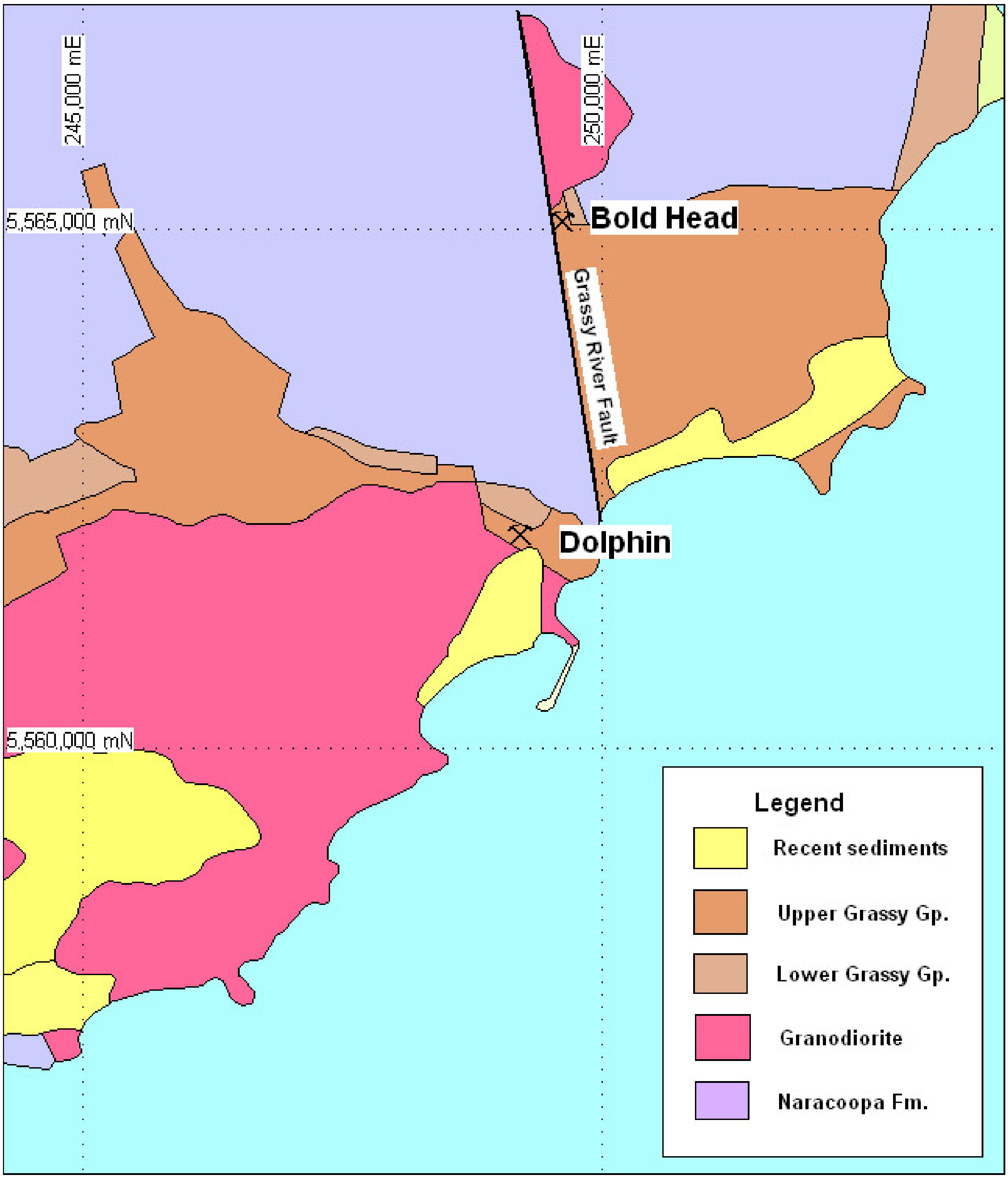


Figure 1. Bold Head Location Plan and Simplified Geology (Coordinates GDA94).

2 GEOLOGY

2.1 REGIONAL GEOLOGY

The regional geology of King Island is best described in Tasmanian Geological Record 2007/02, *Some Notes on the Geology of King Island* (Calver, 2007). Much of the geology described in this section is summarized from this publication (Figure 2).

The geology of King Island consists primarily of Proterozoic rocks with lesser Devonian Granites and extensive wind blown Pleistocene to Recent sand cover. The Proterozoic Geology of the eastern half of the island (hosting the Bold Head and Dolphin WO_3 deposits) is distinctly different from the geology of the western half. The relationship between the western and eastern halves remains problematic.

The western half is dominated by the Mesoproterozoic (1300Ma) Surprise Bay Formation. The Surprise Bay Formation is dominantly a N-S striking regionally metamorphosed amphibolite grade meta-sedimentary unit with minor mafic intrusives. The western margin of the Surprise Bay Group was intruded by a 790Ma granite body (Calver, 2007) post dating the 760Ma Wickham Orogeny (Cox, 1989, Turner *et. al.* 1998).

The Eastern half of the Island is dominated by the (1000-750Ma) Naracoopa Formation which appears to be a correlate of the Cowrie Siltstone in NW Tasmania (Calver, 2007). The Naracoopa Formation consists of a thick succession of relatively unmetamorphosed shale, siltstone and fine grained muscovite-quartz sandstone. Along the Southeast Coast the siltstone is conformably overlain by the 580Ma Grassy Group and is considered a correlate of the Togari Group in NW Tasmania, (Calver, 2007).

The Grassy Group in the City of Melbourne Bay area is well described by Calver (2007) and Meffre *et. al.* (2004). A summary of the Grassy group stratigraphic sequence is described below:

Cottons Breccia - A basal unit of polymict cobble to boulder diamictite.

Cumberland Creek Dolostone - Calcareous sediments, shale with limestone/dolomite inter-beds. (Host Horizon for the Bold Head Scheelite Mineralisation).

Yarra Creek Shale - Planar laminated shale with rare volcaniclastic interbeds.

Grimes Intrusive Suite - Gabbroic intrusive sills of andesitic composition.

City of Melbourne Volcanics - Tholeiitic pillow lava, peperite and volcaniclastic sandstone.

Shower Drop Volcanics – Picritic, high MgO pillow lava and hyaloclastite.

Bold Head Volcanics – Tholeiitic basalt, volcaniclastic sandstone and conglomerate.

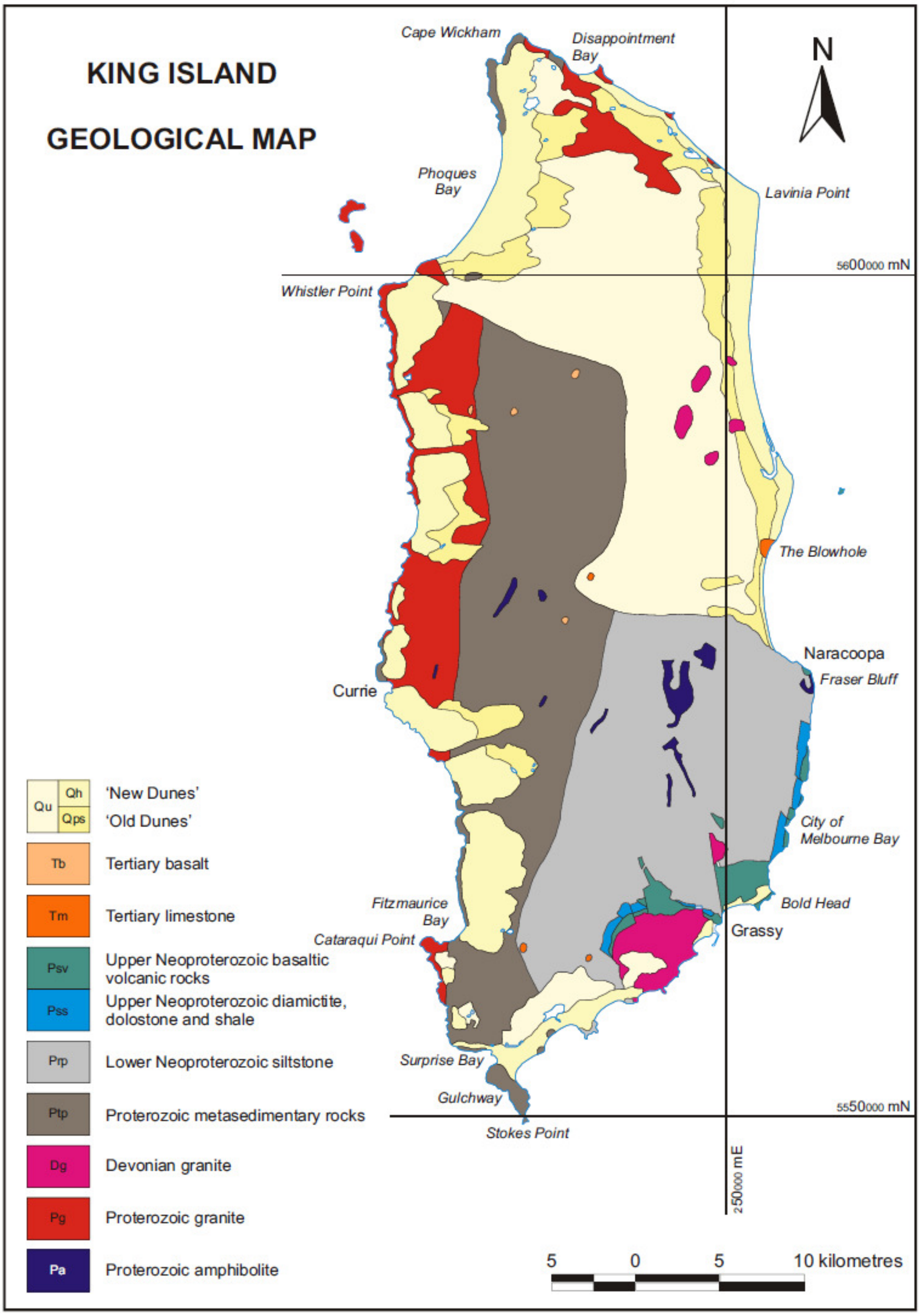


Figure 2. Regional Geology of King Island, (Calver 2007). Coordinates GDA94.

Three granite bodies, the Grassy, Bold Head and Sea Elephant plutons intrude the Proterozoic sediments on the southeast coastline of King Island. The intrusions are classified as I-type monzogranite-granodiorite (Calver, 2007). The Bold Head Granite may be a sliver of the larger grassy granite, separated by the N-S trending Grassy River Fault (Figures 1 and 2).

The Bold Head Granodiorite is porphyritic with large pink k-feldspar phenocrysts. The mineralogy consists of quartz, k-feldspar, plagioclase, biotite and amphibole with minor apatite, allanite, sphene, magnetite and zircon.

2.2 LOCAL GEOLOGY.

Scheelite skarn mineralisation has formed within the metamorphic aureole of the Bold Head and Grassy Granodiorite plutons where they have come into contact with the calcareous sediments and carbonates of the Lower Grassy Group Cumberland Creek Dolostone. The Bold Head mineralisation and stratigraphic sequence is similar to that documented at the Dolphin Mine 3km to the south (Danielson, 1975, Figure 4).

Structurally the Bold Head deposit is located within the base of the Grassy Group over a 700m embayment in the Bold Head pluton (Figures 5 and 6). It is bounded by the Boundary Fault to the east and the granodiorite to the west, north and south. The southern boundary appears to be influenced by a pre-intrusive ductile shear known as the Grahams Road Fault. The Grahams Road Fault is an east-west striking, approximately 45^{o} dipping shear zone resulting in attenuation and down-warping of the Grassy Group. The later granodiorite intrusion has truncated by the host sequence at about 10200mN BHMG. The sequence has been closed off by several deep exploration drill holes to the south.

The Boundary Fault is a north-south striking (Mine Grid) steeply east dipping reverse fault juxtaposing the basement Naracoopa Formation quartzite against the Lower Grassy Group. A significant splay off the Boundary Fault known as the No 2 Fault has resulted in a 400-500m by 40m slice of up thrown mine sequence known as the Fault Block. Immediately east of the No 2 Fault there is an 80-100m wide slice of mine sequence hosting the Main B and C lens. A minor N-S striking fault termed the Western Fault has had a minor west side up displacement of the mine sequence within 20-30m of the granodiorite contact to the west. The West B and C lens are located between the Western Fault and the granodiorite.

Mineralisation has formed by selective metasomatism, mainly within and immediately adjacent to carbonate horizons. The deposits formed over a 100-200m thick sequence of complex skarn mineralogy located in the lower part of the Grassy Group, with two main host horizons known as B and C lens hosted in carbonates of 10-30m thickness separated by a similar thickness of skarn altered volcanic sediments. Mineralisation appears to have occurred where carbonates come into direct contact with the intrusion, or adjacent to brittle faults tapping into the nearby intrusion, particularly the Boundary Fault and No 2 Fault.

Mine sequence rocks have been intensely contact metamorphosed and metasomatised and are described in drill logs and maps by the resultant skarn mineralogy and not the stratigraphic protolith described in the regional geology. Logging codes include:

Table 3. Bold Head DDH logging codes

Code	**Geology**
um	Upper metavolcanics
bh	Biotite-actinolite hornfels
pbh	Pyroxene-biotite hornfels
pgh	Pyroxene-garnet hornfels banded pyroxene andradite skarn (+/- Scheelite)
gh	Garnet hornfels, andradite skarn (+/- Scheelite)
ch	Marble
bfb	Banded footwall beds, interbedded marble and biotite-pyroxene grossularite skarn (+/- garnet, Scheelite)
lv	Lower metavolcanics

Mineralisation in the Bold Head deposit is best developed within the C and B horizon within the fault block between the No 2 Fault and Boundary Fault. The Main B and C horizon is well mineralised adjacent to the No2 Fault. Mineralisation and skarn development is generally strongest adjacent to the faults and on the upper and lower contacts of the B and C horizons. Mineralisation is also well developed in the banded footwall beds within the fault block and immediately above the granodiorite contact at the south end of the mine.

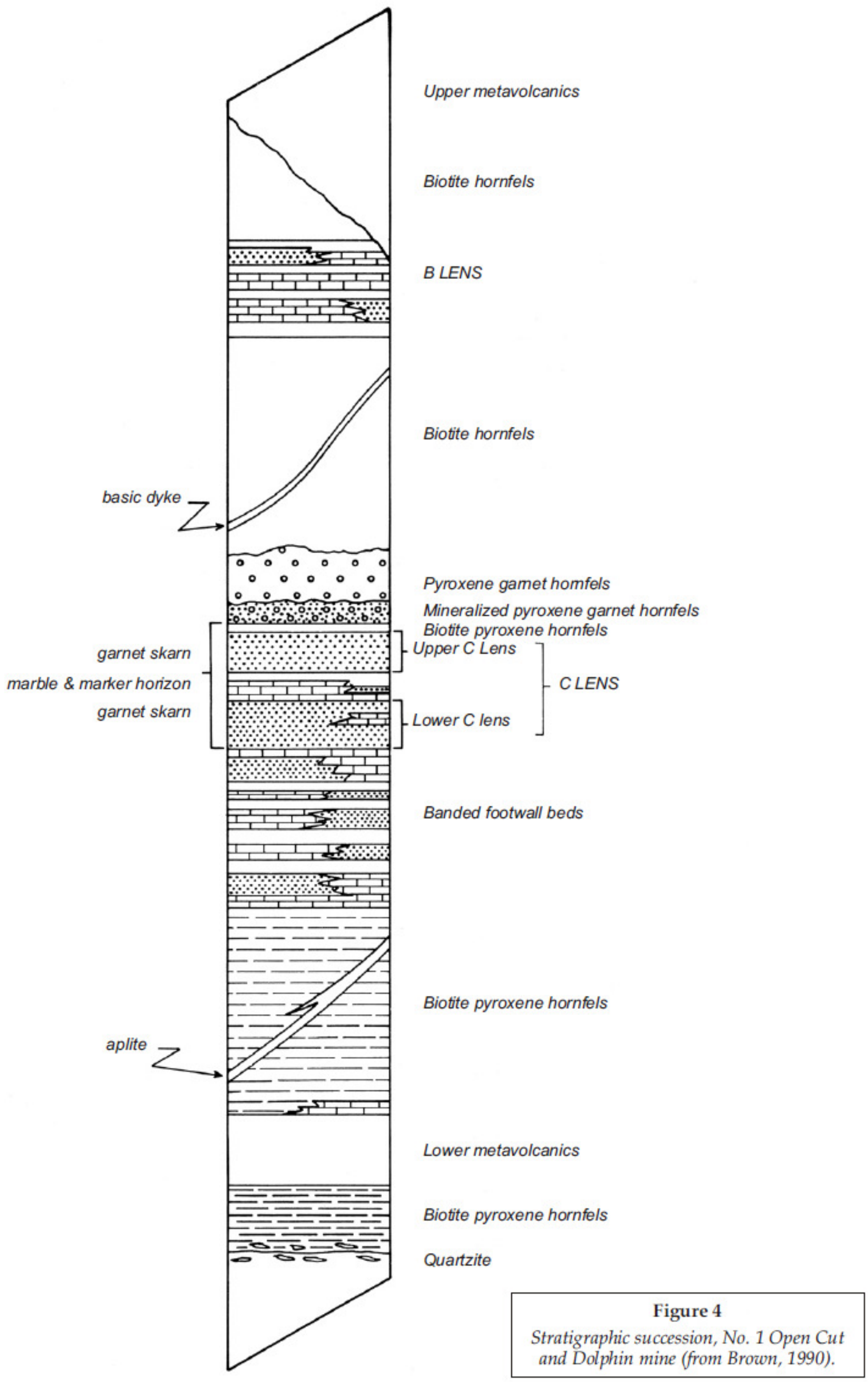


Figure 3. Stratigraphic column of the Grassy Group host sequence in the Grassy open cut (from Brown, 1990). The sequence is very similar to the Bold Head sequence 3km north.

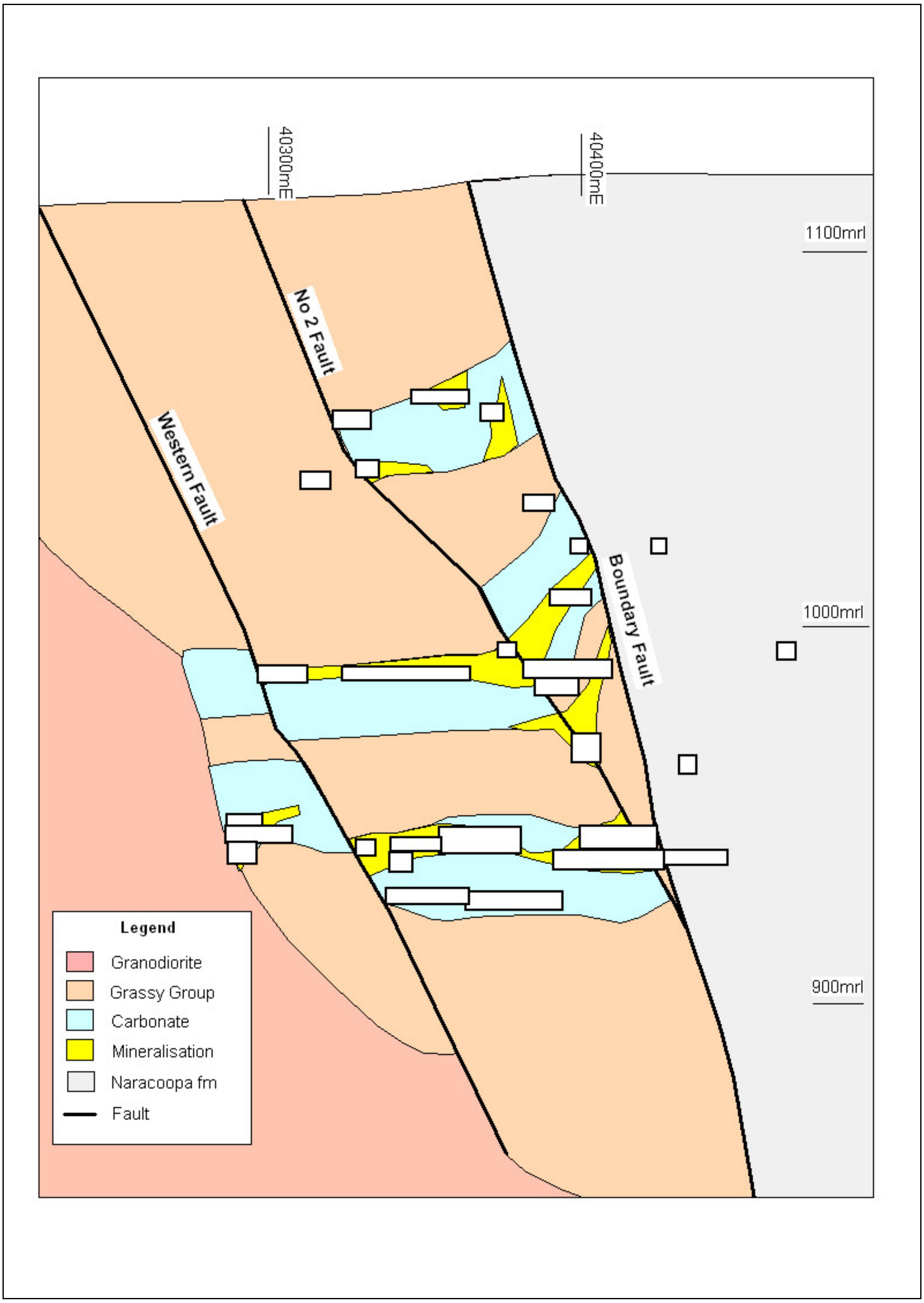


Figure 4. Bold Head cross section 10500mN.

