### Document Title

Annual Activity for GR351
ELs 29951, 29952, 29954, 29955
Glyde River – McArthur Basin Project
To 20th November 2014

### Document Number

RIP-EL29951-55-RPT-002

<table>
<thead>
<tr>
<th>Rev</th>
<th>Status</th>
<th>Prepared by</th>
<th>Checked by</th>
<th>Approved By</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Final</td>
<td>Neil Wilkins Exploration Advisor</td>
<td>Josh Bluett Exploration Geologist</td>
<td>Luke Titus Chief Geologist</td>
<td>20/1/15</td>
</tr>
<tr>
<td>0</td>
<td>Approved</td>
<td>Neil Wilkins</td>
<td>Josh Bluett</td>
<td>Luke Titus</td>
<td>20/1/15</td>
</tr>
</tbody>
</table>
Table of Contents

1 Summary ................................................................................................................................... 4
2 Introduction ............................................................................................................................... 5
3 Location & Access .................................................................................................................... 5
4 Geology & Previous Exploration ............................................................................................... 6
5 Exploration Completed during the Reporting Period ............................................................. 12
  5.1 Falcon Survey ..................................................................................................................... 12
  5.2 Falcon survey interpretation ............................................................................................... 14
  5.3 Diamond drilling ................................................................................................................ 16
  5.4 Interpretation of the drilling ............................................................................................... 16
6 Results and Conclusions ........................................................................................................... 17
7 Proposed Program ..................................................................................................................... 19

List of Figures

Figure 1 – Ripple Resources granted ELs in the McArthur Basin. ..................................................6
Figure 2 - Stratigraphic column ..................................................................................................8
Figure 3 - Previous drilling geochemistry and EM anomalies northern project area ..................9
Figure 4 - Previous drilling geochemistry and EM anomalies southern project area .................9
Figure 5 - The Coxco Larrakeyah trend into EL 29951 ................................................................11
Figure 6 - Structures, anomalies and host sediments – southern ELs ........................................11
Figure 7 - Barney Creek distribution from prior work.. ..............................................................12
Figure 8 - Location of the Falcon gravity survey .......................................................................13
Figure 9 - Gravity image in northern project area – 1020m depth slice ....................................13
Figure 10 - Gravity image southern project area based on a 1020m source slice .......................14
Figure 11 - Gravity and structural interpretation .................................................................... 14
Figure 12 - A Gravity targets and stream sed geochemistry northern project area ......................... 15
Figure 13 - Gravity targets and inferred structures southern project area ..................................... 15
Figure 14 - Sulphide infills and clast rims in the Cooley breccia ....................................................... 17
Figure 15 - Interpretation of prior work Falcon survey and drilling – northern area ....................... 18
Figure 16 - Structural – stratigraphic and gravity targets in the southern areas.............................. 19
1 Summary

This report is the compilation of annual activities and expenditure in Ripple Resources Mineral Exploration Licences EL29951, EL29952, EL29954 and EL29955.

Ripple Resources is a fully owned subsidiary of Armour Energy Ltd. Armour has been exploring the gas and oil resources of the McArthur Basin, and has made a significant gas discovery in the Glyde Sub-basin. Ripple has selected Exploration Licences within areas inside the Armour Energy permits, and has been cooperating with Armour in order to evaluate these ELs for their base metal potential. This cooperation has involved modifications and extensions to the Armour program so that it has greater relevance for base metal exploration. Additionally, the techniques and concepts used in hydrocarbon exploration overlap with leading edge base metal exploration.

Base metal exploration within these Licences is challenging because of the rugged topography and cover geology. Breccia hosted and stratiform mineralisation trends into the area from outcropping areas, the most notable being the Bald Hills - HYC trend and Western Emu fault. The imputed depths of mineralisation are believed to range from about 200m – 1000m, much of which is below the limit of airborne EM penetration.

