ACN 119 484 016

CLASSIC MINERALS LTD

CORPORATE STRUCTURE

ASX Code: CLZ- CLZO
ABN: 77 119 484 016

Shares: 235,701,999
Options: 101,137,607

Share price: $0.061 (at 11/3/2014
Option price: $0.01 (at 11/3/2014)

BOARD & MANAGEMENT

Justin Doutch, Managing Director
Stanislaw Procak, Non-Executive Director
Kent Hunter, Company Secretary and Non-Executive Director

ABOUT CLASSIC MINERALS

Classic Minerals (ASX: CLZ) is a Perth-based mineral exploration Company focused on advancing its Fraser Range project E28/1904, in Western Australia. The Fraser Range Project is approximately 40km northeast of Sirius Resources' NL (ASX: SIR) Nova and Bollinger nickel-copper discoveries, and has historic nickel-copper-zinc soil anomalies.

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ASX ANNOUNCEMENT 12 MARCH 2014

CONDUCTIVE TARGET "HOT ZONE" AROUND MAMMOTH DISCOVERY DOUBLES TO 6KM IN STRIKE

Highlights:

- **New data sees conductive target hot zone around Mammoth expand to 6km in strike**
- **Classic to undertake new soil geochemistry programme to follow up on historic anomalies**
- **50m line spacing aeromagnetic survey to be flown over entire tenement in April**
- **Ground EM to test 6km hot zone to 300m depth**
- **6 new holes at Mammoth extend sulphide mineralised zone at depth to NE**
- **RC programme planned to drill 5 priority untested targets along hot zone**

Classic Minerals (**ASX: CLZ**) said today that a continuing review of geophysical data including historic geochemistry to the south of its Mammoth discovery has extended the conductive target "hot zone" around Mammoth to over 6km in length.

Following the completion of a new drilling campaign testing depth and strike extensions at Mammoth, a detailed review of geophysical data has highlighted a 3km extension to the conductive target zone extending Classic's exploration focus along the north of its Fraser Range tenement to a 6km strike length (**Figure 1**).

Classic Minerals Managing Director Justin Doutch, said the company will commence a new geochemistry programme by the end of the month and fly new aeromagnetic survey on a 50m line spacing during April to continue to refine the exploration targeting through this highly prospective region.

"It's very clear that what we have seen close to surface at Mammoth is only the very tip of a larger system at work through our Fraser Range tenement ," said Mr Doutch.

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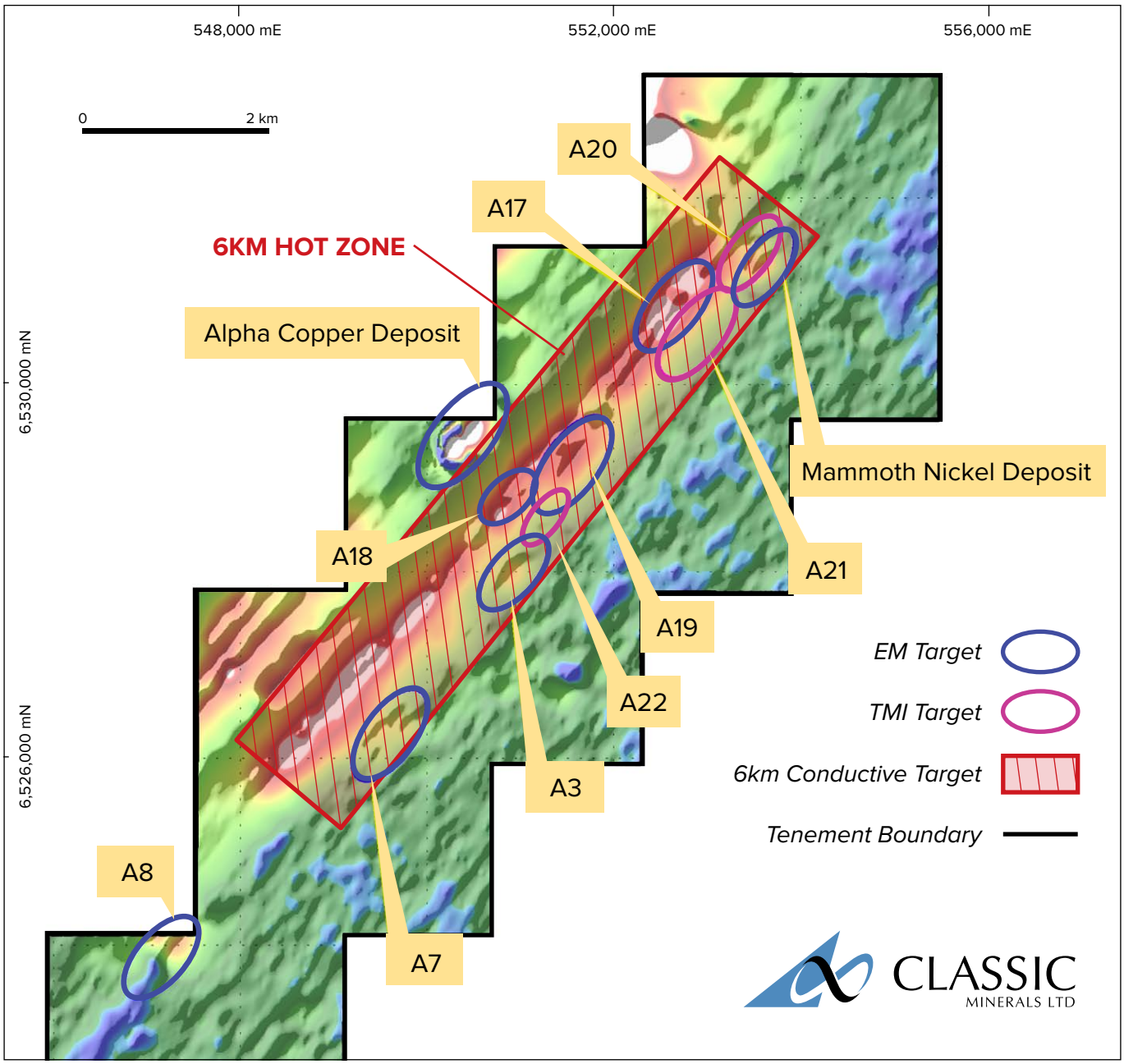
"Our latest geophysics interpretation at the northern end has highlighted multiple high priority targets, including EM conductors and aeromagnetic anomalies, through what is now a 6km long conductive target zone.