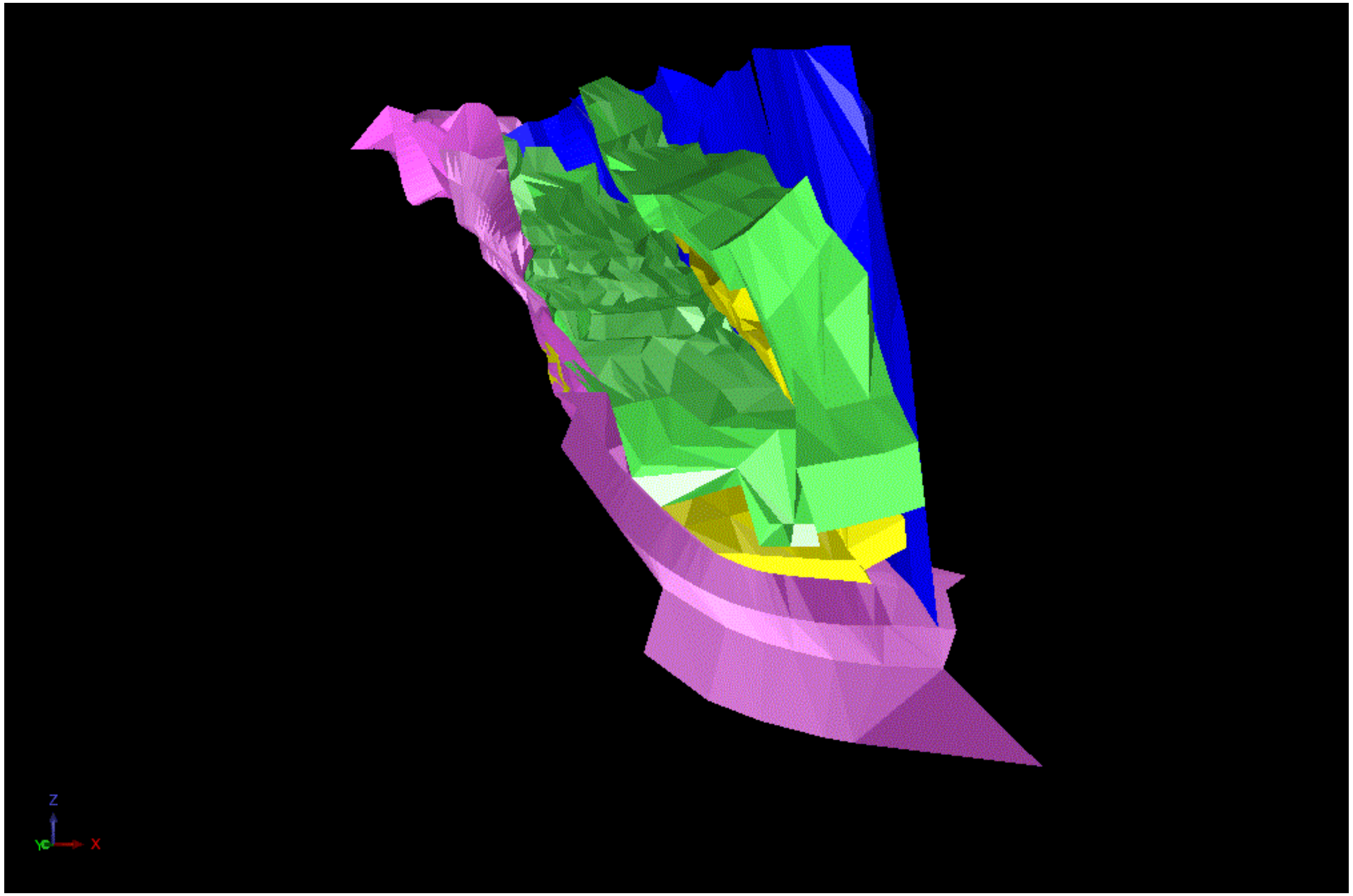


Figure 5. Bold Head Mine Sequence looking north (c lens = yellow, b lens = green). The sequence is bound by the Boundary Fault to the east (dark blue), the granodiorite to the north, west and south (pink). The southern margin is folded down by the Grahams Road Fault before truncation by the granodiorite. Note the offset in host sequence by the No2 fault just west of the Boundary Fault (approximately 200m width).

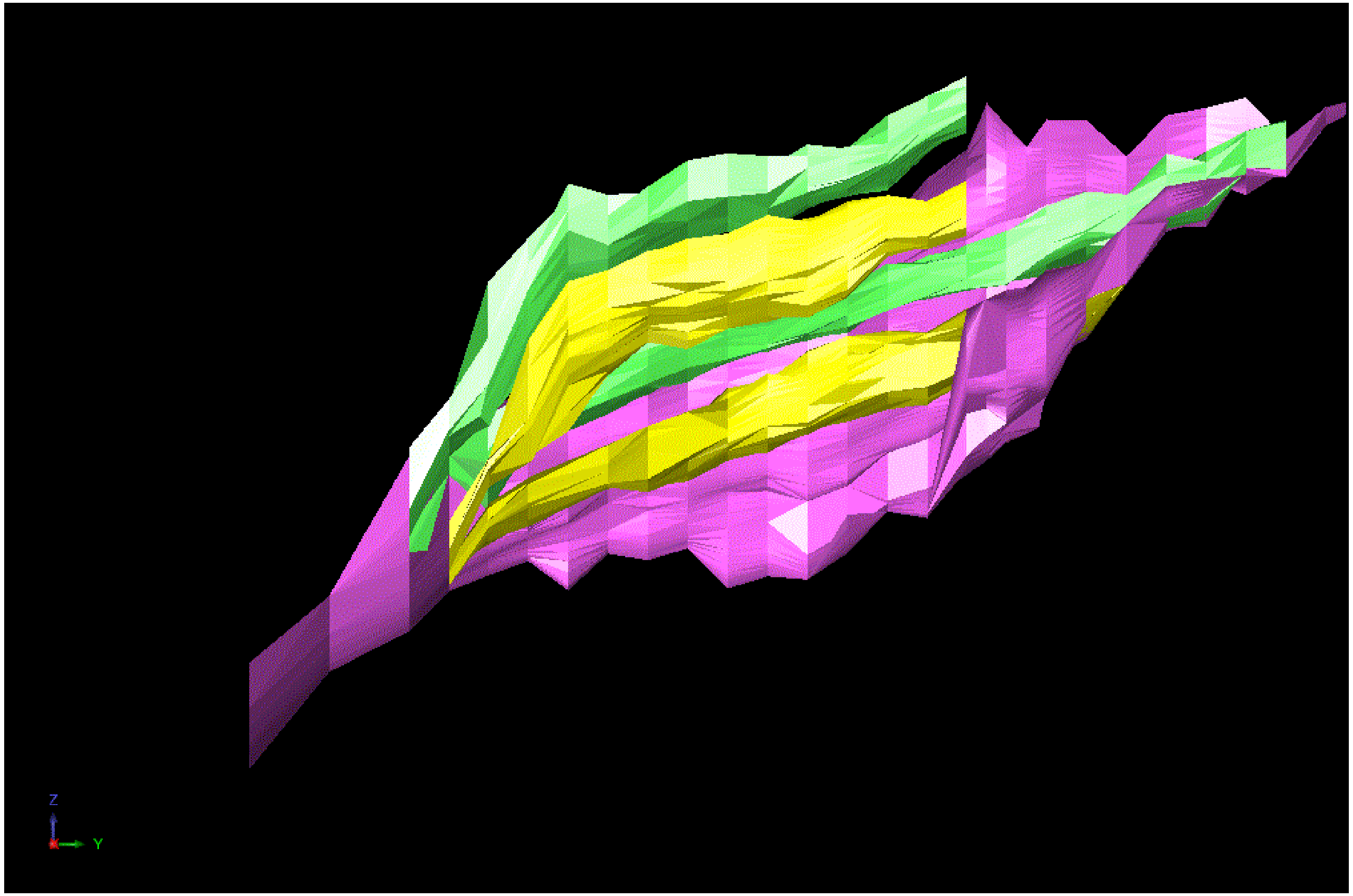


Figure 6. Long Projection of the Bold Head Mine Sequence looking west. Note the downward folding of the host sequence at the southern margin. The host sequence extends over a distance of about 700m.

3 Drilling Data

3.1 Drilling Techniques

A total of 424 diamond holes for 32,388m have been completed at the Bold Head Mine. All the drilling was completed by Geopeko between 1968 and 1983. All holes are diamond drill holes drilled either from the surface or short underground infill holes drilled on 25m or 12.5m sections. Drillhole details are recorded on standardized paper logging sheets. Data on core recoveries, RQD and drillhole dimensions is available for some holes but has not been compiled and analyzed for this estimation. Most surface drill holes were drilled NQ equivalent and underground holes BQ equivalent. It is assumed that the surface holes were drilled wireline and the underground holes conventionally.

A limited drilling campaign of 7 diamond holes for 589.4m was completed in the upper mine in 2013. All holes were drilled NQ size. Recoveries were excellent (100%) within fresh core with the exception of minor broken zones adjacent to brittle faults. Mineralised intercepts had recoveries of 100%.

3.2 Data Location

Drill collars were located by mine surveyors and recorded as Bold Head Mine Grid. Downhole surveys were available although the technique was not recorded.

3.3 Geological Logs

All historic Diamond Drill Hole (DDH) logs for the Bold Head mine were completed between 1968 and 1983, prior to the widespread use of industry standard digital databases and mining software. All logging was completed by Geopeko geologists on site. The bulk of the logging appears to have been systematic and to a high standard with logs hand typed onto standard log sheets. The data has been drafted onto standard sections and level plans which are well presented. The technical standards set by Geopeko appear to be of a high industry standard, particularly after mining commenced.

DDH logs were available as scanned paper logs only and were manually entered onto excel spreadsheets before loading into a customized access database by consultant geologist Tim Callaghan in 2009. Input data was validated using Surpac^{tm} software and by comparing plotted cross sections with the historic drafted sections. Minor discrepancies of less than a few metres are evident on some sections, mainly due to survey differences between drafted sections and digitally plotted data. These discrepancies are unlikely to have a material impact on the resource estimate. A small number of DDH logs were incomplete or missing. The missing data is unlikely to have a material impact on the interpretation and estimation of the resource on a global level.

Standardised geology codes used by Geopeko were reused for this estimation.

An updated and validated version of the Drill Database is located in digital format in the attached appendices.

3.4 Assay Data

Drill core was analysed for WO_3 and Mo generally on a one metre basis whilst respecting geological boundaries. No details of core handling or processing was available although it is assumed a reputable company like Geopeko would have employed industry standard diamond saw cut half core. Drill core was analysed by XRF at the mine laboratory. All assay data was recorded on typed log sheets and on drafted sections and plans. Data was entered manually entered onto excel spreadsheets before loading into a customized access database by consultant geologist Tim Callaghan in 2009. Input data was validated using Surpac^{tm} software and by comparing plotted cross sections with the historic drafted sections.

3.5 QAQC

No QAQC analysis was completed for this resource estimation. The estimation is based on historic drilling data compiled by the previous mine operators Geopeko Ltd. Geopeko were a reputable mining company with systems and standards considered to be the equivalent to industry standards today. All historic assay data was analysed at the mine laboratory. Randomly selected samples were sent to and independent laboratory (Amdel for check analysis). It is recommended that the historic QAQC data be acquired and analysed.

The Bold Head Mine was operated for 16 years and there is no reason to believe the data used for resource/reserve definition and grade control was not sufficient for this purpose. The 2015 Resource estimation grade reconciles well with historic resource/reserve and production figures. Consequently the data is considered to be suitable for resource estimation.

Table 4. Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Techniques	• Nature and Quality of sampling (e.g. cut channels, random chips or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or hand held XRF instruments etc). • 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 1m samples from which 3kg was pulverized to produce 30g 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 sampling types (e.g. submarine nodules) may warrant disclosure of detailed information.	• The Bold Head Scheelite Skarn has been sampled through numerous historic underground and surface diamond drilling campaigns between 1968 and 1986 by the previous mine operators. , • A limited diamond drilling campaign testing mineralisation in the upper mine was completed by KIS in2013. • 424 diamond holes for 32,388m • Approximately 1m samples of 1-3kg were taken from diamond saw cut drill core whilst respecting geological boundaries.
Drilling Techniques	• Drill type (e.g. core, reverse circulation, open hole hammer, rotary air blast, auger, bangka, sonic etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face sampling bit or other type, where core is oriented and if so by what method	• Generally NQ diamond core for surface drillholes and BQ or BQ equivalent for underground drill holes. • Core not oriented.
Sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximize sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample	• Core reconstituted, marked up and measured in all drilling campaigns • Generally excellent (95-100%) • No relationship between recovery and grade was investigated in this report.

	recovery and grade and whether sample bias may have occurred.	
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 of quantitative in nature. Core (or costean, channel etc) photography.	• Historic core geologically logged onto typed paper logs. • Recent core geologically logged onto excel spreadsheets by experienced geologists over 2 campaigns. • Standard lithology codes used for interpretation. • RQD and recoveries logged • Historic and recent logs loaded into excel spreadsheets and uploaded into access database.
Sub-Sample techniques and sample preparation	• If core, whether cut or sawn and whether quarter of half taken. • If non core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub sampling stages to maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results of field duplicate/second half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled	• No record of historic sample preparation • Half core split by diamond saw on 0.5 – 1.0m samples while respecting geological contacts. • Bagged core delivered to commercial Laboratories in Burnie (BRL, AMMTECH, ALS) • Whole core crushed to 80% passing 2mm • Crushed sample quartered to 500g and pulverized to pass 75 micron.
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 geophysics tools, spectrometers, hand held XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation etc.	• Recent samples assayed for WO_3 and Mo by XRF at ALS Burnie • Historic samples assayed for WO_3 and Mo by XRF in on site mine laboratories with check samples assayed by Amdel. • No formal QAQC analysis of historic assay data was completed. • Historic production and reserve grades reconcile well with recent estimation

	• Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	
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, data storage (physical and electronic) protocols • Discuss any adjustment to assay data	• No independent laboratory analyses completed. • Minor verification of historic data with recent drilling campaigns. • No twinned holes were completed • Primary assay data was received electronically and stored by consultant geologist. • All electronic data uploaded to access database • Historic data loaded onto spreadsheets and uploaded to Access database. • Data validation with Surpac software, basic statistical analysis and comparison with historic plans and sections. • Negative results for below detection limit assay data has been entered as 0.01%WO_3
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys) trenches, mine workings and other locations used in mineral resource estimation • Specification of grid system used • Quality and accuracy of topographic control.	• All hole collar surveys by licensed surveyor. • All coordinates in historic mine grid BHMG • RL's as MSL +1000 • Down hole surveys by downhole camera • Topographic dtm created from historic drafted sections and drill hole collars.
Data Spacing and distribution	• Data spacing for exploration results • Whether data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve estimation procedures and classifications applied. • Whether sample compositing has been applied	• Sample spacing approximately 20 x 20m or better for much of the resource. • Drill spacing is considered to be appropriate for the estimation of Indicated to Inferred Mineral resources. • Samples have been composited on 1m intercepts for the resource estimation.

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 drilling orientation and the orientation of key mineralised structures is considered to have introduced sampling bias, this should be assessed and reported if material.	• The majority of DDH have been drilled east-west or vertical sub-perpendicular to the gently dipping mineralisation. • Drill hole orientation is not considered to have introduced any material sampling bias.
Sample Security	• The measures taken to ensure sample security	• Recent samples ticketed and bagged on site. • Delivered by courier to laboratories in Burnie. • All historic data captured and stored in customised access database • Data integrity validated with Surpac Software for EOH depth and sample overlaps. • Manual check by reviewing cross sections with the historic drafted sections and plans. • Basic statistical analysis supports data validation
Audits or Reviews	• The results of any audits or reviews of sampling techniques and data	• No audits or reviews of sampling data and techniques completed.

4 MINERAL RESOURCE ESTIMATION

The Bold Head Mineral Resource has been derived from a kriged block model created with Surpac[tm] software licensed to Tim Callaghan. The block model extends between 10100 and 10900N, 40150 and 40550E and 700 – 1150m RL. Block sizes were set at 5m in the x, y and z directions with sub celling to 1.25m.

4.1 GEOLOGICAL DOMAINING

Wire-framed solid models of geological and mineralisation domains were created from 25m and 12.5m spaced east west cross sections.

Mineralized WO_3 domains are delineated using a 0.5% cutoff and a minimum mining width of 3m as much as possible while maintaining geological continuity. Internal dilution was restricted to a maximum of 3m where possible. Solid models have been 'snapped' to drill holes where possible to accurately capture and model data and eliminate sectional projection inaccuracies.
.
Mineralised domains models are listed in Table 5. Geology solid models created during the interpretation of the geological data include the B and C horizons, the boundary fault, the granite and other major faults.

Table 5. Domain Codes

Domain	Code	Database flag
waste	1	1
C lens - main upper contact	c_main_u	101
C lens - main lower contact	c_main_l	102
B lens - main upper contact	b_main_u	201
B lens - main lower contact	b_main_l	202
C lens – fault upper contact	fault_c_u	103
C lens – fault block lower contact	fault_c_l	104
B lens – fault block upper contact	fault_b_u	203
B lens – fault block lower contact	fault_b_l	204
Mineralized banded footwall beds, fault block	bfb_fault_350	301
Mineralized banded footwall beds, Sth end	bfb_ 275	302
Boundary fault mineralisation	boundary_fault	303
C lens - west upper contact	west_c_u	105
C lens – west lower contact	west_c_l	106
B lens - west upper contact	west_b_u	205
B lens – west lower contact	west_b_l	206

4.2 COMPOSITING OF DATA

Data used for this estimation has been derived solely from DDH's.

DDH intercepts of solid models have been flagged with Surpac Software and relevant intervals stored in the access database. DDH data has been composited on 1m lengths.

Composites of less than 0.25m were not included in statistical studies or in the resource estimation.

Composited data is located as .csv files on the attached data disc in the appendices.

4.3 SAMPLE STATISTICAL STUDIES

Descriptive statistics and histograms of composited data for each domain are located in Appendix 2 and summarized in Table 6. All the data demonstrate a mildly positively skewed sample distribution typical of low grade base-metal deposits. Mean values for domains with greater than 200 samples range between 0.8 and 1% WO_3. Most domains have a low coefficient of variation less than 1.2 with the exception of the c-main_u which has a CV of 1.87. No top cutting was applied with the exception of the c_main_u domain which was cut to the 97.5th percentile of 4.0% WO_3.

Table 6. 1m composite basic statistics

	main_c_u	main_c_l	main_b_u	main_b_l	flt_c_u	flt_c_l	flt_b_u	flt_b_l
Number of samples	460	307	372	45	66	553	283	91
Minimum value	0.01	0.01	0.01	0.07	0.00	0.01	0.01	0.01
Maximum value	30.50	6.00	6.30	2.50	2.45	5.81	12.90	4.50
Mean	0.95	0.96	0.91	0.89	0.59	0.87	0.99	0.74
Median	0.58	0.74	0.66	0.80	0.34	0.66	0.66	0.57
Geometric Mean	0.54	0.66	0.57	0.65		0.59	0.60	0.45
Variance	3.14	0.76	0.87	0.38	0.38	0.65	1.67	0.53
Standard Deviation	1.77	0.87	0.93	0.61	0.62	0.81	1.29	0.73
Coefficient of variation	1.87	0.91	1.02	0.69	1.06	0.93	1.31	0.98
97.5th	4.00	3.23	3.44	2.33	2.16	3.04	4.32	3.00
	bfb_350	**bfb_275**	**bound_flt**	**west_c_u**	**west_c_l**	**west_b_u**	**west_b_l**	
Number of samples	17	16	34	39	186	60	9	
Minimum value	0.16	0.06	0.20	0.09	0.01	0.00	0.05	
Maximum value	2.50	4.80	7.10	1.41	14.10	2.12	1.91	
Mean	0.69	1.00	1.46	0.62	1.00	0.63	0.63	
Median	0.47	0.48	0.80	0.56	0.72	0.55	0.57	
Geometric Mean	0.52	0.57	0.94	0.50	0.66		0.39	
Variance	0.35	1.47	2.43	0.13	1.59	0.31	0.29	
Standard Deviation	0.59	1.21	1.56	0.36	1.26	0.56	0.54	
Coefficient of variation	0.85	1.22	1.07	0.58	1.26	0.89	0.85	
97.5th	2.50	4.80	6.15	1.31	3.15	2.09	1.91	

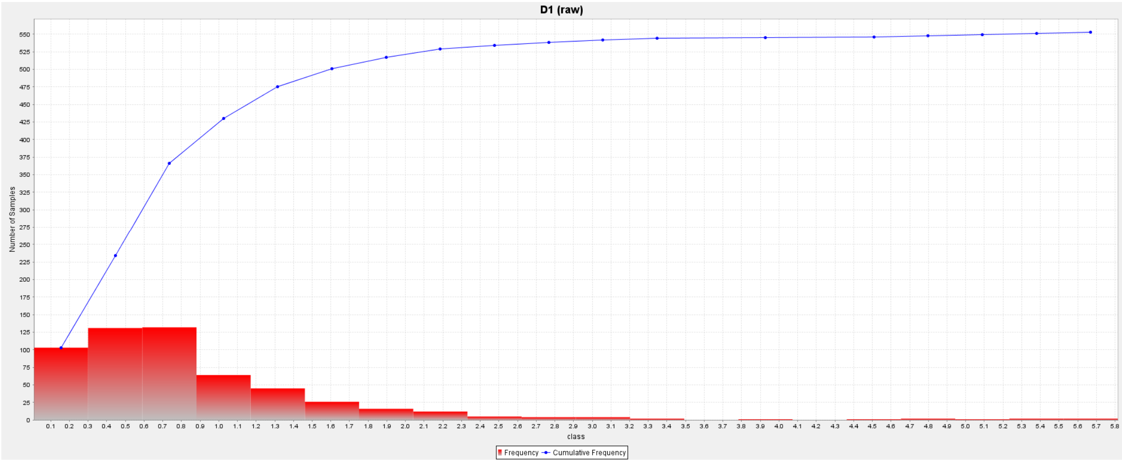


Figure 7. Main_C lower 1m composite WO3 % frequency histogram

4.4 VARIOGRAM MODELING

Variography of 1m composited data was modeled using Surpac Software. Four variogram models were constructed including the Main C, Main B, Fault C and Fault B fault blocks. The models included both the upper and lower mineralised domains to increase sample numbers. Variogram models are located in Appendix 3.

Variogram models typically displayed moderate nugget effect of approximately 20 to 30% of the sill. Ranges were typically short of about 10 to 20m.

Table 7. WO_3 Variogram Parameters (spherical models).