Previous exploration by Amoco Minerals (and Petroleum) and by BHP RTZ and MIM relied on airborne EM as a target generating technique. Amoco found outcropping Barney Creek shales and breccias in what was named the Glyde sub basin. Subsequent drilling found little evidence of proximal hydrothermal sulphide deposition in the sub basin, although it did encounter gas flows. The Glyde sub basin boundary was a NW–SE striking growth fault that passed through the southern third of the EL. Very little is known about the Barney Creek Formation away from the Amoco drillholes.

Ripple has participated with Armour in two major activities within the project area: a Falcon airborne gravity gradiometry survey and drilling of the Lamont Pass-3 (LP3) well. The well was diamond drilled to 1275m on a gravity anomaly adjacent to the Emu fault. The hole was subsequently logged with downhole geophysics including IP. This hole was drilled into adjacent EPM 29837, but has strong implications for the ELs which are the subject of this report.

This hole intersected 75m of semi massive pyrite infill and replacements hosted by the Cooley breccia member of the Barney Creek formation. This is considered significant because it demonstrates that the Falcon survey has generated drill targets due to sulphides, and also it demonstrates that a significant hydrothermal sulphide system has mineralised the Barney Creek Formation in the area.

The Caranbirini member of the Lynott formation is considered to be a secondary base metal target because of its abundance of laminated pyrite, its occasional zinc– lead anomalism and numerous occurrences of infill mineralisation occur up to its base. Other highly reduced organic dolomitic sediments considered highly prospective are within the Wollogorang and the McDermott formations.

It is considered that several other gravity features could be due to sulphide accumulations, but there remains a difficulty in ranking them prior to drilling. The depth to target needs to be better estimated, and the likelihood of base metals rather than pyrite is also a factor to consider.
Ongoing work is planned for the EL. This includes further modelling of the Falcon gravity data and trials of leakage geochemistry over selected gravity features. The purpose of this next stage is to rank prospective gravity features for future drilling.

2 Introduction

Ripple Resources Pty Ltd was set up by DGR Global Ltd for the purpose of exploring for base metals within areas of the McArthur and Mount Isa basins that were being examined by Armour Energy Ltd for gas and oil. After the float of Armour Energy, Ripple Resources was sold to Armour at cost. Since that time, Armour has been providing funding and much of the operating resources for Ripple.

Modern concepts regarding the formation of sediment hosted base metal deposits have given new emphasis to the century old model that the metals were introduced along with hydrocarbons, either in conventional trap sites or within basin-centred accumulations.

There was an opportunity to modify and extend the Armour program so that Ripple Resources could benefit from aspects of the petroleum evaluation which were relevant to base metals.

3 Location & Access

The ELs extend over 120 km in a north–south belt east of the HYC mine at MacArthur River. Access is made to the centre via the road to Merlin diamond mine. Access further south can be made along the Old Salt road east of Kiana or by the old rough Amoco road linking Kiana with the Merlin road. Within the EL, access is difficult due to a rugged physiography, and the only rough tracks are along the ridge lines. Helicopter support is essential in most areas away from the Merlin Road.

<table>
<thead>
<tr>
<th>Title No.</th>
<th>Holder</th>
<th>Grant Date</th>
<th>Expiry Date</th>
<th>No. Blocks</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL29951</td>
<td>Ripple Resources Pty Ltd</td>
<td>21/11/2013</td>
<td>20/11/2019</td>
<td>23</td>
</tr>
<tr>
<td>EL29952</td>
<td>Ripple Resources Pty Ltd</td>
<td>21/11/2013</td>
<td>20/11/2019</td>
<td>218</td>
</tr>
<tr>
<td>EL29954</td>
<td>Ripple Resources Pty Ltd</td>
<td>21/11/2013</td>
<td>20/11/2019</td>
<td>187</td>
</tr>
<tr>
<td>EL29955</td>
<td>Ripple Resources Pty Ltd</td>
<td>21/11/2013</td>
<td>20/11/2019</td>
<td>176</td>
</tr>
</tbody>
</table>

*Amalgamated group reporting (GR351) granted 30/09/2014.
4 Geology & Previous Exploration