"We've just completed a series of holes at Mammoth which is proving up depth and strike extensions to the North East and these are part of the approved 100 holes for the Mammoth area. We have also applied to drill additional holes along strike to the south west where we have 5 priority, untested targets.

Figure 1: VTEM image showing growing hot zone for exploration through northern end of Fraser Range tenement.



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"Off the back of further analysis of historic geochemistry that has discovered Nickel, Copper and Zinc calcrete anomalies at the southern end of the 6km hot zone, we will also introduce aircore drilling in the coming weeks to undertake further geochemistry at bedrock.

"This activity, in combination with our plan to fly a far more detailed aeromagnetic programme over the whole of the tenement in April will provide a more detailed structural interpretation to help us direct future ground EM surveys which are in planning to look 300 to 400m below surface to get a far stronger understanding of what is lighting up this area," Mr Doutch said.

Mr Doutch said the company has upgraded its exploration camp to provide facilities for ongoing exploration.

6 new holes (FRRC066 to FRRC069 and FRRC071 to FRRC072) have now been completed at Mammoth testing along strike and at depth showing continuity of mineralisation well below 140m which had been the previous depth extent of drilling undertaken. (**Figure 2**).

Sulphides (**Table 1**) have continued to be intersected at width (up to 12m) and depth including a 2m intersection of up to 25% sulphides (mainly pyrrhotite and pentlandite) from 169m down hole FFRC072.

Samples have been submitted for analysis and results are awaited. The sulphide mineralisation at Mammoth Ni,Cu deposit now extends 240m along strike.