DOMAIN	NUGGET	SILL	RANGE	MAJOR:SEMI	MAJOR:MINOR
c_main y x z	0.3 0.3 0.3	0.7 0.7 0.7	21 70 15	1 1 1	2 2 2
b_main y x z	0.3 0.3 0.3	0.7 0.7 0.7	10 15 4	1 1 1	2 2 2
c_fault y x z	0.1 0.1 0.1	0.9 0.9 0.9	25 12 3	1 1 1	2 2 2
b_fault y	0.2 0.2 0.2	0.8 0.8 0.8	23 60 12.5	1 1 1	2 2 2

x z					

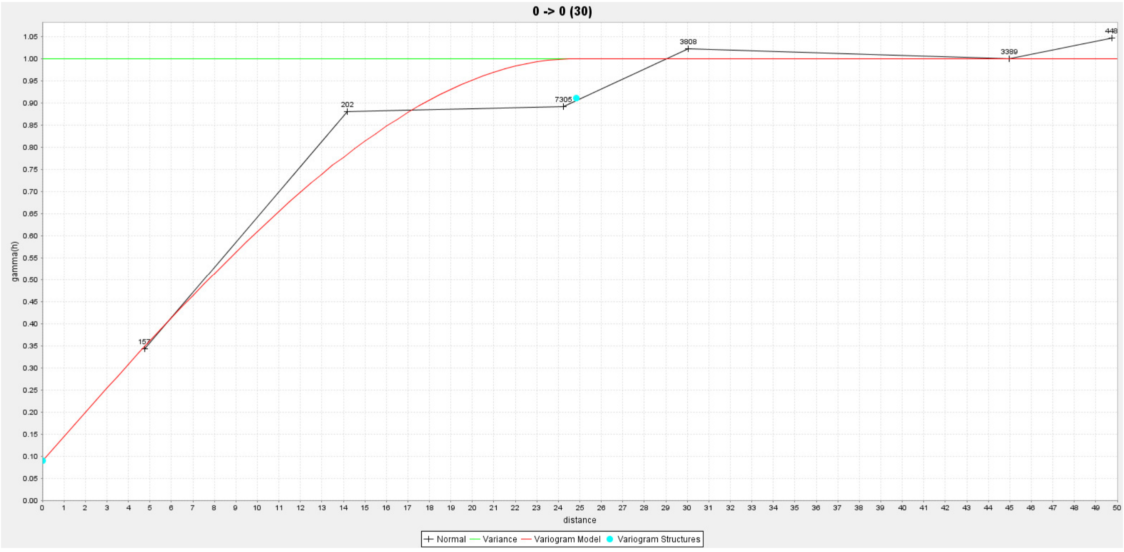


Figure 8. Main_C lower variogram model, y direction.

4.5 RESOURCE ESTIMATION PROCEDURE.

The Bold Head resource WO_3 grades have been interpolated into a blockmodel using an ordinary kriging algorithm. Block sizes were set at 5m x 5m x 5m with sub-celling to 1.25m in the x,y and z directions.

Spherical variogram model parameters used for each domain are outlined in Table 7. Domains with smaller sample sets (c_west_u, c_west_l, b_west_u, b_west_l, bfb_275, bfb_350 and boundary fault) have been interpolated using parameters modeled for larger, similar domains.

The search ellipse was set to 100m to ensure most cells were populated. A small part of the southwest corner of the c_main_u domain was not populated and has not been included in the estimation. The search ellipse was modified to simulate the plunge and anisotropy of the deposit.

Table 8. Search Neighborhood

ELLIPSE PLUNGE	-15
Ellipse bearing	180
Ellipse dip	0
Search Radius	100m
Major:semi major ratio	1
Major:minor ratio	2
Discretisation points	3:3:3
Minimum No of samples	3
Maximum No of samples	10

4.6 SPECIFIC GRAVITY

No specific gravity measurements were made for this estimate nor were any reports containing information concerning the specific gravity of the Bold Head mineralisation found. The specific gravity values used for the B and C lens at the Dolphin Deposit were applied to the Bold Head Mine as the geology and mineralisation is identical.

Specific Gravity factors applied for this estimate are:

B - Lens	SG = 3.1
C - Lens	SG = 3.4
Waste	SG = 2.9

A series of bulk density measurements were made on core from the Dolphin Deposit. Measurements were derived from half diamond drill core from the 2014-2015 drilling program. Bulk density determinations were made using the Archimedes method using digital scales and a graduated measuring cylinder. Core is un-weathered and non-porous. Garnet hornfels had a mean bulk density of 3.4 with pyroxene garnet skarn, banded footwall beds and pyroxene skarn having a mean bulk density of 3.2, 3.1 and 3.1 respectively. Waste rocks biotite hornfels, lower volcanics and unmineralised limestone had mean bulk density of 2.8, 2.9 and 2.8 respectively. The results of the support the bulk density values used for previous estimations.

Table 9. Section 3, Reporting Of Mineral Resource Estimations		
Criteria	**Explanation**	**Status**
Database Integrity	• Measures to ensure the data has not been corrupted by, for example transcription or keying errors, between its initial collection and its use for Mineral Resource estimation. • Data Validation and procedures used.	• All historic data captured and stored in customised Access database. • Digital data uploaded from laboratory reports to Access database. • Data integrity validated with Surpac Software for EOH depth and sample overlaps and transcription errors. • Historical data digitized by database consultants and uploaded to access database. • Data validated against historic plans and sections • Minor errors in data location, fixed in data base. • Negatives in database converted to 0.01% WO_3 and Mo.
Site Visits	• Comment on any site visits by the competent person and the outcome of any of those visits. • If no site visits have been undertaken indicate why this is the case.	• Numerous site visits during various drilling campaigns between 2010 - 2015.
Geological Interpretation	• Confidence in (or conversely the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and any assumptions made. • The effect if any of alternative interpretations on Mineral Resource estimation • The use of geology in guiding and controlling the Mineral Resource estimation • The factors effecting continuity of both grade and geology	• High confidence in the geological model. High quality sectional interpretation form mapping and drill hole data by Geopeko Ltd. • Diamond drillholes and sections used for geological domaining. • No alternative geological interpretations were attempted. • Geology model used for mineralised domain modeling. • Brittle faulting and skarn mineralogy effect grade domaining.
Dimensions	• The extent and variability of the mineral resource expressed as length (along strike or otherwise) plan width and depth below surface to the upper and lower limits of the Mineral Resource	• Semi-continuous shallow plunging and dipping stratabound mineralisation adjacent to granodiorite intrusion. • Mineralisation extends 700m in strike length, by 100m width and dips at minus 20 degrees from

		surface in the to a depth in excess of 200m in the south.
Estimation and Modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by products • Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterization). • In the case of blockmodel interpolation the block size in relation to the average sample spacing and search employed. • Any assumptions behind modeling of selected mining units • Any assumptions about correlation between variables • Description of how the geological interpretation was used to control the resource estimates. • Discussion of the basis for using or not using grade cutting or capping • The process of validation, the checking process used, the comparison of model data to drill hole data, and the use of reconciliation data if available.	• Block modeled estimation completed with Surpac™ software licensed to Tim Callaghan. • Wire-framed solid models created from diamond drillholes and 20m sectional interpretation. • Solid models snapped to drill holes • Minimum mining width of 3m @ 0.5% WO_3 • Internal dilution restricted to 3m with allowances for geological continuity • Data composited on 1m intervals including WO_3 and Mo • Top cutting based on CV and grade histograms. • Excellent correlation between WO_3 and Mo grades for C lens, poor correlation for B Lens • Block extents 10100 and 10900N, 40150 and 40550E and 700 – 1150m RL. Block sizes were set at 5m in the x, y and z directions with sub celling to 1.25m. • Variogram models well constructed with moderate nugget effect (20 - 30%) and short ranges of 10 to 20m to sill for most l domains. • Search ellipse set at 100m spherical range to ensure all blocks populated with minor anisotropy of 1:2 • Ordinary kriged model estimated model constrained by geology solid model • Block grades validated visually against input data • Good correlation with previous estimations • Very good correlation of depleted model with historic production

Moisture	• Whether the tonnages were estimated on a dry basis or with natural moisture, and the method of determination of moisture content.	• The estimate based on a dry tonnage
Cut-off Parameters	• The basis of the adopted cutoff grades or cutoff parameters	• Cut off grades have been based on estimated mine grade break even costs. Operating costs and financial parameters were provided by external consultants and KIS. A break even cutoff grade of 0.5% WO_3 is calculated for underground resources.
Mining Assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or if applicable external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters made when estimating Mineral Resources may not always be rigorous. When this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• Conventional blast load haul open pit operation in the first 4 - 7 years of mine life. Ore production rate of 1-200ktpa is expected from scoping studies. • Underground mining will involve conventional decline accessed room and pillar extraction with waste and sand backfill. Production rates are expected to be 100-200ktpa.
Metallurgical assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions made regarding metallurgical treatment processes and parameters made when estimating Mineral Resources may not always be rigorous. When this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• Flow sheet design involves a standard 3 stage crushing-grinding circuit followed by a gravity concentration circuit prior to flotation. Metallurgical testwork suggests process recovery is expected to be around 80 - 85% producing a concentrate grade of 55% from the lower grade open cut mineralisation. • The 2012 DFS proposed a 3 stage crushing and grinding circuit followed by whole ore floatation. Testwork suggested a recovery of 90% producing a 65% concentrate.
Environmental assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of	• Detailed studies and permitting of waste dumps, tailings disposal and storage of hazardous materials has been completed for the 2009 and 2012

	determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status for early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	feasibility studies.
Bulk Density	• Whether assumed or determined. If assumed the basis for the assumptions. If determined the methods used, whether wet or dry, the frequency of measurements, the nature size and representativeness of the samples. • The bulk density for bulk materials must have been measured by methods that adequately account for void spaces (vughs, porosity etc), moisture and difference between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• Bulk density derived from historic operations (Balind 1989). • B Lens = 3.1 • C Lens = 3.4 • Waste = 2.9 • Bulk density measurements made on diamond core from recent drilling of the Dolphin Deposit using the Archimedes method support historic assumptions.
Classification	• The basis for the classification of the Mineral Resource into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in continuity of Geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Persons view of the deposit.	• Confidence in the geological model, data quality and interpolation is considered to be sufficient for Mineral Resource located within 30m of sample data to be classified as Indicated Resource. • Excellent correlation of grade with historic production provides confidence in the estimation. • The resource classification appropriately reflects the views of the Competent Person
Audits or Reviews	• The results of any Audits or Reviews of the Mineral Resource estimates.	• No audits or reviews have been completed for this estimation
Discussion of relative	• Where appropriate a statement of the relative	• The geological model and data quality within 30m of

accuracy/confidence	accuracy and confidence level in the Mineral Resource Estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy of the estimate. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	level development is well understood and modeled. • The effects of localised brittle faulting is well understood from mapping and drilling. • There is good confidence in the global tonnage estimation.

5 DIGITAL MINE MODEL

A digital mine model was created from scanned level plans of the Bold Head Mine stored in the Library of MRT. Individual plans were digitized before being imported into Surpac as .dxf files. The files were converted to Surpac string files and RL's read from the plans assigned to adjacent points on the string files. Lines of best fit between recorded RL's were adjusted on screen to build up 3 dimension back plans of historical mine development. Solid models were created from the plans by projecting them down 5m in most cases.

It is apparent that the sill drives were surveyed on completion before the backs were stripped and fill placed to take the first lift from cut and fill stopes. This frequently has the result of an apparent gap evident between the sill plan and the backs of the first lift. Some flat back lifts were extended down by as much as 10m to cover gaps in the mined stopes apparent when visualized on screen.

Cut and fill accesses do not appear to have been surveyed either so there are filled voids accessing all stopes not represented on historic plans or the mine model.

There are obviously going to be some differences between the digital model and reality. These are unlikely to have a material impact on the Resource Estimate or preliminary technical investigations into re-accessing the Bold Head Mine. However they may well be significant on a local scale when mining commences. ***It is recommended that a procedure be developed for all areas being re-accessed near old workings to involve some exploratory drilling including some diamond drilling to test the resource and probe holes to test for voids***.

The Bold Head Digital Mine model is located in the disc attached in the appendices. Several views of the historic workings are shown in Figures 7-10. The model was used to assess remnant resources in this estimate.

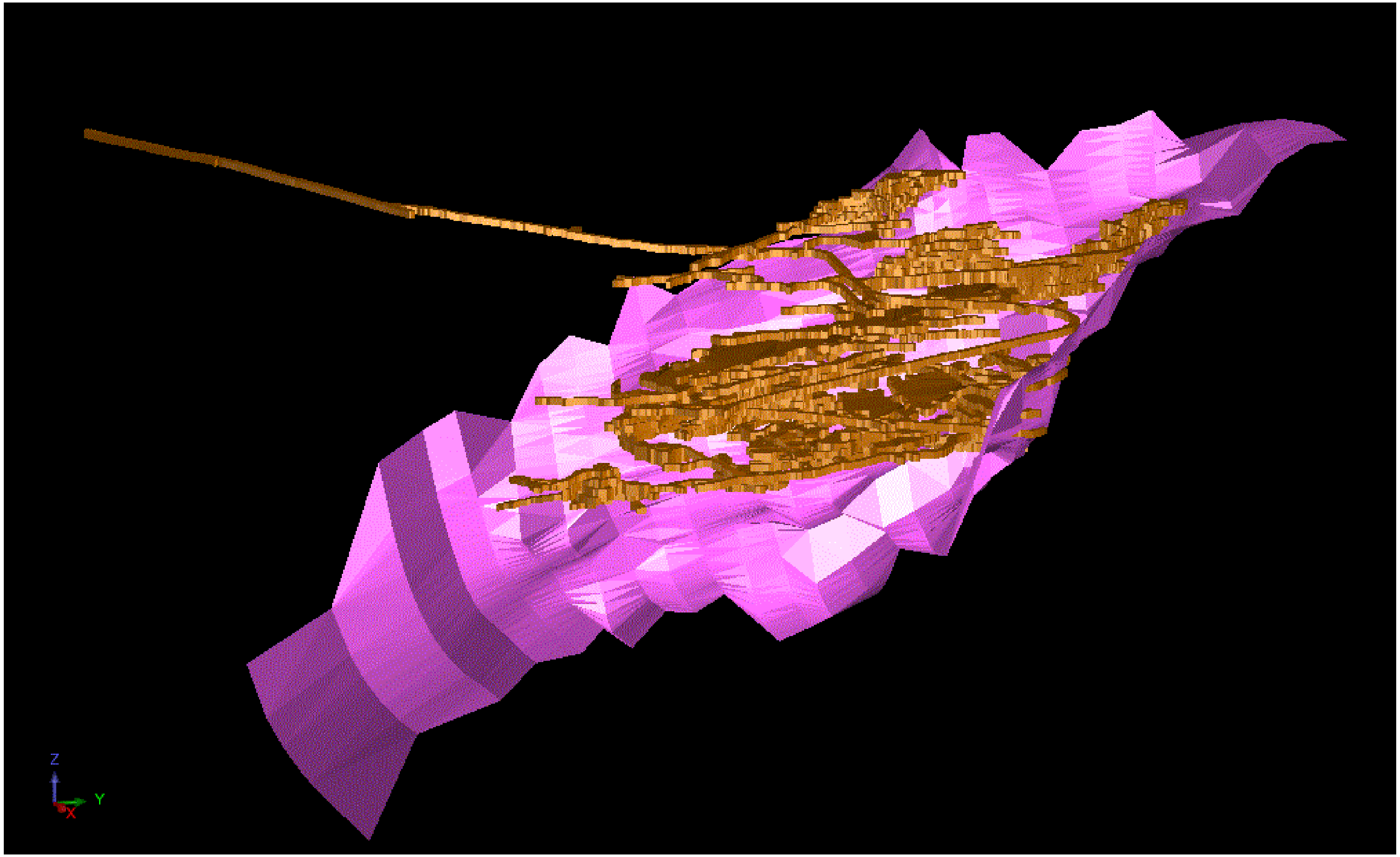


Figure 9. Bold Head Mine and granite surface looking northwest. Mine workings extend over about 600m in length and to a depth of 225m.

6 RESULTS

The Bold Head Mineral Resource, reported as Inferred and Indicated Resource in accordance to the 2012 edition of the JORC Code is located in Table 9.

Table 9. Bold head Resource WO_3 > 0.5%			
Classification	**Mtonnes**	**WO_3 %**	**TonnesWO₃**
Inferred	0.15	0.85	1270
Indicated	1.61	0.92	14810
Total Resource	**1.76**	**0.91**	**16080**

The majority of the resource occurs as remnant resource in areas that were accessed but not exploited at the time of mine closure, particularly sill and upper levels of some stopes. Much of the south end of the deposit and western areas have preliminary development access only. There is appreciable remnant resource in stope pillars, rib pillars and areas abandoned due to access difficulties. Some of these in the upper levels may be amenable to exploitation from an open pit.

There remain significant resources close to the surface that may be exploitable from an open pit where all remnant pillars could potentially be recoverable. Table 10 demonstrates the tonnages available at 50m, 100m and 150m below the surface.

Table 10. Bold Head Resource by Level			
Above RL	**Resource**	**Mt**	**WO3 %**
1050	Indicated	0.17	1.07
	Inferred	0.01	1.72
	Total	**0.18**	**1.11**
1000	Indicated	0.33	0.98
	Inferred	0.02	0.80
	Total	**0.35**	**0.97**
950	Indicated	0.05	0.75
	Inferred	0.64	0.98
	Total	**0.69**	**0.96**

Figure 8 illustrates the remaining resources available above the 1050mRL (50m depth). That may be amenable to open cut mining. Results are reported at a cut off above 0.5% WO3 which is considered to be the breakeven cutoff grade for underground mining at Grassy (Table 11).

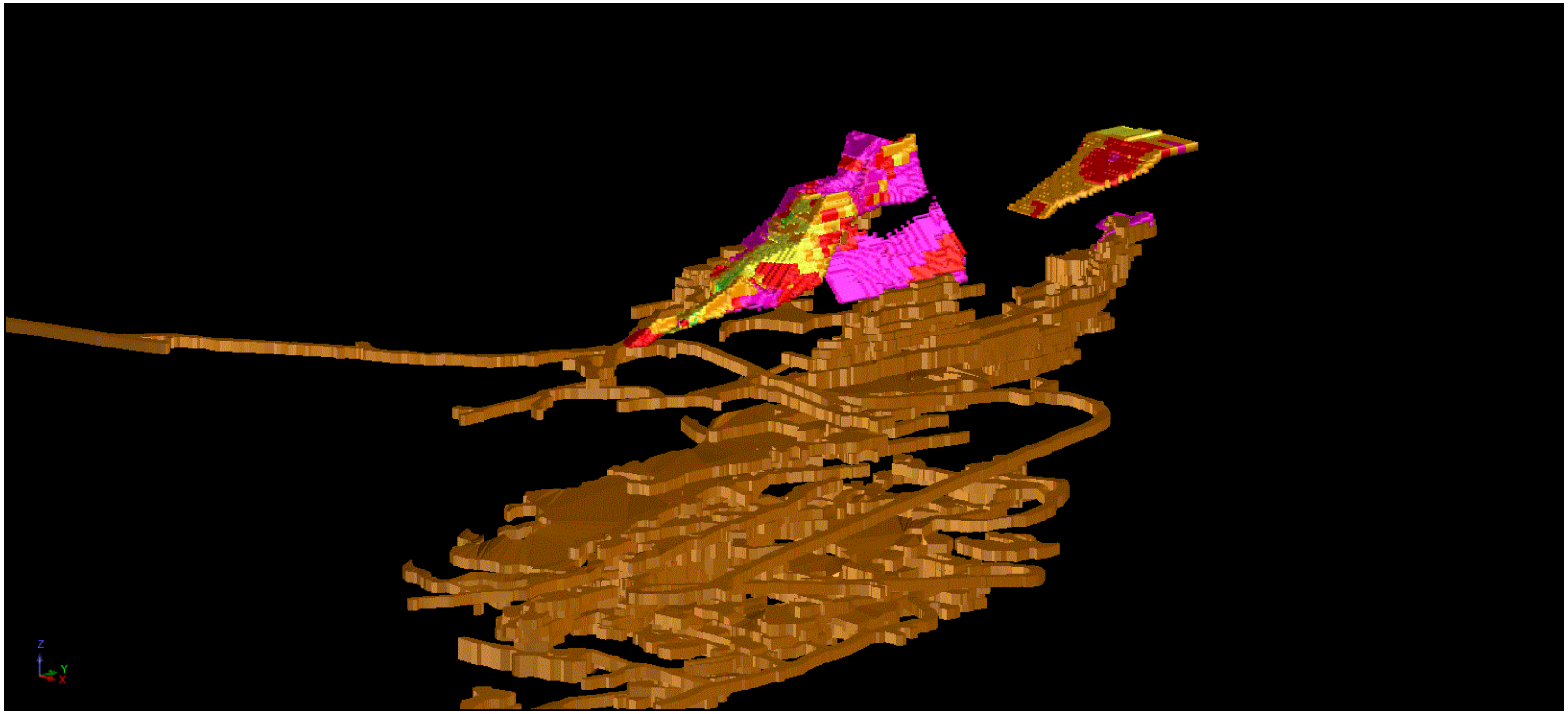


Figure 10. Bold Head Mine with Remnant Resources above 1050mRL, looking NW. Remnant Indicated and Inferred Resource of 180,000t @ 1.11% WO_3. Block Model Legend in Figure 11.

Table 11. Dolphin/Bold Head Underground Break Even Cut Off Grade

Assumtions	***Unit***	***Source***
Metal Price WO_3	$37,000	$US/t KIS
Exchange Rate	0.9	Authors Assumption
Realization rate	70%	KIS off take agreements
Mining Recovery	90%	Approximate industry average
Mill Recovery	81%	KIS Test work
Operating cost	$110	$ A KIS PFS Op Costs
Calculations		
Mine Gate Price	$23,310	(Metalprice*realization*mill recovery)/ exchange
Operating cost/tonne of ore insitu	$122	Operating Cost / mining recovery
WO_3 % break even cut off/t	0.5%	$122 = ($WO_3$%*0.01*$23,310)

7 VALIDATION AND CLASSIFICATION

The blockmodel and digital mine model were validated by comparing the sliced models with the drafted Geopeko cross sections. No significant discrepancies were observed.

The estimated grade compares well with the resource/reserve estimation on mine closure of 1.8Mt @ 0.9% WO_3 at a 0.3% cutoff (Fudge, 1990).