Most of the area is comprised of the flat lying late Proterozoic Bukalara Sandstone, which forms a rugged plateau and largely obscures the prospective McArthur Basin, which is faulted and gently folded. The formations of prime interest are the Barney Creek and adjacent/underlying Coxco Dolomite Member. Most mineralisation of note lies between the Coxco and the Caranbirini member of the Lynott Formation, but some bitumen – galena – sphalerite infills extend up as far up sequence as the Bessie Springs Sandstone in the Roper Group. In the south, within ELs 29954 and 55, BHP drilling has revealed bitumen – chalcopyrite – galena – sphalerite infills within thick, strongly organic dolomitic shales of the McDermott formation. As a rule, the lower formations with hydrocarbon shows as shown in Fig.2 are those with mineralisation.

The economically significant lead – zinc – copper deposits are part of the Mt. Isa – McArthur metallic province, which is the most productive zinc district in the world. Locally, the HYC mine is the only producer, with a global resource of over 200 million tonnes of lead zinc with minor copper. New exploration by Rox Resources (Teck) has enhanced the nearby Myrtle and Teena deposits by means of deeper drilling and larger richer intercepts. They are typical of the basin hosted deposits which are normally richest in the structurally lowest sites, within the most organic dolomitic shales.

Other zinc – lead – copper deposit types are known, and are mainly of the porosity infill type, where hydrocarbons and metals have migrated into trap sites usually in solution breccias or decarbonated dolomitic shales. Locally, these include the Coxco, Cooleys and Ridge deposits. Century in Queensland is the largest known deposit of this type, and is currently the world’s largest source of zinc. At Century, the
stratiform sulphide mineralisation occurs in a matrix of live oil occupying secondary porosity sites, and adjacent smaller mines have produced pitch as well as silver lead. Renewed exploration at Walford Creek (in Queensland, close to the NT border) has discovered significant Mt. Isa style copper cobalt phases that overprint the silver lead zinc. This style is also present in breccias at Cooleys, but is not economically significant.

Locally, the major previous work on the Bukalara Plateau was done by Amoco and its J-V partners and has been reported in CRs 1979-192, 1979-013, 1980-064, 1981-28, 1982-228 and 393, 1983-24 and 48, and 1986-299. Amoco found outcropping Barney Creek shales and breccias in what was named the Glyde sub basin. Subsequent drilling found little evidence of proximal hydrothermal sulphide deposition in the sub basin, although it did encounter gas flows within hydrothermal breccias close to the Emu fault. The Glyde sub basin boundaries are reactivated growth faults that are displaced variable distances away from the original planes of movement. Very little is known about the Barney Creek formation in the northern ELs. Lesser work was done by MIM who drilled a single hole in the EL – CAPD1 to 438m to test an EM conductor sourced in the Lynott formation (1996-236).

BHP flew airborne EM outside their nearby EL during the 1990s but the survey apparently has not been placed with the NT Mines department. They also took stream sediment samples over a large part of the region, although their coverage was rather patchy in the main areas of anomalism within EL 29954 and 55. BHP subsequently drilled several widely spaced holes within those ELs near the unclosed anomalies (Gundy Springs Prospect), and intersected weak infills of copper lead and zinc within the McDermott formation. They initially thought the host was the Barney Creek formation which can be very similar, and may have been misled by the dropping of the McDermott from some stratigraphy (fig.2).

CRA also flew EM which showed a number of conductors. Their work led to drilling near Kiana in the far southwest of the project area. They encountered weak mineralisation in what appears to be the Tooganinnie formation.

Diamond exploration has been conducted throughout, and this led to the discovery of the Merlin field.

