MANTO MINING PTY LTD

PARTIAL RELINQUISHMENT REPORT

EXPLORATION LICENCE 28904

27 MARCH 2012 – 26 MARCH 2016

<table>
<thead>
<tr>
<th>Titleholder</th>
<th>Manto Mining Group Pty Ltd</th>
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</thead>
<tbody>
<tr>
<td>Project Operator</td>
<td>Manto Mining Pty Ltd</td>
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<tr>
<td>Titles/Tenements</td>
<td>EL28904</td>
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<tr>
<td>Tenement Manager/Agent</td>
<td>AMETS Pty Ltd</td>
</tr>
<tr>
<td>Mine/Project Name</td>
<td>N/A</td>
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<tr>
<td>Personal author(s)</td>
<td>Holly Edgar</td>
</tr>
<tr>
<td>Company reference number</td>
<td>N/A</td>
</tr>
<tr>
<td>Target Commodity or Commodities</td>
<td>Fe, Cu, Au</td>
</tr>
<tr>
<td>Date of report</td>
<td>5 August 2016</td>
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<tr>
<td>Datum/Zone</td>
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<td>250 000 K Mapsheet</td>
<td>Pine Creek SE5314</td>
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<tr>
<td>100 000 K Mapsheet</td>
<td>Short Range 5659, Flynn 5759</td>
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</table>

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1. Abstract

Exploration Licence 28904 (the licence) is located approximately 35km North-West of Tennant Creek and has an area of 513.14 square kilometres.

The area is situated within the Warramunga and Tomkinson Provinces of the Northern Territory. The Warramunga Province is highly prospective for IOCG mineralisation and is also known to host base metals and Uranium. The Tomkinson Province is known to host manganese deposits and it also has a potential to host base metal deposits. The area has long been a target for exploration and Manto Mining believe the area is highly prospective for an economic IOCG deposit.

On 25 July 2016, 31 blocks were relinquished from the licence, as they were found to not be prospective.
2. Copyright
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3. Location and Access
The licence is located approximately 35km North-West of Tennant Creek in the Northern Territory and can be accessed from the Stuart Highway, thence via existing public roads and tracks.

Figure 1- Location & Topography Map of the Relinquished Portion of EL28904

4. Tenure and Land Use
Exploration Licence 28904 was granted for six years to Manto Mining Pty Ltd (Manto) on 27 March 2012 and comprised of 170 blocks (513.14 square kilometres). Manto was recently
purchased by Australia China Corporation of Coal Geology Engineering Pty Ltd and Anhui Honren Co.(Group) Ltd, with the shareholding of 60% and 40%, respectively.

The licence is covered by a pastoral lease, which is identified as NT Portion 408, Perpetual Pastoral Lease 946. As at 14 May 2014 the pastoralists of this portion are recorded as Charles and Judy Warby. The Darwin to Adelaide Railway also intersects the licence, which has the identification of NT Portion 5476, Crown Lease Term 1880.

5. **Topography & Hydrology**

The topography within the area is dominantly low, with limited outcrops. Small Creeks flow through the licence during the wet season. The Darwin to Adelaide Railway intersects through the middle of Exploration Licence 28904.

6. **Geology**

The licence area is situated within the Warramunga and Tomkinson Provinces within the Tennant Creek Region of the Northern Territory. The Warramunga Province consists of greywacke, shale, siltstone, sandstone, hematitic shale, granite, dolerite, basalt, dolostone and felsic volcanics. The Tomkinson Province largely comprises of sandstone, dolostone, shale and basalt.

The area is known to hosts numerous commodities which include gold, base metals, iron ore and manganese. The Tennant Creek Region is well known for IOCG mineral exploration.

An unconformity between the Warramunga Province and the Tomkinson Province intersects the licence, where the Flynn Group overlies the older deformed Warramunga Formation. The Flynn Group consists of relatively undeformed and un-metamorphosed sedimentary rocks and volcanics.

Outcrop in the south-eastern part of the licence is limited with large areas of recent sand, soil and colluvium deposits.

As seen in Figure 3, complex faulting and folding is present within sandstone lithofacies.
7. Exploration Rationale

The area is within the Tennant Creek Region which is well known to host significant iron ore copper gold (IOCG) gold deposits. Manto believes that there is a potential for the area to host an economic IOCG deposit.

8. Previous Exploration

Historically, within the licence area, exploration companies have explored for numerous commodities, which mainly include gold and base metals.

A recent historical titleholder of the area was Meteoric Resources (Meteoric). While Meteoric held the tenure over the area, a high-resolution aeromagnetic survey was conducted, which identified numerous magnetic anomalies. It was found that anomalies some of the anomalies may be stratigraphic, but a number also appear to relate to structures. There is also at least
one anomaly which appears to be of the classic “bulls eye” Tennant Creek style, which hosts the majority of copper–gold mineralization in the field. (Reddy, 2013)

9. Exploration on the Relinquished Blocks

During 2012 to 2014, nil exploration work was undertaken on the relinquished blocks, shown in Figure 3. A field trip was conducted on the licence in 2012, but nil exploration works were conducted on the relinquished blocks.

During 2014 to 2015, Manto conducted aeromagnetic and radiometric surveys over the licence area.

During 2015 to 2016, work during the reporting period comprised of field reconnaissance and interpretation of the aeromagnetic and airborne gamma surveys that were conducted during the previous reporting period. The blocks that were later relinquished did not show any potential from the aeromagnetic and airborne gamma survey maps.

In June and July 2016, Manto conducted a field reconnaissance trip to the licence to check the surface mineralisation and geology of the blocks to be relinquished.

It was found that the eastern relinquished blocks had a gentle undulating terrain. Bedrock is exposed at the surface consisting of medium-course quartz sandstone and quartzite. The overall trend is east-west, which dips to the north. No mineralization was found at the surface.

The blocks relinquished in the western portion of the licence plain had minor groove-elevation, flourishing vegetation at the surface and a thick Quaternary sediment cover, consisting of alluvial sand and gravel. Weathered sandstone outcrops within the area, which trends in an east-west direction. No mineralization was found at the surface.

Nil mineralization at the surface on both the eastern and western portions of the licence, confirmed that these blocks were able to be dropped from the licence.
10. Conclusions and Recommendations

Manto is keen to continue exploration on the remaining blocks of the licence and believe an economic IOCG deposit will be found.
11. References


D. Reddy, Annual and Final Report for EL24138 for the period 8 October 2004 to 15 October 2013 Warrego, Tennant Creek, Northern Territory, Meteoric Resources NL, 2013

12. Appendices

Appendix 1- Geology Map Legend- (C. A. Mulder)