The 2015 estimation (1.76Mt @ 0.91% WO_3) has resulted in a minor increase of 0.11Mtonnes from the previous 2009 estimation (1.65Mt @ 0.96% WO_3). There is a minor decrease in grade of 0.05% WO_3 for a net increase in contained metal of 240t WO_3. The differences between the two estimations are unlikely to be material but have resulted from the improved modelling, variography and the few surficial infill drill holes.

The majority of the resource has been classified as an Indicated Resource. None of the resource has been classified as measured due to the uncertainty of the historic mine workings and the lack of QAQC on the historic drilling information. Because the historic production history supports the estimation it is the competent persons opinion, that the lack of QA/QC analysis is not considered to be material. However some twinned holes would be beneficial to provide some confidence in the historic data.

The southern end of the resource has been classified as Inferred due to lower density of drill intercepts. Areas with drill spacing greater than 20m have been classified as Inferred Resource. Specific areas classified as Inferred Resource are listed below:

- Main C Upper sth of 10275
- Main C lower sth of 10275
- BFB 275 north of 10290
- Fault B Upper sth of 10400
- Main B Upper sth of 10310

Classification codes built into the block model are as follows:

Code	**Status**
1	Previously Mined
2	Inferred resource
3	Indicated Resource

8 RECOMMENDATIONS

The remnant resource in the upper mine provides an excellent opportunity for early mill feed. The mineralisation associated with the Boundary Fault and Fault_B block is high grade and potentially amenable to open cut mining.

It is recommended that several pit optimizations be run to determine the feasibility of open cut mining of the upper mine levels.

The 2010 Reserve Estimation requires minor updating to include the improved geological model and additional information contained in the 2015 Resource Estimation. However it is unlikely that there will be significant changes to the underground reserve as much of the deposit and its accessibility from existing workings remains the same.

There is limited opportunity for significant resource extensions in and around the Bold Head mine as the host horizon is bound structurally in all directions and is limited to a small basin of 650m x 200m. Minor resource extensions (in the order of 50-100,000t) are likely from the northwest and southern ends of the mine area. There is minor exploration potential west of the western fault, particularly to the north.

The Grahams Road Fault, Boundary Fault and granite contact exploration to deeper, conceptual exploration of the Grassy Group south of the Bold Head Mine and north of Grassy. Although blind and deep, this area has the potential to host significant additional resources.

A summary of recommendations in order of priority is:

- Confirm origin and projection of the Bold Head Mine Grid.
- Review Reserve Estimation to include potential for limited open cut mining followed by underground production.
- QA/QC analysis.
- Conceptual targeting of additional resources between Bold Head and Grassy.

•

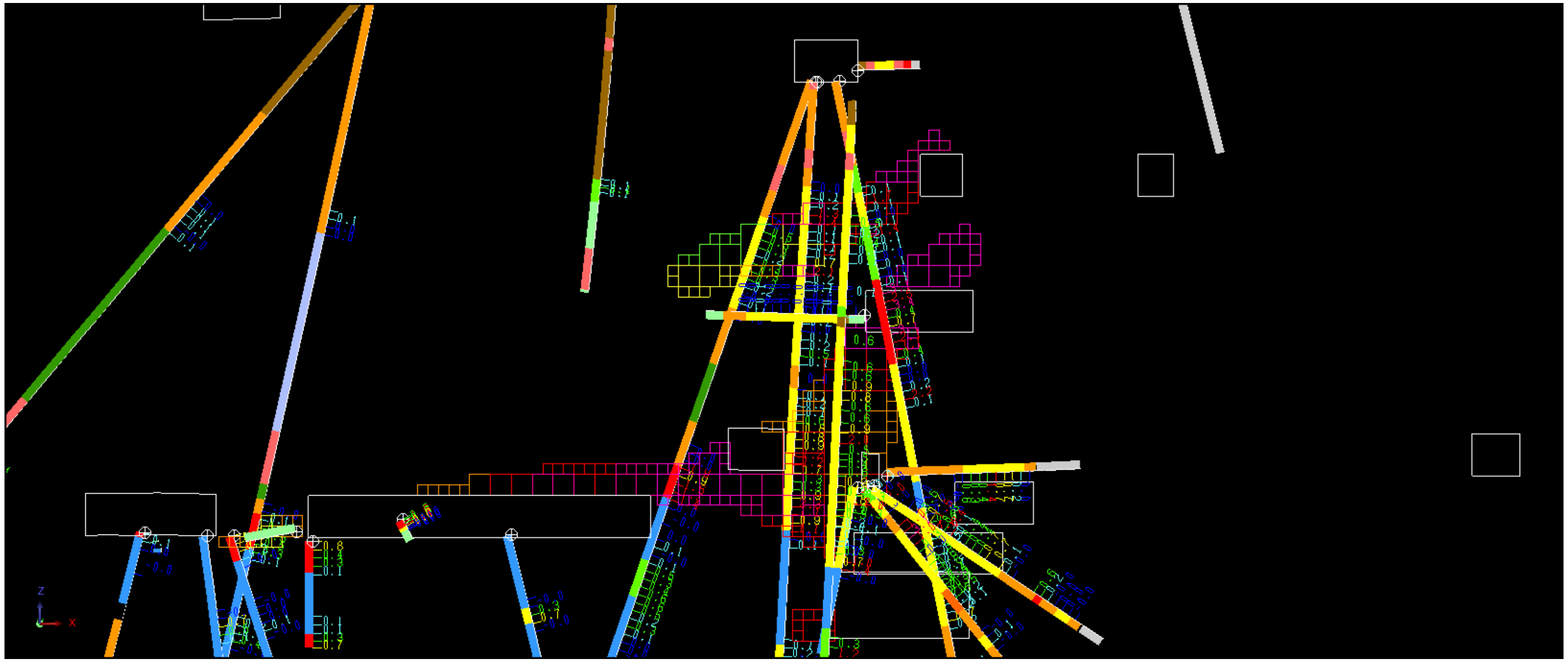
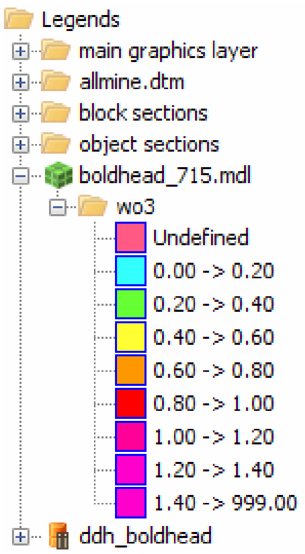


Figure 11. Section 10500N with remnant crown pillar


Legends
main graphics layer
allmine.dtm
block sections
object sections
boldhead_715.mdl
wo3
Undefined
0.00 -> 0.20
0.20 -> 0.40
0.40 -> 0.60
0.60 -> 0.80
0.80 -> 1.00
1.00 -> 1.20
1.20 -> 1.40
1.40 -> 999.00
ddh_boldhead

ADDITIONAL NOTES

LIMITATIONS AND CONSENT

The report is provided to the King Island Scheelite Project in the context of an independent review and compilation of geological information, Mine Infrastructure and Mineral Resource Estimates and should not be used or relied upon for any other purpose.

This report has been prepared using information available to the Author at the time of writing. The opinions stated herein are given in good faith and with the belief that the basic assumptions are factual and correct and the interpretations reasonable.

This report is not intended for the use as a public document nor, in whole or in part, in a public document without written consent to the form and context in which it appears.

COMPETENT PERSON AND JORC CODE

This report was prepared in accordance with the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (“JORC Code”) by Tim Callaghan, who is a Member of The Australian Institute of Mining and Metallurgy (“AusIMM”), has a minimum of five years experience in the estimation and assessment and evaluation of Mineral Resources of this style and is the competent Person as defined in the JORC Code. This announcement accurately summarises and fairly reports his estimations and he has consented to the resource report in the form and context it appears.

STATEMENT OF INDEPENDENCE

Tim Callaghan has no material interest or entitlement in the securities or assets of the King Island Scheelite project or any associated companies.

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Appendix 1

Bold Head Scheelite Domain intercepts

wo3_impacts			
bhid	depth_from	depth_to	flag
BH221	177.64	181.68	8
BH221	235.6	236.8	10
BH221	92.8	95.1	5
BH222	157.55	161.36	8
BH229	141.7	145.2	8
BH229	211.2	218.5	9
BH229	60	69.49	5
BH231	87.59	94.9	4
BH231	156.36	158.13	8
BH231	201.8	211.8	10
BH234	132.9	138.7	8
BH234	26.52	43.89	5
BH237	83.13	85.82	4
BH238	159.17	162.82	8
BH238	220.17	223.49	13
BH239	84.77	89.7	8
BH240	79.9	85.79	8
BH241	28	46.76	5
BH243	95.4	98.5	12
BH244	115.71	118.77	12
BH246	100.47	104.41	4
BH246	157.15	161.53	8
BH246	82.3	86.77	5
BH249	130.6	135.57	2
BH249	102.6	106.2	6
BH250_1WR02	302	307	9
BH250_1WR02	293	295	10
BH251	141.8	142.03	8
BH251	171.3	185	14
BH252	95.9	120.26	8
BH252	152.4	155.4	10
BH253A	153.8	163.4	8
BH253A	65.1	69.6	5
BH254	77.72	81.38	12

wo3_impacts			
bhid	depth_from	depth_to	flag
BH264	57.6	62	3
BH264	123.4	128.57	8
BH264	190.8	201.58	9
BH264	170.2	178.9	10
BH265	81.94	82.18	4
BH265	188.4	195.7	10
BH265	53.09	56.84	5
BH268	121.9	125	8
BH268	157.1	163.7	13
BH269	136.25	161.48	6
BH269	171.51	176	7
BH269	163.92	165.33	8
BH269	217.3	219.2	10
BH270	169.77	183.22	13
BH277	85.47	89.89	4
BH277	151.32	154.5	8
BH277	220.14	228.29	9
BH277	200.95	209.57	10
BH277	63.14	70	5
BH279	185.66	191.28	2
BH279	148.23	171.88	6
BH279	224.03	229.2	10
BH282	128.77	131.58	8
BH282	211.5	214.3	9
BH282	176.74	186.3	10
BH282	24.16	43.74	5
BH285	203.6	221.3	10
BH300_1	93	100	6
BH300_1	118	123.1	9
BH300_1	112	115	10
BH300_1	15	19	5
BH300_2	90	94	6
BH300_3	92	95	6
BH300_5	142	144	1
BH300_5	120	128	9
BH300_5	18	21	5
BH300_8	43.26	43.63	10
BH301	128.2	132.3	12
BH306	248.2	249.36	10
BH307	165.01	168.91	8
BH307	220.7	223.1	10

wo3_impacts			
bhid	**depth_from**	**depth_to**	**flag**
BH307	81.1	85	5
BH308	176.2	179.72	8
BH308	242.01	244.4	13
BH309	215.8	221.77	7
BH309	201.18	203.08	8
BH309	270.92	280.2	9
BH309	250.97	251.91	10
BH309	118.01	119.57	5
BH312	162.2	167.6	11
BH313	136.2	141.79	2
BH313	102.74	117.03	6
BH313	156.53	161.22	7
BH313	142.63	143.29	2
BH313	141.79	142.63	8
BH313	182.58	191.1	10
BH314	209.05	218.07	9
BH314	191.4	195.1	10
BH315	99.7	102.7	4
BH315	162.09	165.85	8
BH315	226.2	228.6	13
BH315	88.7	93.9	5
BH316	129.75	134.66	8
BH316	26.95	43.25	5
BH319	201.2	207.9	2
BH319	110.4	114.23	8
BH319	181.7	184.56	9
BH319	158.06	161.23	10
BH320	202.8	226.92	2
BH320	63.4	66.4	3
BH320	112.06	116.86	8
BH320	177.5	183.73	9
BH320	159.88	163.83	10
BH322	61.6	65.8	12
BH325_1	76.95	78.97	6
BH325_11	0	0.1	7
BH325_17	39	44	9
BH325_18	20.5	28.5	9
BH325_2	136	143	1
BH325_2	74	82.27	6
BH325_2	106.02	113.97	9
BH325_3	67	74	6

wo3_impacts			
bhid	depth_from	depth_to	flag
BH325_3	107.26	109.69	9
BH325_5	56	62	8
BH325_6	74.79	76.55	7
BH325_6	50	53.05	8
BH325_6	135	139	9
BH326	28	30.2	12
BH327	28	31.4	12
BH350_11	28	40	9
BH350_11	13.5	16.5	10
BH350_12	29	35	9
BH350_12	14	17	10
BH350_14	21	30	9
BH350_2	40	44	2
BH350_2	26.23	28.58	6
BH350_2	98	101	9
BH350_3	35.38	62	6
BH350_4	39.77	59	6
BH350_4	59	63	7
BH350_4	124	128	9
BH350_4	94	97	10
BH350_5	50	54	8
BH350_6	57	63	2
BH350_6	30.8	45.22	6
BH350_6	100	104	9
BH370	49	54	4
BH370	30.89	37.62	5
BH372	35.51	35.75	3
BH373	66	69	3
BH373	130	135.71	8
BH374	27.06	40	4
BH374	13.52	27.06	5
BH375_10	19	22	13
BH375_2	6.82	8.03	6
BH375_3	6.28	10	6
BH375_4	39.21	42	8
BH375_5	40	42	2
BH375_5	15	33.02	6
BH375_5	42	51.19	7
BH375_6	24	28	2
BH375_6	6	16	6
BH375_6	73	76	10

wo3_impacts			
bhid	depth_from	depth_to	flag
BH375_7	5.6	15	6
BH375_7	82.66	92	10
BH375_8	0	2	8
BH375_8	76	89	13
BH375_9	0.46	2	8
BH400_1	37	47	2
BH400_1	4	14	6
BH400_10	0	0.3	8
BH400_10	79	83	13
BH400_12	10	18	6
BH400_2	3	13.55	6
BH400_3	35	37.27	2
BH400_3	10	13	6
BH400_3	68	71	10
BH400_4	3	14.03	6
BH400_5	11	18	6
BH400_5	28	34	8
BH400_6	35	42	2
BH400_6	6	15	6
BH400_7	12	24	6
BH400_7	24.33	25.95	8
BH400_7	78	81	10
BH400_8	81	84	10
BH400_9	0	0.24	8
BH400_9	67	78.1	13
BH415_1	0	2.08	5
BH420_1	76.02	80.34	2
BH420_1	0	0.06	5
BH420_2	97.8	108.89	2
BH420_2	66.11	81.93	6
BH420_2	0	0.11	5
BH425_1	0	9	6
BH425_10	10	26.23	2
BH425_10	59	64	10
BH425_11	0	4	8
BH425_11	71.58	71.98	13
BH425_12	0	4	8
BH425_12	76	80	13
BH425_13	0	7	8
BH425_2	16	27	2
BH425_2	0	5	6

wo3_impacts			
bhid	depth_from	depth_to	flag
BH425_3	21	35	2
BH425_3	0	5.37	6
BH425_4	19	25	2
BH425_4	0	7.68	6
BH425_5	0	8	6
BH425_5	17.09	20	8
BH425_6	0	10	6
BH425_6	15	20	8
BH425_7	18	36	2
BH425_7	0	6.87	6
BH425_8	0	3	6
BH425_8	15.7	22.68	8
BH425_9	0	20.8	2
BH430_1	0	4	5
BH430_2	0	3.73	5
BH440_1	0	11.71	5
BH450_1	83	95	2
BH450_1	70	80	6
BH450_1	0	0.28	5
BH450_10	53	58	10
BH450_11	0.54	4.66	8
BH450_11	63	66	10
BH450_12	0.8	4.81	8
BH450_12	60	64	13
BH450_2	89.4	100.21	2
BH450_2	76.12	87.4	6
BH450_2	143.4	146.4	10
BH450_2	0	0.3	5
BH450_3	14.79	23	2
BH450_3	0	1.15	6
BH450_4	11	24	2
BH450_4	0	2	6
BH450_5	12	27	2
BH450_5	0	5.6	6
BH450_6	0	8.01	6
BH450_6	9.9	10	6
BH450_6	8.01	9.9	8
BH450_7	0	3	5
BH450_9	0	6	2
BH450_9	60	65	10
BH460_1	2.92	24.53	5

wo3_impacts			
bhid	depth_from	depth_to	flag
BH465_1	0	1.68	5
BH475_10	0	17	8
BH475_11	0	15.94	8
BH475_12	0	0.25	8
BH475_13	0	1	8
BH475_14	0	1	8
BH475_15	0	1	8
BH475_16	0	0.17	8
BH475_16	62.79	71	10
BH475_17	76	85	10
BH475_2	56	66	2
BH475_2	28	45	6
BH475_3	34	57	6
BH475_3	103	111	10
BH475_4	54.83	59	8
BH475_5	20	26	2
BH475_5	0	5	6
BH475_6	16	34	2
BH475_6	0	6.03	6
BH475_7	0	7	6
BH490_1	16.37	21.3	4
BH490_1	22.45	24.97	4
BH490_2	0	1	8
BH490_4	0	5	13
BH500_1	58.4	72	2
BH500_1	25	33	6
BH500_1	123	126	9
BH500_1	106	113	10
BH500_10	0	3	6
BH500_10	8.48	10	8
BH500_10	15.76	20.09	7
BH500_11	0	13.1	8
BH500_12	1.71	16.41	8
BH500_13	0	0.65	8
BH500_13	45	57.05	13
BH500_14	0	0.57	6
BH500_16	16.5	20.5	4
BH500_17	68.03	71.28	9
BH500_17	49	53	10
BH500_18	33	36.81	13
BH500_19	33	37	10

wo3_impacts			
bhid	depth_from	depth_to	flag
BH500_19	18	33	10
BH500_20	22	35	10
BH500_21	0	2	8
BH500_21	73.18	76.13	9
BH500_21	51	61	10
BH500_22	2.24	19	10
BH500_23	0	16.51	10
BH500_24	1.29	12.39	10
BH500_25	20.3	30	10
BH500_26	19	24	9
BH500_27	14	17	10
BH500_3	40	45.84	6
BH500_3	45.84	46.46	8
BH500_3	46.46	54	8
BH500_4	48	52.94	8
BH500_4	130	134	9
BH500_4	107	118	10
BH500_5	65	68.12	8
BH500_5	106.07	109.11	13
BH500_6	82	85	11
BH500_7	10	15	2
BH500_8	12	18	2
BH500_8	0	0.37	6
BH500_9	12	16.18	2
BH500_9	0	0.82	6
BH510_1	4	8.38	5
BH510_2	0.28	4.18	4
BH525_1	13.62	14.05	2
BH525_10	16	21	9
BH525_10	0	3	10
BH525_11	0	3.17	14
BH525_12	0	2.52	14
BH525_13	11	22	13
BH525_13	0	6	14
BH525_2	11.03	28.22	2
BH525_2	0	5	8
BH525_3	60	63	9
BH525_3	42.25	50	10
BH525_4	0	18	2
BH525_4	46	56	9
BH525_4	36	39	10

wo3_impacts			
bhid	depth_from	depth_to	flag
BH525_5	0	0.12	8
BH525_5	59	62	9
BH525_5	41.48	49	10
BH525_7	0	1.87	8
BH525_7	48.53	53.97	10
BH525_8	0	0.24	8
BH525_8	0.34	0.66	8
BH525_8	71.64	77.42	9
BH525_8	53.42	62	10
BH525_9	0	0.4	10
BH530_1	5	14.96	5
BH530_2	7	12	5
BH530_3	18.27	22	5
BH530_4	7	14	4
BH530_6	3	8	5
BH530_8	8	17	5
BH535_6	0	0.18	10
BH550_1	2	14	6
BH550_1	32	35	8
BH550_1	79.71	86.33	10
BH550_11	0	2	10
BH550_12	0	1.53	13
BH550_13	0	4	13
BH550_14	0	5	13
BH550_15	0	15	13
BH550_16	0	7	13
BH550_17	0	10	13
BH550_2	16	19.36	2
BH550_2	0	11	6
BH550_3	22	50	2
BH550_3	0	12	6
BH550_4	0	3.55	6
BH550_6	0	11	8
BH550_7	30.07	41	10
BH550_7	3	8	7
BH550_8	69	74	9
BH550_8	48	56	10
BH550_9	1.14	20.52	10
BH560_1	0	13.05	4
BH560_2	8.24	11.43	3
BH565_1	0	15.72	8

wo3_impacts			
bhid	depth_from	depth_to	flag
BH565_2	0	2.91	8
BH570_1	0	3.9	4
BH570_1	10	18	5
BH575_1	0	6.16	6
BH575_10	39	44	13
BH575_12	0	10	10
BH575_13	0.32	12	10
BH575_14	1.41	2.13	10
BH575_16	0	7.28	10
BH575_2	25	29	2
BH575_2	0	0.25	6
BH575_2	92	96	9
BH575_3	0	0.84	2
BH575_4	11	13	2
BH575_6	0	3.39	8
BH575_6	45	53	10
BH575_7	0	2.91	8
BH575_7	67	76	9
BH575_7	48	55	10
BH575_9	0	1.02	12
BH586_1	2	6.8	7
BH588_2	0	1.09	12
BH595_1	0	2.9	10
BH595_2	0	2.61	10
BH600_10	0	0.3	12
BH600_13	0	1	8
BH600_13	36.88	42.45	13
BH600_2	16	20	8
BH600_2	73.46	77.9	10
BH600_2	35	40	7
BH600_3	17	19	8
BH600_4	17	21	3
BH600_4	0	4	6
BH600_6	0	2	8
BH600_6	67	79	9
BH600_6	49	52	10
BH600_7	0	4	8
BH600_7	67	78	9
BH600_7	50	53	10
BH600_8	0	3.85	8
BH600_8	63	76	9