The EL area has seen little serious base metal exploration due to the difficult topography and the problematical cover sequences. To understand the targets that may lie within the EL, a compilation must rely on extrapolation from exploration outside of the EL itself. Most of the relevant work in the exposed areas to the north and west was done by MIM and more recently by the Rox Resources – Teck joint venture. The latter partnership has had considerable success in improving the Myrtle and Teena stratiform deposits by locating and drilling the structurally lowest portions of the Barney creek formation within localised metalliferous sub basins. Rox – Teck encountered a problematic strong gas flow at Myrtle and oil has also been reported in earlier drilling by MIM.
Figure 2 - Stratigraphic column - note that the >200m thick McDermott formation black dolomitic shales and evaporites have been removed from this official version, despite its widespread distribution about 150m above the Seigal Volcanics. It is considered to relevant to ignore.
Figure 3 - Previous drilling geochemistry and EM anomalies northern project area

Figure 4 - Previous drilling geochemistry and EM anomalies southern project area
A compilation was made of previous exploration using data and reports covering the adjacent areas. From this (Figs. 3 & 4) it can be seen that strong mineral systems lie to the north and west, and that they trend into the covered areas within the project area.

The breccia hosted Coxco – Larrakeeyah trend passes under the cover and enters EL29951 about 6 km north of Ripple Armour LP3. This zinc – lead is hosted in 200m thick interval of solution breccias developed between the Lynott formation and the Teena dolomite. It is accompanied by oil and pockets of flowing gas at Coxco, which is located within an anticlinal crest on a structural high. The east side of the Coxco dome is downfaulted to the stratigraphic level of the Limmen sandstone, so that this hydrocarbon and base metal play is intact at a depth of a few hundred metres.

This trend lies on a structural high on the east side of the Western Fault - a mineralised N-S growth fault that along with the E-W Bald Hills Fault, has formed the HYC sub basin. The Western fault also forms the mineralised eastern boundary of the Amelia sub basin. The Emu fault itself is a younger feature parallel to the Western fault and is not a growth fault in that area.

The distribution of Barney Creek formation in the Leila, Amelia, Glyde and Myrtle sub basins suggests that the broad Calvert Fault set was active during Barney Creek time. It is not known whether it is mineralised. The compiled information regarding the Barney Creek formation is shown in Fig. 7.

A trend of discordant copper mineralisation strikes south west from Coxco towards the mineralised Myrtle sub basin. This implies that there is a mineralised growth fault similar to Bald Hills structure that has localised the Teena – W fold – Wickens Hill – HYC sub basins. Adjacent to HYC, the Bald Hills structure has breccia hosted copper. These strongly discordant growth faults are apparently important in localising the best mineralisation. The growth faults are difficult to map conventionally because they have not been reactivate since Barney Creek time, and there is little or no magnetic contrasts in most localities. They are implied from stratigraphic information gained from drilling and from geochemical trends, as much as outcrop mapping.

The southern ELs illustrated in Fig. 6 have only minor areas of Barney Creek formation, but otherwise contain all the ingredients for base metal mineralisation. The mineralising structures pass through extensive areas of organic dolomitic shales. The limited stream sediment sampling when separated into populations of cover and non-cover localities, displays distinct and unclosed copper and lead anomalism. The holes drilled by BHP indicated that minor base metals are probably widespread in the McDermott formation.
Figure 5 - The Coxco Larrakeyah trend into EL 29951

Figure 6 - Structures, anomalies and host sediments – southern ELs
5 Exploration Completed during the Reporting Period

Two major activities were conducted during the year. A Falcon airborne gravity survey (fig.8) covered most of the EL, and a gravity feature was diamond drilled to 1275 metres in hole LP3.

5.1 Falcon Survey

The purpose of the survey was to provide information that would allow structural interpretation of the areas obscured by cover, at the same time as providing gravity targets that may be due to sulphide accumulations. Modelling of detailed density information concerning the Century deposit indicated that similar deposits should be readily recognisable as positive anomalies.

Survey Area Specifications

- Total Kilometres (km) 4,272
- Clearance Method Drape
- Nominal Terrain Clearance (m) 80
- Traverse Line Direction (deg.) 069 / 249
- Traverse Line Spacing (m) 400
- Tie Line Direction (deg.) 159 / 339
- Tie Line Spacing (m) 4000
An extensive array of imagery has been created from both the gravity and magnetics data. This was used for generating interpretations for use in both base metal and hydrocarbon exploration.