Figure 2: Six new holes at Mammoth Ni,Cu Deposit extends 240m along strike

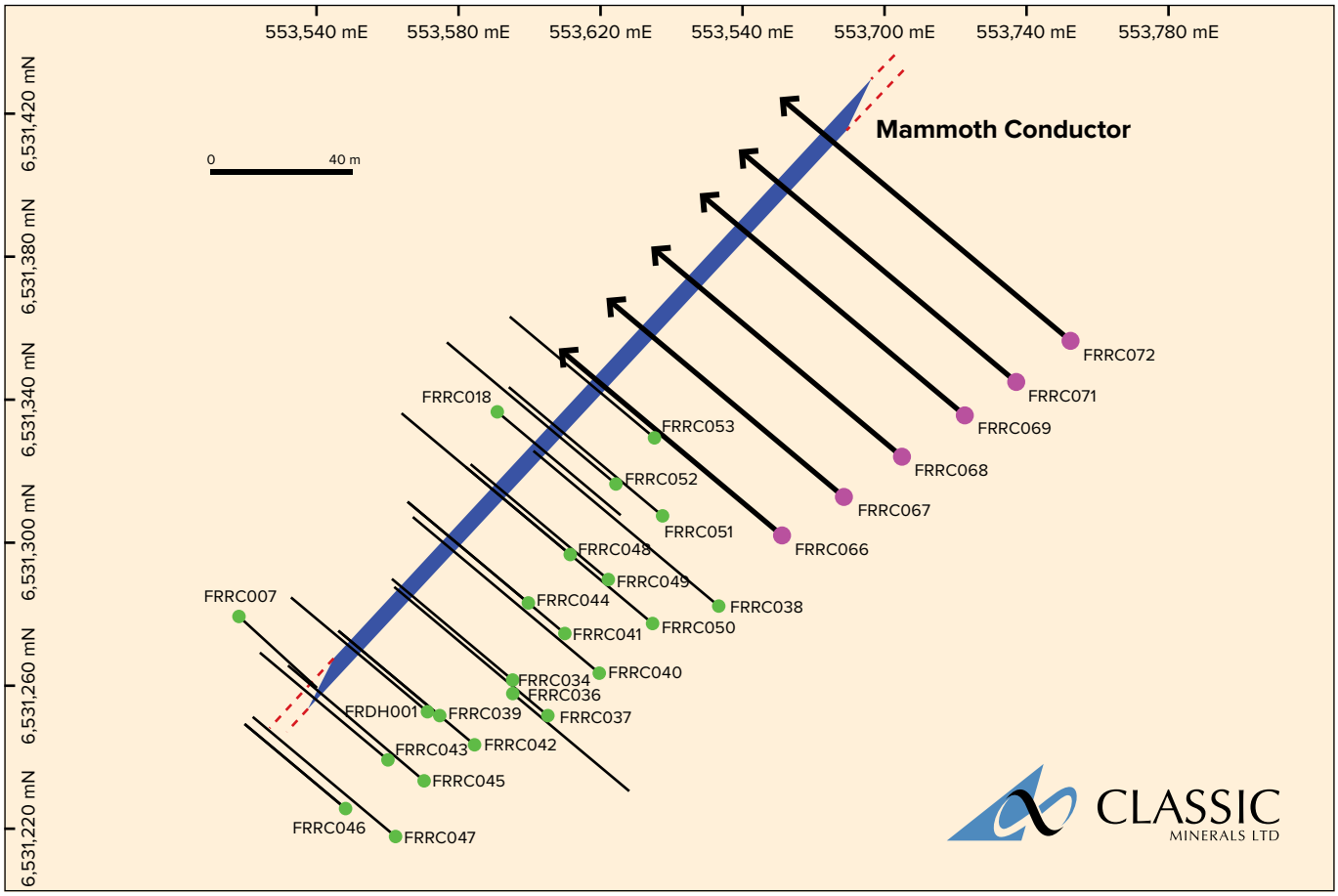

Figure 3: Photograph of RC Rig at Mammoth (Drill Rig not an asset of the company)

Figure 4: Upgraded exploration camp at Fraser Range with additional buildings to cater for ongoing exploration and development drilling

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COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Sheldon Coates, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Sheldon Coates is employed by Iron Resources Pty Ltd who is a consultant to Classic Minerals Ltd. Mr Sheldon Coates has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sheldon Coates is a shareholder in Classic Minerals and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

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Table 1: Sulphide Intersections from 6 new holes at Mammoth

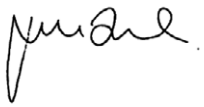
Hole Number	Sulphide Intersections down hole
FRRC066	9m from 117-126m
FRRC067	5m from 43-48m
	9m from 150-160m
FRRC068	4m from 50-54m
	10m from 158-168m
FRRC069	12m from 61-73m
	12m from 159-171m
FRRC071	4m from 76-80m
	2m from 165-167m
FRRC072	10m from 86-96m

Sulphides vary from disseminated to blebby to semi-massive.

Table 2: Drill Hole Locations at Mammoth

Hole Number	Northing MGA Zone 51	Easting MGA Zone 51	Dip	Azimuth Degrees True	Total Depth (m)
FRRC066	6531305	553670	-60	311	158
FRRC067	6531312	553683	-60	311	170
FRRC068	6531326	553700	-60	311	176
FRRC069	6531341	553723	-60	311	188
FRRC070	6531347	553736	-60	311	34 (Abd)
FRRC071	6531348	553734	-60	311	194
FRRC072	6531360	553755	-60	311	200

Elevations not measured, but vary by less than 1 metre from 237m.