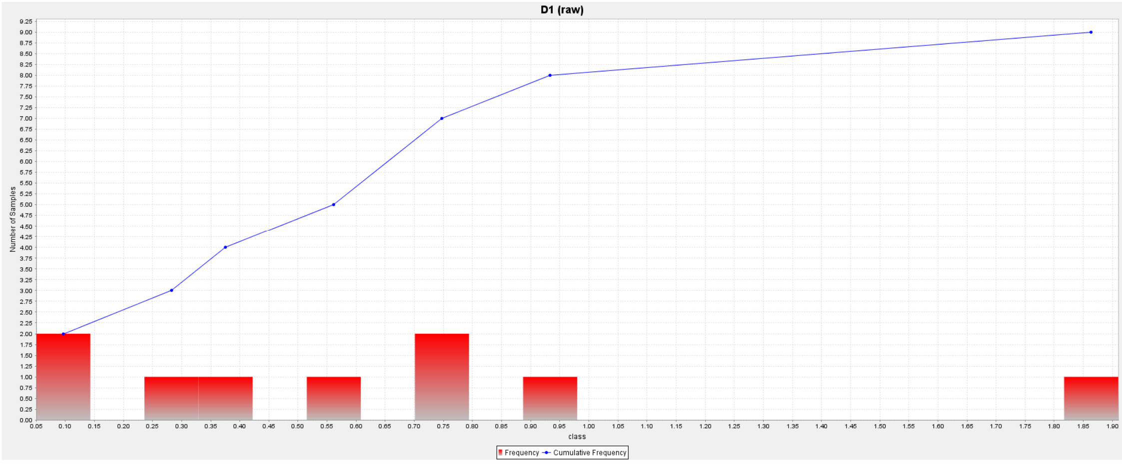
wo3_impacts			
bhid	depth_from	depth_to	flag
BH600_8	46	52	10
BH600_9	0	0.43	12
BH605_1	10	14.99	12
BH605_3	0	0.31	9
BH605_4	0	1	9
BH605_5	0	1.18	9
BH615_5	0	8.09	2
BH615_6	1.48	1.5	3
BH615_6	35	36.2	4
BH615_6	26.09	35	4
BH615_6	1.5	26.09	5
BH620_1	24	28	6
BH620_2	52.27	53.98	2
BH620_2	27.99	41.9	6
BH620_3	36.65	36.67	6
BH620_3	36.71	48	6
BH620_3	116	122	9
BH620_3	97.95	108.29	10
BH620_3	63	66	7
BH620_4	62.88	70.04	8
BH620_5	46.98	50	8
BH620_6	16	26	4
BH620_6	38.04	44.91	5
BH620_7	0	4.72	10
BH625_1	7	9	3
BH625_13	96.53	103.97	2
BH625_13	0	1.23	8
BH625_13	62	71	9
BH625_13	53	55	10
BH625_14	0	23	2
BH625_15	0	12	2
BH625_16	0	0.34	13
BH625_17	0	4.1	2
BH625_18	6.55	26.4	3
BH625_2	8	21	8
BH625_3	104.51	127	2
BH625_3	10	13	8
BH625_3	78	89	9
BH625_4	16.37	22.83	8
BH625_4	99	103	13
BH625_4	78	81	14

wo3_impacts			
bhid	depth_from	depth_to	flag
BH625_5	0	0.98	8
BH625_7	8	11	3
BH625_8	97.63	98.89	2
BH625_8	100.43	104.56	2
BH625_8	70	73	9
BH625_9	91	93	2
BH625_9	0	1.61	8
BH635_1	87	107	2
BH635_1	64.27	70.46	9
BH635_1	46	50	10
BH635_2	93	103	2
BH635_2	59.89	67	9
BH635_2	40	45	10
BH635_3	3.03	10	2
BH635_4	0	12.78	2
BH635_5	0	16.78	2
BH635_6	0	7.18	2
BH635_8	0.15	8.71	13
BH635_8	25	29	14
BH635_9	0.06	7.5	13
BH635_9	28	32.84	14
BH650_2	13	17.11	8
BH650_4	95.32	100.2	2
BH650_4	58	63	9
BH650_4	42	45	10
BH650_5	60	69	9
BH650_5	46	49	10
BH650_6	53.36	62.87	13
BH650_6	34	38	14
BH665_1	0	3.2	8
BH675_1	99	104	8
BH675_10	0	4	8
BH675_11	0	5	8
BH675_12	0	2	8
BH675_13	0	2.36	8
BH675_15	0	5	8
BH675_2	11	13	8
BH675_3	0	14	8
BH675_3	16	18	7
BH675_4	0	6	8
BH675_5	0	6	7

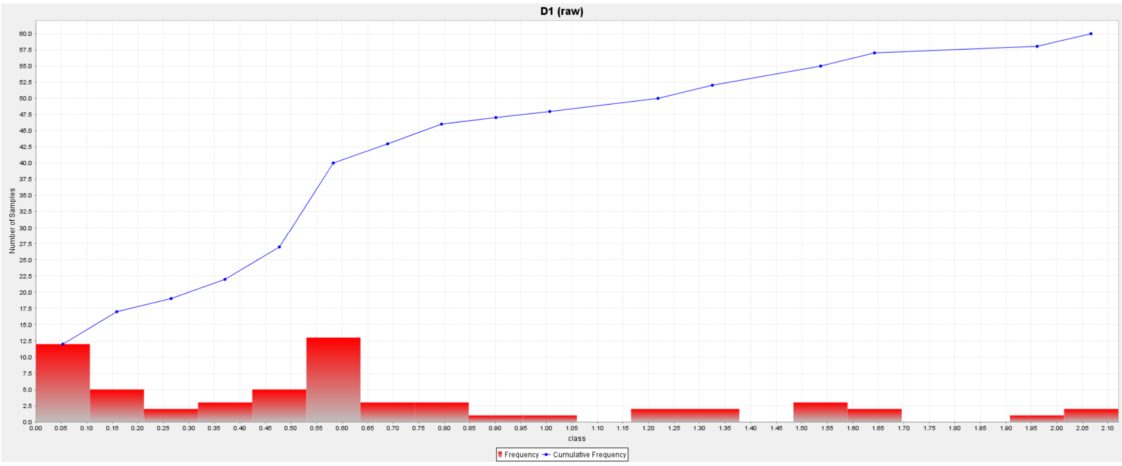
wo3_impacts			
bhid	**depth_from**	**depth_to**	**flag**
BH675_7	14	16.94	8
BH675_8	0	3	8
BH675_9	0	3.87	8
BH675_9	49	55	9
BH700_1	21	27.62	12
BH700_2	7.42	9.51	12
BH700_3	2.58	7	8
BH700_4	2.52	7.33	8
BH710_1	0	3.65	8
BH725_2	61.89	75.38	8
BH725_5	0	9	8
BH725_6	0	12	8
BH750_2	57	60	8
BH775_1	33.07	36.73	12
BH800_1	28	34	12

Appendix 2

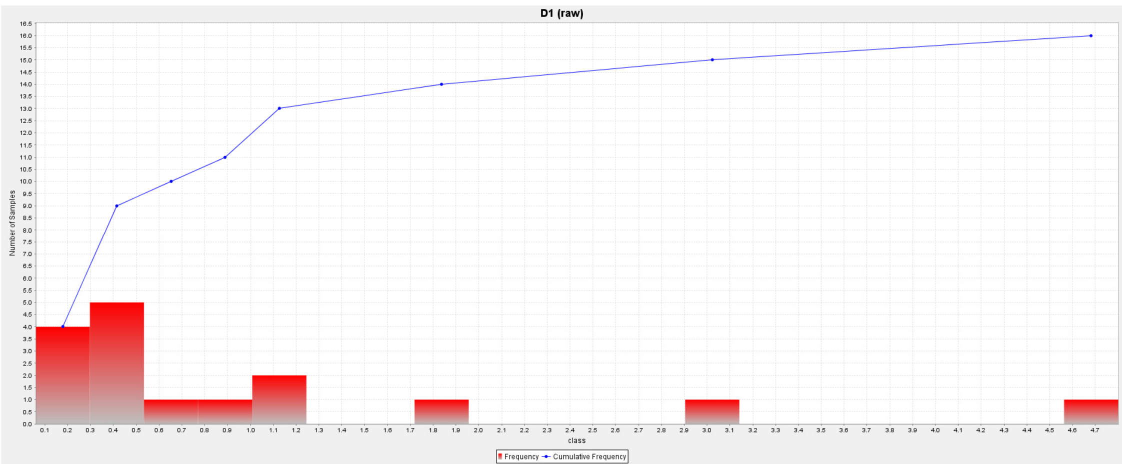
1m Composite statistics



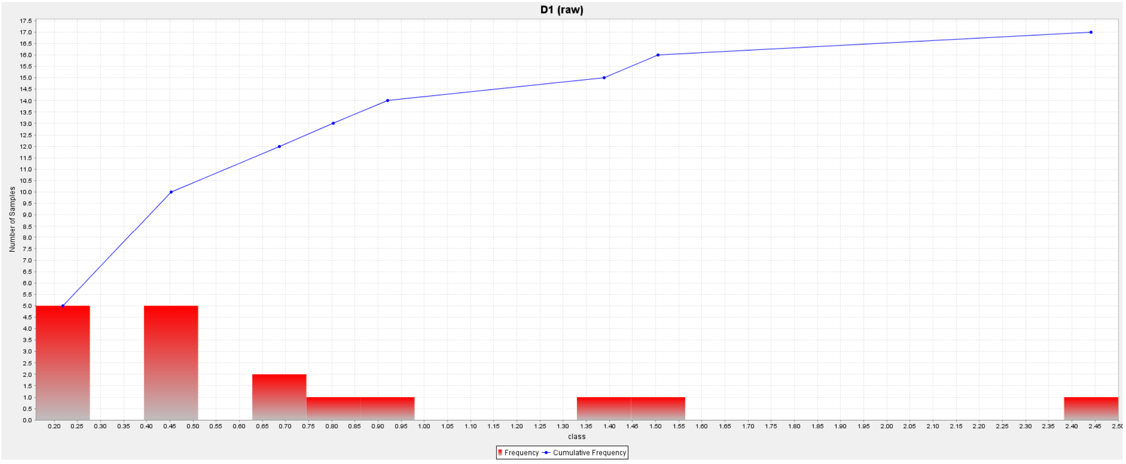
B West lower 1m composite cumulative frequency histogram.



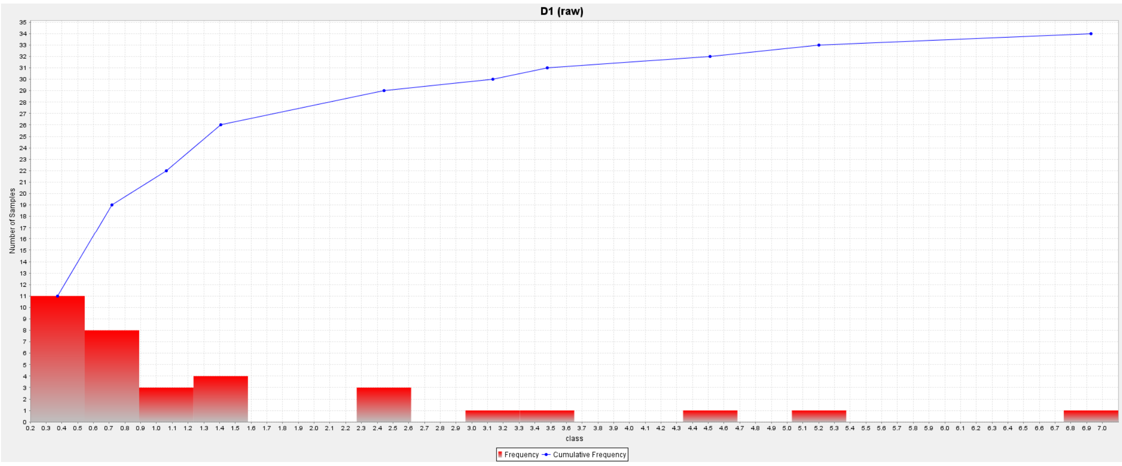
B West Upper 1m composite cumulative frequency histogram.



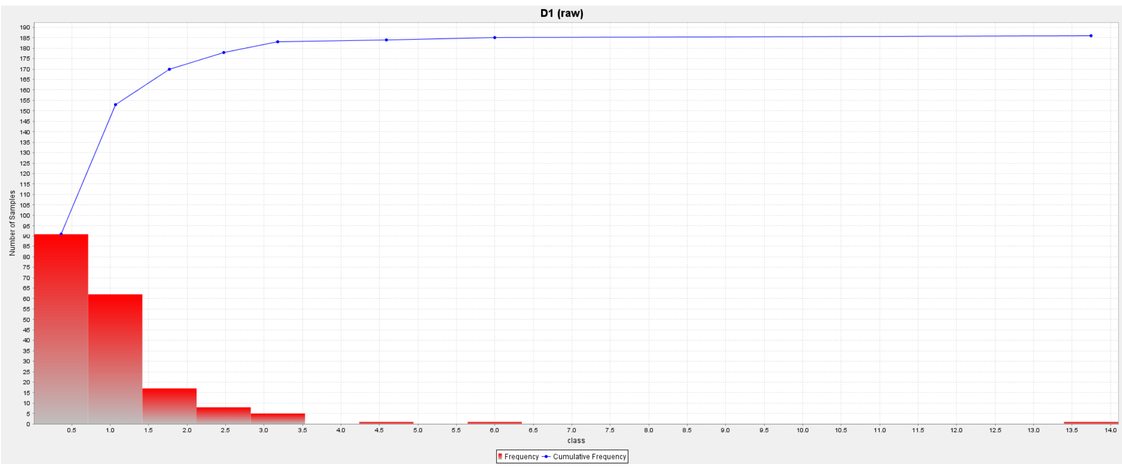
BFB 275 1m composite cumulative frequency histogram.



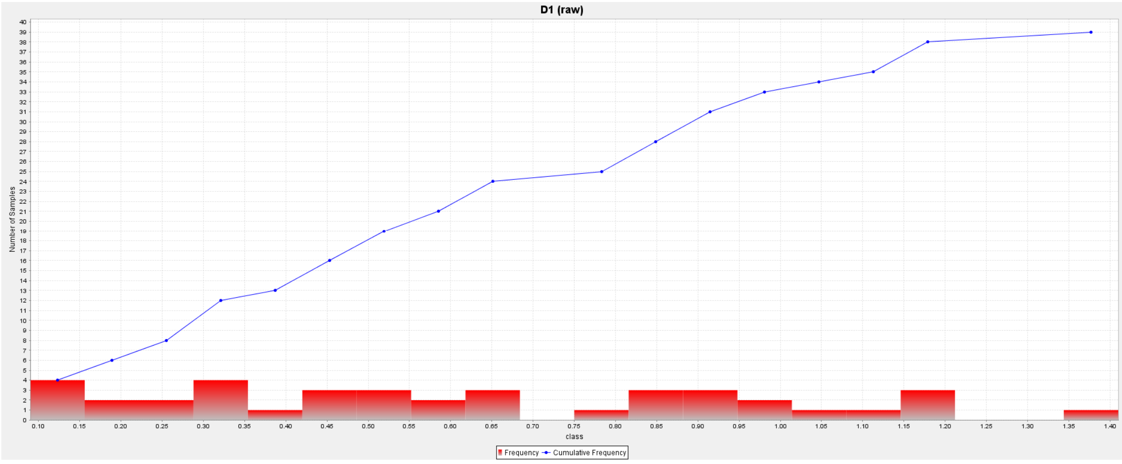
BFB 350 1m composite cumulative frequency histogram.



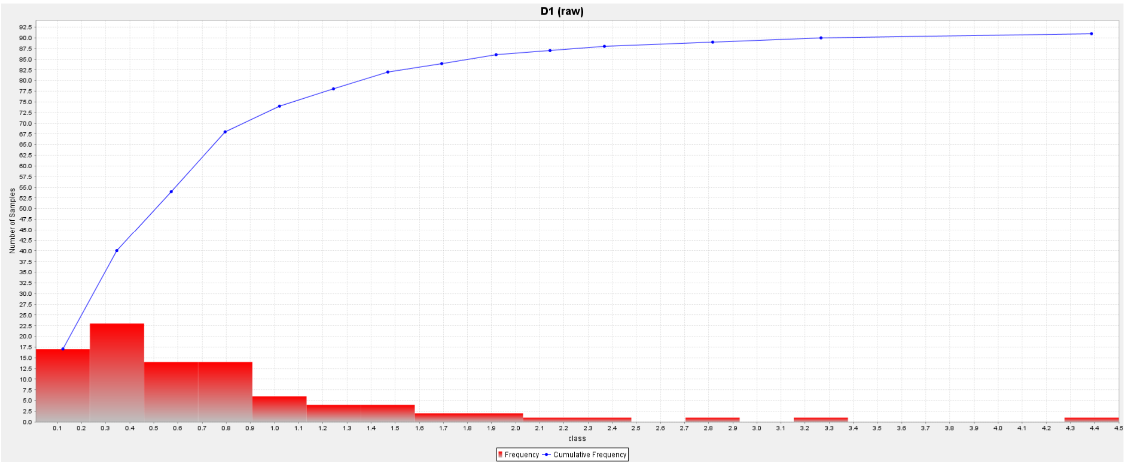
Boundary Fault 1m composite cumulative frequency histogram.



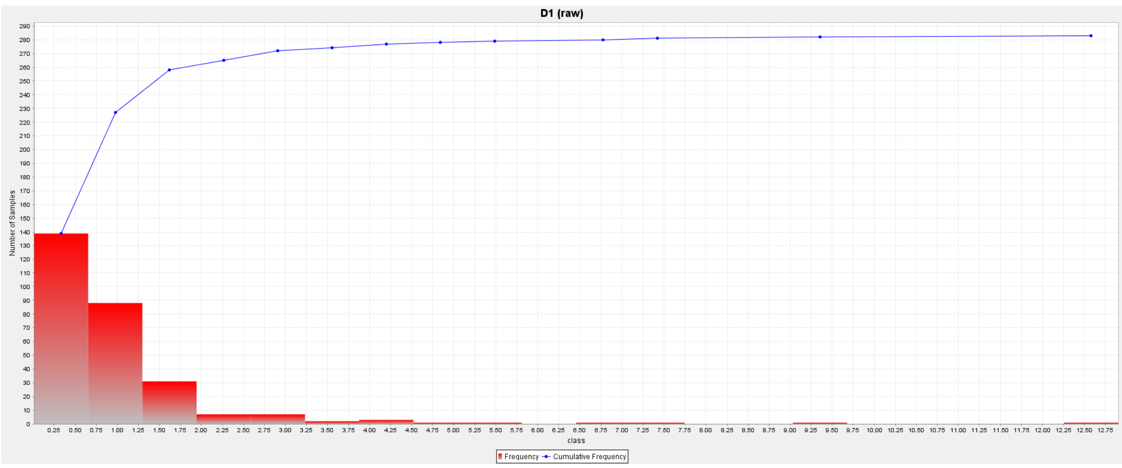
C West lower 1m composite cumulative frequency histogram.



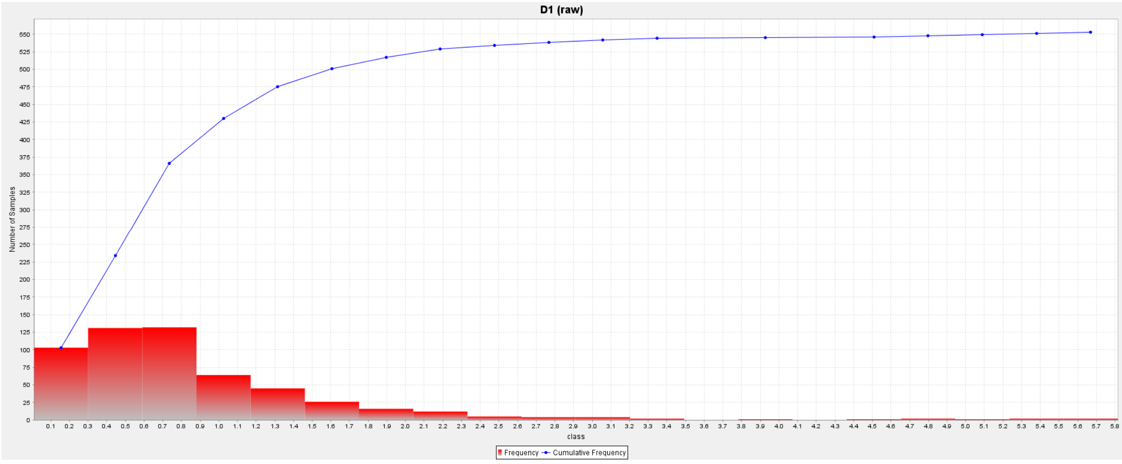
C West upper 1m composite cumulative frequency histogram.



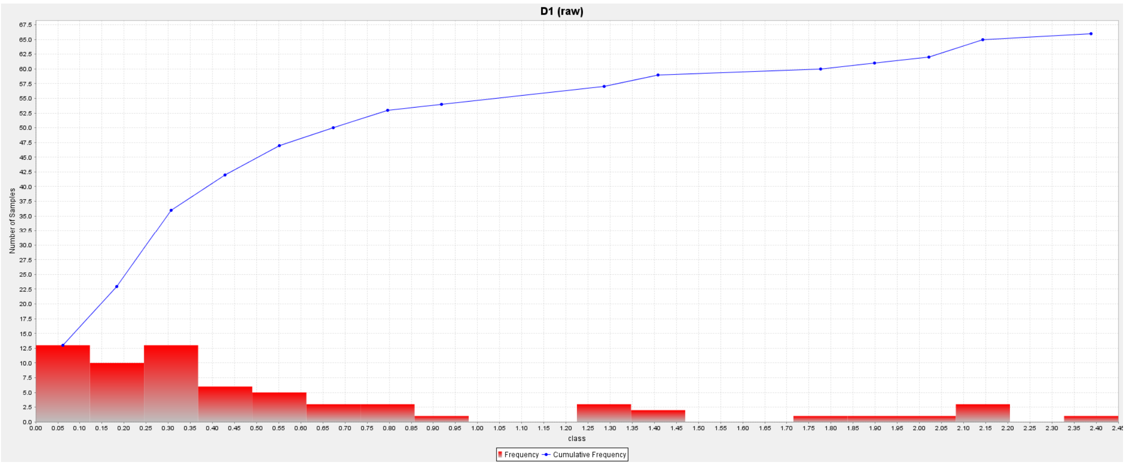
Fault B lower 1m composite cumulative frequency histogram.