Figure 8 - Location of the Falcon gravity survey

Figure 9 - Gravity image in northern project area – 1020m depth slice
5.2 Falcon survey interpretation

The imagery was used to generate a structural interpretation, and to generate gravity targets directly (Fig. 11).
Note that a series of discordant ENE striking structures are apparent in the imagery. They appear to be dilational faults formed by interaction between the regional NNW and NW sets during Barney Creek time. It is believed that these structures localised deep sub basins and provided metalliferous fluids.

Figure 12 - A Gravity targets and stream seds geochemistry northern project area

Figure 13 - Gravity targets and inferred structures southern project area
5.3 Diamond drilling

Lamont Pass 3 (LP3) was percussion drilled and cased to 300.9 metres and then cored to 1275m. The collar location at (GDA) 94631148E, 8146460N, and the orientation vertical. This location was outside the ELs being reported but is of relevance.

The site was chosen for several reasons including accessibility. Geologically, the site was chosen because the stratigraphic location was clearly within the Donnegan member anhydrite concretion beds – meaning the Barney creek and Coxco dolomite targets were within drilling capability, but outside the limit of airborne EM.

The location was also on gravity target D. From a petroleum point of view the site was chosen because if successful, it would have substantially increased the resource of gas known to lie along the Emu fault extension further south. The targets included shale oil/gas in the Caranbirini and HYC members, as well as the conventional gas in the Coxco member solution breccias.

Upon completion, a downhole IP survey was run in order to verify the lateral persistence of the major sulphide intervals. Additionally cores from the Lynott to Coxco were measured for specific gravity and analysed for suite of relevant metals.

A summary of the formations encountered (after review) is as follows:

0m – base of Donnegan Member Lynott formation
611m - base of Caranbirini member Lynott formation
700m – base of Reward formation transition
818m - Barney creek formation base of dolomitic shales
867m – Barney creek formation base of sulphidised Cooleys breccia (no HYC or W fold members )
882m – base of Coxco member solution cavities (old weathering surface? )
957m – base of Teena dolomite and location of more solution cavities
1050m – base of Myrtle red and green shales transitional to thin bedded mixed algal dolomites and green grey shales at 1080m – Tooganninnie formation
1275m – ended in Tooganninnie formation

5.4 Interpretation of the drilling

Lamont Pass 3 intersected a Barney Creek paleo high where there was no deposition during HYC member time. The Cooleys breccia included slump and solution breccias in juxtaposition – an indication of proximity to an active growth fault.
Most importantly, 75 metres of hydrothermal sulphide infill and replacements were encountered in the Cooleys breccia (Fig. 14). This was the densest section of core and the likely source of the gravity anomaly. This sulphide was very low in base metal anomalism, and is seen as a distal sulphide facies.

No major gas flow was encountered despite the thick section of shale oil and gas above the Cooleys. My interpretation is that Coxco conventional gas has seeped out updip to subcrops of that formation on the margins of the Glyde sub basin. This is therefore a relatively safe local area for drilling through the Coxco.

![Figure 14 - Sulphide infills and clast rims in the Cooley breccia](image)

6 Results and Conclusions

The most significant result of the first years’ work has been the technical success of the Falcon gravity survey. Several previous holes have been drilled through the cover sequences on the Bukalara plateau, mainly based on EM targets, but none have intersected a major hydrothermal sulphide accumulation as seen in LP3.

Additionally, the survey has apparently detected the network of ENE cross structures (Fig. 15) that are critical in forming Barney Creek sub basins and providing the flow of metalliferous brines. These brines have flushed large volumes of sulphates and chlorides out of the lower sequences and redeposited them as chemical sediments and alteration zones containing dense sulphides and ankerite – siderite.
These locally hidden structures have previously taken decades of drilling to outline. It is interesting to note that similar ENE structures control mineralisation and sediment distribution in Barney Creek correlatives (Fish River fault and Doomadgee formation) straddling the NT–Qld border.