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JORC Table

Section 1

Criteria	JORC Code explanation	Commentary
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Reverse Circulation (RC) drilling with face sampling hammer bit accounts for most of Classic's current drilling at the Mammoth prospect. One partly cored hole (NQ) FRDC001 has been completed, cored from 39m to 51m.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• RC recoveries are logged visually as a percentage. Core recoveries measured, and expressed as a percentage. • RC samples all dry to avoid smearing. Each RC bag had a recovery estimated.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• RC drilling has been geologically logged to a level of detail to be appropriate for mineral resource estimation. • Logging of RC drilling records lithology, mineralogy, mineralization, weathering, colour and other appropriate features. • All logging is quantitative. All core trays photographed. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• N/A • RC samples were cyclone split. Samples were collected mostly dry except for below 166m in FRRC068 and 069. • The sample preparation of RC samples follows industry best practice. All samples are pulverized to -106microns, then split. • RC samples are collected at 1m intervals from a cyclone and split into 1/8 and 7/8 representative samples. 1m samples of equal volume composited into 5m samples using a cup. Certified Reference Materials (CRM) and/or house controls, blanks, splits and replicates are analysed with each batch of samples. • Field duplicates have been taken. Samples selected so there is total preparation at the pulverization stage. • Sample sizes are appropriate to chip size.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• The analytical technique used mixed acid digest and OHM. This is nearly total digestion • No geophysical tools were used to determine any element concentrations in this report. • Sample preparation checks for fineness were carried out by the laboratory as part of internal procedures. Duplicate samples submitted as 1 in 20.

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Criteria	JORC Code explanation	Commentary
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.	• Significant intersections of the RC drilling have been visually verified by the Managing Director and independent technical consultants. • Diamond core hole FRDH001 has been drilled as twinned hole. • Primary data was collected by excel templates using flat file, or written logs later entered into Excel. All data stored in fireproof safe. • No Adjustments or Calibrations were made to the assay data reported.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drillhole collars were located by GPS. Elevation values were in AHD. Expected accuracy is +/- 3m for northing and easting and +/-2m for elevation coordinates. • The grid system is GDA94(MGA), zone 51 • The GPS is +/- 5m, and an estimated RL is used from the earlier surveyed collars nearby.. A digital terrain model has been derived from data collected during the 200m line VTEM survey of the whole tenement.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied	• The nominal drill line spacing of 20m on northings and 15m on easting section south east section lines (311/131 True) at Mammoth deposit. • The drilling at the north end is sufficient to establish the degree of geological continuity, but not grade continuity. • There has been no compositing applied to the exploration results.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The orientation bias is minimal as holes drilled at right angles to strike, and at-60 into subvertical structure. • Intercepts reported as downhole intercepts
Sample security	• The measures taken to ensure sample security.	• Chain of custody is managed by Classic. Samples are stored on site and either delivered by Classic personnel to a Kalgoorlie laboratory or alternatively to a transport company to a laboratory in Perth.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews have been set up at this stage.

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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 the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The drilling is located wholly within Exploration Licence E28/1904, The tenement is 100% owned by Classic Minerals Ltd • The tenement is in good standing and no known impediments exist.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Soil sampling by GSWA, Auger sampling by Homestake Gold Australia
Geology	• Deposit type, geological setting and style of mineralisation.	• Fraser Zone of Albany Fraser Mobile Belt consists of gneiss , mafic rocks including gabbro with significant garnet in rocks • this appears to be a magmatic type of deposit, further information is required to fully assess the style of mineralisation.
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: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o 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.	• Refer to table1 • Refer to table 2
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• All reported assays are a result of 1/8th sample of 1 metre in mineralised zones or 5 metre composite samples aggregated as equal volume from the individual 1/8th samples in non mineralised zone . No top-cuts or cutoffs have been applied. • Higher grade nickel and copper intervals internal to broader zones of nickel and copper are reported as included intervals. • No use of metal equivalents has been used in this report.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The geometry of the primary mineralization is subvertical, and intercepts are of holes drilled at -60 dip at right angles. These are not true thicknesses. • Downhole lengths only are reported. These are not true widths.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Refer to plan view of hole collar locations in the body of text.

Criteria	JORC Code explanation	Commentary
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.	• Results are awaited.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Geophysical interpretation of EM conductors and aeromagnetic anomalies is shown in text figure.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• At this stage, mineralisation requires further step out and depth extension RC drilling at lines 20m apart north east and south west. • See drill hole collar plan with EM conductor shown, and holes are being planned to NE.