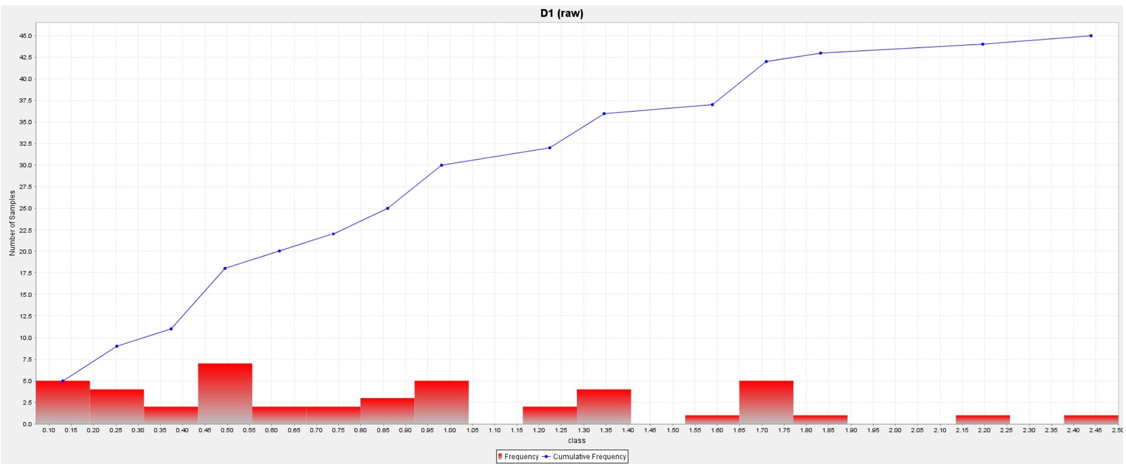
Fault B upper 1m composite cumulative frequency histogram.



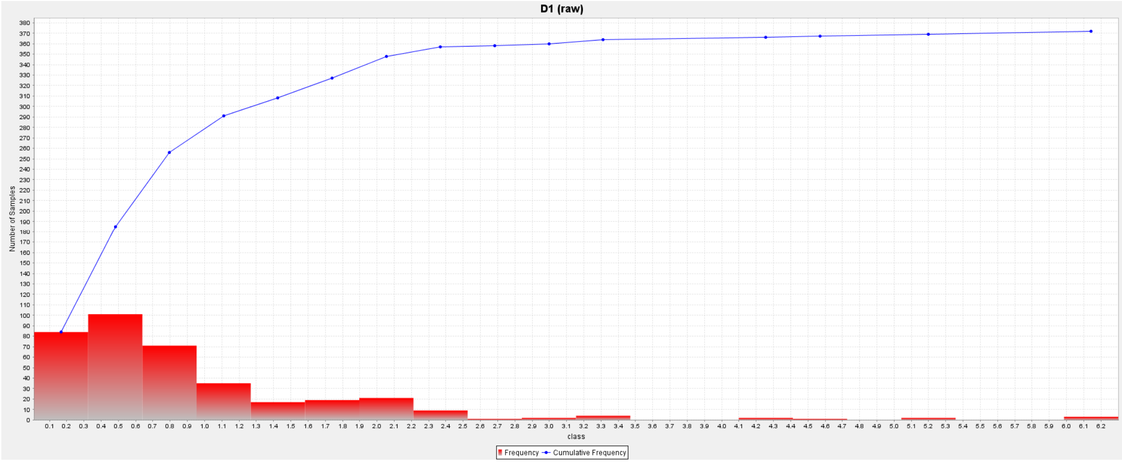
Fault C lower 1m composite cumulative frequency histogram.



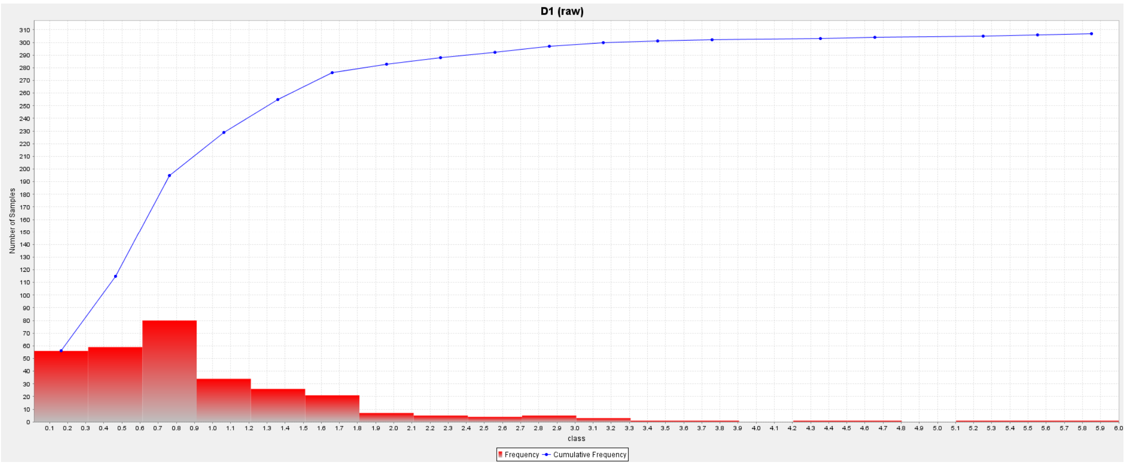
Fault C upper 1m composite cumulative frequency histogram.



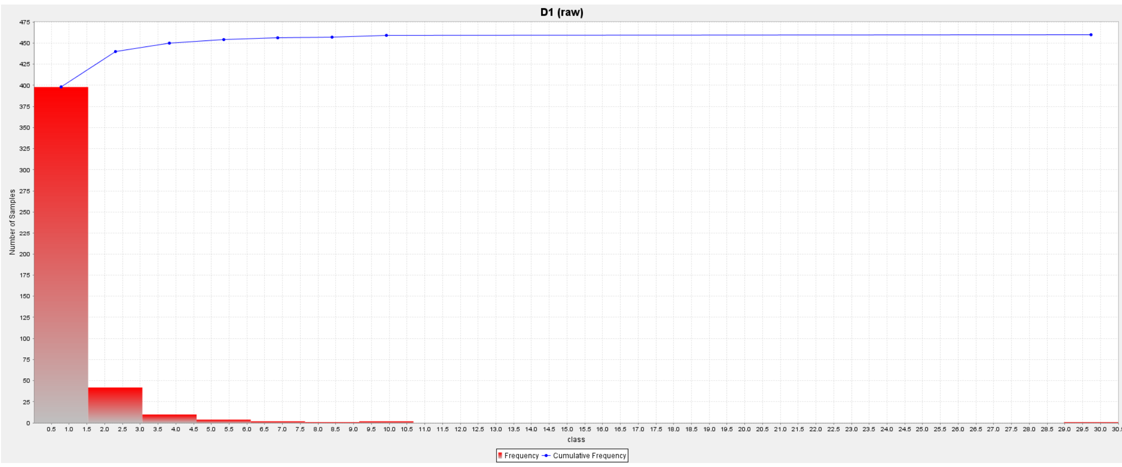
Main B Lower 1m composite cumulative frequency histogram.



Main B Upper 1m composite cumulative frequency histogram.



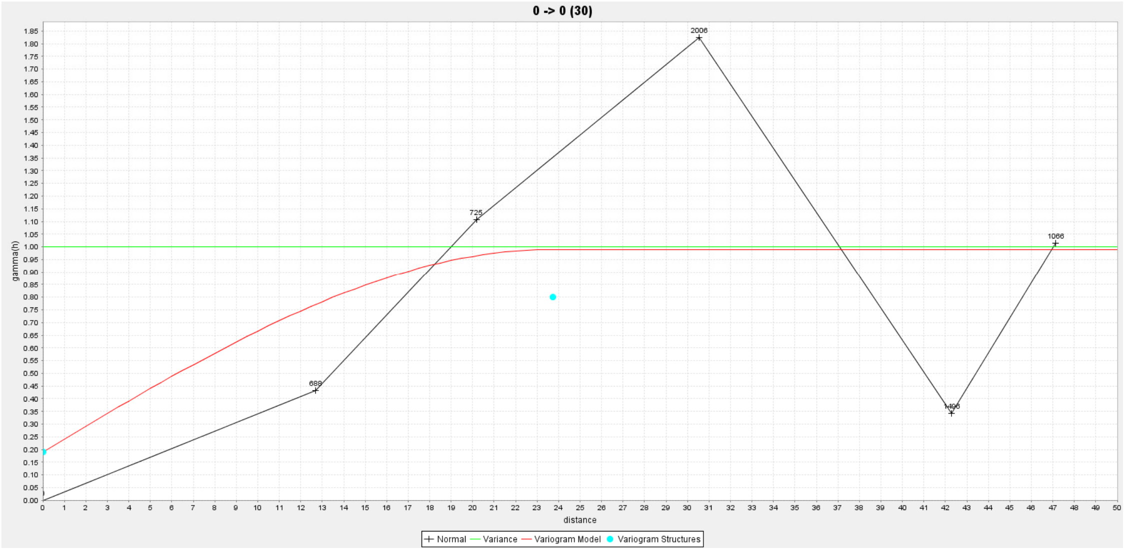
Main C Lower 1m composite cumulative frequency histogram.



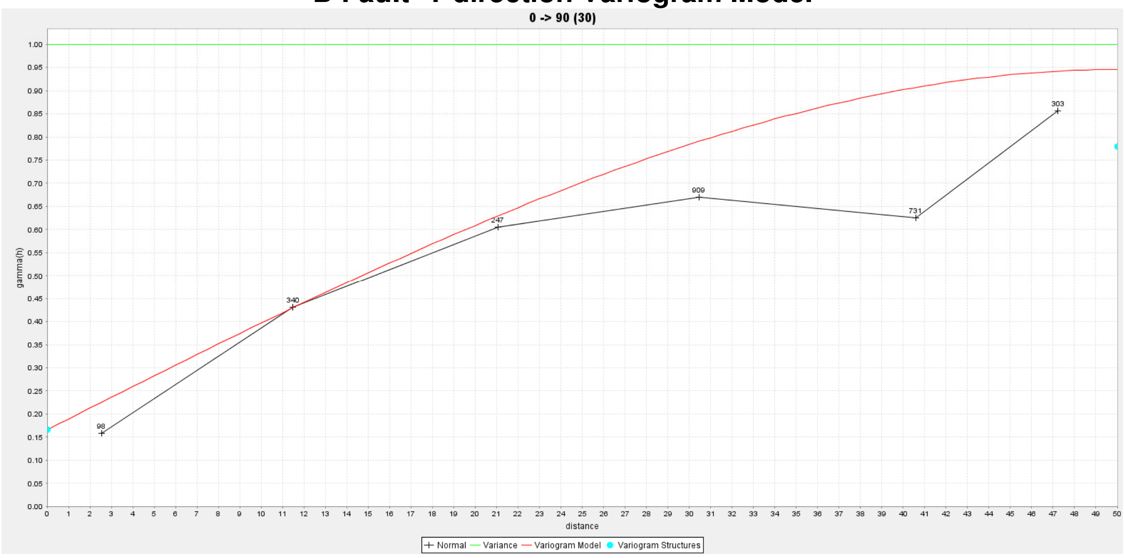
Main C Upper 1m composite cumulative frequency histogram.