The structural interpretation has not provided a good indication as to the target depths of the gravity anomalies. The other remaining issue remains the nature of the targets—whether they are due to base metals, pyrite, ankerite, or porosity variations.

Stratiform pyrite and minor zinc mineralisation is widespread in the Caranbirini Member, as are breccia beds. It should also be considered to be a secondary base metal target, along with the HYC member and Coxco dolomite breccias. The other secondary targets—the McDermott and Wollongorang formations are too deep to consider in the north, but are valid targets in the south. Rich basemetal sources exist in the lower volcanic sequences, particularly the Siegal Volcanics, and the McDermott would have acted as a powerful metal trap to any fluids passing along structures in contact with the dolomitic black shales. The BHP Gundy Springs holes did not target structurally prepared sites, and there was no attempt to use leakage geochemistry to define targets, even though the Emu fault system was producing anomalies in the cover.

Figure 15 - Interpretation of prior work Falcon survey and drilling – northern area
7 Proposed Program

During the next year, the program will be directed towards the evaluation and ranking of the gravity targets.

A 250-km 2D seismic survey is being planned in conjunction with Armour Energy.

This will involve further modelling of the Falcon survey data with the focus on depth to source analysis.

It is also hoped that Ripple will be able to acquire seismic data from Armour work. At this stage, the locations of Armours surveys are not finalised.

More Armour drilling may take place. If so, Ripple will have access to samples and downhole data, and will assay relevant sequences.

Trials of leakage geochemistry are to be undertaken. This will help rank the anomalies in terms of their likely base metal potential. The fracturing evident in the Bukalara and older cover should have allowed leakage of metals and hydrocarbons. A study of the fracturing may also locate new kimberlite intrusions.

Drilling should resume in year 3 when ranking has been completed over the adjacent Ripple ELs as well.
All information within this report is owned by Ripple Resources, and includes commercially sensitive information and technical know-how. Ripple Resources as a subsidiary of Armour Energy Limited reserves all rights in relation to the use and ownership of this information. Ripple Resources authorises the NT Department of Mines and Energy to copy and distribute the report and associated data.

The information is accurate as of the time of its publication by Ripple Resources.

**PRESENTATION VERBAGE / DISCLAIMER**

This presentation is not a prospectus, disclosure document or offering document under Australian law or under any other law. It is for informational purposes only. This document does not constitute, and should not be construed as, an offer to issue or sell or a solicitation of an offer or invitation to subscribe for, buy or sell securities in Ripple Resources ACN 141 198 414 (Ripple).

Any material used in this presentation is only an overview and summary of certain data selected by the management of Ripple. The presentation does not purport to contain all the information that a prospective investor may require in evaluating a possible investment in Ripple nor does it contain all the information which would be required in a disclosure document prepared in accordance with the requirements of the Corporations Act and should not be used in isolation as a basis to invest in Ripple. Recipients of this presentation must make their own independent investigations, consideration and evaluation of Ripple. Ripple recommends that potential investors consult their professional advisor/s as an investment in Ripple is considered to be speculative in nature.

Statements in this presentation are made only as of the date of this presentation unless otherwise stated and the information in this presentation remains subject to change without notice. Reliance should not be placed on information or opinions contained in this presentation.

To the maximum extent permitted by law, Ripple disclaims any responsibility to inform any recipient of this presentation on any matter that subsequently comes to its notice which may affect any of the information contained in this document and presentation and undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any person.

To the maximum extent permitted by law, neither Ripple nor, any affiliates, related bodies corporate and their respective officers, directors, employees, advisors and agents (Relevant Parties), nor any other person, accepts any liability as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any person.
This presentation contains certain “forward-looking statements”. The words “expect”, “should”, “could”, “may”, “predict”, “outlook”, “guidance”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Ripple and the Relevant Parties, that may cause actual results to differ materially from those predicted or implied by any forward-looking statements. Ripple makes no representations as to the accuracy or completeness of any such statement of projections or that any projections will be achieved and there can be no assurance that any projections are attainable or will be realized or that actual outcomes will not differ materially from any forward-looking statements.