Appendix 3

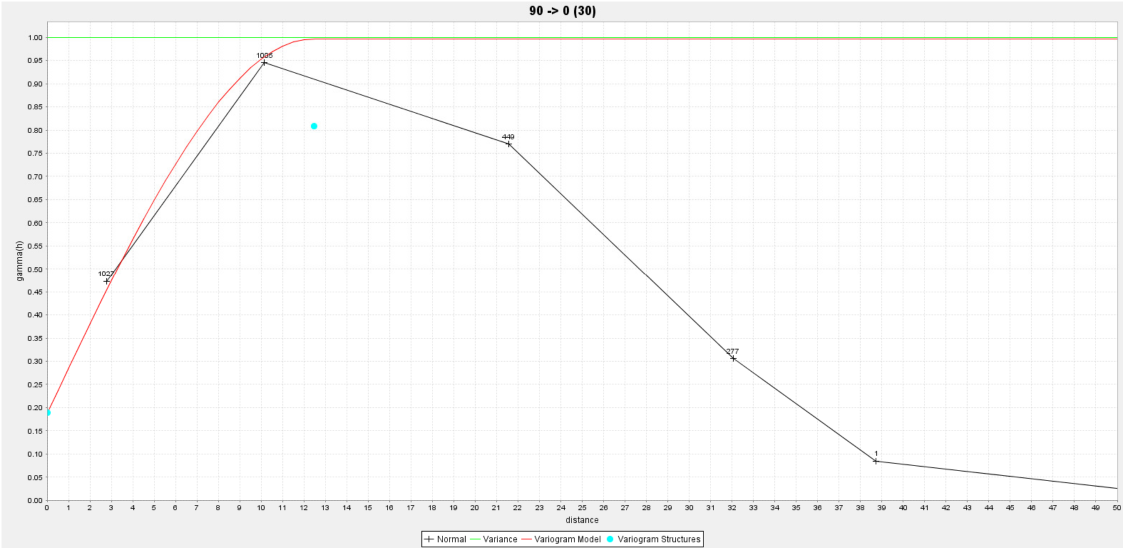
Bold Head Variography



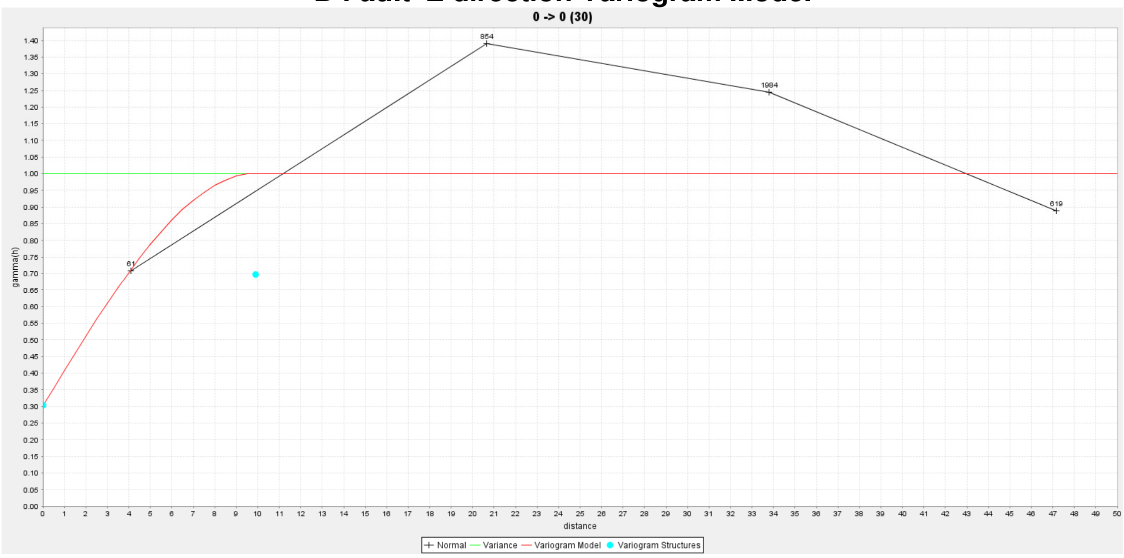
B Fault Y direction Variogram Model



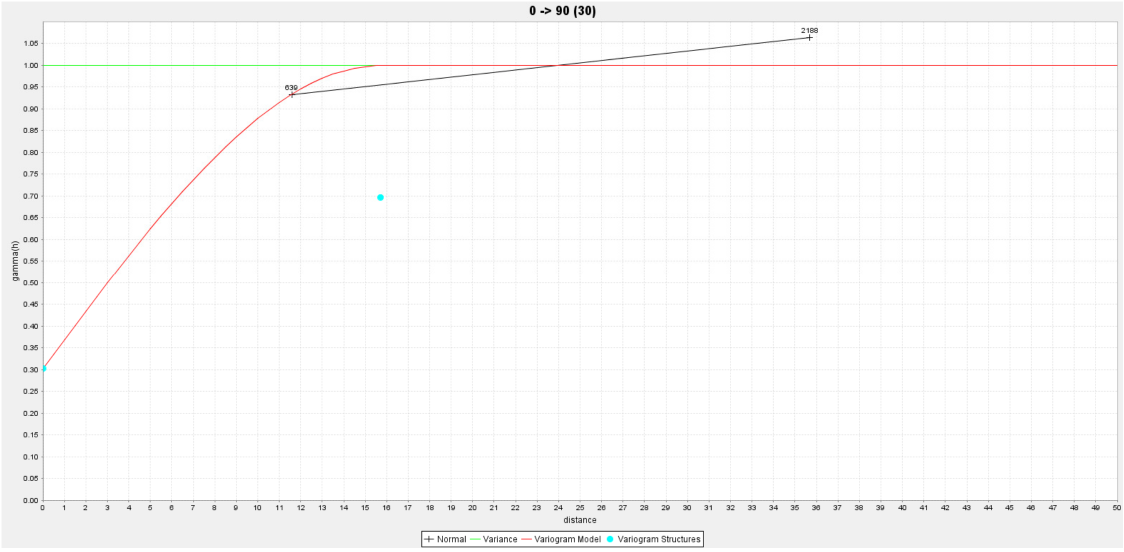
B Fault X direction Variogram Model



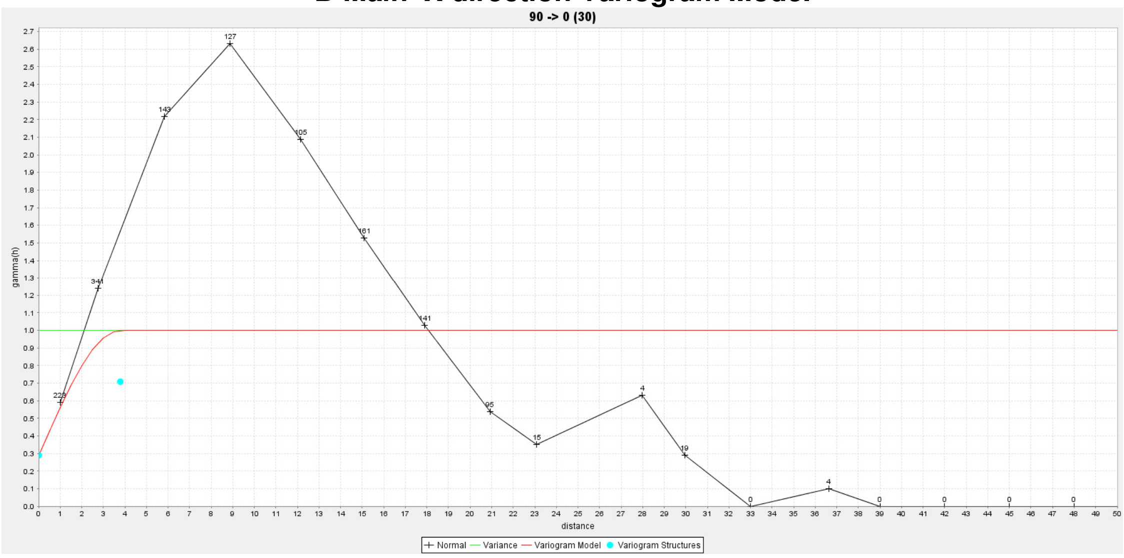
B Fault Z direction Variogram Model



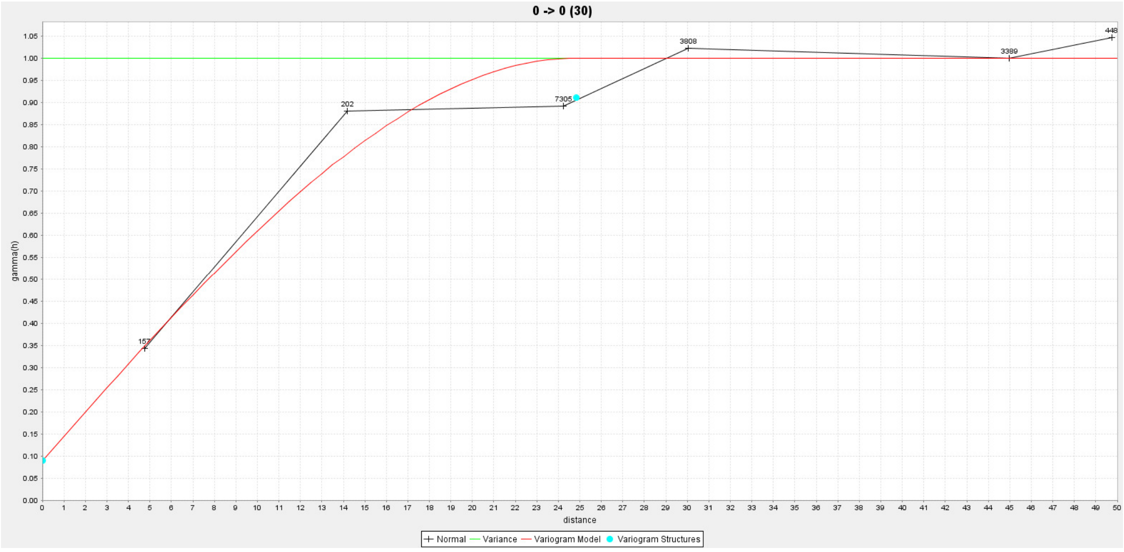
B Main Y direction Variogram Model



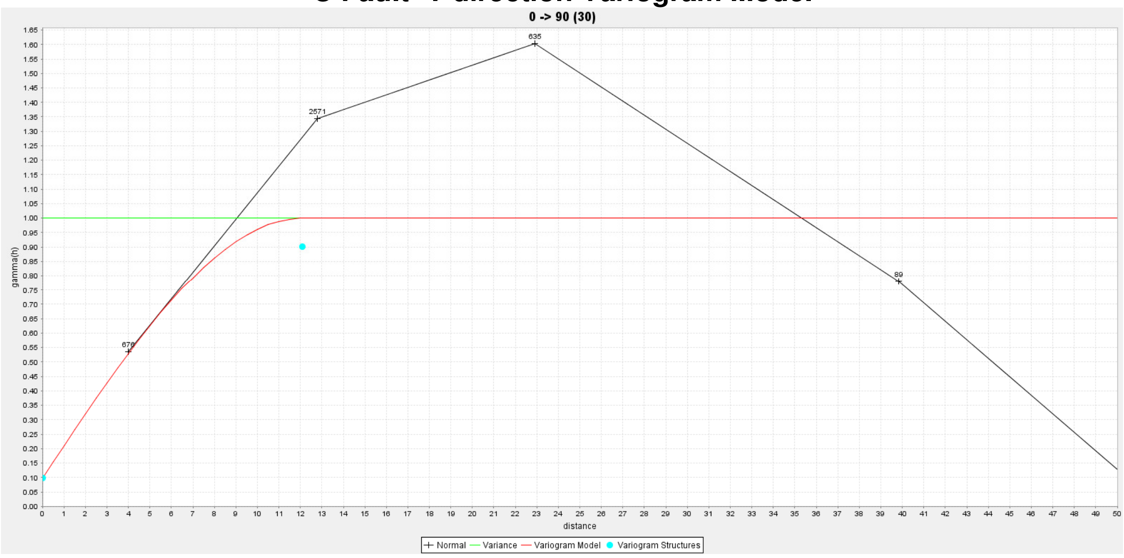
B Main X direction Variogram Model



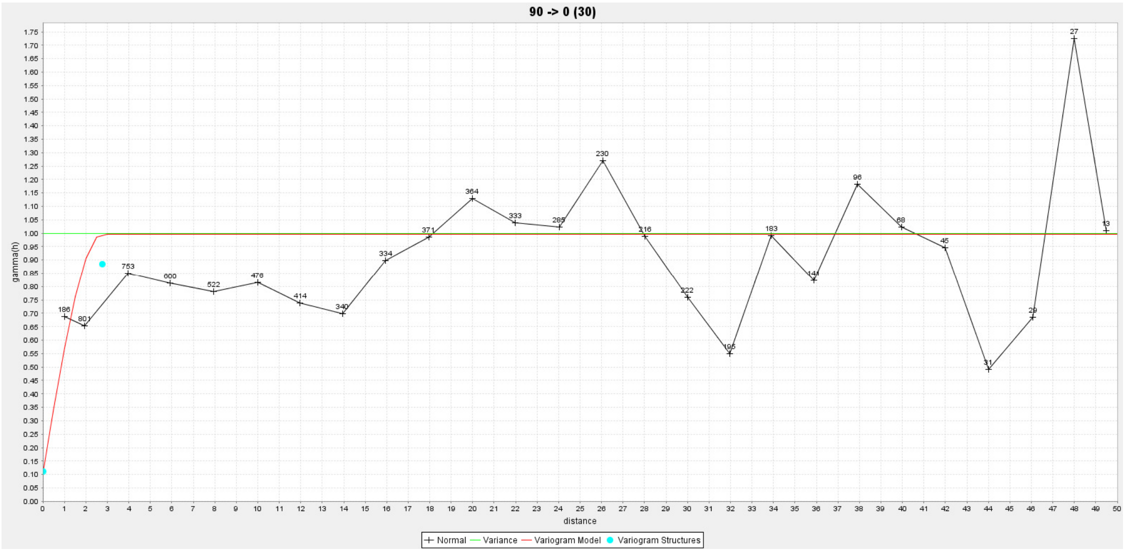
B Main Z direction Variogram Model



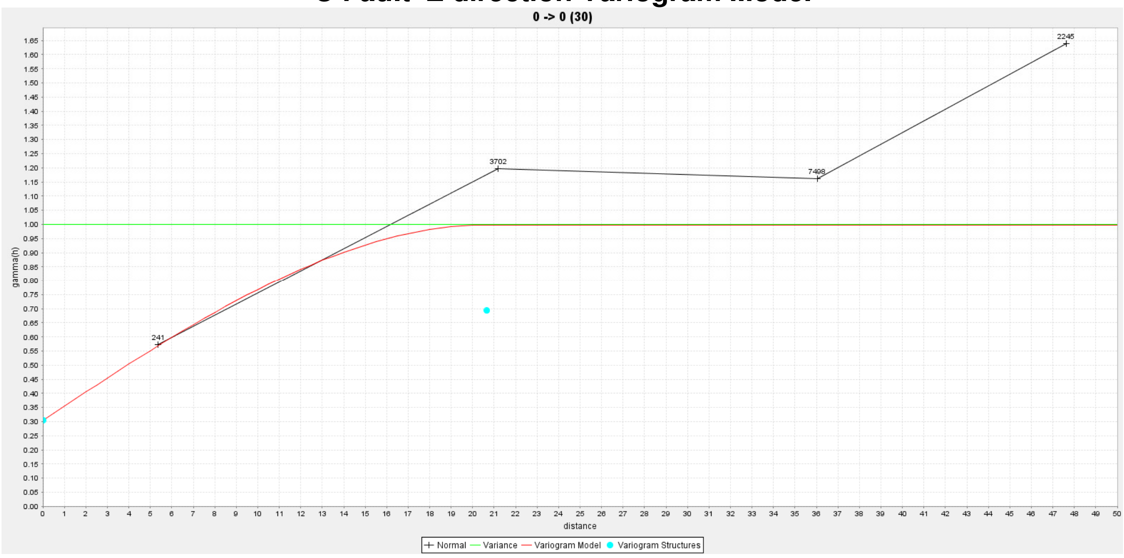
C Fault Y direction Variogram Model



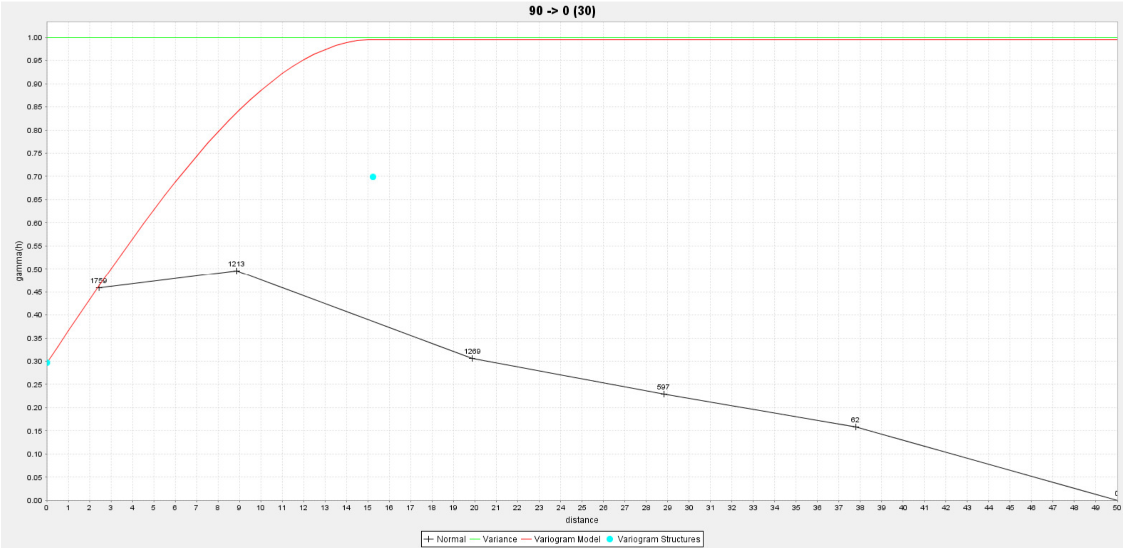
C Fault X direction Variogram Model



C Fault Z direction Variogram Model



C Main Y direction Variogram Model



C Main Z direction Variogram Model

Appendix 4.

JORC Tables

Table 1, Section 1. Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Techniques	• Nature and Quality of sampling (e.g. cut channels, random chips or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or hand held XRF instruments etc). • 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 1m samples from which 3kg was pulverized to produce 30g 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 sampling types (e.g. submarine nodules) may warrant disclosure of detailed information.	• The Bold Head Scheelite Skarn has been sampled through numerous historic underground and surface diamond drilling campaigns between 1968 and 1986 by the previous mine operators. , • A limited diamond drilling campaign testing mineralisation in the upper mine was completed by KIS in2013. • 424 diamond holes for 32,388m • Approximately 1m samples of 1-3kg were taken from diamond saw cut drill core whilst respecting geological boundaries.
Drilling Techniques	• Drill type (e.g. core, reverse circulation, open hole hammer, rotary air blast, auger, bangka, sonic etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face sampling bit or other type, where core is oriented and if so by what method	• Generally NQ diamond core for surface drillholes and BQ or BQ equivalent for underground drill holes. • Core not oriented.
Sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximize sample recovery and ensure representative nature of the samples.	• Core reconstituted, marked up and measured in all drilling campaigns • Generally excellent (95-100%) • No relationship between recovery and grade was investigated in this report.

	• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred.	
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 of quantitative in nature. Core (or costean, channel etc) photography.	• Historic core geologically logged onto typed paper logs. • Recent core geologically logged onto excel spreadsheets by experienced geologists over 2 campaigns. • Standard lithology codes used for interpretation. • RQD and recoveries logged • Historic and recent logs loaded into excel spreadsheets and uploaded into access database.
Sub-Sample techniques and sample preparation	• If core, whether cut or sawn and whether quarter of half taken. • If non core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub sampling stages to maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results of field duplicate/second half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled	• No record of historic sample preparation • Half core split by diamond saw on 0.5 – 1.0m samples while respecting geological contacts. • Bagged core delivered to commercial Laboratories in Burnie (BRL, AMMTECH, ALS) • Whole core crushed to 80% passing 2mm • Crushed sample quartered to 500g and pulverized to pass 75 micron.
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 geophysics tools, spectrometers, hand held XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibration	• No record of QAQC procedures were available for historic sampling. • Recent samples assayed for WO_3 and Mo by XRF at ALS Burnie • Historic samples assayed for WO_3 and Mo by XRF in on site mine laboratories with check samples assayed by Amdel. • No formal QAQC analysis cited for recent drilling

	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 (i.e. lack of bias) and precision have been established.	campaign.
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, data storage (physical and electronic) protocols • Discuss any adjustment to assay data	• No independent laboratory analyses completed. • Minor verification of historic data with recent drilling campaigns. • No twinned holes were completed • Primary assay data was received electronically and stored by consultant geologist. • All electronic data uploaded to access database • Historic data loaded onto spreadsheets and uploaded to Access database. • Data validation with Surpac software, basic statistical analysis and comparison with historic plans and sections. • Negative results for below detection limit assay data has been entered as 0.01%WO_3
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys) trenches, mine workings and other locations used in mineral resource estimation • Specification of grid system used • Quality and accuracy of topographic control.	• All hole collar surveys by licensed surveyor. • All coordinates in historic mine grid BHMG • RL's as MSL +1000 • Down hole surveys by downhole camera • Topographic dtm created from historic drafted sections and drill hole collars.
Data Spacing and distribution	• Data spacing for exploration results • Whether data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve estimation procedures and classifications applied. • Whether sample compositing has been applied	• Sample spacing approximately 20 x 20m or better for much of the resource. • Drill spacing is considered to be appropriate for the estimation of Indicated to Inferred Mineral resources. • Samples have been composited on 1m intercepts for the resource estimation.

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 drilling orientation and the orientation of key mineralised structures is considered to have introduced sampling bias, this should be assessed and reported if material.	• The majority of DDH have been drilled east-west or vertical sub-perpendicular to the gently dipping mineralisation. • Drill hole orientation is not considered to have introduced any material sampling bias.
Sample Security	• The measures taken to ensure sample security	• Recent samples ticketed and bagged on site. • Delivered by courier to laboratories in Burnie. • All historic data captured and stored in customised access database • Data integrity validated with Surpac Software for EOH depth and sample overlaps. • Manual check by reviewing cross sections with the historic drafted sections and plans. • Basic statistical analysis supports data validation
Audits or Reviews	• The results of any audits or reviews of sampling techniques and data	• No audits or reviews of sampling data and techniques completed.

Section 2 Reporting of Exploration Results

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 tenure held at the time of reporting along with known impediments to obtaining a license to operate the area	• RL2/1998 and MLA1/2006 Grassy King Island. EL19/2001 and EL16/2002 • The RL, MLA and EL's are 100% owned by KIS • The area is a historic scheelite mining district and there are no known or experienced impediments to operating a license in this area • EL16/2002 and EL19/2001 require annual renewal.
Exploration done by	• Acknowledgement and appraisal of exploration	• The Dolphin Mine operated intermittently as an

other parties	by other parties	open cut and underground operation until its closure in 1990 by North Ltd. • KIS commenced feasibility studies into reopening the operation in 2005 until the present.
Geology	• Deposit type, geological setting and style of mineralisation	• The Dolphin Scheelite Deposit is a carbonate hosted metasomatic skarn hosted in hornfelsed Cambrian sedimentary rocks on the northern edge of the Grassy Granodiorite on King Island. The deposit forms a roof pendant located on the surface of the granite. The skarn consists of layered garnet skarn and pyroxene-garnet skarn replacing two principal carbonate horizons. Scheelite occurs as coarse and fine disseminations in the skarn mineralogy.
Drill Hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes • easting and northing of the drill hole collar • elevation or RL of the drill hole collar • dip and azimuth of the hole • downhole 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	• Not applicable. This announcement refers to the Resource Estimation of the Dolphin Deposit and is not a report on Exploration Results. Drill collars and dips on post 2005 diamond drilling are located in Appendix 1 of this report.
Data aggregation methods	• In reporting of Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cutoff grades are usually material and should be stated. • Where aggregate intercepts include short lengths of high grade results and longer lengths	• Mineralised zones are reported as length weighted intercepts.

	of low grade results, the procedure used for aggregation should be stated and some examples of such aggregations should be shown in detail • The assumptions used for any reporting of metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. down hole length, true width not known)	• Intercept lengths have been reported as downhole lengths. • Most holes have been drilled to intercept the deposit at high angles to best represent true widths. • Refer to the sections included in the body of the announcement to view the relationship between downhole lengths and mineralisation orientations.
Diagrams	• Appropriate maps and sections (with scales) and tabulated intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill collar locations and appropriate sectional views.	• See body of the announcement for relevant plan and sectional views and tabulated intercepts.
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	• Not applicable
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 results, bulk density, groundwater, geochemical and rock characteristics, potential deleterious or contaminating substances.	• Not applicable
Further work	• The nature and scale of planned further work	• Further resource extension drilling west and south

	(e.g. test 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.	east of Indicated Resource.

Section 3, Reporting Of Mineral Resource Estimations		
Criteria	**Explanation**	**Status**
Database Integrity	• Measures to ensure the data has not been corrupted by, for example transcription or keying errors, between its initial collection and its use for Mineral Resource estimation. • Data Validation and procedures used.	• All historic data captured and stored in customised Access database. • Digital data uploaded from laboratory reports to Access database. • Data integrity validated with Surpac Software for EOH depth and sample overlaps and transcription errors. • Historical data digitized by database consultants and uploaded to access database. • Data validated against historic plans and sections • Minor errors in data location, fixed in data base. • Negatives in database converted to 0.01% WO_3 and Mo.
Site Visits	• Comment on any site visits by the competent person and the outcome of any of those visits. • If no site visits have been undertaken indicate why this is the case.	• Numerous site visits during various drilling campaigns between 2010 - 2015.
Geological Interpretation	• Confidence in (or conversely the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and any assumptions made. • The effect if any of alternative interpretations on Mineral Resource estimation	• High confidence in the geological model. High quality sectional interpretation form mapping and drill hole data by Geopeko Ltd. • Diamond drillholes and sections used for geological domaining. • No alternative geological interpretations were attempted.

	• The use of geology in guiding and controlling the Mineral Resource estimation • The factors effecting continuity of both grade and geology	• Geology model used for mineralised domain modeling. • Brittle faulting and skarn mineralogy effect grade domaining.
Dimensions	• The extent and variability of the mineral resource expressed as length (along strike or otherwise) plan width and depth below surface to the upper and lower limits of the Mineral Resource	• Semi-continuous shallow plunging and dipping stratabound mineralisation adjacent to granodiorite intrusion. • Mineralisation extends 700m in strike length, by 100m width and dips at minus 20 degrees from surface in the to a depth in excess of 200m in the south.
Estimation and Modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by products • Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterization). • In the case of blockmodel interpolation the block size in relation to the average sample spacing and search employed. • Any assumptions behind modeling of selected mining units • Any assumptions about correlation between	• Block modeled estimation completed with Surpac™ software licensed to Tim Callaghan. • Wire-framed solid models created from diamond drillholes and 20m sectional interpretation. • Solid models snapped to drill holes • Minimum mining width of 3m @ 0.5% WO_3 • Internal dilution restricted to 3m with allowances for geological continuity • Data composited on 1m intervals including WO_3 and Mo • Top cutting based on CV and grade histograms. • Excellent correlation between WO_3 and Mo grades for C lens, poor correlation for B Lens • Block extents 10100 and 10900N, 40150 and 40550E and 700 – 1150m RL. Block sizes were set at 5m in the x, y and z directions with sub celling to 1.25m. • Variogram models well constructed with moderate nugget effect (20 - 30%) and short ranges of 10 to 20m to sill for most I domains. • Search ellipse set at 100m spherical range to ensure all blocks populated with minor anisotropy of 1:2 • Ordinary kriged model estimated model constrained

	variables • Description of how the geological interpretation was used to control the resource estimates. • Discussion of the basis for using or not using grade cutting or capping • The process of validation, the checking process used, the comparison of model data to drill hole data, and the use of reconciliation data if available.	by geology solid model • Block grades validated visually against input data • Good correlation with previous estimations • Very good correlation of depleted model with historic production
Moisture	• Whether the tonnages were estimated on a dry basis or with natural moisture, and the method of determination of moisture content.	• The estimate based on a dry tonnage
Cut-off Parameters	• The basis of the adopted cutoff grades or cutoff parameters	• Cut off grades have been based on estimated mine grade break even costs. Operating costs and financial parameters were provided by external consultants and KIS. A break even cutoff grade of 0.5% WO_3 is calculated for underground resources.
Mining Assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or if applicable external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters made when estimating Mineral Resources may not always be rigorous. When this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• Conventional blast load haul open pit operation in the first 4 - 7 years of mine life. Ore production rate of 1-200ktpa is expected from scoping studies. • Underground mining will involve conventional decline accessed room and pillar extraction with waste and sand backfill. Production rates are expected to be 100-200ktpa.
Metallurgical assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions made regarding	• Flow sheet design involves a standard 3 stage crushing-grinding circuit followed by a gravity concentration circuit prior to flotation. Metallurgical testwork suggests process recovery is expected to be around 80 - 85% producing a concentrate grade of 55% from the lower grade open cut

	metallurgical treatment processes and parameters made when estimating Mineral Resources may not always be rigorous. When this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	mineralisation. • The 2012 DFS proposed a 3 stage crushing and grinding circuit followed by whole ore floatation. Testwork suggested a recovery of 90% producing a 65% concentrate.
Environmental assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status for early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• Detailed studies and permitting of waste dumps, tailings disposal and storage of hazardous materials has been completed for the 2009 and 2012 feasibility studies.
Bulk Density	• Whether assumed or determined. If assumed the basis for the assumptions. If determined the methods used, whether wet or dry, the frequency of measurements, the nature size and representativeness of the samples. • The bulk density for bulk materials must have been measured by methods that adequately account for void spaces (vughs, porosity etc), moisture and difference between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• Bulk density derived from historic operations (Balind 1989). • B Lens = 3.1 • C Lens = 3.4 • Waste = 2.9 • Bulk density measurements made on diamond core from recent drilling of the Dolphin Deposit using the Archimedes method support historic assumptions.
Classification	• The basis for the classification of the Mineral Resource into varying confidence categories.	• Confidence in the geological model, data quality and interpolation is considered to be sufficient for

	• Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in continuity of Geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Persons view of the deposit.	Mineral Resource located within 30m of sample data to be classified as Indicated Resource. • Excellent correlation of grade with historic production provides confidence in the estimation. • The resource classification appropriately reflects the views of the Competent Person
Audits or Reviews	• The results of any Audits or Reviews of the Mineral Resource estimates.	• No audits or reviews have been completed for this estimation
Discussion of relative accuracy/confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource Estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy of the estimate. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The geological model and data quality within 30m of level development is well understood and modeled. • The effects of localised brittle faulting is well understood from mapping and drilling. • There is good confidence in the global tonnage estimation.

Appendix 5.

JORC Consent Form

Competent Person's Consent Form

Pursuant to the requirements of ASX Listing Rules 5.6, 5.22 and 5.24 and Clause 9 of the JORC Code 2012 Edition (Written Consent Statement)

Report name

Bold Head Mine Mineral Resource Estimation

(*Insert name or heading of Report to be publicly released*) ('Report')

King Island Scheelite Pty Ltd

(*Insert name of company releasing the Report*)

Bold Head Scheelite Deposit, King Island

(Insert name of the deposit to which the Report refers)

If there is insufficient space, complete the following sheet and sign it in the same manner as this original sheet.

July2015

(Date of Report)

Statement

I/We,

Tim Callaghan

(*Insert full name(s)*)

confirm that I am the Competent Person for the Report and:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).
- I am a Competent Person as defined by the JORC Code, 2012 Edition, having five years experience that is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Member or Fellow of *The Australasian Institute of Mining and Metallurgy* or the *Australian Institute of Geoscientists* or a 'Recognised Professional Organisation' (RPO) included in a list promulgated by ASX from time to time.
- I have reviewed the Report to which this Consent Statement applies.

I am a full time employee of

(Insert company name)

Or

I/We am a consultant working for

Resource and Exploration Geology

(Insert company name)

and have been engaged by

King Island Scheelite Pty Ltd

(Insert company name)

to prepare the documentation for

Bold Head Mine Mineral Resource Estimation

(Insert deposit name)

on which the Report is based, for the period ended

July, 2015

(Insert date of Resource/Reserve statement)

I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest.

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Targets, Exploration Results, Mineral Resources and/or Ore Reserves *(select as appropriate)*.

Consent

I consent to the release of the Report and this Consent Statement by the directors of:

King Island Scheelite Pty Ltd

(Insert reporting company name)

Signature of Competent Person:	Date:
Professional Membership: *(insert organisation name)*	Membership Number:
Signature of Witness:	Print Witness Name and Residence: (eg town/suburb)

Additional deposits covered by the Report for which the Competent Person signing this form is accepting responsibility:

Additional Reports related to the deposit for which the Competent Person signing this form is accepting responsibility:

Signature of Competent Person:

Date: **19/7/2015**

Professional Membership: **AUSIMM**
(insert organisation name)

Membership Number: **222210**

Signature of Witness:

Print Witness Name and Residence:
(eg town/suburb)

Appendix 2

Bold Head Preliminary Pit Design, 2015

Tim Callaghan – Resource and Exploration Geology
3 Main Rd Penguin 7318 ph. 0428 888 896 email: timcallaghan@netspace.net.au
ABN 50886857181

BOLD HEAD OPEN PIT

REMNANT MINERALISATION RECOVERY

KING ISLAND

Prepared for: King Island Scheelite Project.

Tim Callaghan, July 2015

MAP CONVENTIONS

Coordinates in this report and in digital data associated with this report are recorded as Bold Head Mine Grid BHMG.

RL's in this report are MSL.

Cross sections are drawn looking north.

EXECUTIVE SUMMARY

A desk top review of the potential for mining the upper 50m of the Bold Head deposit as a conventional open pit operation was completed during 2015.

The B-Lens Fault Block mineralisation at Bold Head outcrops and plunges shallowly south at the northern end of the Bold Head Deposit. The top 10m of the deposit is weathered and unmineralised. A preliminary conventional open pit was created in Surpac software to investigate the potential of mining the top 50m of the resource from surface. Design parameters are based on geotechnical investigations on the Dolphin Pit to the south. The remainder of the Dolphin deposit can be mined as an underground operation from the existing historic mine infrastructure and requires a revised underground reserve estimation and schedule.

The preliminary 50m pit shell contains an Indicated Resource of 0.12Mt @ 1.1% WO_3. Assuming 10% dilution and 10% ore loss the pit design contains a potential reserve in the order of 0.12Mt at approximately 1.0% WO_3.

An estimated 2.9Mt of overburden will need to be removed from the pit resulting in a high stripping ratio of 1:24. Assuming a mining cost for this style of operation in the order of $6-7/bcm the open pit would appear to be viable above a head grade of 0.6% WO_3. The high head grade of the resource suggests that open pit mining of the top 50m of the Bold Head Deposit may be a viable option.

It is recommended that the following studies should be investigated:

- Geotechnical drilling of the proposed open pit
- Optimization of the 50m pit
- Open pit reserve estimation
- Financial modelling.
- Review and update the Bold Head underground mining reserve and schedule.

CONTENTS

1 INTRODUCTION

The Bold Head Deposit is located in the southeastern corner of King Island, Tasmania. The Mine was originally operated by Geopeko Ltd. as a satellite deposit to the larger Dolphin Mine located several kilometers to the south.

The Dolphin and Bold Head Scheelite Mines operated intermittently since their discovery and start up in 1920 until the 1990, with several forced shutdowns due to low tungsten prices. The site was decommissioned and rehabilitated in 1990.

King Island Scheelite (KIS) have been investigating the potential of re-opening the mines.

Resource and Exploration Geology were requested to re-estimated the Bold Head Resource in July 2015 to comply with the 2012 edition of the JORC Code. The new estimation included improved geological modelling and the inclusion of new drilling data at the north end of the deposit. The improved estimation saw a marginal increase in tonnes (0.11Mt) for a small decrease in grade (0.05% WO_3) resulting in a small gain of 240 WO_3 tonnes.

The previous resource estimation (Callaghan, 2009) was used to Estimate an Underground Mining Reserve by Polberro Mining in 2010.

Resource and Exploration Geology were requested to complete a preliminary investigation into the viability of recovering some of the Bold Head Resource from an open cut operation.

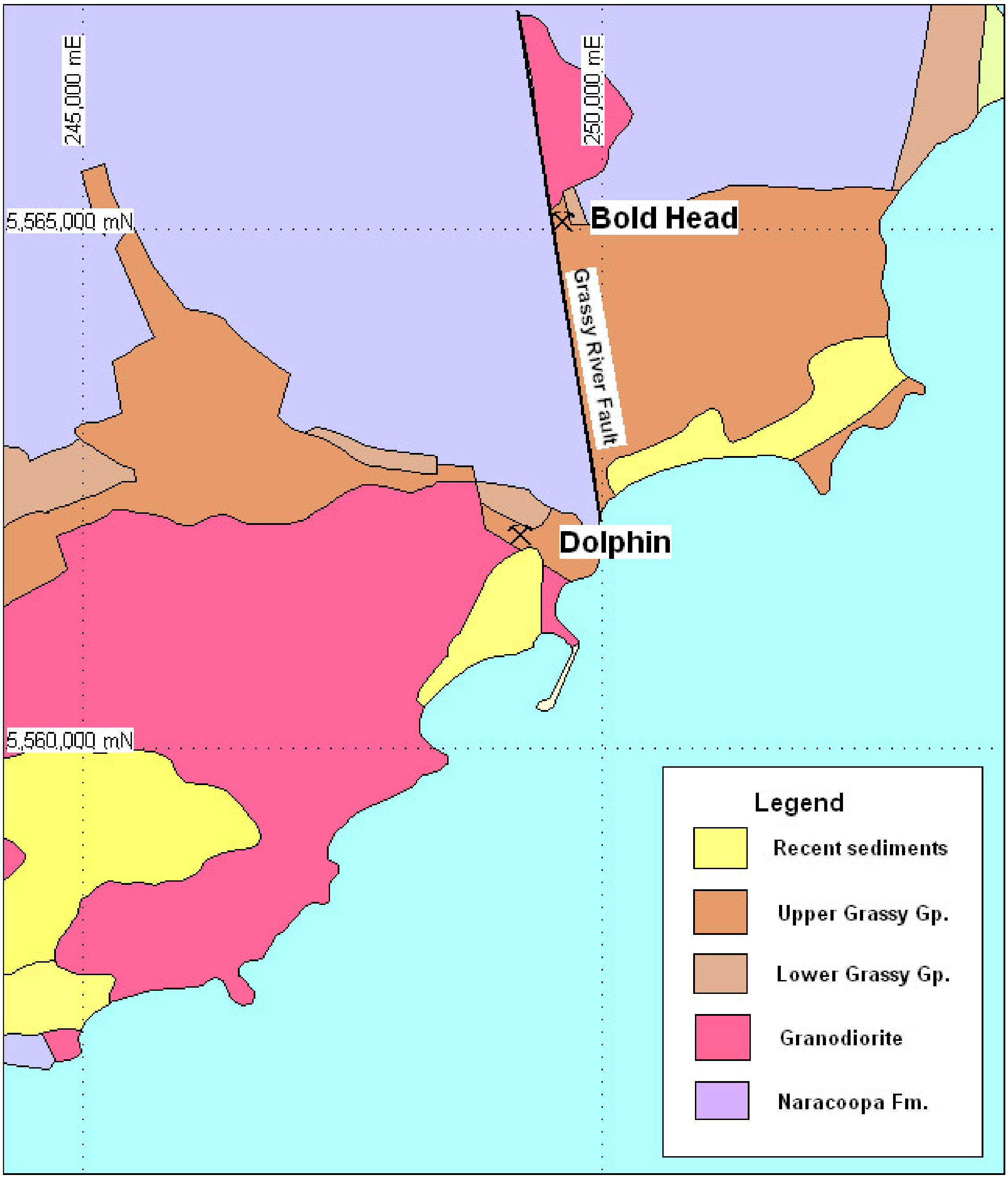


Figure 1. Dolphin and Bold Head Location Plan and Simplified Geology.

2 DATA

Data used for the review includes:

- Drilling database (Access)
- Resource Blockmodel (Surpac)
- Topographic DTM (surpac, dxf)

Data provided with this report includes:

- Topographic DTM (Surpac)
- Modeled pit shell (Surpac)
- Block modeled resource estimate (Surpac)
- Bold Head Conceptual Pit Report 2015 (pdf)

3 CONCEPTUAL PIT DESIGN METHODOLOGY

The Bold Head Open Pit Resource has been derived from a kriged block model created with Surpac^{tm} software licensed to Tim Callaghan.

No geotechnical investigations have been completed for the Bold Head deposit. The geology is similar to the Dolphin deposit and similar design parameters have been used for this investigation. The pit design was created from level plans commencing at -1050mRL and increasing on 20m increments.

Design parameters include:

- 20m batter heights
- Bench width of 10m
- Total pit slope 50°
- Batter slope 71°
- Ramp Width 15m
- Ramp slope 1:5

A single pit shell pit was generated, the northern wall plunging more shallowly with the plunge of the deposit than the western, eastern and southern walls (Figure 2).

4 RESULTS

Mineralisation within the 50m pit design consists of a 5-10m thick, tabular sheet of the Fault Block B-Lens mineralisation plunging 15-20 degrees to the south. Mineralisation is relatively high grade.

The remnant resource that can be recovered from the pit design includes an Indicated and Inferred Resource of 0.15Mt @ 1.21% WO_3 (Table 1).

Table 1. Bold Head Open Pit Resource

	m3(1000)	Mt	WO_3 %
Waste	1006	2.91	0
Indicated Resource	39	0.12	1.1
Stripping Ratio	1:24		

Assuming 10% dilution and 10% ore loss the pit design contains a potential reserve in the order of:

0.11Mt at approximately 1.00% WO_3

An estimated 2.91Mt of overburden is contained in the pit unfortunately resulting in a stripping ratio of 1:24

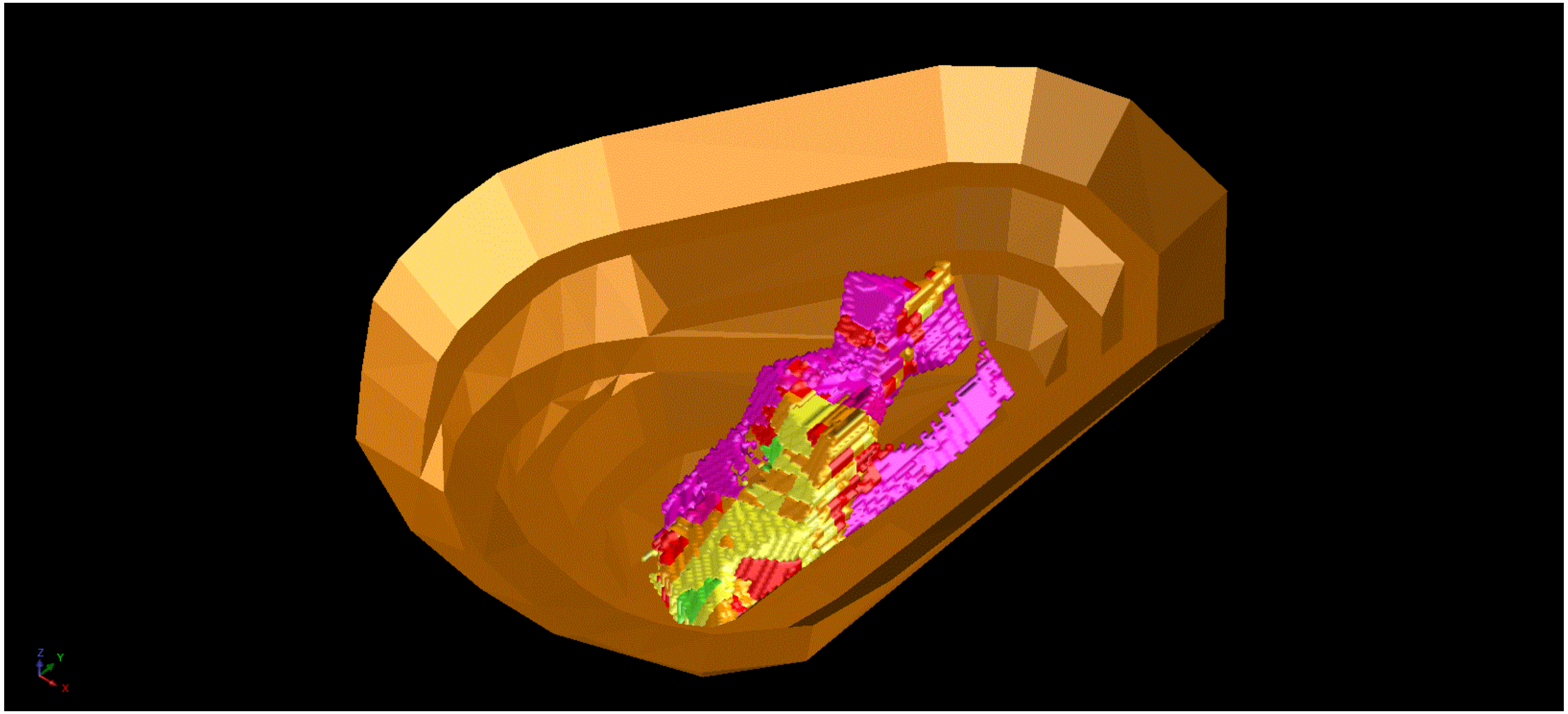


Figure 2. View of Bold Head 50m pit looking northwest

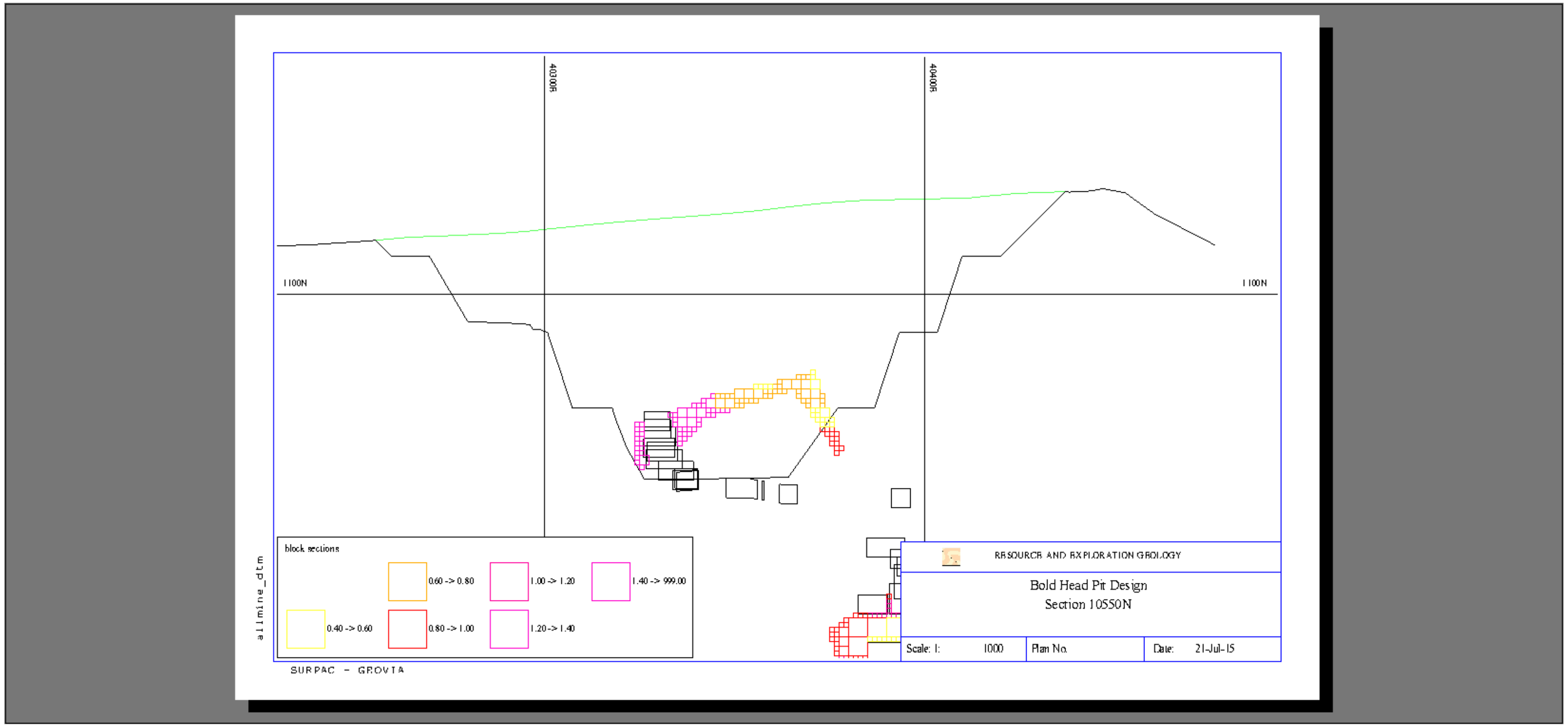


Figure 3. Section 10550N pit design contained mineralisation.

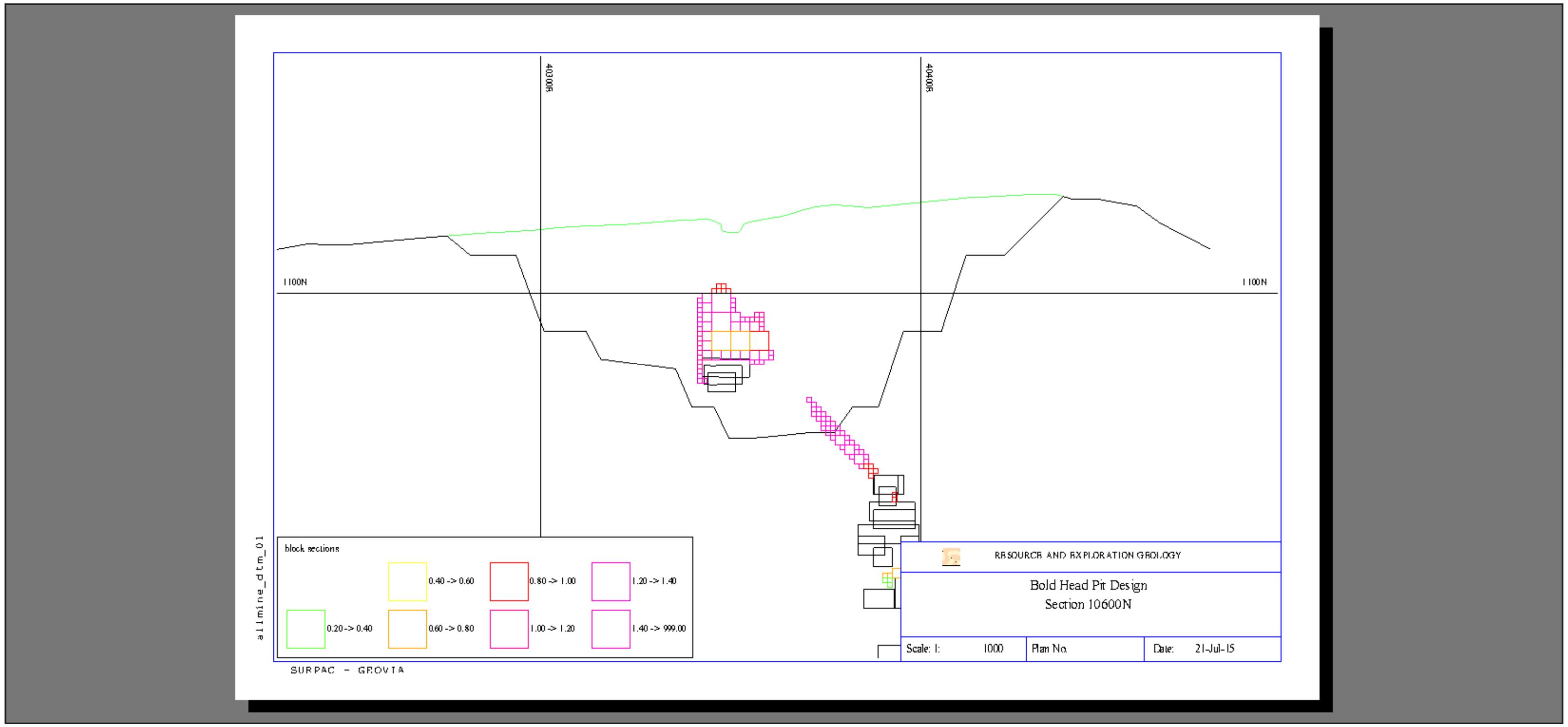


Figure 4. Section 10600N pit design contained mineralisation.

6 DISCUSSION AND RECOMMENDATIONS

The B horizon Fault Block, although of reasonable grade does not contain adequate tonnes per vertical metre to reduce the stripping ratio. Mining costs for operations of this scale are typically $6-7/bcm equating to a mining cost per tonne of ore of approximately $55-60/t of ore produced.

Although the stripping ratio is high, the high grade of the deposit suggests that the Bold Head Deposit may well be viable as an Open Cut Mining operation depending on capital requirements and additional site costs (Table 2).

Table 2. Bold Head Open Pit Break Even Cut Off Grade

Assumtions	***Unit***	***Source***
Metal Price WO_3	$25,000	$US/t KIS July 2015
Exchange Rate	0.75	Jul-15
Realization rate	70%	KIS off take agreements
Mining Recovery	90%	Approximate industry average
Mill Recovery	81%	KIS Test work
Milling cost	$41	KIS 212 PFS Op cost
Mining Cost	$60	Authors estimate $7/bcm mined
Operating cost	$101	$ A KIS PFS Op Costs
Calculations		
Mine Gate Price	$18,900	(Metalprice*realization*mill recovery)/ exchange
Operating cost/tonne of ore insitu	$112	Operating Cost / mining recovery
WO_3 % break even cut off/t	0.6%	$122 = ($WO_3$%*0.01*$23,310)

Recommendations for further work include:

- Optimize 50m pit
- Reserve estimation
- Financial modelling.
- Review the Bold Head Underground Mining reserve and schedule.
- Exploration between Bold Head and Dolphin for further mineralisation in the lower Grassy Group.

ADDITIONAL NOTES

LIMITATIONS AND CONSENT

The report is provided to the King Island Scheelite Project in the context of a Mineral Resource Estimate and first pass open pit design and should not be used or relied upon for any other purpose.

This report has been prepared using information available to the Author at the time of writing. The opinions stated herein are given in good faith and with the belief that the basic assumptions are factual and correct and the interpretations reasonable.

This report is not intended for the use as a public document nor, in whole or in part, in a public document without written consent to the form and context in which it appears.

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COMPETENT PERSON AND JORC CODE

This report was prepared in accordance with the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") by Tim Callaghan, who is a Member of The Australian Institute of Mining and Metallurgy ("AusIMM"), has a minimum of five years experience in the estimation and assessment and evaluation of Mineral Resources of this style and is the competent Person as defined in the JORC Code. This announcement accurately summarises and fairly reports his estimations and he has consented to the resource report in the form and context it appears.

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STATEMENT OF INDEPENDENCE

Tim Callaghan has no material interest or entitlement in the securities or assets of the King Island Scheelite project or any associated companies.

References

AMC, 2009. Dolphin and Bold Head Mines Scoping Study. *Unpublished company by AMC Consultants Pty Ltd for King Island Scheelite.*

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